THE CITY OF ASHEVILLE

STAFF REPORT

Council Meeting Date: May 12, 2020

Subject: Fiscal Year 2020 Financial Audit Contract

Staff Resource(s): Cathy Ball, Assistant City Manager
Patricia Rosenberg, Internal Auditor

Action Requested: Adoption of a resolution authorizing the Mayor to execute a contract with RSM US LLP for auditing City accounts for fiscal year ending June 30, 2020.

Background:

- North Carolina General Statute §159-34 requires that local governments have its accounts audited each fiscal year and submit a copy of the audit report and financial statements to the Local Government Commission. Staff recommends retaining the services of RSM US LLP to conduct an audit of the City's accounts for the fiscal year ending June 30, 2020.
- The estimated fee for fiscal year 2019-2020 audit is $98,200.
- Execution of this contract complies with the Audit Policy portion of City Council's Financial Policies which states that the City "shall enter into multi-year agreements of not more than five years in duration through a series of single-year contracts as consistent with applicable legal requirements."
- This will be the third consecutive year of contracting RSM US LLP to perform the City's audit.

Vendor Outreach Efforts:

- No competitive bid process was conducted this year.

Council Goal:

- Financially Resilient City

Committee:

- No prior Committee approval. Final audit results are presented annually to the Finance and Audit Committees.

Pro:

- Contracting with RSM US LLP aligns with City Council's financial policy and will help ensure the timely and successful completion of the annual audit.

Con:

- None

Fiscal Impact:

- Fees of $98,200 for the annual audit are budgeted in the Internal Audit operating budget.

Suggested Motion:

- Move to adopt a resolution authorizing the Mayor to execute a contract with RSM US LLP for auditing City accounts for the fiscal year ending June 30, 2020.

Attachment:

- Resolution

RESOLUTION NO. 20-___

RESOLUTION AUTHORIZING THE MAYOR TO EXECUTE A CONTRACT WITH RSM US LLP FOR AUDITING CITY ACCOUNTS FOR FISCAL YEAR 2019-2020

WHEREAS, the City is required to have its accounts audited at the close of each fiscal year by a certified public accountant or by an accountant certified by the Commission as qualified to audit local government accounts pursuant to N.C.G.S 159-34; and

WHEREAS, the City has authority pursuant to Article 2 of Chapter 160A of the North Carolina General Statutes to enter into contracts; and

WHEREAS, RSM US LLP has submitted an engagement letter and contract pursuant to *Generally Accepted Government Auditing Standards* and the requirements of the Commission to provide audit services to the City Council for the fiscal year 2019-2020; and

WHEREAS, the City Council desires that the City's fiscal year 2019-2020 audit service contract be awarded to the firm RSM US LLP; and

WHEREAS, funds are included in the Internal Audit division's budget;

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF ASHEVILLE THAT:

The Mayor is hereby authorized to execute a contract, the form of which shall be approved by the Local Government Commission, with RSM US LLP in the amount of $98,200 for auditing services for fiscal year 2019-2020.

Read, approved, and adopted this 12th day of May, 2020.

_____ _____

City Clerk Mayor

Approved as to form:

_____

City Attorney