

Administrative-Finance Committee
RESCHEDULED
February 4, 2019
6:30 p.m. – City Hall Conference Room

- 1. Call to Order**
- 2. Public Comment**
- 3. New Business**
 - a. Audit Proposals**
 - b. Approval of Minutes – November 5, 2018**
- 4. Other Business**
- 5. Next Meeting – March 4, 2019**
- 6. Adjournment**

AGENDA MEMO
Administrative/Finance Committee
February 4, 2019

ISSUE STATEMENT

A motion approving the acceptance of a 4 year proposal for auditing services from Sikich.

BACKGROUND/HISTORY

Each year the City has a financial statement audit done by independent auditors to give the users of the financial statements additional assurance that the City is following generally accepted accounting practices as well as following state laws for reporting. The City has been using Sikich as its auditing firm for the last eight years and has been satisfied with their services. During that time period, we have worked with two different partners and different staff, and we have sought proposals from other firms in 2011. It has been the City's practice to seek requests for proposals from other auditors after each agreed upon contract which was completed with the April 30, 2018 audit. The City had requested proposals for four-year contracts from eight (8) different firms in the area and only received results from two (2). The results are listed below.

Annual Audit Fees:

	FYE 19	FYE20	FYE21	FYE22	Total
Sikich	\$23,950	\$24,450	\$25,175	\$25,925	\$99,500
John Kasperek Co	\$25,000	\$25,750	\$26,500	\$27,250	\$104,500

The City Treasurer has reviewed all of the proposals along with staff and—based on pricing, experience and reputation—has recommended staying with Sikich.

STAFF/COMMITTEE RECOMMENDATION

Staff recommends the approval of a motion approving an agreement with Sikich according to their proposal.

ALTERNATE CONSIDERATION

As directed.

DECISION MODE

This will be placed on the February 18, 2019 City Council Agenda for formal approval.

Memo

To: Bryon Vana
From: Julie Saenz
Cc:
Date: January 29, 2019
Re: Audit Proposal Results

The staff solicited proposals for auditing services as the current 4 year agreement expired with the 17-18 audit. Eight requests were sent out and two proposals that were received are as follow:

<u>FIRM</u>	<u>FYE19</u>	<u>FYE20</u>	<u>FYE21</u>	<u>FYE22</u>
SIKICH	\$23,950	\$24,450	\$25,175	\$25,925
John Kasperek Co	\$25,000	\$25,750	\$26,500	\$27,250

Sikich provided the lowest cost proposal and is a reputable firm that we've used previously.

City of Darien
 Audit RFP Results - Lowest to Highest Bid

Annual Audit Fees:

	FYE 2019	FYE 2020	FYE 2021	FYE 2022	Total
Sikich	\$ 23,950	\$ 24,450	\$ 25,175	\$ 25,925	\$ 99,500
John Kasperek Co.	\$ 25,000	\$ 25,750	\$ 26,500	\$ 27,250	\$104,500

Additional Fees:

Sikich

Single Audit, If Required	\$ 3,200.00	If Single Audit of Federal Expenditures is required, fee in any year of the proposal will apply
---------------------------	-------------	---

John Kasperek Co.

Any additional services not specified in engagement letter	\$105 - \$170 per hour for any additional services
--	--

*Note: Fees may increase if duties or responsibilities change because of new rules, regulations and accounting or auditing standards.

**Note:

Fees do not include any other implementation of future accounting pronouncements/ substantial changes in: tax, debt issuances, & changes in general ledger systems &/or government requirements that may change.

City of Darien
Minutes of the Administrative/Finance Committee
November 5, 2018

The Meeting was called to order by Chairman/Alderman Ted Schauer at 6:00 pm. Committee members Aldermen Kenny and Chlystek were present. Treasurer Mike Coren, City Administrator Bryon Vana were also present.

Consideration of a RESOLUTION APPROVING A LEASE AGREEMENT BETWEEN THE CITY OF DARIEN (“CITY”) AND DARIEN LIONS CLUB, A NOT-FOR-PROFIT (“TENANT”)

Staff advised that the Lions Club submitted a letter dated September 27th, 2018, requesting to use a small part of property at the City Hall complex for storage of materials and supplies. Included in the letter is:

“As you know, we are currently renting a space at the Safeguard facility on Lemont Road for a monthly rental rate of \$326 for a storage space under 300 square feet. As a not for profit organization dedicated to serving the Darien Community, such an expense precludes our providing additional donations to worthy community organizations. As partners with the City of Darien, it is our hope that we will have an opportunity to better meet the needs of those in our community who are in need of our assistance.”

The committee previously reviewed this request and asked staff to work with the Lions Club representative to prepare a draft lease. Staff reviewed the proposed lease between the City and Lions Club allowing the Lions the use a portion of City Hall property for a storage shed. The lease has been reviewed by the Lions Club and they are in agreement with the terms in the lease. The Committee unanimously recommended approval of the lease.

Minutes – October 1, 2018

The minutes were approved.

Adjournment - The meeting adjourned at 6:27 pm.

Approved:

Ted Schauer, Chairman _____

Joseph Kenny, Member _____

Thomas Chlystek, Member _____