

JUSTIN CAMPBELL
CHAIR
TOM DOLAN
LINDA MYERS
ALLEN SHEFFIELD
JEREMY ALEXANDER



MARCIA G. CARTY, CPA, CGFO
CITY MANAGER
JANE WEST, ESQ.
CITY ATTORNEY
KAREN HAYES, MMC, FCPC
CITY CLERK
CHANTEL PIERRE., CPA
FINANCE DIRECTOR

AGENDA
AUDIT SELECTION COMMITTEE
February 4, 2026 at 4:00 PM

I. CALL TO ORDER

- a. Invocation
- b. Pledge of Allegiance
- c. Roll Call

II. PUBLIC COMMENTS

III. PRESENTATIONS

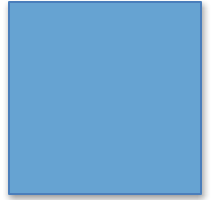
- a. Audit Presentation

IV. REGULAR BUSINESS

- a. Discuss Roles and Responsibilities
- b. Discuss Conflicts of Interests
- c. Discuss Outline Selection Criteria and Process

V. ADJOURN

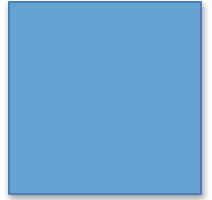
Persons with disabilities requiring accommodations in order to participate in this meeting should contact the City Clerk's Office at 386-329-0100 at least 24 hours in advance to request accommodations.



Purpose of the Audit Selection Committee

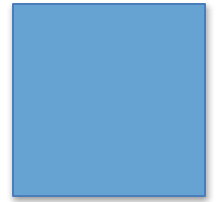
City of Palatka – February 4, 2026

Introduction



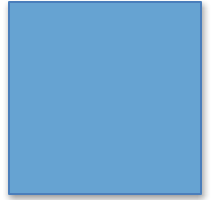
- What is the Audit Selection Committee?
- Why is it required?

Statutory Basis



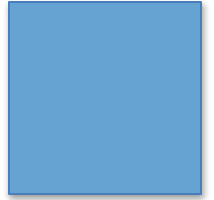
- Florida Statute 218.391 mandates committee
- Transparent process under Sunshine Law
- Purpose: Ensure independence and fairness

Committee Objectives



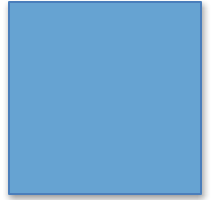
- Select most qualified external auditor
- Ensure compliance with state and local regulations
- Promote accountability and transparency

Roles and Responsibilities



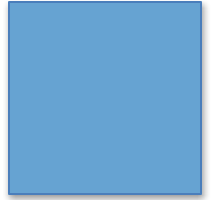
- Committee Members: Review proposals, score and rank firms, recommend auditor
- Staff Support: Provide documentation, facilitate meetings

Key Tasks



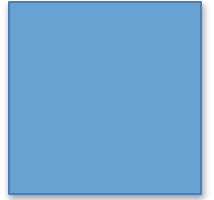
- Develop evaluation criteria
- Review RFP responses
- Conduct interviews
- Recommend award within budget

Importance of the Process



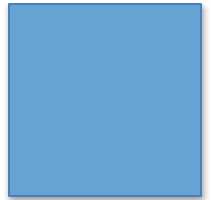
- Protects public trust
- Ensures financial integrity
- Complies with legal requirements

Next Steps



- Confirm roles and responsibilities
- Review scoring sheets
- Schedule interviews as needed and final recommendation

Proposed Timeline



| Tasks | Date |
|---|-------------------|
| Release of RFP | February 27, 2026 |
| Deadline for Questions/Requests for Information | March 13, 2026 |
| Addendum posted to the City website answering Questions/RFI | March 18, 2026 |
| Proposals Due @ 2:00pm | April 3, 2026 |
| Proposal Evaluation | TBD |
| Intent to Award Posted to the City website | TBD |
| Protest Period Ends | TBD |
| City Commission Award Date | TBD |



**Discuss Roles and Responsibilities
Audit Selection Committee**

STAFF REPORT

DATE: February 4, 2026
TO: City of Palatka
FROM: City Staff

APPLICATION REQUEST

Key Points for Discussion:

- Committee structure and member roles
- Scope of responsibilities (e.g., auditor selection criteria, evaluation process)
- Decision-making process and documentation requirements
- Compliance with regulatory and organizational standards

BACKGROUND

To define and clarify the specific roles, responsibilities, and decision-making authority of the Audit Selection Committee to ensure transparency, accountability, and alignment with organizational policies.

