

City Council  
Date: 12.01.08  
CONSENT  
Motion

ITEM: Approve letter of agreement with KDV for financial support services in 2009

SUBMITTED BY: Tom Bouthilet, Finance Director

REVIEWED BY: Susan Hoyt, City Administrator  
Steve MacDonald, Auditor, Abdo, Eick and Meyer

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SUMMARY AND ACTION REQUESTED: The city council is being asked to authorize the a letter of agreement for continuing financial advising on budget, accounts and records with KDV for 2009. The 2009 budget includes funds for these services. Steve MacDonald, the auditor, recommends this service continue to maintain the fiscal quality required. The city utilized Joe Rigdon of KDV, on the recommendation of the city auditor, to reconcile the city's records to be consistent with best practices for government accounting. Due to substantial experience in government finance accounting including being a finance director, Joe is very efficient with his time. In addition, Joe has prepared monthly revenue and expenditure reports for the city council and the city staff since he has been hired. He also prepared documents for the budget process and documents for 2009. With the city's accounts reconciled and the budget document format in place, the hours of work required by KDV will be substantially less in 2009 than in 2008. The work in 2009 should include a utility rate study of the three utilities: water, wastewater and surface water to assure the city council and taxpayers that the costs of these utilities are being born by users. A detailed study is in order based upon recommendations of the city engineer and the finance experts. Joe Rigdon's financial expertise complements and supports the day to day work of Tom Bouthilet, the city's finance director. The hourly rate for Joe Rigdon is \$135 per hour. There is no obligation for a minimum fee for this service.

#### *MOTION*

*Approve the letter of agreement with KDV for financial support services in 2009*