



## WILDWOOD

To: Administration and Public Works Committee

From: Dawn Kaiser, Finance Officer  
Steve Cross, City Administrator  
Larry McGowen, Treasurer

Date: October 11, 2022

Re: Audit Proposals

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As required by City Charter, the City of Wildwood solicited proposals to audit the City's financial statements for the fiscal year ending on December 31, 2022, with the option for auditing the City's financial statements for up to three (3) additional years. Requests for proposals (RFPs) were emailed to five (5) audit firms (see attached Schedule A) on August 11, 2022. In response, two firms submitted proposals: the City's current auditor RubinBrown, and Schowalter & Jabouri, P.C. The remaining audit firms either did not respond or declined to bid.

All proposals were due by noon on Thursday, September 1, 2022. A summary of proposed fees is attached (see attached Schedule B).

After careful review of each proposal, Finance Officer Dawn Kaiser, City Administrator Steve Cross, and Treasurer Larry McGowen discussed the proposals in preparation of making a recommendation to the Administration and Public Works Committee at their October 11, 2022, meeting.

Criteria used for evaluation included:

- Municipal audit experience
- Estimated hours required for the engagement
- Additional time required by staff to bring a new audit firm up to speed on the City's operations and procedures
- Comprehensive Annual Report (CAFR) preparation history and success
- Audit Schedule
- Cost

Below is a summary of the discussion of audit firms in order of bid proposal (lowest to highest bid):

## **Schwalter & Jabouri, P.C.**

- This firm has relevant audit experience and qualified staff.
- As with any new audit team, additional time will be required to familiarize this firm with City operations. This equates to a substantial number of additional hours for the new firm and for City Staff to explain and document procedures prior to and during the audit.

## **RubinBrown**

- RubinBrown is the current auditor for the City and has performed its audits for the past sixteen (16) years.
- RubinBrown already has a documented history of the City's operations. This will therefore eliminate any excess billable hours required by the audit firm and City staff to learn the City's operations and procedures.
- RubinBrown's proposal includes a new Engagement Manager providing for a new impartial review, allowing for the independence necessary to provide a clean opinion.
- The Engagement Partner and the Quality Control Partner proposed to work on the City's engagement are deeply knowledgeable with regard to Public Sector accounting requirements.
- RubinBrown staff has worked as a team with the City. Questions are answered immediately and relevant forthcoming changes in compliance are discussed well in advance including recommended strategies for implementation.
- RubinBrown produces quality documents and has assisted the City in receiving the Government Finance Officers Association Certificate of Achievement for Excellence in Financial Reporting award since they began auditing the City in 2006.
- Subsequent and additional material prepared by this firm, including Viewpoints and the Public Sector Stats documents, are unique to RubinBrown and are useful tools for City Council and Staff to gauge how the City is performing in comparison to other similar municipalities using a wide variety of comparative statistics.
- RubinBrown's 2018 through 2021 fees increased by only 5.65% over the four-year period. As a result of current economic inflation, a \$9,100 increase was presented for the 2022 audit in comparison to the 2021 audit fee (exclusive of single audit fees if required due to grant revenues exceeding the \$750,000 threshold). Then, for the years 2023-2025, a five percent (5%) increase was quoted for each of the remaining three years.

In conclusion, it is the recommendation of Finance Officer Dawn Kaiser, City Administrator Steve Cross, and Treasurer Larry McGowan that the City retain the services of RubinBrown to audit the City's financial statements for fiscal year end December 31, 2022, with the option for auditing the City's financial statements for up to three (3) additional years. RubinBrown is a recognized leader in municipal audits. Their consistent, professional staff works as a team with City staff ensuring that questions are

answered immediately. RubinBrown is familiar with the City's practices and has already interviewed staff (City-wide) regarding procedures and internal controls. This will eliminate any extra time required by staff to orient a new firm. We strongly believe that any fee savings proposed by Schowalter & Jabori, P.C. would be minimal due to the additional time spent by City staff to bring the new auditors up to speed on all relevant issues. In addition, we believe that RubinBrown goes above-and-beyond the basic audit by producing their Viewpoints and Public Sector Stats documents and by keeping City staff abreast of upcoming changes in accounting practices and reporting requirements.