PROJECT ANALYSIS

Staff Recommendation

ATTACHMENTS

| | |
|----|---|
| 1. | Resolution 2025-R-158 Audit Committee |
| 2. | Exhibit A - Reso 2014-10-91 |
| 3. | Florida Statutes 218.391 Auditor selection procedures |

RESOLUTION NO. 2025-R-158

A RESOLUTION OF THE CITY COMMISSION OF THE CITY OF PALATKA, PUTNAM COUNTY, FLORIDA, APPOINTING MEMBERS OF THE AUDIT COMMITTEE AND STAFF ADVISORS PURSUANT TO SECTION 218.391 FLORIDA STATUTES AND RESOLUTIONS 2016-12-60 & 2014-10-91 FOR THE CITY OF PALATKA, PUTNAM COUNTY, AND PROVIDING FOR SCRIVENER'S ERRORS

WHEREAS, Chapter 218, Part III, *Florida Statutes*, contains the *Uniform Local Government Financial Management and Reporting Act*; and

WHEREAS, Section 218.391, *Florida Statutes*, provides that each local government shall establish an audit committee to assist the governing body in selecting an auditor to conduct the annual financial audit required by Section 218.39, *Florida Statutes*; and

WHEREAS during the regular session on June 26, 2014, the Palatka City Commission adopted Resolution No 2014-10-31 (**Resolution – See Exhibit A attached hereto**), Creating a City of Palatka Audit Committee to implement controlling state law, which provided for the committee's purpose, membership, terms, duties, responsibilities, and meetings; and

WHEREAS Section 2 of said Resolution set forth the membership of initial and future audit committees; and

WHEREAS, *Section 2(b)* of said **Resolution**, entitled *Members of the future audit committees*, provided that the City Commission may elect to serve as the future Committee by resolution approved at any City Commission meeting, or may appoint as may of its members or City Staff to the Committee as it deems appropriate in its sole discretion; and

WHEREAS the City Commission now deems it appropriate and in the best interest of the City to appoint staff advisors and members of the City of Palatka Audit Committee.

NOW, THEREFORE, BE IT RESOLVED by the City Commission of the City of Palatka of Putnam County, Florida, that:

1. Composition of the Committee. The City Commission hereby designates the following five (5) persons as members of the Committee:
 - Justin Campbell, City of Palatka, City Commissioner Grp 2-Committee Chair
 - Tom Dolan, City of Palatka Planning Board Member, Grp 1
 - Linda Myers, CPA, Myers Resources LLC
 - Allen Sheffield, CPA, FKA Distributing Co. LLC, Grp 4
 - Jeremy Alexander, Douglas Law Firm, Grp 3
2. Appoint Chantel Pierre, Finance Director, City of Palatka and Brett Dennis, General Manager, Palatka Gas Authority As Staff Advisors.

PASSED AND ADOPTED by the City Commission of the City of Palatka, Florida this 13th day of November 2025.

CITY OF PALATKA


By: **MAYOR**

ATTEST:



CITY CLERK

APPROVED AS TO FORM AND LEGALITY:



CITY ATTORNEY



EXHIBIT "A"

RESOLUTION No. 2014-10-91

A RESOLUTION OF THE CITY OF PALATKA, FLORIDA, CREATING A CITY OF PALATKA AUDIT COMMITTEE TO IMPLEMENT CONTROLLING STATE LAW; PROVIDING FOR THE COMMITTEE'S PURPOSE, MEMBERSHIP, TERMS, DUTIES, RESPONSIBILITIES AND MEETINGS; PROVIDING FOR IMPLEMENTING ACTIONS AND PROVIDING AN EFFECTIVE DATE

WHEREAS, Chapter 218, Part III, *Florida Statutes*, contains the *Uniform Local Government Financial Management and Reporting Act*; and

WHEREAS, Section 218.391, *Florida Statutes*, provides that each local government shall establish an audit committee to assist the governing body in selecting an auditor to conduct the annual financial audit required by Section 218.39, *Florida Statutes*; and

WHEREAS, the City of Palatka has complied with all requirements and procedures of Florida law in processing and advertising this Resolution; and

WHEREAS, the foregoing whereas clauses are hereby adopted as the legislative findings of the City Commission.

