



City of Grand Island

Tuesday, June 24, 2003

Council Session

Item G22

#2003-184 - Approving Bid Award for Audit Services

BACKGROUND

The City of Grand Island is required to have an audit of its financial statement every fiscal year. The Electric utility fund and the Water Utility funds are required to have annual audits of their financial statements. A nationally recognized audit firm is required to perform the audits of the Electric and Water Financial Statements per bond covenants. Every five years the City sends out requests for proposals for audit services. We received five responses for the audit of the City Financial Statements and three responses for the two Utility audits. All of the firms were determined to be qualified to perform the annual audits. Two local firms proposed their services for the audit of the City's financial statements and both were determined to be qualified. In lieu of an audit committee, the responses were reviewed and scored.

RECOMMENDATION

The recommendation is for Shonsey and Associates, Grand Island NE to perform the audits of the City of Grand Island for the years ending September 30, 2003 – 2007.

The recommendation is for BKD, LLP, Lincoln NE to perform the audits of the Electric and Water Utilities for the years ending September 30, 2003 – 2007.

FINANCIAL EFFECT

\$165,500 for five years for the audit of the City's Financial Statements

\$158,000 for five years for the audit of the Electric and Water Financial Statements

ALTERNATIVES

Award to different firms as Council chooses as all were determined to qualify in providing this service.

Staff Contact: David Springer



Dale M. Shotkoski, Assistant City Attorney

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Better Tomorrow, Today*

**REQUEST FOR PROPOSAL
FOR
AUDIT SERVICES**

RFP DUE DATE: May 2, 2003 at 3:00 p.m.

DEPARTMENT: Finance

PUBLICATION DATE: March 23 & 25, 2003

NO. POTENTIAL BIDDERS:

SUMMARY OF PROPOSALS RECEIVED

<u>BKD</u> Omaha, NE	<u>Deloitte & Touche</u> Omaha, NE	<u>KPMG</u> Omaha, NE
<u>McDermott & Miller</u> Grand Island, NE	<u>Shonsey</u> Grand Island, NE	

cc: David Springer, Finance Director
Paul Mueller, Controller
Dale Shotkoski, Purchasing Agent

P-835

R E S O L U T I O N 2003-184

WHEREAS, proposals were solicited to perform a financial audit of city and utility funds, according to the Request For Proposals on file with the Finance Department; and

WHEREAS, proposals were due on May 2, 2003; and

WHEREAS, Shonsey and Associates of Grand Island, Nebraska, submitted a proposal in accordance with the terms of the Request for Proposals, such proposal being in the amount of \$165,500 for five years for audit services of the City's financial statements for the fiscal years ending September 30, 2003 through September 30, 2007; and

WHEREAS, BKD, LLP of Lincoln, Nebraska, submitted a proposal in accordance with the terms of the Request for Proposals, such proposal being in the amount of \$158,000 for five years for audit services of the Electric and Water financial statements for the fiscal years ending September 30, 2003 through September 30, 2007.

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND COUNCIL OF THE CITY OF GRAND ISLAND, NEBRASKA, that:

1. The proposal of Shonsey and Associates of Grand Island, Nebraska, in the amount of \$165,600 to perform an annual audit of the city financial statements for the fiscal years ending September 30, 2003 through September 30, 2007 is hereby approved as the best evaluated proposal submitted for that service.
2. The proposal of BKD, LLP of Lincoln, Nebraska, in the amount of \$158,000 to perform an annual audit of the utilities (water and electric) financial statements for the fiscal years ending September 30, 2003 through September 30, 2007 is hereby approved as the best evaluated proposal submitted for that service.
3. A contract for such projects be entered into between the City and such accounting firms, and the Mayor is hereby authorized and directed to execute such contracts on behalf of the City of Grand Island.

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Adopted by the City Council of the City of Grand Island, Nebraska, June 24, 2003.

RaNae Edwards, City Clerk

Approved as to Form <input type="checkbox"/> _____ June 20, 2003 <input type="checkbox"/> City Attorney
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