



City of Salem
CITY OF SALEM AND SALEM URA
FINANCE COMMITTEE
MEETING AGENDA
October 21, 2024 4:00 PM

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PARTICIPANTS

Board Members

Councilor Jose Gonzalez, Chair
Councilor Deanna Gwyn
Councilor Vanessa Nordyke
Councilor Micki Varney
Alternate-Councilor Linda Nishioka

Staff

Keith Stahley, City Manager
Dan Atchison, City Attorney
Josh Eggleston, Chief Financial Officer
Courtney Knox Busch, Chief Strategy Officer
Jenny Mattechek, Chief Accountant
Kali Leinenbach, Budget Manager
Jeremy Morgan, Accounting Supervisor
Anja Hill, Treasury Supervisor
Kelli Blechschmidt, Management Analyst II
Shengnan Thomas, Administrative Analyst I

Guests

Tammy Lohr-Schweitzer, Moss Adams
Colleen Rozillis, Moss Adams

AGENDA

1. Welcome and call to order
2. Approval of Minutes
 - a. September 16, 2024 (Package page 3)
3. Public Comment - Appearance of persons wishing to address the Board on any matter other than those which appear on this Agenda
4. Action Items

- a. None

- 5. Management Update/Information Items
 - a. Performance and Internal Audit Series – Moss Adams (Package page 5)
 - b. Draft Five-Year Forecast Validation Scope (Package page 17)
 - c. Preliminary Five-Year Forecast Assumptions

- 6. Continued Business

- 7. New Business

- 8. Adjourn

Next Meeting: November 18, 2024

This meeting is being conducted virtually, with remote attendance by the governing body. No in-person attendance is possible. Interested persons may view the meeting online on [YouTube](#). To sign up to testify via Zoom or to submit public comment, contact the Finance Department via email at finance@cityofsalem.net or telephone at 503-588-6040 the day of the meeting by 1PM.

Special accommodations are available, upon request, for persons with disabilities or those needing sign language interpretation, or languages other than English. To request accommodations or services, please call 503-540-2371 (TTD/TTY 503-588-6439) at least two business days in advance.

It is the City of Salem's policy to assure that no person shall be discriminated against on the grounds of race, religion, color, sex, marital status, familial status, national origin, age, mental or physical disability, sexual orientation, gender identity, and source of income, as provided by Salem Revised Code 97. The City of Salem also fully complies with Title VI of the Civil Rights Act of 1964, Americans with Disabilities Act of 1990, and related statutes and regulations, in all programs and activities.

CITY OF SALEM AND SALEM URA FINANCE COMMITTEE Minutes

DATE: September 16, 2024

PLACE: ZOOM / Finance Conference Room

CHAIRPERSON: Jose Gonzalez

STAFF LIAISON: Josh Eggleston, CFO 503-588-6130 JEggleston@cityofsalem.net

Members Present:

Councilor Jose Gonzalez, Chair – virtual
Councilor Micki Varney
Councilor Vanessa Nordyke – virtual
Alternate-Councilor Linda Nishioka

Members Absent:

Councilor Deanna Gwyn

Staff Present:

Keith Stahley, City Manager
Scott Archer, Deputy City Manager
Josh Eggleston, Chief Financial Officer
Dan Atchison, City Attorney
Mike Niblock, Fire Chief
David Gerboth, Incoming Fire Chief
Brian Carrara, Deputy Fire Chief
Kyle Amsberry, Deputy Fire Chief
Scott Leavell, Deputy Fire Chief
Courtney Knox Busch, Chief Strategy Officer
Kali Leinenbach, Budget Manager
Jenny Mattecheck, Chief Accountant
Ryan Zink, Senior Fiscal Analyst
Jeremy Morgan, Accounting Supervisor – virtual
Kelli Blechschmidt, Management Analyst II - virtual
Shengnan Thomas, Administrative Analyst I

Guest Present:

Tammy Lohr-Schweitzer, Moss Adams – virtual
Colleen Rozillis, Moss Adams
Councilor Elect Dr. Irwin Brown (joined at 3:35 pm)
Councilor Elect Shane Matthews

1. CALL TO ORDER: 3:30 PM / Quorum
2. APPROVAL OF COMMITTEE MINUTES
 - a. August 19, 2024

Motion was moved by Member Nishioka, seconded by Member Varney, and carried by the following vote:

Aye: Unanimous
Nay: None
Abstentions: None
3. PUBLIC COMMENT
 - a. None
4. ACTION ITEMS
 - a. None
5. MANAGEMENT UPDATE / INFORMATION ITEMS
 - a. Performance and Internal Audit Series Update by Moss Adams

