

**CITY OF ALBANY  
CITY COUNCIL AGENDA  
STAFF REPORT**

Agenda Date: April 7, 2008  
Reviewed by: *BP*

**SUBJECT:** Appointment of Auditors

**REPORT BY:** Charlie Adams, Finance and Administrative Services Director

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**STAFF RECOMMENDATION**

That the Council approve the appointment of Caporicci & Larson, CPAs, to serve as independent auditors for the City of Albany, the Albany Municipal Services Joint Powers Authority, Albany Community Reinvestment Agency, and the City of Albany Police and Fire Relief Pension Fund for fiscal years ending June 30, 2008 through June 30, 2012.

**DISCUSSION/ANALYSIS**

The 5-year contract for audit services with Odenberg, Ullakko, Muranishi & Co. LLP. concluded with completion of audits for the fiscal year ended June 30, 2007. In compliance with the City's policy of rotation of auditors, staff issued request for proposal to 28 CPA firms with offices in the Bay Area, and with a record of servicing governmental entities. Five firms submitted proposals. Three of the five firms submitting proposals were invited to make oral presentation before a panel composed of the City Treasurer, Finance and Administrative Services Director, Assistant City Administrator and Community Service and Recreation Director.

The panel evaluated the firms' written and oral presentations independent of the fee proposal. The panel was unanimous in their ranking of Caporicci & Larson as the number one technical candidate. Caporicci & Larson was the lowest fee bidder of the five firms that submitted proposals.

The Finance Director performed reference checks with three clients currently being served by Caporicci & Larson, by speaking with the senior financial officer of each entity. All three financial officers responded positively to all questions and indicated that they recommend Caporicci & Larson without reservation.

The results of the selection process were presented to the City Administrator who, based upon the information provided, has recommended appointment of Caporicci & Larson as independent auditors for the City of Albany and associated entities for five fiscal years through June 30, 2012.

**FINANCIAL IMPACT**

The service agreement provides for audit fees of \$35,900 for the fiscal year ending June 30, 2008 and increasing to \$37,900 for the fiscal year ending June 30, 2012. These fees are comparable to fees paid in prior years, and are within the amounts provided in the adopted budget for fiscal year 2007-08.