



CITY COUNCIL MEMORANDUM

FROM: The Office of the City Manager **DATE:** June 13, 2016

SUBJECT: Consider renewal of professional services agreement for audit services to BKD, LLP

PRESENTER: Kent Austin, Director of Finance

SUMMARY:

The City Council is being asked to renew a professional services agreement for Audit Services to BKD, LLP.

GENERAL DESCRIPTION:

On June 24, 2013, City Council approved a professional services agreement for Audit Services to BKD, LLP. The term of the engagement was for fiscal years 2013, 2014, and 2015 with two optional one-year renewals. Services to be provided included, but were not limited to, the annual audit of the City's financial statements (including bond official statement documents), review of the Comprehensive Annual Financial Report, State and Federal Grant auditing and reporting, compliance testing of the requirements of the Texas Public Funds Investment Act as amended, internal control review of various city departments, and payroll tax consultation.

BKD has performed well during the past three fiscal year audits. Council is now being asked to approve the first of two one-year renewals. BKD's proposed engagement letter is attached. The firm is proposing a fee of \$111,000 (\$96,580 for financial statement audit and \$14,420 for single audit), a slight increase from last year's \$105,825.

RECOMMENDATION:

Approve renewal of professional services agreement for audit services to BKD, LLP.