



CITY OF POQUOSON

FINANCE DEPARTMENT

500 CITY HALL AVENUE, POQUOSON, VIRGINIA 23662-1996

March 25, 2019

TO: City Council

THROUGH: Randy Wheeler, City Manager

FROM: Tonya O'Connell, Finance Director

SUBJECT: Professional Auditing Services Contract

The audit contract for the City, School Board and Economic Development Authority ended with the audit for the fiscal year ending June 30, 2018. The cost of the audit service fees for that year was \$73,175 which is shared between the City and School Board. In accordance with the City's purchasing policies and the Virginia Public Procurement Act, the City requested and advertised for proposals for these services. The City received four proposals and a committee of School and City personnel interviewed three of the four firms.

After careful consideration, the committee has recommended the City contract with Cherry, Bekaert, LLP for an initial term of three years with two additional one year renewal options. The cost of the audit service fees for the first year is \$77,000. The increase in fees from the prior year audit contract is attributed to the increased reporting requirements for the recently issued statements for pension and other postemployment benefits by Governmental Accounting Standards Board.

Please find attached for Council's consideration a resolution authorizing the City Manager to enter into the Auditing Services contract with Cherry, Bekaert, LLP

RESOLUTION NO. _____

**A RESOLUTION AUTHORIZING THE CITY MANAGER
TO ENTER INTO A CONTRACT FOR PROFESSIONAL AUDITING SERVICES
WITH CHERRY BEKAERT, LLP**

WHEREAS, the City has a need for professional auditing services; and

WHEREAS, a Request for Proposal was issued on February 11, 2019 for professional auditing services; and

WHEREAS, the City received four proposals; and

WHEREAS, staff from the City and School Board interviewed three of the firms; and

WHEREAS, staff has determined that Cherry Bekaert, LLP provides the expertise and knowledge needed for the City; and

WHEREAS, the contract will be for the three (3) fiscal years(s) ending June 30, 2019, June 30, 2020, June 30, 2021, with the option to renew for two (2) additional one-year terms upon mutual agreement of both the City and Cherry Bekaert, LLP; and

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Poquoson, Virginia:

Section 1: That the City Manager is hereby authorized to do all things necessary to enter into a contract with Cherry, Bekaert, LLP.

Section 2: That this resolution shall become effective immediately upon adoption.

ADOPTED: _____

TESTE: _____

City Clerk