

Resolution 2017-09

Resolution for Approval of Contracts with Abraham & Gaffney, P.C.
For Fiscal Year 2016 Auditing Services

WHEREAS, in 2016, the Albion City Council adopted Resolution #2016-03 to extend the contract with Abraham & Gaffney, P.C. to provide auditing services for the Fiscal Year ending 2015; and

WHEREAS, additional auditing requirements under the latest GASB rules have significantly impact the financial statements for Fiscal Years 2016, respectively; and

WHEREAS, it is anticipated that the new GASB requirements will significantly increase the number of hours for the audit fieldwork and in the preparation of the financial statements, including note disclosures and the required supplementary information; and

WHEREAS, Abraham & Gaffney, P.C. has agreed to only increase their existing fee schedule by 2.6% (\$750) for the performance of auditing services, despite the increased fieldwork being required; and

WHEREAS, the auditing contract services include conducting the Financial Audit for the year ending 2016, Single Audit, Preparation of F-65 and Act 51, for a total not to exceed \$28,250; and

WHEREAS, a new auditing requirement is being implemented requiring a performance audit of internal controls to ensure compliance with Michigan Transportation Fund (MTF) - Act 51, as amended. The contract amount for this audit requirement is not to exceed \$2,500; and

WHEREAS, it is the recommendation of the City Manager and Finance Director to enter into these agreements for an auditing contract with Abraham & Gaffney, P.C. for Fiscal Year 2016; and

NOW THEREFORE BE IT RESOLVED: The City of Albion finds it is the best interest of its citizens and for fiscal continuity to approve the contracts with Abraham & Gaffney, P.C. for Fiscal Year 2016 auditing services.

Motion by Council Member French, supported by Council Member Barnes, to approve the foregoing resolution.

I hereby certify that the above resolution was adopted on March 6, 2017 in a regular session of the Albion City Council and this is a true copy of that resolution.

Ayes 7

Nays 0

Absent 0

Jill Domingo
Jill Domingo, City Clerk