

**CITY OF SAN ANTONIO
FINANCE DEPARTMENT
CITY COUNCIL AGENDA MEMORANDUM**

TO: Sheryl Sculley, City Manager

FROM: Ben Gorzell Jr., Acting Director, Finance Department

SUBJECT: Ordinance to approve services provided by Padgett Stratemann & Company LLP for Staff Augmentation and Fiscal Year-End Accounting Support.

DATE: March 9, 2006

SUMMARY AND RECOMMENDATIONS:

The Ordinances below authorize the amendment of professional services contracts with Padgett Stratemann & Company LLP as follows:

- A) An Ordinance ratifying services, authorizing an extension through December 15, 2005, and an amendment of a professional services contract with Padgett Stratemann & Company LLP to provide for additional services and compensation in the amount of \$24,634.15, for total compensation of \$124,634.15; and ratifying payment of such additional compensation.
- B) An Ordinance ratifying services, authorizing an extension through June 30, 2006 and amendment of the current professional services contract with Padgett Stratemann & Company LLP to provide for additional services and compensation in the amount of \$40,000 for total compensation of \$90,000.

Staff recommends approval of these Ordinances.

BACKGROUND INFORMATION:

An initial contract with Padgett Stratemann & Company, LLP was authorized via Ordinance No. 100913 on May 29, 2005 in the amount of \$100,000 to assist the Finance Department with post SAP implementation services. This contract terminated November 30, 2005. However, in an effort to continue the progress and momentum towards resolving remaining system conversion issues and reconciling the beginning balances for fiscal year 2005, additional services from Padgett Stratemann & Company in the amount of \$24,634.15 were utilized until December 15, 2005. Item A is consideration of an ordinance to ratify these services and payment in the amount of \$24,634.15 bringing total services and compensation under the initial contract to \$124,634.15.

A second contract with Padgett Stratemann & Company LLP was authorized via Ordinance No. 101879 on December 15, 2005 in the amount of \$50,000. The contract had an original termination date of February 16, 2006 and was necessary for completion of various year-end tasks related to closing the fiscal year accounting records and preparing the City's Comprehensive Annual Financial Report (CAFR). Tasks included verification of the accuracy and completeness of the financial data transferred from the legacy systems to SAP, reconciling accounts, preparing fiscal year end financial statements, day to day operating activities and augmenting finance staff.

The Finance Department wishes to continue to engage Padgett Stratemann to provide end of fiscal year support services and staff augmentation and extend the current contract from February 16, 2006 to June 30, 2006 for an additional estimated cost of \$40,000. Item B is consideration of an ordinance to ratify services under the second contract from February 16, 2006 to the effective date of the proposed ordinance, extend the termination date of the contract to June 30, 2006, and provide for additional consideration of \$40,000. With approval of this item, total consideration under the second contract would not exceed \$90,000.

The total amount paid and future obligations under both contracts with Padgett Stratemann and Company totals \$214,634.15 from June 1, 2005 through June 30, 2006.

POLICY ANALYSIS:

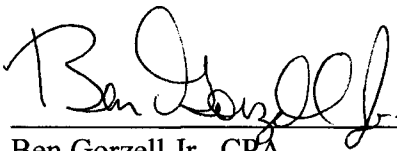
Hiring Padgett Stratemann & Company LLP to provide fiscal year-end support services will assist the City by ensuring an accurate review of the accounting records, closing of the fiscal year 2005 financial accounting records, and assisting to augment existing Finance Department staff.

FINANCIAL IMPACT

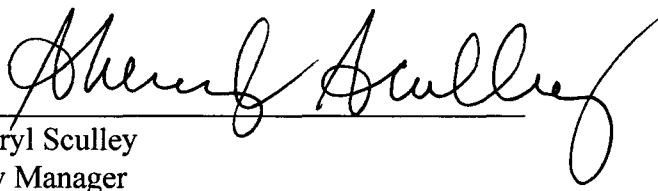
The funding for the additional consideration of \$40,000 for Item B will be funded from the Finance Department Budget.