Questions or comments by: Chair Gonzalez, Members Nordyke, Varney and Nishioka

Responses by: Keith Stahley, City Manager; Josh Eggleston, Chief Financial Officer; Courtney Knox Busch, Chief Strategy Officer; Tammy Lohr-Schweitzer, Moss Adams; Colleen Rozillis, Moss Adams
 - b. Emergency Medical Service (EMS) operations transition financial update by Brian Carrara, Deputy Chief and Ryan Zink, Senior Fiscal Analyst

Questions or comments by: Chair Gonzalez; Members Nordyke, Varney and Nishioka; Keith Stahley, City Manager; Mike Niblock, Fire Chief

Responses by: Josh Eggleston, Chief Financial Officer; Mike Niblock, Fire Chief; Brian Carrara, Deputy Chief; Kyle Amsberry, Deputy Fire Chief; Ryan Zink, Senior Fiscal Analyst
6. CONTINUED BUSINESS
 - a. None
7. New Business
 - a. None
8. ADJOURNMENT: 5:00 PM
The next meeting is scheduled for Monday, October 21, 2024 at 4:00 PM.

MOSS M

CITY OF SALEM

PERFORMANCE AND INTERNAL AUDIT SERIES UPDATE

The City of Salem faces a significant structural budget deficit over the next decade. This deficit primarily impacts the City’s general fund, which supports core government operations including public safety, parks and recreation, library, code enforcement, and enterprise services. The City recently completed a community-led Revenue Task Force to identify options to address the revenue shortfall. To complement this effort, the City has conducted efficiency studies, performance audits, and other operational improvements over the past 5 years. Looking forward, the City seeks to implement a series of performance and internal audits to assess the efficiency, effectiveness, and economics of City programs and services. As the City’s consultant of record for organizational alignment and optimization, Moss Adams LLP (“we”; “Moss Adams”) propose a risk-based approach, outlined below.

Government Performance Auditing Standards

We conduct performance and internal audits in accordance with Generally Accepted Government Auditing Standards (GAGAS) in support of government accountability: “The concept of accountability for use of public resources and government authority is key to our nation’s governing processes. Management and officials entrusted with public resources are responsible for carrying out public functions and providing service to the public effectively, efficiently, economically, ethically, and equitably within the context of the statutory boundaries of the specific government program.”¹

Recommended Work Plan: FY25-27

Based on our understanding of the City’s current risk conditions, the areas where a performance or internal audit could make the greatest impact are those that are:

- 1) Primarily funded by the general fund;
- 2) Efficiencies and cost savings opportunities, as indicated by overall program budget and employee count;
- 3) Have enterprise impact;

¹ Government Auditing Standards, US Government Accountability Office

- 4) Aligned with the City’s strategic goals and Council priorities;
- 5) Disruption or degradation of service would negatively impact other programs or services; and/or
- 6) Mandated by law;

Whether there was organizational readiness or capacity for the projects was also considered. The work plan could be accomplished over 2-3 years, with an annual assessment of risk and priorities to establish the order of assessment.

DEPARTMENT/FUNCTION	PRIMARY FUNDING	FY2025 BUDGET	FY2025 FTE COUNT	PRIORITY	NOTES
City Manager’s Office, Mayor and City Council, and enterprise leadership	General Fund	\$1,680,930	6.0	1	<ul style="list-style-type: none"> • Enterprise leadership performance audit to identify process, organization, and staffing efficiencies was approved on 9-16-2024 • Equity study conducted 2024 • Governance assessment conducted 2024 • Enterprise Leadership Performance Audit underway
Enterprise Services: Information technology	General Fund	\$14,194,580	59.75	1	<ul style="list-style-type: none"> • Recommend citywide system assessment and priority investment roadmap, more effective leveraging of technology could significantly impact Citywide efficiency • ERP replacement in progress

