

City of Culver City, California  
**City Council Agenda Item Report**

|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |  |                                                                                        |  |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--|----------------------------------------------------------------------------------------|--|
| Meeting Date: 04/07/08                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |  | Item Number: <u>C-5</u>                                                                |  |
| <b>AGENDA ITEM: Approval of an Amendment to a Professional Services Agreement with Moreland &amp; Associates for Temporary Professional Financial Services for the Finance Department.</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |  |                                                                                        |  |
| Contact Person/Dept.:<br>Jeff Muir, Chief Financial Officer                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |  | Phone Number: (310) 253-6016                                                           |  |
| Fiscal Impact: Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |  | General Fund: Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>      |  |
| Public Hearing: <input type="checkbox"/>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |  | Action Item: <input type="checkbox"/> Attachments: <input checked="" type="checkbox"/> |  |
| Public Notification: Moreland and Associates (04/02/08); Master Notification List (04/02/08)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |  |                                                                                        |  |
| Department Approval:<br>Jeff Muir (03/26/08)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |  | City Attorney Approval:<br>Carol Schwab (by H. Baker) (03/31/08)                       |  |
| Fiscal Impact Review:<br>Jeff Muir (03/31/08)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |  | City Manager Approval:<br>Jerry B. Fulwood (04/02/08)                                  |  |
| <p><b><u>RECOMMENDATION:</u></b></p> <p>Staff recommends the City Council approve an amendment to a Professional Services Agreement for financial and accounting consulting services with Moreland &amp; Associates for an additional six months at a cost not-to-exceed \$90,000.</p> <p><b><u>BACKGROUND:</u></b></p> <p>Effective April 9, 2008 the transition of combining the City Treasurer's Office with the Budget and Purchasing Divisions into a unified Finance Department will enter its final phase. An independent consultant from Moreland &amp; Associates has been on-site on a part-time basis for nearly the last year. This individual has provided great assistance in the City Treasurer's Office and gained a familiarity with the organization. The Chief Financial Officer will need to dedicate a great deal of time in the initial months of the transition to the budget process and evaluating the current organizational structure. The services of the consultant from Moreland &amp; Associates will be very valuable to the Chief Financial Officer to assist with preparation of RFP's for audit services in the areas of Transient Occupancy Tax, Business Tax and the Cable Franchise Fee. Additionally, the City needs to prepare and issue an RFP for banking services. The consultant will also assist with analyzing and revising policies and procedures and will participate in business process optimization analysis.</p> <p><b><u>DISCUSSION:</u></b></p> <p>Moreland &amp; Associates (a CPA firm that previously has been the City's auditor) has supplied us with temporary accounting employees at various levels in the past in order to help fill vacancies. Due to a long-term vacancy in the City Treasurer's</p> |  |                                                                                        |  |

**City of Culver City, California**  
**City Council Agenda Item Report**

Office, a consultant from Moreland has been on site since May of 2007. Leveraging this individual's overall municipal finance experience, coupled with Moreland's direct Culver City experience, will greatly assist the Chief Financial Officer during the first months of operations of the new Finance Department. Contract No. 2007-088A3 with the firm expired on March 31, 2008. This transition is a one-time situation facing the City, and this resource will help in ensuring it goes as smoothly as possible.

**FISCAL ANALYSIS:**

Moreland & Associates have requested an increase to the hourly rate for this extension. When first arranged, this assignment was anticipated to be a month or two in duration. At that time, Moreland & Associates agreed to a lower hourly rate than they normally charged on longer-term interim assignments. The current rate is \$107 per hour, which includes the consultant's hourly rate and the fee charged by Moreland and Associates. The hourly rate for the extension will be \$129.25. Additionally, the consultant would be reimbursed for mileage for any travel to meetings they are asked to attend on behalf of the City, although it is unlikely this would be requested.

It is estimated that of the not-to-exceed \$90,000 amount, \$50,000 will be required in FY 2007-08, and the other \$40,000 will be charged to the FY 2008-09 budget. There are sufficient funds in the Chief Financial Officer's division due to salary savings in FY 2007-08, and funds will be requested in the FY 2008-09 budget for this purpose.

**ATTACHMENTS:**

1. Amendment Contract Number 2007-088A3.
2. Amendment Contract Number 2007-088A2.
3. Amendment Contract Number 2007-088A.
4. Contract Number 2007-088.

**MOTION:**

That the City Council:

1. Approve the amendment to the Professional Services Agreement with Moreland & Associates for an additional six months at an additional cost not-to-exceed \$90,000, including therein an hourly rate adjustment to \$129.25 and reimbursement of mileage costs for any City related travel; and,

City of Culver City, California  
**City Council Agenda Item Report**

2. Authorize the City Attorney to review/prepare the necessary documents and authorize the City Manager to execute such documents on behalf of the City.