



**PREPARED BY**

Lance, Soll & Lunghard, LLP  
Certified Public Accountants  
License Number 2584

## **COST PROPOSAL**

# **City of Palm Desert Professional Auditing Services RFP No. 2023-RFP-213**

Date of Submission: November 9, 2023

Valid for 90 Days

### **Authorized by**

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## COST PROPOSAL

### ALL-INCLUSIVE MAXIMUM PRICE

All-Inclusive Maximum Price by Report						Optional		
Report	2023/24	2024/25	2025/26	2026/27	2027/28	Optional 2028/29*	Optional 2029/30*	Optional 2030/31*
Financial Statements	\$78,450	\$80,804	\$83,228	\$85,725	\$88,297	\$90,946	\$93,674	\$96,484
Single Audit*	\$7,370	\$7,591	\$7,819	\$8,054	\$8,296	\$8,545	\$8,801	\$9,065
Palm Desert Recreational Facilities Corporation Audit	\$12,570	\$12,947	\$13,335	\$13,735	\$14,147	\$14,571	\$15,008	\$15,458
Gann Limit Verifications	\$590	\$608	\$626	\$645	\$664	\$684	\$705	\$726
Out-of-Pocket Expenses	Included	Included	Included	Included	Included	Included	Included	Included
<b>SUBTOTAL FOR FISCAL YEAR</b>	<b>\$98,980</b>	<b>\$101,950</b>	<b>\$105,008</b>	<b>\$108,159</b>	<b>\$111,404</b>	<b>\$114,746</b>	<b>\$118,188</b>	<b>\$121,733</b>
Current Client Discount (10%)	(\$9,898)	(\$10,195)	(\$10,501)	(\$10,816)	(\$11,140)	(\$11,475)	(\$11,819)	(\$12,173)
<b>Total for Fiscal Year (Not-to-Exceed)</b>	<b>\$89,082</b>	<b>\$91,755</b>	<b>\$94,507</b>	<b>\$97,343</b>	<b>\$100,264</b>	<b>\$103,271</b>	<b>\$106,369</b>	<b>\$109,560</b>

\*Price includes one (1) major program. Each additional program is \$3,500.

### LSL'S STANDARD HOURLY BILLING RATES

HOURLY BILLING RATES						Optional		
Position	2023/24	2024/25*	2025/26*	2026/27*	2027/28*	Optional 2028/29*	Optional 2029/30*	Optional 2030/31*
Partner	\$360	\$380	\$400	\$420	\$440	\$460	\$480	\$500
Senior Manager	\$270	\$280	\$290	\$300	\$310	\$320	\$330	\$340
Manager	\$230	\$240	\$250	\$260	\$270	\$280	\$290	\$300
Supervisor	\$200	\$210	\$220	\$230	\$240	\$250	\$260	\$270
Senior	\$180	\$190	\$200	\$210	\$220	\$230	\$240	\$250
Experienced Staff	\$150	\$160	\$170	\$180	\$190	\$200	\$210	\$220
Staff	\$130	\$140	\$150	\$160	\$170	\$180	\$190	\$200
Clerical	\$110	\$120	\$130	\$140	\$150	\$160	\$170	\$180

\*The quoted fees above include a standard 3% increase year-over-year. However, this percentage increase will be compared to the CPI indicator each year and will be adjusted if that amount exceeds 3%. The higher of the 3% or CPI indicator will be used each year.

## LEVEL OF STAFF ASSIGNED AND NUMBER OF HOURS TO BE ASSIGNED

Segment/Task	TOTAL PROPOSED HOURS						Total
	Partners	Manager	Senior	Experienced Staff	Staff	Clerical	
<b>Financial Statements</b>							
Interim Testwork	4	4	40	-	80	-	128
Year-End Testwork	-	-	120	50	100	-	270
Report/Review/Supervision	16	40	-	-	-	13	69
<b>Subtotal</b>	<b>20</b>	<b>44</b>	<b>160</b>	<b>50</b>	<b>180</b>	<b>13</b>	<b>467</b>
<b>Single Audit*</b>							
Testwork	-	-	10	24	-	-	34
Report/Review/Supervision	2	4	-	-	-	3	9
<b>Subtotal</b>	<b>2</b>	<b>4</b>	<b>10</b>	<b>24</b>	<b>-</b>	<b>3</b>	<b>43</b>
<b>Palm Desert Recreational Facilities Corporation Audit</b>							
Testwork	2	3	62	-	-	-	67
Report/Review/Supervision	-	-	-	-	-	-	-
<b>Subtotal</b>	<b>2</b>	<b>3</b>	<b>62</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>67</b>
<b>Gann Limit Verifications</b>							
Testwork	-	1	2	-	-	-	3
Report/Review/Supervision	-	-	-	-	-	-	-
<b>Subtotal</b>	<b>-</b>	<b>1</b>	<b>2</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>3</b>
<b>TOTAL PROPOSED HOURS:</b>	<b>24</b>	<b>52</b>	<b>234</b>	<b>74</b>	<b>180</b>	<b>16</b>	<b>580</b>

\*Hours proposed are for one (1) major program.

## MANNER OF PAYMENT

Progress payments will be made on the basis of hours of work completed during the course of the engagement and out-of-pocket expenses incurred in accordance with the firm's proposal. Interim billings shall cover a period of not less than a calendar month. The final ten percent (10%) of the total all-inclusive maximum price will be paid upon delivery of the firm's final reports.