

**CITY OF WAUKESHA****Administration**

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Committee: Finance	Date: 8/25/2015
Common Council Item Number: ID#15-3209	Date: 9/1/2015
Submitted By: Rich Abbott, Finance Director Denise Vandenbush-Kohlmann, Special Project Accountant Kari Bloedow, Transit Donna Scholl, Water Utility	City Administrator Approval: Kevin Lahner, City Administrator KL
Finance Department Review: Rich Abbott, Finance Director RA	City Attorney's Office Review: Brian Running, City Attorney BR
Subject: Review and Act on a recommendation by the Audit Request For Proposal (RFP) selection team to award Baker Tilly the audit contract as described in the RFP. In completing the contract, authorize the Finance Director to discuss terms of the contract, the City Attorney to review and complete the contract and the Mayor to sign the contract.	

Details:

The Finance department put an RFP out to ask for qualified firms to bid on the City's 2015-2017 audit, with an option to extend the contract for up to 2 separate 2 year terms. Four firms submitted proposals with separate cost proposals included. Each of the four team members ranked the firms on the following criteria: 1) Experience and Capability, 2) Qualifications, 3) References and 4) Completeness of Response. Once those scores were tabulated the cost proposals were evaluated. In the end a weighted average composite score was achieved and Baker Tilly was unanimously selected for recommendation to the Finance Committee.

Options & Alternatives:

Option 1 – Select Baker Tilly as they were the highest rated firm. (Recommended by the Finance Director and the RFP team)

Option 2 – Select another firm which was not rated as high. This is not recommended based on the RFP process which uses a holistic approach to selecting professional services.

Financial Remarks:

The audit fees are split between four main areas and a chart of the annual breakdown is below TABLE A. The general City portion is charged to Fund 100, Org 1570, Object 52130 (Funding – Tax Levy). The sewer portion is Fund 603, Org 7380, Object 52130 (Funding - Sewer Revenues). The Transit portion is not in the City Financial System (Funding – 20% Tax Levy). The Water Utility is not in the City Financial System (Funding – Water Revenues).



TABLE A – Breakdown of annual cost to different Departments

	General City	Water	Transit	Sewer	Total
2015	39,750	10,600	10,500	7,725	68,575
2016	39,750	10,600	10,500	7,725	68,575
2017	39,750	10,600	10,500	7,725	68,575
2018	40,850	10,900	10,800	7,800	70,350
2019	40,850	10,900	10,800	7,800	70,350
2020	42,150	11,200	11,100	7,900	72,350
2021	42,150	11,200	11,100	7,900	72,350
Total	285,250	76,000	75,300	54,575	491,125
Average	40,750	10,857	10,757	7,796	70,161

Executive Recommendation:

The City Administrator recommends Option 1 for the selection of Baker Tilly for the City Audit.