NOW, THEREFORE, BE IT RESOLVED by the City Commission of the City of Palatka, Florida, as follows:

Section 1. Creation of City Audit Committee: Purpose.

- (a.) There is hereby established a City of Palatka Audit Committee to be composed of members appointed by the City Commission.
- (b.) The purpose of the Audit Committee is to serve in an advisory capacity to the City Commission in the selection of an auditor to conduct the City's annual financial audit and for other purposes as directed by City Commission.

Section 2. Membership.

- (a.) *Members of Initial Audit Committee.* The initial Audit Committee shall consist of five (5) members, one each appointed by each city commissioner and one appointed by the Mayor/Commissioner. The initial term for the members appointed by Commissioners Group 2, Group 4 and the Mayor/Commission shall be for two years, ending June 30, 2016, with subsequent terms being four-year terms. The initial term for the members appointed by Commissioners Groups 1 and 3 shall be four years, ending June, 30, 2018, with subsequent terms being four-year terms.
- (b.) *Members of future audit committees* shall be selected based upon their eligibility, qualifications and willingness to serve whenever a vacancy exists; provided however, that the City Commission may elect to serve as the Committee by resolution approved at any City Commission meeting, or may appoint as many of its members or City Staff to the Committee as it deems appropriate in its sole discretion.
- (c.) *Eligibility.*
 - (1.) All members of the Audit Committee shall be City residents, or current or former employees or principals of financial institutions, accounting, auditing or investment firms doing business within the City, who do not have any direct financial or business interests involving the City.
 - (2.) All members should, through education and experience, possess a basic understanding of government financial reporting and auditing, or related financial management expertise that is specifically relevant to the government sector.

(d.) *Appointments.* Members of the Audit Committee, who are not sitting City Commissioners, shall be appointed by the City Commission for terms that are established as set forth in this resolution.

Section 3. Duties and Responsibilities.

(a) The Audit Committee shall assist the City Commission in selecting an auditor, in accordance with the provisions of Section 218.391, *Florida Statutes*, to conduct the City's annual financial audit required by Section 218.39, *Florida Statutes*, more specifically:

(b) The Audit Committee shall:

(1) Establish factors to use for the evaluation of audit services to be provided by a certified public accounting firm duly licensed under chapter 473 and qualified to conduct audits in accordance with government auditing standards as adopted by the Florida Board of Accountancy. Such factors shall include, but are not limited to, ability of personnel, experience, ability to furnish the required services, and such other factors as may be determined by the committee to be applicable to its particular requirements.

(2) Publicly announce requests for proposals. Public announcements must include, at a minimum, a brief description of the audit and indicate how interested firms can apply for consideration.

(3) Provide interested firms with a request for proposal. The request for proposal shall include information on how proposals are to be evaluated and such other information the committee determines is necessary for the firm to prepare a proposal.

(4) Evaluate proposals provided by qualified firms. If compensation is one of the factors established pursuant to paragraph (1) above, it shall not be the sole or predominant factor used to evaluate proposals.

(5) Rank and recommend in order of preference no fewer than three firms deemed to be the most highly qualified to perform the required services after considering the factors established pursuant to paragraph (1) above. If fewer than three firms respond to the request for proposal, the committee shall recommend such firms as it deems to be the most highly qualified.

(c) The Audit Committee shall monitor the annual City audit and the processes relating to the performance of the annual City audit, review the financial statements prior to completion of the annual City audit, review the results of the annual City audit, evaluate management's proposed corrective action plans to any comments by the City auditors, monitor those action plans, and evaluate the City auditors performance and such other performance matters as may be appropriate.

(d) The Audit Committee shall perform such other duties as assigned by City Commission from time-to-time by adoption of a resolution.

(e) All future Audit Committees shall have the duties and responsibilities set forth in this Section.

Section 4. Meetings.

(a) The Audit Committee shall meet as often as necessary in order to adequately accomplish its duties.

(b) All meetings shall be advertised and conducted in accordance with Florida's Open Meeting Laws.

Section 5. Future Implementing Actions.

