



## CITY OF MARSHALL AGENDA ITEM REPORT

<b>Meeting Date:</b>	Tuesday, October 8, 2019
<b>Category:</b>	NEW BUSINESS
<b>Type:</b>	ACTION
<b>Subject:</b>	Consider Approval for Auditing Service Contract for 2019-2022
<b>Background Information:</b>	<p>Attached is a summary of the Audit Quotes the City of Marshall received for Auditing Services for four years, 2019 through 2022. The review of the proposals included their fees, the number of hours by staff to perform the service, comparable Cities and the qualifications of the staff.</p> <p>After all the quotes were received and reviewed, special attention was spent on comparing the low quote (BerganKDV) to the other 3 similar amounted quotes. The main difference between the low quote (BerganKDV) and other 3 were the hours spent by the auditing firms, the low quote was significantly lower than the other 3, which was of concern. The City of Marshall's audit staff hours over the past 3 years have averaged 360 hours and the low quote from BerganKDV included 260 staff hours. Not only were the hours low but also the hours spent by the partner reviewing was half the time of Abdo's partners review and this is a critical step in a financial audit to ensure there are no material misstatements.</p> <p>Abdo Eick &amp; Meyers LLP has provided the auditing service to the City of Marshall for the past 12 years. At the end of 2019 Abdo's partner Kyle Meyers will be retiring and Tom Olinger will take over reviewing and overseeing the City of Marshall's Audit.</p> <p>Staff strongly recommends awarding the contract for services with Abdo, Eick &amp; Meyers. The recommendation is upon full review of detailed quotes with consideration of the following: price; experience; hours by the audit staff; the change in partner review is new; and year-round staff availability is included in the contract price.</p>
<b>Fiscal Impact:</b>	\$185,700 for 2019-2022
<b>Alternative/ Variations:</b>	
<b>Recommendations:</b>	Approval of the contract for auditing services for the City of Marshall be awarded to Abdo, Eick & Meyers LLP for 2019-2022 in the amount of 185,700