Respectfully Submitted:

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Dawn Kaiser, Finance Officer

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Larry McGowan, Treasurer

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Steve Cross, City Administrator

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Dated

**List of Auditor Firms Mailed RFPs (2022 FY)**

RubinBrown  
Certified Public Accountants  
Attn: Brandi Lawyer  
7676 Forsyth Blvd Suite 2100  
St. Louis, MO 63105

314-290-3300  
314-290-3400 Fax  
[brandi.lawyer@rubinbrown.com](mailto:brandi.lawyer@rubinbrown.com)

Botz, Deal & Company, P.C.  
Certified Public Accountants and Advisor  
Attn: Allen Schulte  
Two Wesbury Drive  
St. Charles, MO 63301

636-946-2800  
636-946-2975 Fax  
[aschulte@botzdeal.com](mailto:aschulte@botzdeal.com)

Schowalter & Jabouri, P.C.  
Certified Public Accountants and Consultants  
Attn: Janice Smith  
12250 Weber Hill Rd Suite 315  
St. Louis, MO 63127

314-842-4999  
314-849-3486 Fax  
[JSmith@SJCPA.com](mailto:JSmith@SJCPA.com)

KPMG LLP  
Certified Public Accountants  
Attn: Kim Holtmann  
10 S. Broadway, Suite 900  
St. Louis, MO 63102

314-444-1400  
314-480-7216 Fax  
[Kholtmann@kpmg.com](mailto:Kholtmann@kpmg.com)

Clifton Larson Allen  
Attn: Andrew Zebell  
600 Washington Avenue, Suite 1800  
St. Louis, MO 63101

314-925-4300  
314-925-4350 Fax

**VII: Proposed Schedule of Compensation  
Audit Services  
FY 2022, 2023, 2024, 2025  
City of Wildwood, Missouri**

Name of Firm: RubinBrown LLP

Name of Contact Person: Brandi Lawyer, CPA

Address: 7676 Forsyth Blvd. St. Louis, MO 63105

Telephone Number: 314.290.3459

Email: brandi.lawyer@rubinbrown.com

Year	Maximum Audit Fees - Includes City Audit and ACFR	Maximum Single Audit Fees	Maximum Total Audit Fees	Estimated Hours
2022	\$39,000	\$9,000	\$48,000	275
2023	\$40,950	\$9,450	\$50,400	275
2024	\$43,000	\$9,925	\$52,925	275
2025	\$45,150	\$10,425	\$55,575	275

Staff Title	Hourly Rate
Partner	\$330
Manager	\$183
In-Charge	\$118
Staff	\$115

Signature of Person Authorized to contract for the firm:

Signature Brandi T. Lawyer

Print Name Brandi Lawyer, CPA

VII: Proposed Schedule of Compensation Audit Services  
 FY 2022, 2023, 2024, 2025  
 City of Wildwood, Missouri

Name of Firm: Schowalter & Jabouri, P.C.

Name of Contact Person: Janice A. Smith

Address: 12250 Weber Hill Road, Suite 315, St. Louis, Missouri 63127

Telephone Number: 314-849-4999

Email: jsmith@sjcpa.com

Year	Audit Fees - Includes City Audit and ACFR	Single Audit Fees (if required) (one major program)	Single Audit Fees (if required) (each additional major program)	Total Audit Fees*	Estimated Hours
2022	\$33,000	\$5,100	\$1,600		350-370
2023	\$35,000	\$5,400	\$1,700		350-370
2024	\$37,000	\$5,700	\$1,800		350-370
2025	\$39,000	\$6,000	\$1,900		350-370

\*Dependent upon number of major programs

Year	Reimbursable Expenses Estimate
2022	\$3,800-\$4,300
2023	\$3,800-\$4,300
2024	\$3,900-\$4,400
2025	\$3,900-\$4,400

Staff Title	Hourly Rate
Shareholder/Director/Senior Manager	\$195
Manager/Supervisor	\$160
Senior Accountant	\$135
Staff Accountant	\$105

Signature *Janice A. Smith*

Print Name Janice A. Smith

City of Wildwood  
 Request for Proposal  
 Independent Audit Services