



## LEGISLATIVE MEMORANDUM

**TO:** Honorable Mayor and Members of the City Council

**FROM:** Scott Morgan, Interim City Manager

**THRU:** George Barber, Chief Procurement Officer; Larry Wojciechowski, Finance Director

**DATE:** December 19, 2024

**RE:** Contract: Professional Auditing Services - RFP 48-0-2023 - Finance Department (Forvis Mazars, LLP).

### SUMMARY:

In accordance with Section 218.39, Florida Statutes, and Section 4.05 of the City Charter, the City has an annual financial audit each year of its accounts and records completed within nine months after the end of its fiscal year by an independent certified public accountant. The selection of the auditor is governed by Florida Statutes, which requires that Council appoint an Auditor Selection Committee to conduct a competitive process. On August 17, 2023, Council appointed the Mayor to serve on the Auditor Selection Committee consisting of Kathleen Prothman, Brevard County Finance Director, and Jimmie Backus, resident and former member of the Citizens Budget Advisory Board. At the September 19, 2023 Regular Council Meeting, City Council voted to add Councilman Kenny Johnson to serve as the Mayor's second backup on the Auditor Selection Committee.

The Request for Proposals (RFP) was posted on Vendorlink, which notified over 890 vendors. In addition, 19 supplemental vendors were contacted by the Procurement Department and invited to participate. The Procurement Department received three (3) proposals from James Moore & Co., P.L., Marcum LLP, and MSL, P.A. The Procurement Department staff reviewed the proposal for responsiveness and compliance with the mandatory qualification elements. The Auditor Selection Committee, comprised of Councilman Kenny Johnson, Kathleen Prothman, and Jimmie Backus, met on September 21, 2023. The Committee assigned points for non price factors including Summary of Qualifications, Experience, and Technical Proposal. The envelope containing the cost proposal with an annual cost for the next four years remained sealed and was opened at the public meeting by the Chief Procurement Officer, who then determined the points for cost based on the published formula. After the evaluation scores were tallied, MSL, P.A. was identified as the highest ranked firm.

On November 1, 2024, Forvis Mazars, LLP acquired certain assets of MSL, P.A. and a number of MSL, P.A. team members, specifically those team members previously providing financial auditing

Honorable Mayor and Members of the City Council

Legislative Memorandum

Page | 2

services to the City of Palm Bay. Forvis Mazars, LLP has agreed to provide the same uninterrupted service and pricing to the City provided the City executes a contract assignment.

Pursuant to Section G(3)(c)(vii) of the Procurement Manual, ***All contracts previously approved by Council shall be placed on the City Council agenda for approval of assignments to provide notice to its members and the opportunity to declare a voting conflict pursuant to Fla. Stat. §112.3143.***

Based on the aforementioned information, this item is being sent to City Council for approval. If approved, the City will execute a contract assignment produced by the City Attorney's Office with Forvis Mazars, LLP.

**REQUESTING DEPARTMENTS:**

Finance

Procurement

**FISCAL IMPACT:**

The annual expense for the agreement is \$77,250 for fiscal year ending 2024, \$79,500 for fiscal year ending 2025, and \$82,000 for fiscal year ending 2026. As part of the annual budget preparation process, funds will be budgeted within multiple department accounts, including General Fund, Utilities, Building, Stormwater, and Solid Waste funds.

**STAFF RECOMMENDATION:**

Motion to approve the execution of a contract assignment with Forvis Mazars, LLP for RFP 48-0-2023/GB, Professional Auditing Services

**ATTACHMENT:**

None.