



City Council Special Staff Report

Subject: First Amendment to Financial Statement Audit Services Agreement

Date: November 18, 2025

Submitted By: Diane Ahn, Accounting Officer
Daniel Choe, Deputy Director of Administrative Services

Department: Administrative Services - Finance

Recommendation:

Adopt a Resolution of the City Council of the City of Rocklin Ratifying and Authorizing the City Manager to Execute the First Amendment to the Agreement for Financial Statement Audit Services with Chavan & Associates, LLP and Related Expenditures.

Background:

Rocklin Municipal Code RMC Section 2.28.030 requires the City to conduct an annual audit of all City financial transactions and implement such recommendations as may be required to improve the City's financial control and reporting practices.

On May 24, 2022, following the Request for Proposal process, the City entered into an agreement with Chavan & Associates, LLP (Contractor) to provide financial statement audit services for a three-year term ending June 30, 2025, with total compensation not to exceed \$123,250.

The Contractor has been providing the required services and has demonstrated a thorough understanding of the City's financial operations and reporting requirements.

The City and Contractor now desire to amend the existing agreement to extend the term for an additional two years through June 30, 2027, with an effective date of July 1, 2025. The amendment also increases the total compensation by \$89,750, for a new not-to-exceed amount of \$213,000, to cover financial statement audit services for fiscal years (FYs) ending June 30, 2025, and June 30, 2026.

Because the initial agreement term ended on June 30, 2025, the amendment requires City Council ratification to retroactively effectuate the First Amendment as of July 1, 2025, and to validate any expenses incurred to date. Staff recommends approval and ratification of the First Amendment and authorization for the City Manager to execute the Amendment for financial audit services.

Fiscal Impact:

There is no additional fiscal impact from this recommendation. Funds for financial statement audit services are available and appropriated in the FYs 2025-2027 Operating Budget within the General Fund.

ATTACHMENTS:

1. [Resolution](#)
2. [Resolution Exhibit A - First Amendment](#)
3. [Original Agreement for Financial Statement Audit Services](#)