



COBURG CITY COUNCIL

ACTION ITEM

Financial Consulting Professional Services Contract

Meeting Date	Staff Contact	Email
March 12, 2024	Adam Hanks, City Administrator Greg Peck, Finance Director	Adam.Hanks@ci.coburg.or.us Gregory.Peck@ci.coburg.or.us

REQUESTED COUNCIL ACTION

Staff requests Council approval to approve and authorize execution of a professional services contract for financial consulting services to assist the Finance Department with implementation of a number of significant technical updates to the City’s financial operations, structure, processes and reporting systems.

Suggested Motion

I move to approve a Financial Consulting Professional Services contract with Cindy Hanks (Plan + Results LLC) for a period of one year consistent with the scope, oversight and terms proposed and presented and not to exceed a total expense of \$36,000 over the contract term.

BACKGROUND

The City of Coburg has, over time, built a solid financial base for its operations, benefitting from the experience and dedication of the previous management team, often a one-person team with the former City Administrator also holding the Finance Director position during her tenure.

The transition to a new Finance Director and a new City Administrator has created an opportunity to review processes, systems and tools that have been used to build and maintain the solid financial base.

While the financial base is solid, there are a number of significant initiatives that have been discussed internally and with Council in business meetings and the annual retreat that will improve the operational efficiency of the City, increase the clarity and understanding of the City’s financial status to both the Council and the community and better connect the City’s financials to Council goals (the “framework” document) for both the short and long term.

Working directly with Mayor Bell, a short-term contract with this financial consultant was executed in October of 2023 to tackle some immediate short term operational needs for monthly reconciliation, PERS reporting and monthly financial reports. That short-term contract has expired and that work has concluded and requires Council approval for a new contract to be executed.

The attached proposed contract contains a scope of work that Council should find familiar as they have been discussed by both the Finance Director and myself in prior Council meetings and the annual Council Retreat. The scope of work includes:

- Monthly Reconciliation Process – Review, update, train, document
- Payroll set up in Springbrook – All data, pay rates and deduction codes to meet July 1, 2024 implementation
- Chart of Accounts – Review and update for FY25
- Creation of new Funds for SDC’s and a Cash Control Fund (affects/improves reconciliation process)
- Budget Consultation/Support + Adopted budget into Springbrook
- Quarterly Financial Reports – Review existing template, update, train, document
- Conversion of systems to allow for biennial budget (upon Council approval)

The above noted scope tasks facilitate and assist in accomplishing the four finance related objectives described in the draft Council Framework document under the “Our Financial Resources” category. They include:

- Financial System Training and Utilization
- Debt Service Review and Strategy
- Financial Policies and Procedures Update
- Long-term (10 yr) Revenue Needs Forecast

The expectation of staff is that by the conclusion of this proposed twelve-month contract, the existing Finance Department staff (primarily the Finance Director) will be well equipped to manage and operate all elements of the City’s finances using updated processes, systems, tools and policies generated and implemented within this contract scope.

RECOMMENDATION AND ALTERNATIVES

Staff recommends the approval and execution of the proposed contract that provides high level, governmental finance and accounting experience and expertise to the City’s financial systems, staff and operations.

BUDGET / FINANCIAL IMPACT

The contract terms include a minimum monthly expense of \$3,000, which is based on eight (8) hours per week for 4.2 weeks per month at a rate of \$90/hr. If additional hours are desired, the Finance Director will make a formal request to the City Administrator in advance of authorizing the additional hours and in no case will the additional hours exceed 120% of the total minimum contracted cost (\$36,000).

General fund appropriations are available for this expenditure in the professional services category of the Administration budget. The funds are available due to reduced utilization of legal services and a temporary suspension of contract quarterly financial reviews. Both services are contracted with an intergovernmental agreement (IGA) with Lane Council of Governments (LCOG).

Ordinance A-91c contains the contracting regulations of the City of Coburg. This personal services contract process conforms with Section 8 C. 4

PUBLIC INVOLVEMENT

N/A

NEXT STEPS

Upon authorization, staff will execute the proposed contract and move forward on all items contained within the scope of work beginning April 1, 2024.

ATTACHMENTS

1. Draft Contract with Plan + Results LLC