



Meeting Date: May 29, 2025 **Agenda Type:** Items from Staff

From: Kimberly Huffman **Reviewed by:** John Warren
Accounting Manager Director of Finance

Submitted by: Dawn Schriever **Approved by:** Ryan Kelso
Chief Financial Officer Chief Executive Officer

RECOMMENDED ACTION: Authorize the CEO to Negotiate and Execute an Engagement Letter with Baker Tilly US, LLP for External Audit Services

BACKGROUND

New Braunfels Utilities (“NBU”) requires that an audit firm express an opinion on the fair representation of NBU’s general-purpose financial statements in conformity with generally accepted accounting principles.

The evaluation team met on March 4, 2025, to review the two (2) proposals that NBU received in response to the Request for Qualifications for external audit services. After review and discussion of the proposals received and the criteria that was utilized to select the finalist, Baker Tilly US, LLP was recommended to review and audit NBU’s financial statements for Fiscal Year 2025, with four (4) optional one-year extensions subject to mutual consent. The NBU Audit Committee met on May 15, 2025, to review staff’s recommendation and selection of Baker Tilly US, LLP for external audit services. The NBU Audit Committee and staff recommends engaging Baker Tilly US, LLP for audit services.

This item is being presented to the Board of Trustees as the total amount of the contract exceeds \$250,000.00. The amount paid to Baker Tilly US, LLP is part of the proposed operations and maintenance budget for Fiscal Year 2026.

FINANCIAL IMPACT

The total contract amount for the Agreement with Baker Tilly US, LLP shall not exceed \$477,000.00 for the duration of the Agreement.

LINK TO STRATEGIC PLAN

Financial Excellence

EXHIBITS

1. Engagement Letter with Baker Tilly US, LLP