

# **City of Seward, NE**

**Tuesday, March 15, 2016**

**Regular Session**

## **Item G5**

### **CONSIDERATION OF AN AGREEMENT WITH GABRIEL, BURGER, ELSE, P.C. EXTENDING CURRENT AUDIT SERVICES CONTRACT FOR ONE ADDITIONAL YEAR - Bruce Smith**

**Administrative Report: Gabriel, Burger, Else had a 3-year contract for Audit Services which ended with the audit that was just completed. Typically, we would rebid the service; however, Administration is requesting to extend the current contract for one additional year for consistency in the Auditor while we hire and familiarize the new Accountant position with the City's financial records.**

**Following review and discussion, a motion to accept the one year agreement would be in order.**

**Staff Contact:**

# **Proposal to Serve and Acceptance Page**

**City of Seward**

Presented by:

**GABRIEL BURGER ELSE CPA PC**

135 N 5<sup>th</sup> St  
Seward, Nebraska 68434

March 2016

Honorable Mayor Eickmeier and Members of the City Council  
City of Seward

We appreciate the opportunity to submit a professional quote for services to provide an independent audit report of the balance sheet, statement of revenues, expenses, and changes in net assets, and statement of cash flows for the City of Seward (CITY) for the fiscal year ended September 30, 2016.

Gabriel Burger Else CPA PC (GBE) is proud of the reputation we have established in providing consulting, audit, and tax services to non-profit organizations. We provide quality services and have the resources needed to continue as your retirement plan auditor. Our philosophy and approach to completing audit services will continue to result in practical recommendations that will benefit your organization.

We view our relationship with our clients as a partnership. In this partnership, our promise is to continually deliver quality, professional services at reasonable prices.

If there is any additional information that will assist you in making your decision, please contact us. Again, thank you for this opportunity.

Sincerely,

Ryan L Burger, CPA  
**GABRIEL BURGER ELSE CPA PC**

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## **SCOPE OF AUDIT**

In compliance with the AICPA's Statements on Auditing Standards and Government Auditing Standards, we will audit the accompanying balance sheet, statement of revenues, expenses, and changes in net assets, and statement of cash flows for the CITY as of September 30, 2016, and any other related statements therein.

### **Fieldwork**

Arrangements will be made with CITY to commence field work between October and December 2016, with a timely completion of the audit report before March 31, 2017 or earlier if required.

### **Independent Auditors' Report**

Along with the timely audit filing, we will prepare an independent auditors' report declaring our opinion on the audited financial statements.

### **Internal Controls**

Our audit will include obtaining an understanding of the internal control components sufficient to plan the audit by performing procedures to understand the design of controls relevant to the audit and whether they have been placed in operation.

In accordance with Government Auditing Standards, we will be issuing a Report on Internal Control over Financial Reporting and on Compliance and other Matters.

An audit is not designed to provide assurance on internal controls, or give an opinion on them, but it is designed to identify significant deficiencies in the design or operation of internal controls. If we become aware of such deficiencies or ways we believe management practices can be improved we will communicate them to you in a separate letter.

### **Completion**

Upon completion of the audit, we will meet with management and/or members of the council or audit committee to present and discuss our audit report, any internal control issues and any additional reports that may be prepared.

## PRICE FOR SERVICES

GBE's philosophy is to provide professional services of the highest quality at a reasonable charge. We believe our clients are entitled to and should expect us to perform our engagements in an effective and efficient manner and should expect us to consider the cost of our services in our approach to their engagement. We also believe that mutually satisfactory arrangements, with respect to price, are in the best interest of our clients as well as ourselves.

Our price for these services will be based on the time required by the individuals assigned to the engagement at our standard rates, plus travel and other out-of-pocket costs. Billing will be done on a continual basis with a final billing done upon completion of all services.

### One Year Contract

Our firm prides itself on building long-term relationships with professional and courteous clients. Based on arrangements we will make with CITY personnel for assistance preparing audit working papers, etc., our annual price for the services described above for the 2016 fiscal years will not exceed:

|                                       |           |
|---------------------------------------|-----------|
| Independent Financial Statement Audit | \$42,500* |
| Budget Compilation                    | \$7,000*  |
| Road Report Assistance                | \$4,000*  |
| Maintaining Depreciation Schedules    | \$0*      |
| Travel and Administrative Costs       | \$0*      |

\*The fee quoted does **not** include training and guidance of management and staff. Training and guidance services may include troubleshooting software accounting programs, providing an understanding of payroll, assistance with reconciling bank accounts, or other general services not considered to be auditing in nature. If such assistance is requested, we would charge our standard professional rate per hour (not to exceed \$150/hr).

## **ENGAGEMENT TEAM**

GBE's philosophy is to provide professional services of the highest quality. Our firm is small, but you can feel comfort and assurance knowing management level team members will be assigned to your audit.

Management level participation and continuity within our engagement team creates a familiarity between firm members and our clients. This puts us in an envious position which allows our firm to provide a proficient and professional level of service to clients.

Keeping up-to-date with reporting requirements, our firm subjects its audit reports to Peer Review and our Peer Review report is enclosed with the proposal.

Because our current performance contributes to the future success of the firm, our organizational structure, training programs, resource materials which we maintain, and the individual assignments are planned and designed to ensure the maximum technical and professional development of our staff. We are required to attend various national and local continuing professional education (CPE) seminars in an effort to enhance our audit proficiency. Our engagement team members have met these education requirements.

### **RYAN L BURGER, CPA**

With twelve years of audit experience, Mr. Burger is comfortable with audit fieldwork and reporting requirements. He is a member of the Nebraska Society of CPAs and the AICPA. Mr. Burger is the lead auditor for governmental audits. Having previously worked for the Nebraska State Auditor's Office, Mr. Burger is in a unique position of understanding the rules, regulations, and performance measures of governmental audits submitted to the State of Nebraska.

### **REGAN L ELSE, CPA**

With twelve years of audit experience, including bank, construction, hospital, and governmental audits, Mr. Else is comfortable with all aspects of auditing. He is a member of the Nebraska Society of CPAs and the AICPA. Mr. Else understands what it takes to deliver quality audit services in a timely manner. He excels in training audit clients to run a better, more efficient accounting and recordkeeping system, which over time can reduce the audit and consulting fees of our clients. Mr. Else also has experience working in the Nebraska State Auditor's Office.

### **JESSE E SKELTON, CPA**

With three years of audit experience, Mr. Skelton is comfortable with audit fieldwork and reporting requirements. He is a member of the Nebraska Society of CPAs and the AICPA.

### **VARIOUS STAFF AS NEEDED**

## ACCEPTANCE PAGE

The City of Seward elects to engage GBE for the completion of audit services.

\_\_\_\_\_  
City of Seward – Signature with Title

\_\_\_\_\_  
Date

GBE agrees to provide the aforementioned services based on the proceeding terms.

\_\_\_\_\_  
GBE

\_\_\_\_\_  
Date