Resolution 2023-R-94

A Resolution authorizing execution of an agreement with Sheppard Harris & Associates for accounting services for the City

BE IT HEREBY RESOLVED by the City Council of the City of Irondale, Alabama, in regular meeting duly assembled, a quorum being present that Mayor James D. Stewart, Jr. or his designee is hereby authorized to execute an agreement for accounting services in substantially the form attached here to as **Exhibit 1** with Sheppard Harris & Associates in an amount not to exceed $40,000.00.

ADOPTED & APPROVED: This 5th day of September, 2023.

David Spivey, City Council President

APPROVED:

James D. Stewart, Jr., Mayor

ATTESTED:

Leigh Ann Allison, City Clerk

CERTIFICATION

I, Leigh Ann Allison, the City Clerk of the City of Irondale, Alabama, hereby certify that the above to be a true and correct copy of a resolution adopted by the City Council of the City of Irondale at its regular meeting held on the 5th day of September, 2023, as the same appears in the minutes of record of said meeting.

Leigh Ann Allison, City Clerk

Exhibit 1

SHEPPARD HARRIS
Certified Public Accountants

Sheppard Harris & Associates
214 24th Street North
Birmingham, Alabama 35203

(205) 323-5922
(205) 449-1223 (fax)
www.sheppardharris.com

Mayor James Stewart
City of Irondale
101 20th Street South
Irondale, AL 35210

RE: PROPOSAL FOR CONSULTING FINANCIAL SERVICES

Thank you for considering Sheppard Harris & Associates, CPA for financial management consulting services for The City of Irondale. We appreciate the opportunity to provide you with a detailed proposal outlining the scope of services and associated fees. This proposal is based on our understanding of the requirements as discussed during our initial conversations.

1. OBJECTIVES

In this engagement, our primary objective is to provide comprehensive financial management consulting services to support The City of Irondale in preparing for the year-end financial audit, optimizing its financial processes, and improving overall financial management practices. The specific objectives of this engagement are as follows:

- Execute the required task to prepare and review year-end closing entries, ensuring accuracy and completeness for the financial statements.
- Perform the necessary tasks to prepare and review bank reconciliations accurately and effectively.
- Convert the financial statements from cash basis to accrual basis at year-end, ensuring accurate recognition of revenues and expenses.
- Provide a comprehensive follow-up on audit findings and address management letter comments.

2. SCOPE OF SERVICES

Based on our understanding of your needs, the following services are included in our proposal:

- Provide consulting services to assist in developing and implementing an effective budgeting and financial planning process, ensuring fiscal stability and alignment with their goals and objectives.
- Conduct a comprehensive assessment of the current financial systems, policies, and procedures in place.
- Identify areas for improvement, bottlenecks, and inefficiencies within the financial processes.
- Assist in designing and implementing effective internal controls and procedures to monitor and control expenditures, ensuring efficient resource utilization and mitigating the risk of fraud or misappropriation.
- Support the grant management department by offering guidance on proper tracking mechanisms, compliance with grant requirements, and documentation for reporting purposes.
- Offer guidance and support in ensuring compliance with applicable financial regulations, tax laws, and reporting requirements, including periodic reviews and proactive monitoring of regulatory changes.
- Evaluate debt management strategies and compliance with debt covenants, to effectively manage and optimize municipal debt.

3. FEES AND ENGAGEMENT TERMS

Our fees for the financial services related to financial management consulting services for The City of Irondale will be based on the estimated time, complexity, and expertise required to deliver the scope of services outlined above. The fees will be structured as follows:

- Hourly Rates: Our team members' hourly rates range from $150 to $300 per hour, depending on their level of expertise and involvement in the engagement.

- Total Fee: The total fee for this engagement is estimated to range from $30,000 to $40,000. **Please note that this is an estimate, and the final fee may be adjusted based on the actual time spent and any additional services requested during the engagement.**

4. ENGAGEMENT TERMS

Duration: The duration of this engagement will be based on the project timeline and specific deliverables. We anticipate the engagement to be 150 or less hours, subject to adjustments based on the complexity of the engagement and the achievement of mutually agreed-upon milestones.

Payment Terms: Our standard payment terms are as follows:
- 25% of the estimated total fee will be due upon signing this proposal as an engagement retainer.
- The remaining balance will be invoiced monthly based on the actual time spent and expenses incurred during the engagement, with payment due within 30 days from the date of the invoice.

Confidentiality: We assure you that all information shared with us during the engagement will be treated with strict confidentiality, and we will take appropriate measures to safeguard your data in accordance with applicable laws and regulations.

Termination: Either party may terminate this engagement by providing written notice to the other party. In such cases, the client will be responsible for compensating the firm for the services rendered up to the termination date.

ACCEPTANCE

We believe that our financial services can provide valuable support to financial management consulting services for The City of Irondale. If you agree with the scope of services and associated fees outlined in this proposal, please indicate your acceptance by signing below and returning a copy of this proposal. Should you have any questions or require further clarification, please do not hesitate to contact us.

Sincerely,

Sheppard-Harris & Associates

Sheppard-Harris & Associates, PC
Birmingham, Alabama

Accepted and agreed:

The City of Irondale

Date: James D. Stewart Jr.

Signature: 9/5/2023