

RESOLUTION NO. 05-23  
CITY OF CENTERVILLE, OHIO

SPONSORED BY COUNCILMEMBER JoAnne Rau ON THE 9<sup>th</sup>  
DAY OF JANUARY, 2023.

**RESOLUTION AUTHORIZING THE CITY MANAGER TO  
ENTER INTO A CONTRACT FOR MANAGEMENT  
CONSULTING SERVICES FOR TECHNICAL  
ACCOUNTING AND MANAGEMENT OVERSIGHT  
ASSISTANCE IN THE PREPARATION OF THE 2022-2024  
CAFR AND OTHER SERVICES AS NEEDED WITH  
DONALD J. SCHONHARDT & ASSOCIATES.**

**WHEREAS**, the City of Centerville is desirous of obtaining professional services to provide technical accounting and management oversight assistance in the preparation of the 2022-2024 CAFR to assist the City's Director of Finance; and

**WHEREAS**, the City desires to seek assistance in on-going management and technical accounting assistance on a regular basis throughout the CAFR report preparation process for multiple years; and

**WHEREAS**, Donald J. Schonhardt & Associates has unique knowledge of municipal governments and a demonstrated ability to assist in accomplishing the objectives of the City;

**NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF  
THE CITY OF CENTERVILLE, MONTGOMERY COUNTY, OHIO, AS  
FOLLOWS:**

Section 1. The City hereby agrees to enter into a Contract for Management Consulting Services with Donald J. Schonhardt & Associates and the City Manager is hereby authorized to execute the Contract for Management Consulting Services with Donald J. Schonhardt & Associates in a form substantially similar to the contract attached hereto as Exhibit "A" and incorporated herein on behalf of the City of Centerville.

Section 2. This Resolution shall be in full force and effect at the earliest date allowed by law.

PASSED THIS 9<sup>th</sup> day of January, 2023.

  
\_\_\_\_\_  
Mayor of the City of Centerville, Ohio

ATTEST:



Clerk of Council  
City of Centerville, Ohio

CERTIFICATE

The undersigned, Clerk of Council of the City of Centerville, Ohio, hereby certifies the foregoing to be a true and correct copy of Resolution No. 05-23, passed by the Council of the City of Centerville, Ohio on the 9<sup>th</sup> day of January, 2023.



Clerk of the Council

Approved as to form, consistency  
with existing ordinances, the  
charter & constitutional provisions  
Department of Law  
Scott A. Liberman  
Municipal Attorney

Exhibit "A"

CONTRACT  
for  
MANAGEMENT CONSULTING SERVICES

This Contract is made and entered into this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, by and between Donald J. Schonhardt & Associates, Inc., 5307 Franklin Street, Hilliard, Ohio 43026-1409, hereinafter referred to as the "Consultant" and the City of Centerville, Ohio, 100 W. Spring Valley Road, Centerville, Ohio 45458, acting through the City Manager, hereinafter referred to as the "City".

Whereas, the Consultant provides assistance to local governments in the development of improved accounting and financial management information systems; and

Whereas, the City desires to retain the Consultant to provide assistance in the preparation of the 2022 Annual Comprehensive Financial Report (ACFR); and

Whereas, the City has reviewed the services to be provided by the Consultant and has authorized the services identified in the proposal to the City, dated December 9, 2022, which is attached hereto as Appendix I and is hereby made a part of this Contract, as if fully rewritten herein.

Now, Therefore, in consideration of the mutual covenants and obligations contained herein, the parties hereto agree as follows:

**Scope of Services** (Section I)

The Consultant shall provide accounting and financial management consulting services to the City in accordance with the Proposal to the City developed by the Consultant and dated December 9, 2022, a copy of which is attached hereto as Appendix I and incorporated by reference into this Contract as if fully rewritten herein.

The City acknowledges through acceptance of this section that the contract may cover a multi-year term as specified by the number of years designated below. Each ACFR prepared under the terms of a multi-year contract will be prepared according to the scope of services outlined in this contract at the hourly rates and maximum contract amounts specified in Appendix I.

# of years	signature	Title
------------	-----------	-------

**Term of Agreement** (Section II)

The term of this Contract shall begin upon the signing of the contract document by authorized agents of the parties to the Contract and shall remain in force until the work identified in Appendix I is completed by the Consultant or the Contract is canceled by either party according to the terms of Section IV of this Contract titled "Termination".

