

January 27, 2022

City of St. Helens
265 Strand Street
St. Helens, OR 97051
Attn: John Walsh, City Administrator, Matt Brown, Finance Director

Dear Mr. Walsh and Mr. Brown,

Thank you for the opportunity to provide you with a proposal for a review of the City's Tourism Program revenue and expenditures. We believe that our experience and skill sets are a solid match with this project and encourage you to let us know if you have any questions about our proposed approach, which is outlined in more detail below.

Scope of Work:

Merina+Co (MCO) to review and confirm Tourism Program revenues and expenditures for the following time periods:

- + **Phase 1:** Fiscal Year 2022 (July 1, 2021 to-date)
- + **Phase 2:** Fiscal Year 2021 (July 1, 2020 through June 30, 2021)

We propose to conduct this review as an Agreed Upon Procedures (AUP) engagement in accordance with professional standards established by the American Institute of Certified Public Accountants (AICPA). To achieve the objectives, the review may include procedures such as:

Revenues:

- + Review of the 2019 agreement to establish a baseline understanding of requirements regarding revenues between the Contractor and the City.
- + Review custody procedures over cash receipts for adequate safeguarding of assets.
- + Review reconciliation procedures for TicketLeap/store sales performed by the contractor prior to deposit to the City.
- + Review and compare a sample of deposits to supporting documentation (i.e. Sponsorships/Store Sales/TicketLeap sales records) for accuracy and completeness.
- + Analyze daily receipts compared to prior years daily receipts for specific events, including an estimated attendance calculation based on reported ticket sales for reasonableness assessment by the City.

Expenses:

- + Review of the 2019 agreement to establish a baseline understanding of requirements regarding expenses between the Contractor and the City.
- + Review procedures over purchases and vendor selection.
- + Review and compare a sample of expenses to vendor invoices to ensure accuracy and occurrence.
- + Analyze expense categories compared to prior years for similar events.
- + Review reimbursement requests for City approval prior to payment or withholding of deposits, as applicable.
- + Review vendor payment schedule for proper issuance of Form 1099 and W-9 collection, as applicable.

Timing and Fees:

We anticipate beginning this engagement in February with an anticipated completion for Phase 1 within four weeks of a signed engagement letter, assuming all information is readily available and accessible to our team.

Our fees for this scope of work include:

- + **Phase 1:** Current Year: Not-to-Exceed \$6,300
- + **Phase 2:** Fiscal Year 2021: Not-to-Exceed \$3,600

Our standard rates for services are:

- + Partner \$275/hour
- + Sr. Consultant \$175/hour
- + Consultant \$125-150/hour

As your Project Manager, I am authorized to represent our firm and available to answer any potential questions you may have. I can be reached by phone at (503) 730.2243 or email at rmoody@merina.com.

Our proposal will remain in effect for thirty (30) days after receipt by the City.

Sincerely,



Robert G. Moody, Jr., CPA | Partner