

Memorandum



CITY OF DALLAS

DATE September 12, 2014

TO Members of the Budget, Finance & Audit Committee: Jerry R. Allen (Chair),
Jennifer S. Gates (Vice Chair), Tennell Atkins, Sheffie Kadane, Philip T. Kingston

SUBJECT Upcoming Agenda Item: External Audit Contract

On August 25, 2010, the City Council authorized a professional services contract with Grant Thornton LLP to perform the annual external audit and various related services for the City's fiscal years ending September 30, 2010 through September 30, 2012. The contract also provided for two one-year renewal options for fiscal years ending September 30, 2013 and 2014. Grant Thornton LLP has provided external audit services to the City of Dallas since the fiscal year 2007 annual audit.

The council agenda for September 24, 2014 includes a resolution to authorize the second and final renewal of the contract with Grant Thornton for the annual external audit of the City's fiscal year 2014 financial operations and grant activities in accordance with the terms provided in the current contract. The renewal reflects an increase of \$17,767 to the existing annual amount, from \$988,373 to \$1,006,140, as a result of the maximum 2% increase allowed in the original contract.

Funding will be provided as follows:

Current funds	\$ 919,253
Capital projects funds for services related to bond offerings	\$ 7,959
Tax Increment Financing Zones	\$ 22,934
Dallas Water Utilities for services related to bond offerings	\$ 7,959
Aviation fund for the audit of Passenger Facilities Charges	\$ 10,081

The contract also provides for the cost of other audit services to related City organizations. Although the costs were negotiated in the City's contract with Grant Thornton, they are approved and paid for by the organizations listed below:

Convention Center Hotel Development Corp.	\$ 25,469
Southwest Airlines for the audit of the Love Field Modernization Corp.	\$ 12,485

Please let me know if you need additional information.

Jeanne Chipperfield
Chief Financial Officer

c: Honorable Mayor and Members of City Council
A.C. Gonzalez, City Manager
Warren M.S. Ernst, City Attorney
Craig D. Kinton, City Auditor
Rosa A. Rios, City Secretary
Daniel F. Solis, Administrative Judge
Ryan S. Evans, First Assistant City Manager
Jill A. Jordan, P.E., Assistant City Manager

Forest E. Turner, Assistant City Manager
Joey Zapata, Assistant City Manager
Mark McDaniel, Assistant City Manager
Charles M. Cato, Interim Assistant City Manager
Theresa O'Donnell, Interim Assistant City Manager
Sana Syed, Public Information Officer
Elsa Cantu, Assistant to the City Manager