



Legislation Details (With Text)

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On agenda:	5/25/2023	Final action:	5/25/2023
Title:	Consider a resolution authorizing the Mayor to execute a Professional Consulting Services Agreement with Whitley Penn, LLP for financial and compliance audit services and a related Engagement Letter for the 2023 financial and compliance audit.		
Sponsors:			
Indexes:	General & Utility Funds		
Code sections:			
Attachments:	1. Resolution, 2. Exhibit A, 3. Exhibit B, 4. Award Memo, 5. Form 1295		

Date	Ver.	Action By	Action	Result
5/25/2023	1	City Council		

Consider a resolution authorizing the Mayor to execute a Professional Consulting Services Agreement with Whitley Penn, LLP for financial and compliance audit services and a related Engagement Letter for the 2023 financial and compliance audit.

The City's charter and adopted financial policy an annual audit of the financial records to be performed by an independent certified public accountant. The objective of the audit includes: expressing an opinion as to whether the City's financial statements are fairly presented in accordance with generally accepted accounting principles; evaluating and reporting on the City's internal controls related to the financial statements and providing an opinion on the City's compliance with laws and regulations associated with Uniform Guidance which is related to federal grants the City receives. In addition to audit work, the firm also assists the City with the preparation of the City's Annual Comprehensive Financial Report.

The audit provides an independent examination of financial records, activities and operations to assess internal control practices, compliance with regulations, grant terms, bond covenants, contractual requirements and fairness of the presentation of the financial information.

The firm also provides valuable ideas and observations intended to help achieve the City's objectives in maintaining adequate financial controls, policies, and procedures.

The City's adopted financial policy requires the City to seek proposals for these services at least every five years, but does not require rotating auditors. This policy is consistent with national best practice standards for governmental entities.

In response to Request for Proposal No. 23-015 for audit services issued February 24, 2023, the City received five responses. The proposals were evaluated by the CFO, Deputy CFO and Controller. After thorough evaluation of the responses, staff recommends award of the audit services contract to the City's current independent auditor, Whitley Penn, LLP. The recommendation is for a term of up to five years, to be renewed annually.

The estimated fee per year is shown below. These fees are comparable to the current fees paid for these services

Fiscal Year Estimated Fees

2023 \$105,000

2024 \$108,050

2025 \$111,340

2026 \$114,630

2027 \$118,190

Cost: \$557,210

Source of Funds: General Fund & Utility Fund