



City of Pflugerville

Legislation Details (With Text)

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On agenda: 7/25/2017 **Final action:** 7/25/2017
Title: Approving a resolution with the caption reading, RESOLUTION OF THE CITY OF PFLUGERVILLE, TEXAS SELECTING DAVIS, KINARD & CO, PC TO PERFORM THE INDEPENDENT AUDIT OF THE CITY OF PFLUGERVILLE FOR FISCAL YEAR 2017.

Sponsors:

Indexes:

Code sections:

Attachments: 1. Auditor selection Resolution, 2. Evaluation Summary, 3. RES 1440-15-04-28-0247

Date	Ver.	Action By	Action	Result
7/25/2017	1	City Council	Adopted	Pass

Approving a resolution with the caption reading, RESOLUTION OF THE CITY OF PFLUGERVILLE, TEXAS SELECTING DAVIS, KINARD & CO, PC TO PERFORM THE INDEPENDENT AUDIT OF THE CITY OF PFLUGERVILLE FOR FISCAL YEAR 2017.

The city has used the accounting firm of Weaver for the past two fiscal years to complete the fiscal year 2015 and 2016 audits of the City's financial statements. At the direction of the City Manager, staff initiated the process to select a new accounting firm to audit fiscal year 2017.

Finance staff prepared a Request for Audit Proposals to audit the City and PCDC financial statements for the fiscal year ending September 30, 2017, with the option of continuation of the engagement for each of the following four years. The Request for Audit Proposals was posted on both the City's Open Bids/RFQs website and the Texas Bid System website. Notice of the proposal was provided directly to firms that had previously requested such notice and advertisements were placed in the Pflugerville Pflag for one week in June. Eight proposals were received from accounting firms.

The proposals contained two separate parts: a technical proposal and a sealed cost proposal. Finance staff reviewed each of the technical proposals and identified the responsiveness of each to the requirements outlined in the Request for Audit Proposals. Attached is a summary of the responses of the top two ranked firms, including the proposed audit team. The highest ranked firm was Davis, Kinard & Co, PC.

After the firms were ranked, the sealed cost proposals for the two highest ranked firms were opened and Davis, Kinard provided the lowest cost at \$44,000 for the City and \$16,000 for PCDC. These costs are very similar to the prior year costs of \$43,250 for the City and \$14,400 for PCDC auditing services.

On July 13, 2017, staff presented to the Finance and Budget Committee the information outlined

above regarding the audit proposal request and review process. Staff recommended Davis, Kinard perform the audit for the City for fiscal year 2017. The Finance and Budget Committee approved the staff recommendation and recommend that the City Council engage the auditing services of Davis, Kinard & Co, PC. A resolution approved by the City Attorney authorizing the City Manager to engage the services of Davis, Kinard & Co, PC is attached.

PCDC is aware of this proposal and will be notified upon final firm selection by the City Council to allow the PCDC Board to consider approving Davis, Kinard as the PCDC auditor for 2017. A resolution passed in April of 2015 by the City Council that directs the PCDC to conduct its annual audit using the same firm selected by the City of Pflugerville is attached.

Deadline for City Council Action

Although no specific date for action is required, staff would request action on July 25, 2017 so that we can begin the scheduling process as soon as possible.

Fiscal Impact

The engagement fees, as outlined above, will be included in the fiscal year 2018 proposed budget for the City.

Staff Recommendation

Approve the resolution.

Drafter

Lauri Gillam

Assistant City Manager