

**CITY OF LA VISTA
MAYOR AND CITY COUNCIL REPORT
AUGUST 5, 2008 AGENDA**

Subject:	Type:	Submitted By:
AWARD OF CONTRACT – ANNUAL FINANCIAL AUDIT	◆ RESOLUTIONS ORDINANCE RECEIVE/FILE	SHEILA LINDBERG FINANCE DIRECTOR

SYNOPSIS

Resolutions have been prepared authorizing the City to engage Orizon CPAs LLC, Omaha Nebraska for the City's Financial Statements and Quarterly and Annual Keno Audit, and authorizing the City to engage BKD, LLP, Omaha Nebraska for the City's Annual Financial Audit. Both engagements will be for three year renewable terms.

FISCAL IMPACT

The FY 08/09 Budget includes \$70,000 for the 2008 Annual Financial Audit which includes the City Financial Statements, City Audit and the Keno Audit.

RECOMMENDATION

Approval.

BACKGROUND

On April 1, 2008, the City Council authorized the advertisement of bids for the Annual Financial Audit. The City received two proposals:

	<u>Financial Statements</u>	<u>City Audit</u>	<u>Keno Audit</u>
BKD, LLP	-0-	\$46,500	\$7,000
Orizon CPA's LLC	\$6,450	\$34,680	\$6,095

Staff has reviewed both proposals and met with both firms, and recommend that the City accept Orizon's proposal for the preparation of the City's financial statements and the Keno Audit, and BKD's proposal for the City's audit, all in accordance with the City's audit RFP specifications. While BKD is not the low bidder for the audit, during our interviews they were able to provide greater depth and clarity about the new auditing standards and risk assessments becoming effective for the current year (FY08). Their ability to communicate this information gives us confidence that we will be able to understand the new requirements and how to best implement them in our organization.

On the fiscal year 2007 (FY07) audit, new and more demanding audit standards became effective with the City receiving two significant deficiencies, one of which was a material weakness. The City can resolve one of these issues by contracting with different firms for Financial Statement preparation and the Audit.

Orizon CPAs LLC has been the City's auditor for the past three years and BKD LLP was the City's auditor for the ten years before that.

Complete copies of the proposals are on file in the office of the City Clerk.

RESOLUTION NO. _____

A RESOLUTION OF THE MAYOR AND CITY COUNCIL OF THE CITY OF LA VISTA, NEBRASKA AUTHORIZING THE MAYOR TO SIGN A CONTRACT WITH THE AUDITING FIRM OF ORIZON CPAs LLC, OMAHA, NEBRASKA TO PREPARE THE CITY'S FINANCIAL STATEMENTS AND CONDUCT THE KENO AUDIT FOR THE FISCAL YEAR ENDING SEPTEMBER 30, 2008 WITH A RENEWAL OPTION AND IN AN AMOUNT NOT TO EXCEED \$12,545.00

WHEREAS, the City of La Vista of La Vista solicited proposals for audit services associated with the preparation of the financial statements, annual financial audit and keno audit and received two proposals in response to its request; and

WHEREAS, City of La Vista Staff has reviewed the proposals and recommend Orizon CPAs LLC, Omaha, Nebraska for the preparation of the financial statements and the Keno audit for the fiscal year ending September 30, 2008 with a renewal option

NOW, THEREFORE, BE IT RESOLVED, that the Mayor and City Council of La Vista, Nebraska, do hereby authorize the execution of a contract with Orizon CPAs LLC, Omaha Nebraska in an amount not to exceed \$12,545.00 for the preparation of the City's financial statements and the City's quarterly and annual keno audit and agreed upon procedures, with a renewable option that is negotiated at the sole discretion of the City, and also authorize the Mayor to execute said contract.

PASSED AND APPROVED THIS 5TH DAY OF AUGUST 2008.

CITY OF LA VISTA

Douglas Kindig, Mayor

ATTEST:

Pamela A. Buethel
City Clerk

RESOLUTION NO. _____

A RESOLUTION OF THE MAYOR AND CITY COUNCIL OF THE CITY OF LA VISTA, NEBRASKA AUTHORIZING THE MAYOR TO SIGN A CONTRACT WITH THE AUDITING FIRM OF BKD LLP, OMAHA, NEBRASKA TO CONDUCT THE CITY OF LA VISTA'S ANNUAL FINANCIAL AUDIT FOR THE FISCAL YEAR ENDING SEPTEMBER 30, 2008 WITH A RENEWAL OPTION AND IN AN AMOUNT NOT TO EXCEED \$46,500.00

WHEREAS, the City of La Vista of La Vista solicited proposals for audit services associated with the preparation of the financial statements, annual financial audit and keno audit and received two proposals in response to its request; and

WHEREAS, City of La Vista staff has reviewed the proposals and recommend BDK LLP, Omaha, Nebraska for the City's Annual Financial Audit for the fiscal year ending September 30, 2008 with a renewal option.

NOW, THEREFORE, BE IT RESOLVED, that the Mayor and City Council of La Vista, Nebraska, do hereby authorize the execution of a contract with BKD LLP, Omaha, Nebraska, in an amount not to exceed \$46,500 for the auditing of the City's fiscal year ending September 30, 2008, with a renewable option that is negotiated at the sole discretion of the City, and also authorize the Mayor to execute said contract.

PASSED AND APPROVED THIS 5TH DAY OF AUGUST 2008.

CITY OF LA VISTA

Douglas Kindig, Mayor

ATTEST:

Pamela A. Bueth
City Clerk