

Memorandum

REPORT TO: City Commission

FROM: Melissa Hodnett, Finance Director

SUBJECT: Authorize the City Manager to Sign an Audit Services Standard Audit Contract Covering Fiscal Years 2025, 2026, and 2027

MEETING DATE: March 25, 2025

AGENDA ITEM TYPE: Agreement - Vendor/Contract

RECOMMENDATION: Authorize the City Manager to sign audit services standard audit contract covering fiscal years 2025, 2026, and 2027.

STRATEGIC PLAN: 7.5. Funding and Delivery of City Services: Use equitable and sustainable sources of funding for appropriate City services, and deliver them in a lean and efficient manner.

BACKGROUND: MCA Section 2-7-503 requires that a financial report be prepared every year. This statute also requires a biannual audit of the financial report - including the accounts, financial records, and transactions of all administrative departments of the City - by independent certified public accountants selected by the City Commission. The City Commission and City Administration have historically believed that an annual audit provides a higher level of financial assurance and fiscal integrity than a biannual audit, and this intension is expressed in Section 5.09 of the City Charter. The Association of International Certified Public Account (AICPA) through AU-C 210 requires the terms of an audit engagement to be documented in an audit engagement letter. The audit services standard audit contract for fiscal years 2025, 2026, and 2027.

UNRESOLVED ISSUES: None.

ALTERNATIVES: None.

FISCAL EFFECTS: None, this agreement is included in the adopted budget.

Attachments:

[Standard_Audit_Contract_1.29.25.pdf](#)

Report compiled on: March 13, 2025