- (a) The City Manager is assigned the responsibility to take any and all necessary administrative actions that may be desirable or necessary to implement the actions of the Committee to be taken pursuant to the provisions of this Resolution.
- (b) The City Attorney is instructed to assist the Audit Committee and the City Manager in the implementation of this Resolution.

Section 6. Effective Date. This Resolution shall take immediate effect upon adoption.

PASSED AND ADOPTED by the City Commission of the City of Palatka, Florida this 26th day of June, 2014.

CITY OF PALATKA


By: Its MAYOR

ATTEST:


CITY CLERK

APPROVED AS TO FORM
AND CORRECTNESS:


CITY ATTORNEY

Select Year: 2025

The 2025 Florida Statutes

[Title XIV](#)

TAXATION AND FINANCE

[Chapter 218](#)

FINANCIAL MATTERS PERTAINING TO POLITICAL SUBDIVISIONS

[View Entire Chapter](#)

218.391 Auditor selection procedures.—

- (1) Each local governmental entity, district school board, charter school, or charter technical career center, prior to entering into a written contract pursuant to subsection (7), except as provided in subsection (8), shall use auditor selection procedures when selecting an auditor to conduct the annual financial audit required in s. [218.39](#).
- (2) The governing body of a county, municipality, special district, district school board, charter school, or charter technical career center shall establish an auditor selection committee.
 - (a) The auditor selection committee for a county must, at a minimum, consist of each of the county officers elected pursuant to the county charter or s. 1(d), Art. VIII of the State Constitution or their respective designees and one member of the board of county commissioners or its designee.
 - (b) 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. One member of the auditor selection committee must be a member of the governing body of an entity specified in this paragraph, who shall serve as the chair of the committee.
 - (c) An employee, a chief executive officer, or a chief financial officer of the county, municipality, special district, district school board, charter school, or charter technical career center may not serve as a member of an auditor selection committee established under this subsection; however, an employee, a chief executive officer, or a chief financial officer of the county, municipality, special district, district school board, charter school, or charter technical career center may serve in an advisory capacity.
 - (d) The primary purpose of the auditor selection committee is to assist the governing body in selecting an auditor to conduct the annual financial audit required in s. [218.39](#); however, the committee may serve other audit oversight purposes as determined by the entity's governing body. The public may not be excluded from the proceedings under this section.
- (3) The auditor selection committee shall:
 - (a) Establish factors to use for the evaluation of audit services to be provided by a certified public accounting firm duly licensed under chapter 473 and qualified to conduct audits in accordance with government auditing standards as adopted by the Florida Board of Accountancy. Such factors shall include, but are not limited to, ability of personnel, experience, ability to furnish the required services, and such other factors as may be determined by the committee to be applicable to its particular requirements.
 - (b) Publicly announce requests for proposals. Public announcements must include, at a minimum, a brief description of the audit and indicate how interested firms can apply for consideration.
 - (c) Provide interested firms with a request for proposal. The request for proposal shall include information on how proposals are to be evaluated and such other information the committee determines is necessary for the firm to prepare a proposal.
 - (d) Evaluate proposals provided by qualified firms. If compensation is one of the factors established pursuant to paragraph (a), it shall not be the sole or predominant factor used to evaluate proposals.
 - (e) Rank and recommend in order of preference no fewer than three firms deemed to be the most highly qualified to perform the required services after considering the factors established pursuant to paragraph (a). If fewer than three firms respond to the request for proposal, the committee shall recommend such firms as it deems to be the most highly qualified.
- (4) The governing body shall inquire of qualified firms as to the basis of compensation, select one of the firms recommended by the auditor selection committee, and negotiate a contract, using one of the following methods:
 - (a) If compensation is not one of the factors established pursuant to paragraph (3)(a) and not used to evaluate firms pursuant to paragraph (3)(e), the governing body shall negotiate a contract with the firm ranked first. If the governing body is unable to negotiate a satisfactory contract with that firm, negotiations with that firm shall be formally terminated, and the governing body shall then undertake negotiations with the second-ranked firm. Failing accord with the second-ranked firm, negotiations shall then be terminated with that firm and undertaken with the third-ranked firm. Negotiations with the other ranked firms shall be undertaken in the same manner. The governing body, in negotiating with firms, may reopen formal negotiations with any one of the three top-ranked firms, but it may not negotiate with more than one firm at a time.
 - (b) If compensation is one of the factors established pursuant to paragraph (3)(a) and used in the evaluation of proposals pursuant to paragraph (3)(d), the governing body shall select the highest-ranked qualified firm or must document in its public records the reason for not selecting the highest-ranked qualified firm.
 - (c) The governing body may select a firm recommended by the audit committee and negotiate a contract with one of the recommended firms using an appropriate alternative negotiation method for which compensation is not the sole or predominant factor used to select the firm.
 - (d) In negotiations with firms under this section, the governing body may allow a designee to conduct negotiations on its behalf.
- (5) The method used by the governing body to select a firm recommended by the audit committee and negotiate a contract with such firm must ensure that the agreed-upon compensation is reasonable to satisfy the requirements of s. [218.39](#) and the needs of the governing body.
- (6) If the governing body is unable to negotiate a satisfactory contract with any of the recommended firms, the committee shall recommend additional firms, and negotiations shall continue in accordance with this section until an agreement is reached.

