



CITY OF SANTA BARBARA

COUNCIL AGENDA REPORT

AGENDA DATE: June 9, 2015

TO: Mayor and Councilmembers

FROM: Treasury Division, Finance Department

SUBJECT: Amendment To Professional Services Agreement With Ruby Carrillo For Accounting Services

RECOMMENDATION:

That Council approve and authorize the Finance Director to execute a Second Amendment to Agreement No. 21400186, Professional Service Contract with Ruby Carrillo for Accounting Services, to increase the agreement by \$20,000 for a total of \$70,000.

DISCUSSION:

On July 7, 2014, the City entered into a contract with Ruby Carrillo, hereinafter referred to as "Consultant", for \$20,000 to provide Accounting Services to the City to assist the Finance Department during the financial management system replacement project and to assist with the preparation of the Comprehensive Annual Financial Report (CAFR). The staff responsible for producing the CAFR was the primary staff involved in the development and implementation of the new financial management system, thus outside accounting assistance was necessary to complete the CAFR.

In January 2015, the Treasury Manager position in the Finance Department became vacant. The Accounting Manager was appointed to the Treasury Manager position in February; however, after almost six months of search, the Department has been unsuccessful in finding a suitable candidate to fill the Accounting Manager position. Staff has initiated a compensation analysis to determine if the salary is competitive with comparison agencies. Concurrently, staff is considering a reorganization of the Treasury and Accounting Divisions as an alternative to filling the Accounting Manager position if the compensation study shows the current salary is appropriately aligned with other agencies.

Due to the heavy workload resulting from the vacancy in this key management position in the Finance Department, in March staff requested to continue the agreement with the Consultant to perform tasks typically performed by the Accounting Manager position. As such, staff requested a \$30,000 increase to the Consultant's contract, which brought the

total contract amount to \$50,000 and extended services for an additional 12 weeks. During this timeframe, the Consultant assisted with tasks such as capital asset reconciliations, long-term debt analyses, journal entry preparation, financial statement preparation, quarterly reviews, and other tasks commonly performed by the Accounting Manager.

Staff now requests a \$20,000 increase to the contract to continue the agreement with the Consultant for an additional 8 weeks due to the continued heavy workload caused by the vacancy in the Accounting Manager position. The Consultant will primarily assist with the year-end closing and the preparation of the City's Comprehensive Annual Financial Report. Staff anticipates either the filling of the Accounting Manager position or a reorganization will be completed in the first half of Fiscal Year 2016 and, therefore, will reduce the need for outside consulting assistance in the second half of Fiscal Year 2016.

BUDGET/FINANCIAL INFORMATION:

The original agreement for \$20,000 was funded with financial management system replacement project funds in the Information Services Capital Fund. The \$30,000 increase to the agreement was funded by salary savings resulting from the vacancy in the Accounting Manager position. This \$20,000 increase to the agreement will also be funded by salary savings resulting from the vacancy in the Accounting Manager position.

PREPARED BY: Julie Nemes, Treasury Manager

SUBMITTED BY: Robert Samario, Finance Director/Acting Assistant City Administrator

APPROVED BY: City Administrator's Office