

ADDENDUM NO. 1

RFP TITLE: Professional Auditing Services

RFP NO: 2024-11

DATE: November 19, 2024

To All PROPOSERS:

PROPOSERS for the above referenced RFP shall take note of the following changes, additions, deletions, clarifications, etc., to the RFP documents, which shall become a part of and have precedence over anything shown or described otherwise.

A. CHANGES IN THE RFP DOCUMENTS

1) Commissioner Chris Eddy has been replaced with Commissioner Fabio A. Andrade on the list of individuals currently under the Cone of Silence for this solicitation. The CONE OF SILENCE section of the RFP document, under NOTICE TO PROPOSERS (page 4), has been changed to read as follows:

CONE OF SILENCE

A cone of silence is imposed upon publication of this Notice to Proposers. The cone of silence prohibits communications with the following individuals pertaining to this RFP:

*Margaret Brown, Mayor, Auditor Selection Committee Chair;
Mary Molina-Macfie, Commissioner, Auditor Selection Committee Member;
Byron L. Jaffe, Commissioner, Auditor Selection Committee Member;
Henry Mead, Commissioner, Auditor Selection Committee Member;
~~Chris Eddy, Commissioner~~ Fabio A. Andrade, Commissioner, Auditor Selection Committee Member; and*

The details of the CITY's Cone of Silence are set forth in Section 32.10 of the City Code.

The Auditor Selection Committee shall convene at a publicly noticed meeting and review submissions, rank and evaluate the proposals and provide a recommendation to the City Manager.

None.

C. QUESTIONS FROM PROPOSERS

1) Q: Under Mandatory Elements Item F – you indicate location of field office. Would we be disqualified from bidding if we do not have a field office in these three counties?

A: Yes. Section 4.4, Experience, of the Agreement document states, "AUDITOR shall have been in continuous operation for a minimum of the past five (5) years, in the State of Florida, from the date that the RFP is issued and shall have a field office in Broward, Miami-Dade or Palm Beach counties." In addition, Section 4.9, Field Office in Broward, Miami-Dade, or Palm Beach County, of the Agreement document requires that the "firm shall provide the address of its field office in Broward, Miami-Dade or Palm Beach County which will be the local site for audit staff."

2) Q: Could you please provide the fees paid for the last completed audits?

A: The CITY paid \$102,500.00 for the Fiscal Year 2023 Audit (\$90,000.00 for the CITY's audit and \$12,500.00 for the CITY's audit on Surtax-Funded Municipal Transportation Projects).

3) Q: When is the CITY typically ready for final audit fieldwork to commence?

A: The CITY is typically ready for final audit fieldwork to commence by December 1.

4) Q: Confirm that the CITY does not prepare the ACFR.

A: The CITY does not prepare the ACFR.

5) Q: Could you please provide the 2023 and 2024 audit fee?

A: See response to question number 2. The CITY is unable to confirm the total cost for Fiscal Year 2024 as the audit is still ongoing.

6) Q: For how many years has the CITY used the same audit firm?

A: The current contract is for five (5) year term.

7) Q: Who are the members of the auditor selection committee?

A: The Mayor and City Commissioners. See section A. CHANGES IN THE RFP DOCUMENTS, as noted herein for a list names.

8) Q: What are the 2024 audit fees?

A: We do not have an exact amount as the Fiscal Year 2024 audit as it is still ongoing.

9) Q: What were the 2023 audit fees?

A: See response to question number 2.

10) Q: Did the auditor provide "out-of-scope services" during fiscal year 2023? If so, what were the associated services and fees?

A: No.

11) Q: Is the audit expected to be performed on-site, remote, or hybrid?

A: Hybrid.

12) Q: Does the CITY plan to issue new debt in the upcoming fiscal year?

A: Yes, the CITY plans to issue new debt for Fiscal Year 2025.

13) Q: What current ERP platform does the CITY currently use to host its accounting records? Does the CITY plan to update the platform in the upcoming years?

A: Tyler Munis is the platform the CITY uses to host account records. The CITY does not plan to update the platform in the upcoming years.

14) Q: When are the CITY's books and records closed and available for the auditors to commence the "fieldwork phase" of the audit?

A: December 1.

15) Q: Please provide a copy of the current auditor contract.

A: Link: [Weston-#73744-v1-Agreement - Professional Auditing Services RFP No 2019-10 Keefe McCullough & Co LLP dated March 26 2020](#)

16) Q: During 2023, how many auditor adjustments were proposed and recorded by the CITY?

A: There were 5 proposed auditor adjustments.

17) Q: Please provide a copy of the 2023 Communications Letter to Those Charged with Governance issued by the auditor?

A: See Attachment A, enclosed herewith.

18) Q: The RFP provides a sample contract/agreement. The sample contract/agreement is missing certain language required by U.S. GAAS, GAGAS, OMB Uniform Guidance, and Florida Statutes. Please confirm an auditor engagement letter can be included as an exhibit to cover such required stipulations and clauses.

