



CITY OF BELLE SLE, FLORIDA CITY COUNCIL AGENDA ITEM COVER SHEET

Meeting Date: October 2, 2018

To: Honorable Mayor and City Council Members

From: B. Francis, City Manager

Subject: Audit Services Proposal

Background: The City received 2 proposals for annual auditing services: McDirmit Davis and CliftonLarsonAllen. McDirmit has audited the City's financial records for many years and CLA has recently completed a forensic audit for the City. Both are good firms and either firm is acceptable to the Finance Director and me. After reviewing the proposals, we are recommending the City accept the proposal of McDirmit Davis for the following reasons:

1. CLA proposal did not address our requirement of having them prepare the CAFR for us. Despite phone call to Andrew, nothing in writing that details this. Proposal states "Our procedures with respect to the CAFR will be the review of the comments from GFOA..., completion of the CAFR checklist, and review of the transmittal letter and statistical data." which does not give any indication of them preparing/producing the CAFR for us.
2. Client list provided by CLA does not specify which, if any, clients that have CLA prepare their CAFR whereas, McDirmit indicated they prepare the CAFR for 8 of the 10 clients listed under references.
3. Clients of CLA are primarily focused around Tampa and Fort Myers. They do not list a single client in Central Florida. McDirmit's clients are all located in the Orlando/Central Florida area.
4. Clients included cities of all sizes, including up to a population of 373,000. McDirmit's clients include all cities with population less than 45,000.
5. CLA did not provide a flat fee cost estimate for a single audit but only provided hourly rates for additional services.
6. It wasn't completely clear if CLA would provide year-round accounting consulting assistance and if so, if it was free or at a cost. McDirmit specifies included with no fee.
7. Cost difference is insignificant (\$700 for 2018; \$500 for 2019; \$500 for 2020).

Staff Recommendation: Approve the proposal of McDirmit Davis.

Suggested Motion: I move that we approve the proposal of McDirmit Davis for auditing services for the years 2018-2020 for the amounts listed in the proposal.

Alternatives: Reject this proposal and accept the proposal of CLA.

Fiscal Impact: for the years 2018: \$22,700, 2019: \$23,000, 2020: \$23,500

Attachments: Proposals of McDirmit and CLA