DEPARTMENT/FUNCTION	PRIMARY FUNDING	FY2025 BUDGET	FY2025 FTE COUNT	PRIORITY	NOTES
					<ul style="list-style-type: none"> IT governance implementation 2022
Fire: Fire and emergency preparedness and response	General Fund	\$51,370,910 (\$3,654,791 in fire personnel overtime for FY 2024)	186.0	1	<ul style="list-style-type: none"> Recommend overtime and workload study following onboarding of new chief and EMS transition
Urban Renewal Agency	Direct and General Fund	\$89,078,390 (Represents \$5-6 million annually for the General Fund if all URAs were closed)		1.5	<ul style="list-style-type: none"> Performance audit could identify ROI, comparison to best practices, and document sources and uses of funds
Police Department	General Fund	\$61,837,290 (2,865,789 in overtime for FY 2024)	250.4	2	<ul style="list-style-type: none"> Recommend overtime study 2021 performance audit and staffing study Accreditation renewal in progress
Community Services: Parks operations	General Fund	\$9,250,860	50.32	2	<ul style="list-style-type: none"> Fee study in progress Performance audit could identify opportunities for more effective service delivery
Community Services: Library	General Fund	\$5,714,330	37.5	2	<ul style="list-style-type: none"> Recommend performance audit or organizational assessment to assess workloads, identify

DEPARTMENT/FUNCTION	PRIMARY FUNDING	FY2025 BUDGET	FY2025 FTE COUNT	PRIORITY	NOTES
					community service and staffing levels
Enterprise Services: Risk management	General Fund	\$12,111,110	8.0	2	<ul style="list-style-type: none"> Recommend assessing claims to identify potential operational-risk mitigation opportunities Actuarial analysis of benefits funds reserves completed 2024
Community Planning and Development: Code compliance	General Fund	\$1,929,630	12	2	<ul style="list-style-type: none"> Recommend performance study; more effective code compliance reduces public safety cost and risk
Community Planning and Development: Planning	General Fund	\$3,125,890	17.0	2	<ul style="list-style-type: none"> Completed Permitting Efficiency Study in 2023 Efficiency study could identify opportunities for improvement
Community Services: Recreation	General Fund	\$1,551,100	5.0	2	<ul style="list-style-type: none"> Fee study in progress Performance audit could identify opportunities for more effective service delivery
Legal	General Fund	\$3,157,120	14.5	2.5	<ul style="list-style-type: none"> Recommend workload study

DEPARTMENT/FUNCTION	PRIMARY FUNDING	FY2025 BUDGET	FY2025 FTE COUNT	PRIORITY	NOTES
Enterprise Services: Human resources operations	General Fund	\$2,837,930	15.0	2.5	<ul style="list-style-type: none"> Recommend validation of salary class and comp benchmarking process Reorganized 2022 Salary compression study 2020 Policy and procedure update underway
Fire Department: WVCC	General Fund	\$16,574,170 (\$6,538,660 General Fund impact)	79.0	3	<ul style="list-style-type: none"> Reorganized 2021
Public Works: Administration	Enterprise	\$70,158,960	25.0	3	<ul style="list-style-type: none"> Warehouse efficiency study conducted 2021 Climate action plan completed 2022
Public Works: Engineering	Enterprise	\$10,397,070	50.5	3	<ul style="list-style-type: none"> Public Works recently achieved APWA accreditation
Public Works: Wastewater Treatment	Enterprise	\$15,247,890	56.0	3	<ul style="list-style-type: none"> Public Works recently achieved APWA accreditation
Finance: Finance and budget	General Fund	\$3,794,610	21.0	3	<ul style="list-style-type: none"> Recommend targeted internal controls testing Citywide internal controls review conducted 2023 Budget and forecast validation conducted 2023

DEPARTMENT/FUNCTION	PRIMARY FUNDING	FY2025 BUDGET	FY2025 FTE COUNT	PRIORITY	NOTES
					<ul style="list-style-type: none"> • Cost allocation methodology verified annually
Municipal Court	General Fund	\$2,767,700	15.0	4	<ul style="list-style-type: none"> • Operations highly regulated and based on elected official priorities • Assessment of City policies and efficiency study may identify cost savings
Community Services: Center 50+	General Fund	\$1,753,380	7.6	4	<ul style="list-style-type: none"> • Fee study in progress
Community Services: Administration	General Fund	\$1,387,430	6	4	<ul style="list-style-type: none"> • Homelessness study conducted 2024 • Department reorganized 2023
Enterprise Services: Enterprise strategy and employee development	General Fund	\$1,453,630	6.0	4	<ul style="list-style-type: none"> • Reorganized 2022 • Succession planning implementation 2022
Enterprise Services: Customer Service Center	General Fund	\$946,890	8.0	4	<ul style="list-style-type: none"> • Opened 2023; result of organizational alignment and efficiency
Finance: Procurement	General Fund	General Fund	General Fund	4	<ul style="list-style-type: none"> • Performance audit conducted 2023

