

ORDINANCE No. 184563

*Extend contract with Moss Adams, LLP by one year and increase by \$657,000 for financial audit of FY 2010-2011 and professional services. (Ordinance; amend Contract No. 37298)

The City of Portland ordains:

Section 1. The Council finds:

- 1) Ordinance No. 180931, passed by Council on May 2, 2007 authorized Moss Adams, LLP, Certified Public Accountants, to provide independent financial audits and professional services to the City of Portland and its component units.
- 2) The original contract was executed in May 2007 with an expiration date of June 30, 2010 with an option to renew for two additional one-year terms. These financial and compliance audits provided under the original contract were for the financial statements of the three fiscal years 2006-07 through 2008-09.
- 3) Ordinance No. 183708, passed by Council on April 21, 2010 authorized an amendment to extend the contract with Moss Adams, LLP by one year for the financial and compliance audits of fiscal year 2009-10.
- 4) For the financial audit of fiscal year 2010-11, the additional contract price of up to \$657,000 includes the audits of the City's Comprehensive Annual Financial Report, Portland Development Commission's Comprehensive Annual Financial Report and the Hydroelectric Power Fund's and Fire & Police Disability & Retirement Funds' financial statements.
- 5) Funding for most of this financial audit is included in the Office of the City Auditor's and Portland Development Commission's budgets for fiscal year 2010-11 and the requested budgets for 2011-12, and in the budgets of the Hydroelectric Power Fund and the Fire & Police Disability & Retirement Funds for fiscal year 2011-12. Most of this audit work will take place during fiscal year 2011-12. Funding of \$62,000 of the cost of the Single Audit, for the increased grants obtained by the City under the American Recovery and Reinvestment Act, depends upon City Council's approval of the recommended interagency agreements with other bureaus in the fiscal year 2011-12 Adopted Budget.
- 6) \$37,000 of the \$657,000 contract price is a contingent amount. This will be funded by the Office of Management & Finance if a set of circumstances set out in Amendment No.15 [Exhibit A] arise in fiscal year 2011-12 relating to the late delivery of the City's CAFR to Moss Adams LLP.
- 7) Moss Adams LLP is in compliance with the City's Equal Benefits Program.

NOW, THEREFORE, the Council directs:

- a. The Mayor and City Auditor are hereby authorized to execute an amendment to Contract No. 37298 with Moss Adams, LLP for audit and professional services as described in Amendment No. 15, in a form substantially in accordance with the amendment attached as Exhibit A.
- b. The Mayor and City Auditor are hereby authorized to draw and deliver checks for payment to Moss Adams, LLP against the work in the extended contract for audit of the financial statements of fiscal year 2010-11, chargeable as listed below and limited to the maximum amounts indicated in Amendment No.15 [Exhibit A] as follows:

City of Portland's CAFR	\$320,850
City of Portland, OMF's CAFR Contingent Amount	\$ 37,000
City of Portland's Single Audit	\$155,000
Hydroelectric Power Fund	\$16,275
Fire & Police Disability & Retirement Funds	\$ 27,125
Portland Development Commission	<u>\$100,750</u>
Maximum Fee (including out-of-pocket costs)	<u>\$657,000</u>

Section 2. The Council declares that an emergency exists because a delay implementing the action herein could result in delays in conducting the FY 2010-11 audits and additional costs to the City or related entities; therefore, this ordinance shall be in force and effect from and after its passage by the Council.

Passed by the Council: **MAY 04 2011**

City Auditor LaVonne Griffin-Valade
 Prepared by: Fiona Earle, CIA, ACA
 Date Prepared: April 25, 2011

LaVonne Griffin-Valade
 Auditor of the City of Portland

By *Erin Matasan*

Deputy

Agenda No.

ORDINANCE NO. 184563

Title

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<p>INTRODUCED BY Commissioner/Auditor: <i>LV</i> LaVonne Griffin-Valade</p>	<p>CLERK USE: DATE FILED <u>APR 29 2011</u></p>
<p>COMMISSIONER APPROVAL</p> <p>Mayor—Finance and Administration - Adams</p> <p>Position 1/Utilities - Fritz</p> <p>Position 2/Works - Fish</p> <p>Position 3/Affairs - Saltzman</p> <p>Position 4/Safety - Leonard</p>	<p>LaVonne Griffin-Valade Auditor of the City of Portland</p> <p>By: <i>[Signature]</i> Deputy</p>
<p>BUREAU APPROVAL</p> <p>Bureau: Audit Services Bureau Head: Drummond Kahn</p>	
<p>Prepared by: Fiona Earle <i>F. Earle</i> Date Prepared: 04/25/11</p>	
<p>Financial Impact Statement Completed <input checked="" type="checkbox"/> Amends Budget <input type="checkbox"/> Not Required <input type="checkbox"/></p>	
<p>Portland Policy Document If "Yes" requires City Policy paragraph stated in document. Yes <input type="checkbox"/> No <input checked="" type="checkbox"/></p>	
<p>Council Meeting Date May 4, 2011</p>	<p>ACTION TAKEN:</p>
<p>City Attorney Approval</p>	

AGENDA
<p>TIME CERTAIN <input type="checkbox"/></p> <p>Start time: _____</p> <p>Total amount of time needed: _____ (for presentation, testimony and discussion)</p>
<p>CONSENT <input checked="" type="checkbox"/></p>
<p>REGULAR <input type="checkbox"/></p> <p>Total amount of time needed: _____ (for presentation, testimony and discussion)</p>

FOUR-FIFTHS AGENDA	COMMISSIONERS VOTED AS FOLLOWS:		
		YEAS	NAYS
1. Fritz	1. Fritz	✓	
2. Fish	2. Fish	✓	
3. Saltzman	3. Saltzman	✓	
4. Leonard	4. Leonard	✓	
Adams	Adams	✓	