

ITEM 10.D

MOORPARK CITY COUNCIL AGENDA REPORT

TO: Honorable City Council

FROM: Ron Ahlers, Finance Director *RA*
Prepared by: Debbie Burdorf, Accountant I *DB*

DATE: January 27, 2010 (CC Meeting of February 17, 2010)

SUBJECT: Consider Amendment No. 2 to Contract for Professional Services Agreement with Teaman, Ramirez & Smith, Inc. Certified Public Accountants for City and Redevelopment Agency Audit Services for Fiscal Years 2009-10 and 2010-11

BACKGROUND

For the past three years the City of Moorpark has retained the accounting firm of Teaman, Ramirez & Smith, Inc. Certified Public Accountants, for independent auditing services for the City and the Redevelopment Agency. The current agreement with Teaman, Ramirez & Smith expired with the completion of the audit for fiscal year 2008-09, but allowed for an extension of up to two additional years.

DISCUSSION

City staff has experienced a positive relationship with Teaman, Ramirez & Smith over the past three years and wishes to renew the agreement for an additional two year period. The proposal includes the City and Redevelopment Agency audits and CAFR preparation, Single Audit (if applicable), City State Controller's Report and the Transit State Controller's Report. Costs for the reports for fiscal years 2009-10 and 2010-11 are anticipated to be \$34,600 and \$35,400 respectively, and will be reflected in the proposed budget for fiscal year 2010-11. A comparison of costs incurred last fiscal year and proposed future costs is shown below.

**Proposed Fee Structures
(Not to Exceed Amounts)**

Report	FY 2008-09	FY 2009-10	FY 2010-11
City of Moorpark Audit and CAFR preparation	\$19,000	\$19,600	\$20,000
Redevelopment Agency Audit	\$8,000	\$8,500	\$8,900
Single Audit	\$2,800	\$2,800	\$2,800
City State Controller's Report	\$2,800	\$2,800	\$2,800
Transit State Controller's Report	\$900	\$900	\$900
Total	\$33,500	\$34,600	\$35,400

STAFF RECOMMENDATION

Approve Amendment No. 2 with Teaman, Ramirez & Smith, Inc. Certified Public Accountants to increase the Scope of Services to include fiscal years 2009-10 and 2010-11 in an amount not to exceed \$34,600 and \$35,400 respectively, and authorize the City Manager to execute said amendment, subject to final language approval by the City Manager and City Attorney.

Attachment: Teaman, Ramirez & Smith, Inc. Proposal for Extension of Professional Auditing Services for Fiscal Years Ending June 30, 2010 and 2011.

RECEIVED
DEC 31 2009
FINANCE DEPARTMENT

December 29, 2009

Mr. Ron Ahlers, Finance Director
City of Moorpark
799 Moorpark Avenue
Moorpark, California 93021

Dear Mr. Ahlers:

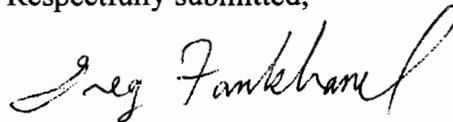
Thank you for inviting Teaman, Ramirez & Smith, Inc. to submit our proposed fees to extend our contract for audit services for an additional two years. We understand this proposed extension is to audit the City's financial statements for the two fiscal years ending June 30, 2010 and June 30, 2011. The following are the proposed all-inclusive audit fees:

<u>Service to be Provided</u>	<u>2009-10</u>	<u>2010-11</u>
City Audit and Related Reports	\$ 19,600	\$ 20,000
City State Controller's Report	2,800	2,800
Transit State Controller's Report	900	900
Single Audit and Related Reports*	2,800	2,800
RDA Audit and Related Reports	<u>8,500</u>	<u>8,900</u>
Total all-inclusive maximum price	<u>\$ 34,600</u>	<u>\$ 35,400</u>

*Assuming one major program in accordance with OMB Circular A-133.

Should the City agree to extend our contract we will provide a formal engagement letter upon notification. We certify that Greg Fankhanel is entitled to represent the firm, empowered to submit this bid and authorized to extend the contract with the City of Moorpark.

Respectfully submitted,



Greg W. Fankhanel, CPA, CFE
Email: gfankhanel@trscpas.com

**AMENDMENT NO. 2 TO
AGREEMENT BETWEEN THE CITY OF MOORPARK
AND TEAMAN, RAMIREZ & SMITH, INC., CERTIFIED PUBLIC ACCOUNTANTS FOR
INDEPENDENT AUDIT SERVICES**

This Amendment, made and entered into this ____ day of _____, 2010, between the City of Moorpark, a California public body, hereinafter referred to as "City" and Teaman, Ramirez, & Smith, Inc., a California corporation, hereinafter referred to as "Auditor."

WITNESSETH

Whereas, on May 8, 2007, the City and Auditor entered into an Agreement for independent audit services for three (3) fiscal years; and

Whereas, the City now desires to extend the term of the Agreement to include two (2) additional fiscal years as provided in the original contract.

Now, therefore, in consideration of the mutual covenants, benefits, and premises herein stated, the parties hereto agree to amend the aforesaid Agreement as follows:

- I. This Amendment will extend the Agreement to include two (2) additional fiscal years as stated in the original contract, and made part of this Agreement.
- II. The Agreement price shall be amended to include \$34,600 and \$35,400 for services specified in the attached letter for fiscal years 2009-10 and 2010-11.
- III. All other provisions of the aforesaid Agreement shall remain in full force and effect.

In witness whereof, the parties hereto have executed this Amendment on the date and year first above written.

CITY OF MOORPARK

TEAMAN, RAMIREZ & SMITH, INC.

Steven Kueny
City Manager

Greg W. Fankhanel
Partner

Attest: _____
Deborah S. Traffenstedt
City Clerk