(7) Every procurement of audit services shall be evidenced by a written contract embodying all provisions and conditions of the procurement of such services. For purposes of this section, an engagement letter signed and executed by both parties shall constitute a written contract. The written contract shall, at a minimum, include the following:

(a) A provision specifying the services to be provided and fees or other compensation for such services.

(b) A provision requiring that invoices for fees or other compensation be submitted in sufficient detail to demonstrate compliance with the terms of the contract.

(c) A provision specifying the contract period, including renewals, and conditions under which the contract may be terminated or renewed.

(8) Written contracts entered into pursuant to subsection (7) may be renewed. Such renewals may be done without the use of the auditor selection procedures provided in this section. Renewal of a contract shall be in writing.

(9) If the entity fails to select the auditor in accordance with the requirements of subsections (3)-(6), the entity must again perform the auditor selection process in accordance with this section to select an auditor to conduct audits for subsequent fiscal years.

History.—s. 65, ch. 2001-266; s. 1, ch. 2005-32; s. 15, ch. 2019-15.

STAFF REPORT

DATE: February 4, 2026
TO: City of Palatka
FROM: City Staff

APPLICATION REQUEST

To review and address potential conflicts of interest within the committee, establish clear disclosure requirements, and ensure compliance with organizational and regulatory standards.

BACKGROUND

As we proceed with the audit selection committee process, we may encounter potential conflicts of interest. It is best to address these proactively to ensure transparency, fairness, and compliance throughout the process.

PROJECT ANALYSIS

- **Definition and Examples**
 - What constitutes a conflict of interest in the context of the committee’s work
 - Common scenarios and risks
- **Disclosure Requirements**
 - When and how members should disclose conflicts
 - Documentation and reporting process

Staff Recommendation

ATTACHMENTS

| | |
|----|--|
| 1. | Conflict of Interest Summary for Audit Selection Committee Members |
| 2. | City of Palatka Conflict of Interest Disclosure |

Conflict of Interest Summary for Audit Selection Committee Members

To ensure a fair and transparent audit selection process, all committee members must avoid actual or perceived conflicts of interest. Below are common types of conflicts and examples to help guide your disclosures.

Types of Conflicts of Interest

| Type | Description | Example |
|-------------------------------|---|---|
| Financial Interest | You or a family member has a financial stake in a firm. | Your spouse owns stock in a bidding audit firm. |
| Personal Relationships | You have a close relationship with someone at a firm. | Your sibling works for one of the audit firms. |
| Professional Ties | You’ve worked with or for a firm recently. | You were employed by a bidding firm within the last 2 years. |
| Gifts or Hospitality | You’ve received gifts, meals, or perks from a firm. | A firm gave you a holiday gift or paid for lunch. |
| Job Opportunities | You’re seeking or have been offered a job with a firm. | You’re in talks with a firm about future employment. |
| Bias or Prejudice | You have a known bias for or against a firm. | You’ve publicly supported or criticized a firm under consideration. |

What You Should Do

- **Disclose** any potential conflicts on the Conflict of Interest Form.
- **Recuse yourself** from discussions or decisions if a conflict exists.
- **Ask questions** if you're unsure transparency is key.

