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**Request for Proposals No. 13-01  
PROVISION OF EXTERNAL AUDIT SERVICES**

**Addendum 1**

Date Issued: March 14, 2013

**THE FOLLOWING LIST INCLUDES CLARIFICATIONS AND RESPONSES TO QUESTIONS EMAILED BY BIDDERS.**

Respondents are strongly encouraged to thoroughly read all of the material provided below. Receipt of this addendum should be acknowledged in your proposal. **Failure to do this may result in rejection of proposal.**

- 1. Question (Q):** How are capital assets evaluated?  
**Answer (A):** Evaluations are done by City of Brookhaven staff. Evaluation methods include laser surveys of roads, video survey of stormwater systems, and visual inspection of signs and lights. In addition, roads are evaluated by using Georgia Department of Transportation book values with depreciation applied, and visual inspection. This process has been vetted, approved and used by other new Georgia cities over the past decade.
- 2. (Q):** How are property taxes collected by the City?  
**(A):** The City contracts with Dekalb County for billing and collections. Weekly ACH payments are made to the City by the County for the amount collected. We expect to have 95% of the taxes collected by fiscal year-end, with a small year-end accounts receivable.
- 3. (Q):** Will contracts for major city services like finance / administration, public works, continue?  
**(A):** We anticipate the City will continue with the current staffing model, but will regularly review positions and departments as needed.
- 4. (Q):** What software systems are being used at the Municipal Court and in Finance / Accounting?  
**(A):** The Court is using Syscon Software. Finance will issue a RFP for a full enterprise accounting software system in the near future, and expects it to be in place by year-end.
- 5. (Q):** What are the expected revenues over the next five (5) years?  
**(A):** We anticipate \$15M-\$20M in FYE '13, and \$25M-\$30M in the subsequent four (4) years
- 6. (Q):** Will there be Single Audit requirements during the next five (5) years?  
**(A):** It would be reasonable to anticipate having Single Audit requirements during the course of the contract. The proposer is encouraged to quote each year of the contract with and without the single audit.
- 7. (Q):** What is the City's status on developing a capital asset subsidiary listing for all capital assets, including road infrastructure and stormwater systems?  
**(A):** Initially, we will likely use Excel to calculate the road and stormwater infrastructure. Once approved, the asset listing will eventually incorporate into a fixed asset module of the ERP to be acquired in 2013.

8. Does the City plan on assuming operations of the E911 system or will that remain a service of the County?  
**(A): Council would make that determination based on a careful analysis. It would be premature to assume operations would stay with the County or transfer to another form of service provision.**
9. On page 50 of the RFP (The Basic Agreement) Item 5 provides the City with the right to terminate the audit contract for “convenience”. As independent auditors, our standards require that we also have the right to terminate or withdrawal from the engagement. Can this wording be modified to give us the same right?  
**(A): The auditor may not terminate merely for convenience. Cause must exist.**