



Legislation Details (With Text)

File #: 17-750 **Version:** 1 **Name:**
Type: Motion **Status:** Passed
File created: 3/20/2017 **In control:** City Council
On agenda: 4/4/2017 **Final action:** 4/4/2017
Title: Consider Agreement for Financial Services.

Sponsors:

Indexes:

Code sections:

Attachments: 1. 1- Agreement for Financial Services with AEM Financial Solutions, LLC

Date	Ver.	Action By	Action	Result
4/4/2017	1	City Council	approve	Pass

City Council Meeting Date: April 4, 2017

To: Mayor and City Council

From: City Administrator

Consider Agreement for Financial Services.

Action Requested:

The Northfield City Council approves Agreement for Financial Services with AEM Financial Solutions, LLC.

Summary Report:

Finance Director Lammers has resigned from the City of Northfield effective April 7, 2017. The City has posted the position for the vacancy. During the interim, many of the current duties are being distributed amongst existing staff. Communications and Human Resources Manager Michelle Mahowald is taking on the Deputy Registrar responsibilities. City Administrator Martig will take on supervisory responsibilities of the Liquor Store Manager. Accounting Coordinator Mary Grant will be taking on added responsibilities of the Finance Director. In addition to these added duties to the Accounting Coordinator, there is a planned approved leave of absence for the Accounting Technician II position within the department that will place additional time burdens on the Accounting Coordinator who supervises this position. The City is seeking a temporary employee to assist in that role but we do anticipate it will require more oversight than usual. In addition to other duties, there is a need for additional support for financial oversight.

City Administrator Martig has been working with the current Finance Director and other staff to evaluate how to best provide the additional finance related support. Staff is recommending contracting with AEM Financial Solutions, LLC. AEM Financial Solutions, LLC provides day-to-day accounting and financial management services for local governments. They are a division of Abdo, Eick and Meyers, LLP who is the leading governmental auditing firm in the State of Minnesota and serves as auditor for Northfield. Staff sees this connection as valuable and the interim status, as well as internal controls, will allow us to avoid any internal fiduciary conflict of interest between our auditing firm and this temporary contract for services with AEM.

City Administrator Martig will oversee the contract and services. Accounting Coordinator Grant will also be working closely with AEM Financial Solutions, LLC as it relates to the contract provisions.

City Administrator Martig and Finance Director Lammers will present information to the Council and be able to answer any questions at the meeting.

Alternative Options:

None recommended.

Financial Impacts:

The contract will be billed on an hourly rate of service of \$150. If additional resources are needed, the hourly rate ranges from \$130 for a staff resource to \$330 for a Partner resource. We have included various “service categories” and currently estimate a total cost of services for the agreement at \$24,300. We anticipate there will be different categories. These categories are explained in detail in the “Scope of Services” section found on page 8 of the attached agreement.

See Table 1 of the attached Agreement for the Provision of Professional Services. These costs will be expensed to the professional services budget within the Finance Department.

Tentative Timelines:

The current term of the contract is from April 10, 2017 through September 30, 2017.