APPENDIX: PROJECT APPROACH

Our approach to each project, whether, enterprise assessments, financial and internal controls audits, or operations and performance audits, will encompass planning, surveys, on-site or remote fieldwork, interviews, sampling and testing, documentation of evidence to support findings, analysis of options, recommendations, and high-impact reporting that typically includes implementation plans. Activities unique to each primary type of project are delineated in the approach provided below. As such, our typical project approach, which will be tailored to best meet the City’s needs, for each specific project is conducted in the following four major phases:

- 1 **Start-Up and Management.** This phase concentrates on comprehensive, collaborative planning and project management, including determining who will be interviewed, what documents will be reviewed, the specific scope and focus of the project, what on-site/remote observations and walk-throughs will be performed, when results will be shared, and how we will report on project status.
- 2 **Fact Finding.** Once the project is initiated and the specific scope and focus of the project is agreed to, we’ll conduct our project planning, including documentation review, walk-throughs, observations, interviews, and an online survey, as appropriate. Through these methods, we obtain the most current information available and powerful insights from City personnel and other stakeholders. Using this information, we develop a project-specific risk assessment and detailed audit work plan.
- 3 **Analysis.** This phase will include the detailed testing and analysis of the risks and issues identified during the fact-finding phase. This phase allows us to test and assess whether risks and issues identified are significant, whether they are adequately mitigated or controlled, and if appropriate, the cause and effect of their existence. If appropriate, we will also conduct peer benchmarking to provide comparative data from other cities or similar government entities.
- 4 **Reporting.** This phase concludes the project by communicating findings and recommendations in both draft and final reports, which typically include a detailed implementation plan.

These phases and associated tasks are described in greater detail below. However, we are flexible in our approach and will work with the City to adapt our services to best meet your needs and tailor our approach on each specific audit project conducted, as needed.

PHASE 1
START-UP AND MANAGEMENT

At project initiation, for each specific project, we will confirm the City’s expectations, project timing, deliverables, and outcomes.

Task 1.1–Initiate Project

We will conduct a kickoff meeting with City personnel involved in the function or department under audit to confirm audit objectives and expectations and discuss overall project scope, logistics, deliverables, timing, and progress reporting requirements. We will clarify the responsibilities of Moss Adams and City personnel (e.g., providing requested documents and scheduling interviews), timing of specific project activities, and the format of each required deliverable. We will also establish an interview list and finalize our approach to each phase of the project.

Task 1.2–Perform Project Management

We will conduct rigorous project management for the duration of the project, including providing guidance to the audit team; coordinating with the City; working through issues, solving problems; monitoring progress against the approved work plan; and developing, submitting, and discussing progress reports.

Task 1.3–Provide Quality Assurance

We believe it is important to recognize the need for quality by delivering excellent client service and engagement oversight. The team leader will be heavily involved in all phases of each audit and a partner will review all deliverables before submittal to the City.

We will also provide regular progress reports to the City’s project manager and will present progress reports at regularly scheduled ELT meetings, as requested by the City.

PHASE 1 DELIVERABLES		Interview list
		Progress reports

**PHASE 2
FACT FINDING**

This phase encompasses planning, including document review, interviews, walk-throughs, and an online survey (if appropriate), as well as the establishment of an audit-specific risk assessment to determine the specific areas of focus and a detailed audit program. It will also include the development of preliminary findings based on the results of planning.

Task 2.1–Review Documents

We’ll gather relevant documentation for each audit and review applicable statutory, regulatory, and ordinance requirements, as well as policies and procedures. The objective of documentation review is to gain a sufficient understanding of your environment, further define issues and surrounding facts, and gain insights to prepare for interviews. Examples of relevant documents include, but are not limited to:

- Policies and desk procedures
- Standard operating procedure manuals
- Organization charts and staffing lists
- Significant contracts
- Budget to actual reports
- Detailed transaction listings or activity reports
- Strategic business and financial plans
- Past audit findings

Task 2.2–Conduct Interviews and Walk-Throughs

We will conduct interviews with key City personnel to identify areas of greatest risk and concern and gain an understanding of opportunities for improvement. We will work with the City to schedule interviews. As part of these interviews, we will also perform process walk-throughs. Walk-

throughs are roving interviews in which we will learn about the details of relevant processes, internal controls, compliance, and performance. Walk-throughs will also allow us to make initial observations to identify important questions and issues that require follow-up.

