



Memorandum

To: Mayor Nelson and Members of the City Council
From: Daniel R. Buchholtz, MMC, Administrator, Clerk/Treasurer
Date: July 13, 2021
Subject: Auditor Services

The City Council initially appointed Smith Schafer & Associates as its audit firm for fiscal years 2013, 2014 and 2015 after an RFP process. The City Council extended that engagement for fiscal years 2016-2020, inclusive. City staff has been pleased with the level of service provided by Jason Miller and his staff at Smith Schafer and invited him to provide a quote for services for five fiscal years. The quote is included with this memorandum.

The quotation provides the City with audit services, including financial statement preparation and preparation and submission of the Minnesota State Auditor's Annual Financial Reporting Form.

The quote is shown below:

Fiscal Year	2021	2022	2023	2024	2025
5 year proposal	\$23,900 (6%)	\$24,850 (4%)	\$25,800 (3.8%)	\$26,800 (3.9%)	\$27,800 (3.7%)

** The fees for the year ended December 31, 2020 were \$22,575.

The fee proposed for 2020 is still about \$1,000 less than what the City paid its previous auditor in 2012. Based on that information, staff sees no need to issue another RFP for auditor services.

Staff recommends approval of the proposal.

If you have any questions, please don't hesitate to contact me at 763-784-6491.

