

DECISION PAPER



Issue: Board review and approval of independent auditors for 2018 financial audit and tax returns preparation is required

Background:

As prescribed in Resolution 2016-9 Authorization Levels, the selection of independent financial statement auditors shall be review and approved by the Board.

The association had a 3-year agreement with Gilbert Associates for the 2014, 2015, and 2016 audit/tax years. Gilbert was extended as auditor for the year 2017 as well. Gilbert has been the audit and tax services provider for 13 years, with costs flat for several years. Gilbert Associates indicated they are pleased with the client relationship and would welcome the opportunity to continue the audit/tax services.

This summer the Finance Committee reviewed and discussed the subject, including deliberation of pros/cons regarding full request for proposals (RFP) and current auditors service performance level. The committee also weighed the additional work load on management which occurs during an audit firm change. Audit firm rotation has many pros and cons, and is not mandatory. The committee recommended extending Gilbert another year and performing an RFP in summer/fall of 2019.

The Board directed management to perform an RFP process for the three years 2018, 2019, and 2020 audit/tax years.

Management has performed the RFP process and respondents proposals have been reviewed with the board in executive session

Options:

- A. Resolve to authorize _____ as Independent Auditors and tax returns preparers for years 2018, 2019, and 2020.
- B. Approve something other as directed by the Board.

Recommendation:

Option A

Prepared By: Michael R. Salmon, Director of Finance, 12/7/2018

Board Meeting Date: December 15, 2018

General Manager Approval to Place on the Agenda: _____