



## Takoma Park City Council Meeting – May 25, 2022 Agenda Item 4

### **Work Session**

Presentation of Recommended Audit Firm

### **Recommended Council Action**

Hear the presentation. A single reading ordinance is scheduled for June 1.

### **Context with Key Issues**

The City's five-year audit service contract ended after the completion of the audit and preparation of the Annual Comprehensive Financial Report (ACFR) for the Fiscal Year 2021. In accordance with City procurement procedures, the Finance Director solicited proposals for the audit of the City's financial statements. In response to the solicitation, the City received five proposals in April. After the audit proposal evaluation by the City Manager, Deputy City Manager and Finance Director, we recommend Barbacane Thornton & Company LLP to perform the annual audit of the financial records of the City for a three-year period, with the option of one-year extension based on the City Manager's satisfaction with the firm's performance.

Funds for the services are in the FY 22 Budget.

### **Council Priority**

Fiscally Sustainable Government

### **Environmental Considerations**

There are no environmental considerations related to the extension of the contract.

### **Fiscal Considerations**

The cost of the audit will be \$33,315 for FY22, \$34,965 for FY23, \$36,615 for FY24 and \$38,265 for FY25. The cost of preparing the Comprehensive Annual Financial Report will be \$4,260 for FY22, \$4,510 for FY23, \$4,760 for FY24 and \$5,010 for FY25.

### **Racial Equity Considerations**

There are no known racial equity considerations regarding the use of Barbacane Thornton & Company LLP for auditing and financial report services.

### **Attachments and Links**

- Draft Single Reading Ordinance Authorizing Selection

Introduced by:

Single Reading Ordinance

**CITY OF TAKOMA PARK, MARYLAND**

**ORDINANCE NO. 2022-**

**AUTHORIZING EXECUTION OF CONTRACTS FOR SERVICES RELATED TO THE  
AUDIT OF THE CITY’S FINANCIAL STATEMENTS AND PREPARATION OF THE  
ANNUAL COMPREHENSIVE FINANCIAL REPORT**

WHEREAS, the City Charter, Article VIII, Section 821 and the Annotated Code of Maryland, Local Government Article, Title 16, Subtitle 3 require an annual audit of the financial records of the City; and

WHEREAS, in accordance with City procurement procedures, staff solicited proposals for the audit of the City’s financial statements, and received five proposals for the preparation of the City’s Annual Comprehensive Financial Report (ACFR) and the audit of the City’s Financial Statements; and

WHEREAS, staff recommends Barbacane Thornton & Company LLP to perform the annual audit of the financial records and prepare the Annual Comprehensive Financial Report of the City for the fiscal years ending June 30, 2022, June 30, 2023, and June 30, 2024 with an option to renew the contract for an additional one-year term for the fiscal year ending in June 30, 2025 contingent upon the City Manager’s approval

NOW, THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF TAKOMA PARK, MARYLAND THAT:

SECTION 1. The proposal received from Barbacane Thornton & Company LLP to perform the audit of the City’s financial statements for a three-year term beginning with fiscal year 2022 is accepted, with the cost of each year as follows:

Fiscal Year 2022 Audit	\$33,315
Fiscal Year 2023 Audit	\$34,965
Fiscal Year 2024 Audit	\$36,615
*Fiscal Year 2025 Audit	\$38,265

\*subject to CM approval

SECTION 2. The proposal from Barbacane Thornton & Company LLP to prepare the City’s annual comprehensive financial report (ACFR) for a three-year term with an option to renew for a fourth year beginning with fiscal year 2022 is accepted, with the cost of each year as follows

Fiscal Year 2022 ACFR	\$4,260
Fiscal Year 2023 ACFR	\$4,510

Fiscal Year 2024 ACFR     \$4,760  
\*Fiscal Year 2025 ACFR     \$5,010  
  \*subject to CM approval

SECTION 3. The City Manager is hereby authorized to enter into a three-year contract with an option to renew for a fourth year with Barbacane Thornton & Company LLP for the preparation of the City’s financial report and the audit of the City’s financial statements.

SECTION 4. This ordinance shall become effective upon adoption.

Adopted by the Council of the City of Takoma Park, Maryland, this \_\_\_day of \_\_\_\_\_, 2022 by roll call vote as follows:

- AYE:
- NAY:
- ABSTAIN:
- ABSENT: