

CITY COUNCIL AGENDA STAFF REPORT

DATE: September 16, 2022

TO: Honorable Mayor and Members of the City Council

FROM: Susan Scarlett, Finance Officer

MEETING: September 28, 2022

SUBJECT: City of Portola Audit Proposal

We have obtained a 3-year proposal for audit and financial statement work from Clifton LarsonAllen LLP, Certified Public Accountants and experts in government standards. The work includes completing the annual audit for the City and preparation of the financial statements. The preparation of the pension liability and the report on GANN appropriation's limit calculations are also included. The previous three years cost for all services was \$32,000 per year and despite rising costs on their part in excess of 20% in the last two years they kept to the amount. The current quote is \$38,000 for FY 23, \$40,000 for FY 24 and \$42,000 for FY 25.

This is highly specialized work and staff recommends continuing with the services of CliftonLarsonAllen. While there is a lead auditor, the firm changes auditors who work on our account approximately every two years so we always have a fresh set of eyes on our records.

Recommendation: It is recommended that the City Council approve the use of CliftonLarsonAllen, LLP as the Auditors for the City and authorize the Interim City Manager to execute a 3-year contract.