### **Compensation (Section III)**

Fee: City agrees to pay to the Consultant an hourly rate (including travel time) plus mileage for management consulting services. The total amount billed for management consulting under the defined scope of services shall not exceed the amounts specified in Appendix I for each report year as designated in Section I (excluding an allowance for mileage reimbursement).

### **Termination (Section IV)**

The Client shall furnish the Consultant with written notice of the Consultant's alleged breach of this Agreement. The Consultant shall have thirty (30) days after the Consultant's receipt of such notice to cure such breach and, if timely cured, this Agreement shall not terminate but continue in full force and effect. If the Consultant fails to cure such alleged breach, the Client may terminate this Agreement by furnishing to the Consultant written intent to terminate and the Consultant shall have no further right to cure. Termination under this provision shall not relieve the Client any payment obligations under this Agreement. Payment in full of all outstanding invoices for work rendered by Donald J. Schonhardt & Associates, Inc., shall be made on or prior to the termination date.

### **General Provisions (Section V)**

This Contract shall be governed by the laws of the State of Ohio.

This Contract contains the complete and exclusive statement of the agreement between the parties and supersedes all prior discussions, proposals, oral or written, and all other communications between the parties relating to the subject matter of this Contract.

No amendment to this Contract shall be effective unless it is in writing and signed by duly authorized representatives of both parties.

All notices hereunder shall be in writing and shall be deemed to have been given when mailed by certified mail, return receipt requested to the address of the parties first written above or by delivering in person to either party.

This Contract may be executed in one (1) or more copies, each of which shall be deemed an original.

Each party has the power and authority to enter into and perform this Contract and the person signing this Contract on behalf of each party has been properly authorized and empowered to enter into this Contract. Each party further acknowledges that it has read this Contract, understands it and agrees to be bound by it.

If any provision of this Contract is determined to be invalid or unenforceable, the remaining provisions of this Contract shall not be affected thereby and shall continue to be binding upon the parties and shall be enforceable as though the invalid or unenforceable provisions were not contained herein.



**General Provisions** (Section V), Continued

No term or provision shall be deemed waived and no breach excused unless such waiver or consent shall be in writing and signed by the party claiming to have waived or consented. Any consent by any party to, or waiver of, a breach by the other, whether expressed or implied, shall not constitute a consent to or waiver of or excuse for any other different or subsequent breach.

In witness whereof, the parties hereto have executed this Contract on the date and place first indicated above.

---

Approved as to Form:	City of Centerville 100 W. Spring Valley Road Centerville, Ohio 45458
By: _____	By: _____
Title: _____	Title: _____
Date: _____	Date: _____

---

	By: _____ Title: _____ Date: _____
--	--

---

P.O. # _____	Donald J. Schonhardt & Associates, Inc. 5307 Franklin Street Hilliard, Ohio 43026-1409
	By: <u><i>Roy O. Porter</i></u> Roy O. Porter, CPA Executive Vice President
	Date: <u>12/9/22</u>

Appendix I

***Proposal to the  
City of Centerville, Ohio***

***for  
CONSULTING SERVICES  
FOR  
THE PREPARATION OF  
ANNUAL FINANCIAL REPORT***

Prepared by  
Donald J. Schonhardt & Associates, Inc.  
5307 Franklin Street  
Hilliard, Ohio 43026-1409  
(614) 876-2020

December 9, 2022

---

## EXECUTIVE SUMMARY

### Overview

The City of Centerville, Ohio (City) has completed the preparation of their 2021 Annual Comprehensive Financial Report (ACFR) with the assistance of our firm. Mr. Tyler Roark, CPA, Finance Director, is currently in the process of planning for the preparation of the City's 2022 ACFR. He has requested that we prepare a proposal to provide technical accounting and management oversight assistance in the preparation of a 2022 ACFR. As an integral part of the preparation process, we will utilize **ACFR-Unlimited™** software.

The preparation of a GAAP basis financial report involves extensive management planning and control to insure that all of the necessary tasks are accomplished in a timely and efficient manner. In addition to the routine responsibilities that often impact the availability of staff resources to assign to a major project, implementation of new Governmental Accounting Standards Board (GASB) pronouncements have made it increasingly more difficult to insure that all of the necessary reporting requirements have been met.

