



Staff Report

RESOLUTION AUTHORIZING PROFESSIONAL SERVICES AGREEMENT FOR AUDIT AND RELATED SERVICES FOR AN AMOUNT NOT TO EXCEED \$94,010 FOR FY 2008

Honorable Mayor and Council Members:

Summary

At the direction of the City Council, the City Council Audit Committee and staff conducted a Request for Proposals (RFP) process to select proposals for a new multi-year external audit contract. Four firms' proposals were evaluated. Maze & Associates was selected based on its staffing and technical expertise by reviewing their proposal and interviews with the Audit Committee. Approval of the attached resolution will authorize a new agreement with Maze & Associates through 2012.

Background

Since 1998, Maze & Associates has served as the City's auditors and have performed well. In addition, Maze & Associates has been advising the City on the implementation and maintenance of GASB 34, which represents a major change in financial reporting for local and state governments. With their thorough and efficient services, the City is able to produce the Comprehensive Annual Financial Report (CAFR) and has been continually receiving Excellence in Financial reporting Award from Government Finance Officers Association since 1989.

In keeping with good business practices of periodically soliciting for auditing services, the City issued an RFP to various auditing firms, including Maze & Associates, in early September. Four firms responded to the RFP and those proposals were evaluated by the Audit Committee.

Discussion

On November 27, 2007, the Audit Committee considered the proposals for service. The Audit Committee compared the firms based on experience, staffing, technical abilities, and ability to meet the City's timeline. Based on these criteria, the Maze & Associates received the highest score. Maze & Associates' proposal shows the firm's extensive experience, providing audit services to cities throughout California (see chart in Attachment B). The Audit Committee concluded that Maze & Associates received the best references, is most highly qualified, would deliver the best quality product, and has a superior proposal (see scope of services in Attachment C).

The Audit Committee saw no compelling reason to change audit firms, and unanimously

selected Maze & Associates for an additional five years. The contract consists of a one-year engagement with the option for four additional years. The draft meeting minutes provide additional discussion on the Audit Committee's selection (Attachment D).

Fiscal Impact

The professional services agreement with Maze & Associates is for fiscal 2008 through 2012. The fees for the respective years are:

2008 \$ 94,010
2009 97,489
2010 101,096
2011 104,836
2012 108,714

Public Contact

Posting of City Council agenda.

Recommendation

It is recommended that the City Council approve the attached resolution authorizing approval of a new professional services agreement with Maze & Associates for auditing services.

Alternatives

With direction, seek an alternative auditing services provider.

Attachments

- A. Implementing Resolution
- B. Page 8 from Audit Proposal
- C. Audit Scope of Services
- D. Draft Audit Committee Minutes

Respectfully submitted,

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City Manager

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RESOLUTION NO. _____

**RESOLUTION OF THE CITY COUNCIL OF THE CITY OF BELMONT
AUTHORIZING AN AGREEMENT WITH MAZE & ASSOCIATES
FOR AUDITING SERVICES**

WHEREAS, the City of Belmont is required by federal, state, and local statutes to have an annual audit performed of its books and records; and

WHEREAS, the City of Belmont is obligated under bond covenants to have an annual audit of its financial statements performed by a certified public accountant; and

WHEREAS, Maze & Associates has performed such services in a satisfactory manner; and

WHEREAS, staff recommends a new contract with Maze & Associates to provide auditing services.

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Belmont authorizes the City Manager to execute an agreement for professional services, in a form approved by the City Attorney, engaging Maze & Associates to provide auditing services for up to five years at the initial fee of \$94,010.

* * * * *

I hereby certify that the foregoing Resolution was duly and regularly passed and adopted by the City Council of the City of Belmont at a regular meeting thereof held on January 8, 2008 by the following vote:

AYES, COUNCILMEMBERS: _____

NOES, COUNCILMEMBERS: _____

ABSTAIN, COUNCILMEMBERS: _____

ABSENT, COUNCILMEMBERS: _____

CLERK of the City of Belmont

APPROVED:

MAYOR of the City of Belmont