



MEMORANDUM – COUNCIL DECISION ITEM

From: Lesley Richer, Director of Finance & Administration
Date: December 7th, 2017
To: Barry Elliott, CAO
Re: Audit Request for Proposals for 2017-2019

Recommendation:

All five audit firms come highly recommended by the references spoken to and it is clear that excellent service would be given from all firms. I recommend that the Town of Nipawin engage Janke Jellicoe LLP for the municipal audit services for 2017-2019 as the cost is the lowest, the firm comes highly recommended, and the timeline for the financial statement to be completed will be met.

Key Issues:

The key issues noted that affect the audit request for proposal include cost, timeline, and quality of work. The desired timeline for the completion of the audit is May 31st of each year. Quality of work and favorable references are also vital to the audit decision. Lowest cost is favorable, if all other requirements have been satisfied.

Rationale:

Below is a summary of the audit request for proposals received, listed from lowest total cost to highest total cost:

Janke Jellicoe LLP	2017	2018	2019	Hourly Rate
Town of Nipawin	\$16,000	\$16,400	\$16,800	\$80 - \$300
Evergreen Centre Corporation	\$5,000	\$5,125	\$5,250	\$80 - \$300
101261861 Saskatchewan Ltd.	\$1,500	\$1,525	\$1,550	\$80 - \$300
Nipawin Business Improvement District	\$2,500	\$2,550	\$2,600	\$80 - \$300

I spoke with all four references listed in the proposal and all references have had a very positive experience. The references found the firm easy to work with, very thorough, and very helpful.

The request for proposal indicated that the firm's current general liability insurance policy has a limit of \$2,000,000 per occurrence, and if awarded the audit request for proposal, the firm would increase the limit to \$5,000,000 as requested in the municipal audit services request for proposal issued by the Town of Nipawin.

NeuPath Group CPA's	2017	2018	2019	Hourly Rate
Town of Nipawin	\$22,000	\$22,500	\$23,000	\$75 - \$210
Evergreen Centre Corporation	\$1,900	\$1,950	\$2,000	\$75 - \$210
101261861 Saskatchewan Ltd.	\$1,900	\$1,950	\$2,000	\$75 - \$210
Nipawin Business Improvement District	\$3,800	\$3,900	\$4,000	\$75 - \$210

NeuPath Group has been the Town of Nipawin's auditor since 2011 and has provided excellent and thorough service. NeuPath Group has always been willing to assist on other consulting matters as well. NeuPath Group is the only local firm that submitted a request for proposal.

Cogent CPA	2017	2018	2019	Hourly Rate
Town of Nipawin	\$24,700	\$25,935	\$27,230	\$90 - \$100
Evergreen Centre Corporation	\$3,500	\$3,675	\$3,860	\$90 - \$100
101261861 Saskatchewan Ltd.	\$2,500	\$2,625	\$2,750	\$90 - \$100
Nipawin Business Improvement District	\$2,500	\$2,625	\$2,750	\$90 - \$100

The references have highly recommended Cogent CPA as an audit firm, were very happy with the work performed, and the work was performed in a timely matter.

MNP LLP	2017	2018	2019	Hourly Rate
Town of Nipawin	\$26,500	\$27,300	\$28,200	\$150 - \$170
Evergreen Centre Corporation	\$2,500 - \$3,000	See hourly estimate based on wind-up	See hourly estimate based on wind-up	\$150 - \$170
101261861 Saskatchewan Ltd.	\$1,500	See hourly estimate based on wind-up	See hourly estimate based on wind-up	\$150 - \$170
Nipawin Business Improvement District	\$3,000 - \$3,500	\$3,100 - \$3,600	\$3,200 - \$3,700	\$150 - \$170

I was able to reach two of the three references. Both references gave very good reviews and one reference stated that while they may not be the lowest price, they felt they were worth the cost as they provide excellent value for the cost.

Deloitte, LLP	2017	2018	2019	Hourly Rate
Town of Nipawin	\$23,000	\$24,000	\$25,000	\$150 - \$160
Evergreen Centre Corporation	\$15,000	\$15,800	\$16,600	\$150 - \$160
101261861 Saskatchewan Ltd.	\$4,500	\$4,500	\$4,500	\$150 - \$160
Nipawin Business Improvement District	\$7,000	\$7,300	\$7,600	\$150 - \$160

I was able to reach all three references and they are extremely happy with Deloitte's service. Deloitte has been able to meet tight deadlines required and is very good to work with.

Communication Strategy:

The municipal audit services request for proposal was posted on the SaskTenders website as well as the Town of Nipawin website.

Alternatives to the Recommendation:

Although more costly, Council may choose to award the municipal audit services request for proposal to the local audit firm, NeuPath Group CPA's, to support local business.

Time Frame:

Once the audit firm for 2017-2019 has been chosen, work will begin right away to coordinate the audit plan for 2017.

Respectfully submitted,

Lesley Richer, CPA, CGA
Director of Finance & Administration

Reviewed and Concurred:

Barry Elliott, CAO