

**MOORPARK CITY COUNCIL  
AGENDA REPORT**

**TO:** Honorable City Council

**FROM:** Ron Ahlers, Finance Director 

**DATE:** June 24, 2015 (City Council meeting of July 1, 2015)

**SUBJECT:** Consider Engagement Letter for City's Housing Assets Fund and Addendum to Annual Progress Report, Senate Bill 341 (SB341) from External Auditors for Fiscal Year (FY) 2014/15 Audit

**BACKGROUND**

Annually the City of Moorpark engages the services of a CPA firm to perform an audit of the financial statements of the City. The City contracts with the firm of Rogers, Anderson, Malody & Scott, LLP Certified Public Accountants (RAMS) for these services for a five year period. The attached letter specifies the performance of the audit in regards to: the audited financial statements for the City's Housing Assets Fund and Addendum to Annual Progress Report required by Senate Bill 341 (SB341).

**DISCUSSION**

Auditing standards (SAS 114) require that communications from the audit firm be sent to the governing board of the corporation. The attached engagement letter requires the signature of a City official. Staff recommends that the City Council authorize the City Manager to sign the engagement letter.

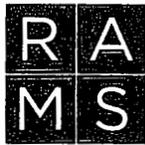
**FISCAL IMPACT**

The FY 2014/15 audit shall cost a maximum of \$8,000. This amount is included in the proposed budget for FY 2015/16.

**STAFF RECOMMENDATION**

Authorize the City Manager to sign the engagement letter, subject to the final language approval by the City Manager and City Attorney.

Attachment: RAMS Engagement Letter for City's Housing Assets Fund and Addendum to Annual Progress Report required by Senate Bill 341 (SB341).



ROGERS, ANDERSON, MALODY & SCOTT, LLP  
CERTIFIED PUBLIC ACCOUNTANTS, SINCE 1948

June 22, 2015

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We are pleased to confirm our understanding of the following audit and non-audit services we are to provide the City of Moorpark (the City), in addition to those agreed to in our engagement letter dated June 22, 2015:

- 1) Preparation of the City's Housing Assets Fund audited financial statements (an audit service).
- 2) Addendum to Annual Progress Report required by Senate Bill 341 (SB 341) (a non-audit service).

We expect to begin these additional services on approximately June 22, 2015. Terry Shea, CPA is the engagement partner and is responsible for supervising the engagement and signing the reports or authorizing another individual to sign them.

We estimate our fee for these additional services will range between \$5,000 and \$8,000.

All other provisions included in the original engagement letter dated June 22, 2015 also apply to these additional services.

We appreciate the opportunity continue to be of service to the City and believe this letter accurately summarizes the additional services to be added to our original engagement. If you have any questions, please let us know.

If you agree with the terms of the additional services as described in this letter, please sign the enclosed original and return it to us. Keep the copy for your records.

Very truly yours,

ROGERS, ANDERSON, MALODY & SCOTT, LLP

  
\_\_\_\_\_  
Terry Shea, CPA

**RESPONSE:**

This letter correctly sets forth the understanding of the City of Moorpark.

By: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_