Since our primary service to the public sector is the preparation of GAAP basis financial reports, we have made a commitment to continuing education for all of our staff members. We participate in Government Finance Officers Association (GFOA) and Association of Government Accountants (AGA) sponsored seminars to ensure that our staff is knowledgeable about all current and proposed governmental financial reporting requirements. We will continue to work to ensure that our clients are made aware of these changes and how the changes will impact current and future financial reports. Finally, since we work with over eighty (80) different public sector entities to prepare GAAP basis financial reports, our staff is exposed to a variety of methods which may be used by City staff to improve the efficiency of the report preparation process. We have not wavered from our commitment to provide the highest quality public sector financial and accounting services at a reasonable cost.

We believe that Donald J. Schonhardt & Associates, Inc. (DJS&A), is in a unique position to meet the City's request for assistance because of our hands-on experience in public sector finance; our on-going assistance to other public sector entities that are required to prepare GAAP basis financial reports and our prior assistance to the City in the preparation of multiple ACFRs. The individuals who will assist the City have in excess of seventy (70) years of public sector finance and accounting experience and continue to work with over eighty (80) public sector entities (municipalities, counties, villages, townships, special districts and school districts) throughout the State of Ohio to prepare GAAP basis annual financial reports.

We recognize the significance of our continued association with the City of Centerville and are prepared to commit the necessary resources to assure the highest level of service.

**Professional Fees** (Continued)

In order to contain costs and pass the savings on to our clients, we are prepared to offer the same level of services identified in this proposal for preparation of the 2023 and 2024 ACFRs at the same annual fee quoted for the 2022 ACFR preparation. We will freeze this rate and annual contract amount with the signing of a multi-year contract not to exceed three (3) consecutive report years. This fixed rate is contingent upon the City's agreement that the scope of work will remain the same for this and the subsequent years and that no significant change in accounting policies and/or procedures is anticipated which will potentially alter the required level of service. We are confident that you will agree that such cost containment measures provide both current and long-term benefits to the City.

The multi-year contract option is included on the contract document and requires an appropriate approval signature on the line provided which will designate the term of the contract. We hope that you are able to take advantage of this opportunity so that we may continue to provide you with the highest quality of service at the best possible price.

Our fee to provide management and technical oversight in the report preparation, as outlined in the Summary of Work to be Performed (**excluding an allowance for mileage reimbursement**) will be:

<u>Report Year</u>	<u>Report Fee</u>
2022	\$25,000
2023	25,000
2024	25,000

The amount that will be billed to the City of Centerville for the project is as noted in the table above (**excluding an allowance for mileage reimbursement**). The hourly rate quoted above will not increase during the term of the contract. The proposal is a maximum not to exceed bid for the scope of services defined by this proposal, the City will not pay more than the amount noted above provided the scope of services does not change.

**Billing**

Our practice is to submit progress billings for actual hours worked on the engagement. Billings are due and payable upon receipt.



**SUMMARY OF WORK TO BE PERFORMED**  
(Continued)

- Execute various tasks required for accumulation of detailed financial information to be used in the preparation of the ACFR.
- Continuously monitor adherence to task assignments and adjust resources where necessary to satisfy deadlines.
- Obtain original and final budget amounts for major funds.
- Post adjusting accounting entries to **ACFR-Unlimited™** to develop the trial balance.
- Identify and eliminate appropriate interfund activity.
- Make final determination of major funds.
- Identify program revenues.
- Collect information to categorize net position.
- Prepare reconciliation between government-wide financial statements and fund based financial statements.
- Prepare statement formats for all required financial information including all basic financial statements, notes to the basic financial statements and appropriate financial schedules.
- Provide draft copy of financial section of the ACFR along with supporting workpapers to the City's auditors.
- Make mutually agreed upon changes/corrections to the financial section as a result of the audit.
- Assist in the preparation of the statistical section of the ACFR by advising staff on data required and preparing final print routines for inclusion in the ACFR.
- Assist in the preparation of the introductory section of the ACFR by advising staff of specific requirements for the introductory section. Due to the unique nature of the introductory section, the City is responsible for preparing a draft of the transmittal letter to be included in the 2022 report.
- Assist in the preparation of Management's Discussion and Analysis (MD&A).
- Prepare in final form all print routines required for presentation in the ACFR and analyze same using review criteria established for GFOA reviewers.
- Finalize statement preparation formats for the ACFR and prepare one (1) final PDF version of the report suitable for fulfilling the City's GFOA filing and printing needs.