A: Yes.

19) Q: How many major federal programs does the CITY expect to have on the SEFA for 2024?

A: None for FY2024.

20) Q: Section 2.6-B on pg. 7 of the proposal notes the following "Proposals by corporations shall be executed in the name of the corporation by the President or Vice-President listed on

www.sunbiz.org". Our firm is a Professional Corporation (PC) with over 400 shareholders. Will the signature of a shareholder that can legally bind and represent the firm suffice?

A: Yes.

21) Q: Do the Indian Trace Development District and the Bonaventure Development District issue stand-alone financial statements? If so, can you please provide a copy of the 2023 issued financial statements?

A: No. A copy of the CITY's financial can be found on the CITY's website. Link: [Financial Reports | City of Weston, FL](#).

22) Q: What is the scoring scale for the evaluation factors? Are the maximum points 100? Also, regarding price, is a weighted average going to be used to avoid bias?

A: Each individual evaluation factor shall be ranked from "1" through "x", by each member of the Auditor Selection Committee with "x" being the number of Proposers deemed to be Responsive and Responsible. The ranking of "1" represents the best score, with "2" being the second-best score and so on. Each member of the Auditor Selection Committee shall tally their individual evaluation factors into an overall member ranking for each proposer such that the lowest ranking represents the best score, the second lowest ranking being the second-best score and so on. The Director of Procurement and the City Attorney, or designee, shall tally the rankings from the Auditor Selection Committee members for each proposer and announce the final overall ranking. The same ranking method will be utilized for both the Preliminary Technical Qualifications Rankings and Rankings After Interview/Oral Presentations. See Sample Ranking Form included as part of the RFP (page 18).

ATTACHMENTS

1. ATTACHMENT A: 2023 Communications Letter

END OF ADDENDUM NO. 1

All other information remains as originally described in the solicitation.



March 28, 2024

To the Honorable Mayor,
City Commissioners and City Manager
City of Weston, Florida

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Weston, Florida, (the "City") for the year ended September 30, 2023. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards and *Government Auditing Standards* as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated March 20, 2020. Professional standards also require that we communicate to you the following information related to our audit.

Significant Audit Matters

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the City are described in Note 2 to the financial statements. No new accounting policies were adopted, and the application of existing policies was not changed during the year except for the implementation of GASB Statement No. 96, *Subscription Based Information Technology Arrangements*. We noted no transactions entered into by the City during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimates affecting the City's financial statements were:

- The fair value of investments held at year-end. In accordance with GASB Statement No. 40, *Deposit and Investment Risk Disclosures* and GASB Statement No. 72, *Fair Value Measurement and Application*, we have included information to aid the reader in understanding the City's general exposure and its policies to mitigate underlying risks.
- Reserve for uncollectible accounts related to charges for services and other receivable balances. Management records receivable balances based on estimates of net realizable amounts.
- *Depreciation of capital assets* – Depreciation is provided on a straight-line basis over the respective estimated useful lives of capital assets. The City has informed us they used all relevant facts available to them at the time of acquisition to make the best judgments about the depreciation methods and estimated useful lives of capital assets.

- *Net pension liability related to the Florida Retirement System* - In accordance with GASB Statement No. 68, *Accounting and Financial Reporting for Pensions - an amendment of GASB Statement No. 27* and other applicable governmental accounting pronouncements, the City has recorded its share of the Florida Retirement System Pension Plan defined benefit plan and the Retiree Health Insurance Subsidy Program defined benefit plan based on the Schedule of Employer Allocations, Schedule of Pension Amounts by Employer and the Notes to the Schedules which have been audited by the Auditor General of the State of Florida.

We evaluated the key factors and assumptions used to develop the above estimates in determining that they appear reasonable in relation to the financial statements taken as a whole.

The financial statement disclosures are neutral, consistent, and clear.

Difficulties Encountered in Performing the Audit

We encountered no difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. Management has corrected all such misstatements. A detailed list of adjusting journal entries was provided to management and is available upon request.

Disagreements with Management

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated March 28, 2024.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the City's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the City's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

Other Matters

We applied certain limited procedures to the management's discussion and analysis, certain budgetary schedules, and the schedules related to pensions, which are required supplementary information (RSI) that supplement the basic financial statements. Our procedures consisted of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We did not audit the RSI and do not express an opinion or provide any assurance on the RSI.

We were engaged to report on the combining and individual nonmajor fund financial statements and certain budgetary comparison schedules which accompany the financial statements but are not RSI. With respect to this supplementary information, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with accounting principles generally accepted in the United States of America, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

We were not engaged to report on the introductory and statistical sections, which accompany the financial statements but are not RSI. Such information has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

Restriction on Use

This information is intended solely for the information and use of the Member of the City Commission and management of the City and is not intended to be, and should not be, used by anyone other than these specified parties.



KEEFE McCULLOUGH