

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COMMISSION OF THE CITY OF HOLLYWOOD, FLORIDA, ESTABLISHING AN AUDITOR SELECTION COMMITTEE FOR THE PURPOSE OF ESTABLISHING FACTORS TO USE FOR THE EVALUATION OF AUDIT SERVICES, PUBLICLY ANNOUNCING THE REQUEST FOR PROPOSALS, PROVIDING INTERESTED FIRMS WITH A REQUEST FOR PROPOSALS THROUGH THE APPROPRIATE STAFF, EVALUATING PROPOSALS RECEIVED BY QUALIFIED FIRMS, AND RANKING AND RECOMMENDING IN ORDER OF PREFERENCE NO FEWER THAN THREE FIRMS DEEMED TO BE THE MOST QUALIFIED TO PERFORM THE REQUIRED SERVICE OF CONDUCTING THE ANNUAL FINANCIAL AUDIT, ALL AS REQUIRED BY AND PURSUANT TO SECTION 218.39, FLORIDA STATUTES.

WHEREAS, Section 218.39, Florida Statutes, requires an annual financial audit of City accounts and records by an independent certified public accountant retained by the City Commission; and

WHEREAS, the City's engagement with its current auditor terminates upon conclusion of the audit for Fiscal Year 2020; and

WHEREAS, Section 218.391, Florida Statutes, requires the use of an Auditor Selection Committee when selecting an auditor to conduct the annual financial audit required in Section 218.39; and

WHEREAS, Section 218.391(2)(b), Florida Statutes, requires the Auditor Selection Committee to consist of at least three members and furthermore requires one member of the Auditor Selection Committee be a member of the City Commission and serve as the chair of the Committee; and

WHEREAS, in the Auditor General of the State of Florida's Auditor Selection and Auditor Selection Committee Guidance, the document makes reference to the Government Finance Officers Association ("GFOA") Best Practice recommendation that the actual audit committee membership be composed of the governing body or a subset of the governing body; and

WHEREAS, the question arises if there is a conflict between the best practice recommendation of the GFOA and the language as set forth in Section 218.391(2)(b), Florida Statutes; and

WHEREAS, in the Auditor General of the State of Florida's Auditor Selection and Auditor Selection Committee Guidance (the "Guide"), Appendix B, Question and Answers, the question is set forth "Section 218.391(2)(b), Florida Statutes, provides that the auditor selection committee for a municipality, special district, district school board, charter school, or charter technical career center must consist of at least three members, and one member must be a member of the governing body who must serve as the committee chair. Does this mean that only one member of the governing body may serve on the committee?"; and

WHEREAS, the Guide answers the preceding question with "No. The committee can have as many members of the governing body as desired, but at least one member must be a member of the governing body who must be the committee chair."; and

WHEREAS, it is the opinion of the Auditor General's Office as set forth in the Guide that the requirements of the Section 218.391(2)(b), Florida Statutes, are minimum requirements and not maximum limits; and

WHEREAS, the City is desirous of following best practices in its operations while remaining in compliance with state statutes; and

WHEREAS, Section 218.391, Florida Statutes, prohibits City employees, the City Manager or the Chief Financial Officer from serving on the Auditor Selection Committee but allows them to serve in an advisory capacity; and

WHEREAS, the City Commission desires to establish an Auditor Selection Committee for the purpose of establishing factors to use for the evaluation of audit services, publicly announcing the request for proposals ("RFP"), providing interested firms with an RFP through the appropriate staff, evaluating proposals received by qualified firms, and ranking and recommending in order of preference no fewer than three firms deemed to be the most qualified to perform the required service of conducting the annual financial audit to evaluate and recommend to the City Commission an auditor to conduct the annual financial audit required in Section 218.39, Florida Statutes, and such Committee shall terminate upon the selection of an auditor by the City Commission.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COMMISSION OF THE CITY OF HOLLYWOOD, FLORIDA:

Section 1: That the foregoing "WHEREAS" clauses are ratified and confirmed as being true and correct and are incorporated in this Resolution.

Section 2: An Auditor Selection Committee comprised of Mayor Josh Levy, Vice Mayor Linda Sherwood, Commissioner Caryl S. Shuman, Commissioner Linda Hill Anderson, Commissioner Traci L. Callari, Commissioner Adam Gruber, and Commissioner Kevin D. Biederman is established.

Section 3: The purpose of the Auditor Selection Committee is to establish factors to use for the evaluation of audit services to be provided by a certified public accounting firm, publicly announce requests for proposals, evaluate the proposals, and rank and recommend firms in order of preference to the City Commission for an auditor to conduct the annual financial audit in accordance with Section 218.39, Florida Statutes.

Section 4: The Auditor Selection Committee shall terminate upon the selection of an auditor by the City Commission.

Section 5: The appropriate City officials are authorized to take all necessary actions and execute all necessary documents to effectuate the intent of this Resolution.

Section 6: That this Resolution shall be in full force and effect immediately upon its passage and adoption.

PASSED AND ADOPTED this _____ day of _____, 2021.

JOSH LEVY, MAYOR

ATTEST:

PATRICIA A. CERNY, MMC
CITY CLERK

APPROVED AS TO FORM AND LEGAL
SUFFICIENCY for the use and reliance
of the City of Hollywood, Florida, only.

DOUGLAS R. GONZALES
CITY ATTORNEY