ROBERTA M. CORREA
MAYOR - COMMISSIONER

JUSTIN R. CAMPBELL, SR
COMMISSIONER

WILL JONES
COMMISSIONER

ANNE H. DAVIS
COMMISSIONER

RUFUS J. BOROM
COMMISSIONER



MARCIA G. CARTY, CPA, CGFO,
CITY MANAGER

JASON L. SHAW, SR
CHIEF OF POLICE

CHRIS TAYLOR
CHIEF, FIRE DEPT.

JANE WEST, ESQ.
CITY ATTORNEY

Regular meetings 2nd and 4th Thursdays each month at 6:00 p.m.

Conflict of Interest Disclosure Form

Committee Member Information

- **Full Name:** _____
- **Title/Position:** _____
- **Organization (if applicable):** _____
- **Email:** _____
- **Phone:** _____

Conflict of Interest Disclosure

Please answer the following questions:

1. **Do you, or any immediate family member, have a financial interest in any of the firms being considered for audit services?**

Yes No

If yes, please explain:

2. **Do you have any personal or professional relationships with any individuals employed by the firms under consideration?**

Yes No

If yes, please explain:

ROBERTA M. CORREA
MAYOR - COMMISSIONER

JUSTIN R. CAMPBELL, SR
COMMISSIONER

WILL JONES
COMMISSIONER

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CHIEF, FIRE DEPT.

JANE WEST, ESQ.
CITY ATTORNEY

Regular meetings 2nd and 4th Thursdays each month at 6:00 p.m.

3. **Have you received any gifts, favors, or hospitality from any of the firms under consideration within the past 12 months?**

Yes No

If yes, please explain:

4. **Is there any other circumstance that could create a potential conflict of interest or the appearance of one?**

Yes No

If yes, please explain:

Declaration of No Conflict of Interest

I hereby declare that, to the best of my knowledge, I have no actual, potential, or perceived conflicts of interest related to the firms being considered for audit services.

Acknowledgment and Certification

I certify that the information provided above is true and complete. I understand my obligation to disclose any conflicts of interest and agree to notify the committee immediately if any arise during the audit selection process.

Signature: _____

Date: _____

Discuss Outline Selection Criteria and Process
Outline Selection Criteria and Process

STAFF REPORT

DATE: February 4, 2026
TO: City of Palatka
FROM: City Staff

APPLICATION REQUEST

Outlining the selection criteria and process ensures transparency, fairness, and consistency in choosing an auditor. It provides a clear framework for evaluation, minimizes bias, and helps the committee make decisions based on objective standards. Additionally, it aligns the process with regulatory requirements and organizational goals, reducing the risk of disputes or compliance issues.

BACKGROUND

Ensures Compliance with Florida Statutes 218.391

PROJECT ANALYSIS

Agree on evaluation criteria for auditors (experience, independence, cost, etc.).
Set timelines and milestones for the selection process.

Staff Recommendation

ATTACHMENTS

| | |
|----|---------------------|
| 1. | Evaluation Criteria |
|----|---------------------|

RFP 2026-XX Audit Services, Section VIII. Evaluation Procedures
Ranking Matrix Qualifications

| | | |
|---|--|-----|
| | <p><u>Mandatory Elements:</u> The audit firm is independent and licensed to practice in Florida. The audit firm’s professional personnel have received adequate continuing professional education within the preceding two years. The firm has no conflict of interest with regard to any other work performed by the firm for City of Palatka. The firm submits a copy of its most recent external quality control review report (peer review) and the firm has a record of quality audit work. The firm adheres to the instructions in this Request for Proposal on preparing and submitting the proposal.</p> <p>*Any Proposal that does not contain the mandatory elements will be rejected.</p> | 0 |
| 1 | <p><u>Ability of personnel.</u> The quality of the firm’s professional personnel to be assigned to the engagement and the quality of the firm’s management support personnel to be available for technical consultation.</p> | 20 |
| 2 | <p><u>Experience.</u> The firm’s (and specifically the local office’s) past experience and performance on comparable government engagements; experience performing single audits of federal financial assistance and audits under the Florida Single Audit Act.</p> | 25 |
| 3 | <p><u>Ability to furnish required services.</u> Adequacy of proposed staffing plan for various segments of the engagement; general approach to the audit; adequacy of sampling techniques; adequacy of analytical procedures</p> | 25 |
| 4 | <p><u>Total compensation proposed.</u></p> | 20 |
| 5 | <p><u>Certified minority owned or veteran-owned business.</u></p> | 10 |
| | <p><u>Total</u></p> | 100 |