Task 2.3–Administer Online Surveys (when appropriate)

In addition to interviews and walk-throughs, our fact-finding process for specific performance and internal audits where it is deemed to provide value, may include a brief survey via use of a web-based tool to gain input from relevant stakeholders within the City. The online survey will enable us to cost-effectively reach a broader audience within the City and gain additional insights.

Task 2.4 – Prepare Testing Plan


Based on all information gathered and preliminary research and assessment results, we’ll prepare a project specific risk assessment to evaluate the overall risks identified during the fact finding phase and develop our planned audit approach and work plan to assess and test each risk area identified.

Task 2.5–Prepare Preliminary Findings

Based on the information we obtain through document review, interviews, walk-throughs, and the online survey, we will document our preliminary findings (opportunities for improvement).

Task 2.6–Present Preliminary Findings

We will present preliminary findings to the City. The purpose of sharing preliminary findings is to verify facts, make sure the basis for each finding is accurate and valid, and avoid surprises by giving the City a chance to preview findings. Findings will form the basis for analysis of opportunities for improvement.

PHASE 2 DELIVERABLES		Document request list
		Project specific risk assessment and audit program
		Preliminary findings

PHASE 3

ANALYSIS

This phase encompasses fieldwork, including detailed testing and analysis of the risks and issues identified during the fact-finding phase. This phase allows us to test and assess whether or not risks and issues identified are significant, whether they are adequately mitigated or controlled, and if appropriate, the cause and effect of their existence.

Task 3.1—Assess Operations

Over a multi-year period, we will conduct performance and internal audits that address various facets of City operations and touching all departments. Within each audit, we will look for opportunities to reduce risks, strengthen controls, and enhance performance. Dependent on the type of project being performed (i.e. internal controls review, performance audit, entity-wide risk assessment, etc.), our areas of focus may be different. Examples of how we approach each area of focus are provided below:

Risks

When thinking about risks, we assess operations through a lens that focuses on understanding the following:

- Current operating environment
- Likelihood: probability of a negative event occurring
- Impact: level of significance should a negative event occur
- Risk trajectory: direction of where risk is headed in the future
- Risk mitigation actions
- Residual risk

Performance

When assessing performance, we focus on the following areas, as appropriate:

- Adherence to policies and procedures and compliance with state or federal guidelines
- Program outcomes, performance measurement, and performance reporting
- Potential cost savings and revenue enhancements
- Budgeting and accounting practices for improving financial management and accountability
- Organizational structure, including staffing levels and skills
- Process improvement to enhance efficiency
- Communication and collaboration
- Resourcing strategies and use of technology

Internal Controls

When evaluating internal controls, we focus on the following elements:

- Identifying control objectives in specific areas and identifying controls that would satisfy each control objective
- Reviewing policies and procedures and examining other relevant documentation
- Performing control walk-throughs to observe the design of key controls and understand workflow processes
- Determining the characteristics of each relevant control activity (i.e., who performs it; how often it is designed to operate; whether it is designed to mitigate fraud; whether it is manual or automated; and whether it is preventive, detective, or corrective)

- Assessing whether the controls in place would prevent or detect errors
- Evaluating monitoring activities currently in place
- Performing sampling and testing to gain insight into the efficiency and effectiveness of controls and the accuracy or reporting

Task 3.2–Perform Detailed Testing

We'll perform detailed audit fieldwork based on the results of our fact finding and area-specific risk assessment. We'll conduct audit procedures to test the risks and assess their overall impact. Audit procedures performed may include:

- Selecting samples of transactions, inputs, items, etc., and testing for a set of audit criteria identified. We typically utilize risk-based sampling methods and our sample sizes and selection approach will be determined during the risk assessment process.
- Performing data-mining analysis, including techniques such as trend analysis, duplicate key detection, gap analysis, or Benford's law assessment. Performing data-mining analysis techniques allows us to assess large sets of data to identify risks or potential issues, extrapolate results, and/or draw conclusions.
- Performing onsite observations of select locations, sites, or areas.

Task 3.3–Compare to Best Practices

We'll evaluate the results of testing and the overall analysis of the current state of the department, function, or area for consistency with best practices. We'll perform benchmarking analysis, where appropriate. We'll evaluate cost versus benefit of best practice implementation, where appropriate, and develop recommendations based on the results.

Task 3.4–Evaluate Results

Based on the results of the detailed testing, the overall analysis performed at each phase, and our comparison to best practices, we'll evaluate the results. We'll assess the resulting risks, the cause and effect of those risks, the reasonableness of best practice opportunity implementation, the overall effectiveness and efficiency of current operations and policies, and the impact of all results on the City.

