



Consent Item

RE: Auditing Services Contract Extension

Department/Program: Finance

Explanation: Auditing services were last bid in 2019 and were awarded for a three year term, 2019-2021, with an option for two 2-year extensions. Kerber Eck & Braeckel LLP has proposed fees for the 2022 and 2023 audits at an increase of 25%. Reasons cited for the cost increase were pay raises and bonuses granted to retain staff as a result of the industry-wide staffing crunch. An additional bidder who responded to the RFP in 2019 was contacted for quotes; they proposed a cost increase of 41%.

Prices were also solicited for a single audit, which is required when the City receives \$750,000 or more in federal funding in a calendar year. A single audit will be required in 2022 because of ARPA funding received and in 2023 due to the federal matching grants for construction fees to be expended for New Ballwin Road. The proposed cost for the single audit increased by \$500, which is a 14% increase.

Fee Schedule

<u>For the Years Ending December 31</u>	<u>Basic Audit</u>	<u>Single Audit</u>	<u>Total Costs</u>
2022	\$25,000	\$4,000	\$29,000
2023	\$25,000	\$4,000	\$29,000

Recommendation: Administration recommends awarding a two-year contract extension to our current auditing firm – Kerber, Eck & Braeckel, LLC for the years 2022 – 2023 due to favorable pricing and past performance.

Submitted By: Denise Keller, Finance Officer

Date: September 1, 2022