

RESOLUTION NO. 2018-14

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MARINA
APPROVING AMENDMENT NO. 3 AMENDING AGREEMENT AUDIT SERVICE FEES
BETWEEN CITY OF MARINA AND MANN URRUTIA NELSON CPA OF SACRAMENTO,
CALIFORNIA, FOR INDEPENDENT AUDITOR SERVICES, AUTHORIZING CITY
MANAGER TO EXECUTE AGREEMENT ON BEHALF OF CITY SUBJECT TO FINAL
REVIEW AND APPROVAL BY THE CITY ATTORNEY AND AUTHORIZE THE
FINANCE DIRECTOR TO MAKE THE NECESSARY ACCOUNTING AND BUDGETARY
ENTRIES

WHEREAS, on May 17, 2011, the City Council and Agency Board adopted Resolutions 2011-83 and 2011-14 MRA, respectively, approving agreement between the City of Marina, Marina Redevelopment Agency and Mann Urrutia Nelson CPA of Sacramento, California, for independent auditor services, and

WHEREAS, on October 15, 2013, the Council adopted Resolution 2013-145, amending the contract to extend services, and

WHEREAS, on October 15, 2013, the Council adopted Resolution 2013-145, amending the contract to extend services, and

WHEREAS, on February 17, 2016, the Council adopted Resolution 2016-19 amending the contract to include Preston Park audit and extend services,

WHEREAS, the time incurred for all parties involved is higher than anticipated.

NOW THEREFORE BE IT RESOLVED that the City Council of the City of Marina do hereby:

1. Approve Amendment No. 3 amending agreement audit services fees between the City of Marina and Mann Urrutia Nelson CPA of Sacramento, California, for independent auditor services (**EXHIBIT "A"**),
2. Authorize City Manager to execute agreement amendment on behalf of City subject to final review and approval by the City Attorney, and
3. Authorize the Finance Director to make the necessary accounting and budgetary entries.

PASSED AND ADOPTED by the City Council of the City of Marina at a regular meeting duly held on the 6th day of March 2018 by the following vote:

AYES: COUNCIL MEMBERS: Amadeo, Morton, Brown, Delgado

NOES: COUNCIL MEMBERS: None

ABSENT: COUNCIL MEMBERS: O'Connell

ABSTAIN: COUNCIL MEMBERS: None

ATTEST:

Bruce C. Delgado, Mayor

Anita Sharp, Deputy City Clerk

**AMENDMENT NO. 3
TO AGREEMENT FOR INDEPENDENT AUDIT SERVICES**

This Amendment no. 3 ("Amendment") to the Agreement for Independent Audit Services ("Agreement") by and between the City of Marina, a municipal corporation ("City") and Mann, Urrutia, Nelson CPA., a professional corporation ("Auditors") is made and entered into as of the ____ day of _____ 2018.

In consideration of the mutual promises contained herein, City and Auditors agree that the Terms and Conditions set forth herein are incorporated into the Agreement for Independent Audit Services between City and Auditors dated May 17, 2011, and later modified via Amendment No. 1 and Amendment No. 2. Only the provisions of the numbered sections of said Agreement which are being modified hereby are included in this Amendment, and all other terms and conditions of said Agreement shall remain unchanged.

Terms & Conditions

1. Exhibit B of the Agreement is hereby amended to update the Abrams Park and Preston Park compensation as follows:

EXHIBIT B-1 – Summary of the fixed fee (including out-of-pocket expense) for performing the audit engagement for the City of Marina:

FEES FOR SERVICES

	FY15/16	FY16/17	FY17/18	FY18/19
Audit of the Financial Statements for Abrams Park	\$0	\$9,650	\$0	\$9,650
Audit of the Financial Statements for Preston Park	N/A	\$9,650	N/A	\$9,650

All other aspects of this Agreement will remain unchanged.

IN WITNESS WHEREOF, Auditors and the City by their duly authorized representatives, have executed this Agreement on the date first set forth above at Marina, California.

CITY OF MARINA

MANN, URRUTIA, NELSON, CPAS

Signature: _____

Signature: _____

Title: _____

Title: _____

Date: _____

Date: _____

ATTEST: (Pursuant to Reso. 2018 - ____)

City Clerk

APPROVED AS TO FORM

City Attorney

RECEIVED

Risk Manager

Honorable Mayor and Members
of the Marina City Council

City Council Meeting
of March 6, 2018

**CITY COUNCIL CONSIDER ADOPTING RESOLUTION NO. 2018-,
APPROVING AMENDMENT NO. 3 AMENDING AGREEMENT AUDIT
SERVICE FEES BETWEEN CITY OF MARINA AND MANN URRUTIA
NELSON CPA OF SACRAMENTO, CALIFORNIA, FOR INDEPENDENT
AUDITOR SERVICES, AUTHORIZING CITY MANAGER TO EXECUTE
AGREEMENT ON BEHALF OF CITY SUBJECT TO FINAL REVIEW
AND APPROVAL BY THE CITY ATTORNEY, AND AUTHORIZE THE
FINANCE DIRECTOR TO MAKE THE NECESSARY ACCOUNTING
AND BUDGETARY ENTRIES**

REQUEST:

It is requested that the City Council consider:

1. Adopting Resolution No. 2018-, approving Amendment No. 3 amending agreement audit service fees between the City of Marina and Mann Urrutia Nelson CPA of Sacramento, California, for independent auditor services,
2. Authorize City Manager to execute agreement amendment on behalf of City subject to final review and approval by the City Attorney, and;
3. Authorize the Finance Director to make the necessary accounting and budgetary entries.

BACKGROUND:

On May 17, 2011, the City Council and Agency Board adopted Resolutions 2011-83 and 2011-14 MRA, respectively, approving agreement between the City of Marina, Marina Redevelopment Agency and Mann Urrutia Nelson CPA of Sacramento, California, for independent auditor services. On October 15, 2013, the Council adopted Resolution 2013-145, amending the contract to extend services. On February 17, 2016, the Council adopted Resolution 2016-19 amending the contract to include Preston Park audit and extend services.

ANALYSIS:

The independent auditors Mann Urrutia Nelson CPA firm ("MANN") are currently conducting the financial audits for Abrams Park and Preston Park for the period of fiscal year 2015-16 and 2016-17. The time incurred for all parties involved is higher than anticipated. Accordingly, the audit fees will need to be revised to \$9,650 for each property bi-annual (24 month) audit period of FY16/17 and FY18/19. This is a change of \$3,500 for each property bi-annual (24-month) audit period. Given the efficiency and value of having the same independent auditors for the City and its enterprise properties, staff recommends City council approve this service fee adjustment.

FISCAL IMPACT:

Should the City Council approve this request, the fiscal impact for each bi-annual (24 month) audit period is \$3,500 for Abrams Park and Preston Park, respectively.

CONCLUSION:

This request is submitted for City Council consideration and possible action.

Lauren Lai, CPA
Finance Director
City of Marina

REVIEWED/CONCUR:

Layne P. Long
City Manager
City of Marina