COORDINATION

These items were coordinated with the City Manager's Office and the City Attorney's Office.



Ben Gorzell Jr., CPA
Acting Director of Finance



Sheryl Sculley
City Manager

City of San Antonio
Discretionary Contracts Disclosure

*For use of this form, see Section 2-59 through 2-61 of the City Code (Ethics Code)
Attach additional sheets if space provided is not sufficient.*

(1) Identify any individual or business entity that is a party to the discretionary contract.

PADGETT, STRATEMANN & Co., L.L.P.

(2) Identify any individual or business entity which is a partner, parent or subsidiary business entity of any individual or business entity identified in Box (1).

☐ No partner, parent or subsidiary; or

List partner, parent or subsidiary of each party to the contract and identify the corresponding party:

RAY E. BEREND, CPA; DAVID R. WADDELL, CPA; SANTOS FRAGA, JR., CPA;
DENISE B. BENDELE, CPA; William E. Dimick, CPA; Kathleen K. Fields, CPA;
HECTOR M. FRIETZE, CPA; STEVEN R. GRIFFITH, CPA; ROBERT C. PFULLMANN, JR., CPA;
CAROLYN J. SMITH, CPA; BILL K. WISECARVER, CPA; JOHN E. WRIGHT, CPA and RAUL RIOS, CPA

(3) Identify any individual or business entity that would be a subcontractor on the discretionary contract.

☐ No subcontractor(s); or

List subcontractors:

THOMAS TARRILLION, CPA

(4) Identify any lobbyist or public relations firm employed by any party to the discretionary contract or otherwise related to securing the discretionary contract.

☐ No lobbyist or public relations firm employed; or

List lobbyists or public relations firms:

NONE

¹ A business entity means a sole proprietorship, partnership, firm, corporation, holding company, joint-stock company, receivership, trust, unincorporated association, or any other entity recognized by law. A sole proprietor should list the name of the individual and the d/b/a, if any.

(5) Political Contributions:
 All political contributions totaling one hundred dollars (\$100) or more within the last twenty-four (24) months made to any member of or candidate for City Council, any candidate for City Council or to any political action committee have to be disclosed to City Council elections by any individual or business entity whose name is listed under Box (1), (2), (3) or (4) above or by the officers, owners or any business entity listed in Box (1), (2) or (3).

☐ No contributions made; If contributions made, list below:

By Whom Made:	To Whom Made:	Amount:	Date of Contribution:
Ray Berend	Phil HARDBERGER	\$250.00	Dec. 1, 2004
William Dimick	Phil HARDBERGER	\$250.00	Feb. 1, 2005
SANTOS FRAGA	ART HALL	\$100.00	April 19, 2004
SANTOS FRAGA	ART HALL	\$100.00	Dec. 14, 2004
Denise Bendele	CARROLL SCHUBERT	\$250.00	July 1, 2005
Santos FRAGA	CARROLL SCHUBERT	\$100.00	Aug. 4, 2004

(6) Disclosures in Proposals


Any individual or business entity (contractor or discretionary contractor) with the city must disclose any known facts which raise a question about whether a question is raised as to whether any city official or employee or the city is in violation of Section 2-43 of the City Code (which prohibits conflicts of interest) by participating in the procurement of a contract or in the discretionary contract.

☐ Party not aware of facts which would raise a "conflicts-of-interest" issue under Section 2-43 of the City Code; or

Party aware of the following facts:

NONE

This form is required to be supplemented in the event there is any change in the information before the discretionary contract is the subject of council action, and no later than five (5) business days after any change about which information is required to be filed, whichever occurs first.

Signature: 	Title: <i>Partner</i> Company or D/B/A: <i>Adgett, Strommen & Co., L.L.P.</i>	Date: <i>February 28, 2006</i>
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² For purposes of this rule, facts are "reasonably understood" to "raise a question" about the appropriateness of official action if a disinterested person would conclude that the facts, if true, require recusal or require careful consideration of whether or not recusal is required.