Task 3.5–Prepare Draft Findings and Recommendations

We will update findings and add draft recommendations based on our analysis. Recommendations will focus on implementing appropriate actions aimed at enhancing reducing risks, strengthening controls, and efficiency and effectiveness.

Task 3.6–Present Draft Findings and Recommendations

We will present draft findings and recommendations to the City. The purpose of sharing draft findings and recommendations is to test the practicality of recommendations, and, again, avoid surprises.

**PHASE 3
DELIVERABLES**



Draft findings and recommendations

**PHASE 4
REPORTING**

This phase covers the production of deliverables, including draft and final reports.

Task 4.1–Submit Draft Report

Our work will be packaged in a draft report for review by the City, including management of the function or department of the audit area. The draft report will include the necessary level of detail to allow the document to stand on its own and include the following:

- Executive summary
- Commendations (what is working well)
- Study objectives, scope, and methodology
- Findings and recommendations
- Implementation plan (if requested)
- Management response

Task 4.2–Submit final report

Based on feedback from the City, we will revise the draft report and submit our final report.

Task 4.3–Present final report

We will present the final report to the City, including the Finance Committee and City Council as requested, and prepare a presentation to facilitate these briefings.

**PHASE 4
DELIVERABLES**



Draft and final audit reports
Final report presentation

DRAFT Scope of Work: General Fund Five-Year Forecast Validation

Project Overview

The City is seeking a qualified consulting firm to conduct a thorough validation of the City's General Fund Five-Year Forecast, which is developed annually. The Forecast includes projections for both revenues and expenditures based on a set of assumptions. The selected firm will be tasked with reviewing these assumptions, identifying potential risks and issues, and providing recommendations for improvement.

Objectives

Validate Forecast Assumptions and review the key assumptions used in the City's five-year financial forecast related to revenues and expenditures.

Identify potential risks and uncertainties that could affect the accuracy and reliability of the forecast.

Review methods used to ensure they follow best practices for government financial forecasting.

Analysis of position costing and forecasting.

Provide actionable recommendations to improve the reliability and accuracy of future forecasts.

Scope of Services

The scope of services includes the following tasks:

- Review of Financial Forecast Documentation.
- Review the City's current Five-Year Forecast and supporting documentation.
- Understand the methodologies and assumptions used in the projections for revenues and expenditures.
- Assumptions Validation
- Revenue Assumptions: Validate assumptions related to major revenue sources, such as property taxes, franchise fees, fees for services, and other sources of income.
- Review historical trends and economic indicators.
- Expenditure Assumptions: Validate assumptions related to major expenditure categories.
- Consider historical cost trends and inflation factors.
- Evaluate potential cost drivers such as population growth, changes in service levels, and regulatory requirements.
- Economic and Financial Environment Analysis
- Conduct a risk analysis to identify uncertainties or variables that may cause deviations from forecasted revenues and expenditures.
- Comparative Benchmarking
 - Compare the City's forecast assumptions to those used by similar municipalities or industry best practices.
 - Identify areas where the City's assumptions may differ from peer cities and assess whether adjustments are warranted.

Recommendations and Reporting

Provide a detailed report outlining findings, validated assumptions, and areas for improvement.

Highlight any risks and uncertainties that could significantly impact the forecast.

Offer actionable recommendations to enhance the accuracy and reliability of future forecasts.

Present findings to City staff, Council, and other stakeholders, as needed.

Deliverables

Interim Report: A preliminary report detailing the initial findings.

Final Report: A comprehensive report including:

- An assessment of the assumptions used in the forecast.
- A summary of risks and uncertainties.
- Recommendations for improving forecast accuracy and reliability.
- Suggested scenario analyses and potential contingencies.
- Presentation: A formal presentation of findings to the City's leadership, City Council Finance Committee, and City Council.

Timeline

Kick-off Meeting: Within one week of contract award.

Draft Report: Within one six weeks of project initiation.

Final Report and Presentation: Within eight weeks of project initiation.

Qualifications

The selected firm should demonstrate the following qualifications:

- Experience in municipal finance and budget forecasting.
- Expertise in revenue and expenditure forecasting, risk analysis, and scenario planning.
- Familiarity with local government financial structures and challenges.
- Strong analytical, communication, and presentation skills.
- Proposal Submission Requirements
- Description of firm's qualifications and experience in similar projects.
- Detailed methodology and approach to the project.
- Proposed project timeline and key milestones.
- Team members and their qualifications.
- Cost proposal with a breakdown of fees.