

**MOORPARK CITY COUNCIL  
AGENDA REPORT**

**TO: Honorable City Council**

**FROM: Ron Ahlers, Finance Director** 

**DATE: May 25, 2016 (City Council meeting of June 1, 2016)**

**SUBJECT: Consider Engagement Letter for City's Housing Assets Fund and Addendum to Annual Progress Report, Senate Bill 341 (SB341) from External Auditors for Fiscal Year (FY) 2015/16 Audit**

**BACKGROUND**

Annually the City of Moorpark engages the services of a CPA firm to perform an audit of the financial statements of the City. The City contracts with the firm of Rogers, Anderson, Malody & Scott, LLP Certified Public Accountants (RAMS) for these services for a five year period. The attached letter specifies the performance of the audit in regards to: the audited financial statements for the City's Housing Assets Fund and Addendum to Annual Progress Report required by Senate Bill 341 (SB341).

**DISCUSSION**

Auditing standards (SAS 114) require that communications from the audit firm be sent to the governing board of the corporation. The attached engagement letter requires the signature of a City official. Staff recommends that the City Council authorize the City Manager to sign the engagement letter.

**FISCAL IMPACT**

The FY 2015/16 audit shall cost a maximum of \$8,000. This amount is included in the proposed budget for FY 2016/17.

**STAFF RECOMMENDATION**

Authorize the City Manager to sign the engagement letter, subject to the final language approval by the City Manager.

Attachment: RAMS Engagement Letter for City's Housing Assets Fund and Addendum to Annual Progress Report required by Senate Bill 341 (SB341).



ROGERS, ANDERSON, MALODY & SCOTT, LLP  
CERTIFIED PUBLIC ACCOUNTANTS, SINCE 1948

May 25, 2016

735 E. Carnegie Dr. Suite 100  
San Bernardino, CA 92408  
909 889 0871 T  
909 889 5361 F  
ramscpa.net

To the Honorable City Council  
City of Moorpark  
799 Moorpark Avenue  
Moorpark, California 93021

**PARTNERS**

Brenda L. Odle, CPA, MST  
Terry P. Shea, CPA  
Kirk A. Franks, CPA  
Scott W. Manno, CPA, CGMA  
Leena Shanbhag, CPA, MST, CGMA  
Bradferd A. Welebir, CPA, MBA, CGMA  
Jay H. Zercher, CPA (Partner Emeritus)  
Phillip H. Waller, CPA (Partner Emeritus)

**MANAGERS / STAFF**

Jenny Liu, CPA, MST  
Seong-Hyea Lee, CPA, MBA  
Charles De Simoni, CPA  
Nathan Statham, CPA, MBA  
Brigitta Bartha, CPA  
Gardenya Duran, CPA  
Juan Romero, CPA  
Ivan Gonzales, CPA, MSA  
Brianna Pascoe, CPA  
Daniel Hernandez, CPA, MBA  
Ryan Smith, CPA

We are pleased to confirm our understanding of the following audit and non-audit services we are to provide the City of Moorpark (the City), in addition to those agreed to in our engagement letter dated May 25, 2016:

- 1) Preparation of the City's Housing Assets Fund audited financial statements (an audit service).
- 2) Addendum to Annual Progress Report required by Senate Bill 341 (SB 341) (a non-audit service).

We expect to begin these additional services on approximately May 25, 2016. Terry Shea, CPA is the engagement partner and is responsible for supervising the engagement and signing the reports or authorizing another individual to sign them.

We estimate our fee for these additional services will range between \$5,000 and \$8,000.

All other provisions included in the original engagement letter dated May 25, 2016 also apply to these additional services.

We appreciate the opportunity continue to be of service to the City and believe this letter accurately summarizes the additional services to be added to our original engagement. If you have any questions, please let us know.

If you agree with the terms of the additional services as described in this letter, please sign the enclosed original and return it to us. Keep the copy for your records.

Very truly yours,

ROGERS, ANDERSON, MALODY & SCOTT, LLP

  
\_\_\_\_\_  
Terry Shea, CPA

**MEMBERS**

American Institute of  
Certified Public Accountants

*PCPS The AICPA Alliance  
for CPA Firms*

*Governmental Audit  
Quality Center*

California Society of  
Certified Public Accountants

**RESPONSE:**

This letter correctly sets forth the understanding of the City of Moorpark.

By: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_