



**CONSENT CALENDAR**

**Agenda Item # 5**

**AGENDA REPORT SUMMARY**

**Meeting Date:** March 9, 2021

**Subject:** Contract Amendment: Financial Consulting Services

**Prepared by:** Jon Maginot, Deputy City Manager

**Approved by:** Brad Kilger, Interim City Manager

**Attachment(s):** None

**Initiated by:**

Staff

**Previous Council Consideration:**

None

**Fiscal Impact:**

The total contract amount for Council approval is \$520,080 (\$73,200 original agreement + \$446,880 contract amendment). These funds will come from the General Fund and will be offset by salary savings due to vacancies within the Administrative Services Department.

**Environmental Review:**

Not applicable

**Policy Question(s) for Council Consideration:**

- Does the Council wish to amend the contract with Eide Bailly to provide additional financial consulting and budgeting services?

**Summary:**

- The City currently has an agreement with Eide Bailly to provide financial consulting services
- A contract amendment is needed to allow Eide Bailly to continue providing financial and accounting consulting services while the City evaluates and transitions the Finance Division

**Staff Recommendation:**

Authorize the Interim City Manager to execute a contract amendment with Eide Bailly LLP in an amount not to exceed \$446,880 (total contract amount not to exceed \$520,080) for financial consulting services

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**Reviewed By:**

City Manager

BK

City Attorney

JH

Finance Director

JM

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**Subject:** Contract Amendment: Financial Consulting Services

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### **Purpose**

To amend the contract with Eide Bailly LLP for financial consulting services

### **Background**

On February 1, 2021, the City entered into a contract with Eide Bailly LLP for financial consulting services. In the absence of a permanent Administrative Services Director and a permanent Financial Services Manager, staff from Eide Bailly is assisting the City with budgeting and long-term financial planning services.

### **Discussion/Analysis**

The original contract with Eide Bailly is for an amount not to exceed \$73,200. In order to provide the financial expertise, the City requires during this time of transition, it is recommended that the City Council approve a contract amendment to extend the contract to provide services through December 31, 2021. Staff from Eide Bailly will continue to help the City with day-to-day accounting management as well as help with preparing the upcoming budget and other long-term financial planning documents.

It should be noted, that as the City fills staff vacancies within the Administrative Services Department and the City no longer needs the services of Eide Bailly, the contract will be terminated. Staff will be working to fill both positions in the coming months. With the vacancies of both the Director and Manager positions, there are sufficient salary savings to utilize the services of Eide Bailly.

### **Options**

- 1) Approve the proposed contract amendment

**Advantages:** Extending the contract will allow the City to utilize the services of Eide Bailly for long-term financial planning and assessing the City's financial processes and procedures

**Disadvantages:** None identified

- 2) Do not approve the proposed contract amendment

**Advantages:** None identified

**Disadvantages:** The current contract with Eide Bailly will terminate upon reaching the not to exceed amount of \$73,200 and the City will not be able to utilize the needed financial consulting services

### **Recommendation**

The staff recommends Option 1.