Attachment 4

Certified Public Accountants.

Sacramento
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Sacramento, CA 95816
916.928.4600

Walnut Creek

Oakland

LA/Century City

Newport Beach

San Diego

Seattle

April 4, 2014

Mr. Don Rhoads, CPA
Chief Financial Officer
City of Beverly Hills
455 North Rexford Drive
Beverly Hills, CA 90210

Dear Mr. Rhoads:

We have performed the procedures enumerated below, which were agreed to by you, solely to assist in verifying the accuracy of calculations your staff made in amending the Memorandum of Understanding (MOU) between the City of Beverly Hills (City) and the Supervisors Association of Beverly Hills, dated January 31, 2014. City's management is responsible for the calculations and related records. This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. The sufficiency of these procedures is solely the responsibility of those parties specified in this report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

Our objective, procedures and results are as follows:

Objective: Verify MOU calculations for accuracy.

Procedures:

1. Obtained the final costing numbers between the City and the Supervisors Association of Beverly Hills and a copy of the draft MOU.
2. Met with City management to discuss the calculations.
3. Reviewed the calculations to verify accuracy and agreement to terms of the MOU.

Results: All calculations were mathematically correct and agreed with the relevant MOU with one exception. We noted that the calendar year 2013 base salary amounts used to allocate salary increases between the first and second years of the new MOU did not accurately reflect the actual base salary amounts paid. This caused the calculations to misallocate the amounts of the salary and benefits increase between the years as indicated below. The total of salary and benefits allocated over both years was correct.

	Total Cost / (Savings)		
MOU Year	As reported	Corrected	Difference
Year 1	$ (21,090)	$ (29,990)	$(8,900)
Year 2	$122,685	$131,585	$ 8,900

These corrections were agreed to by City officials.

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We were not engaged to, and did not, conduct an audit, the objective of which would be the expression of an opinion on the calculations and the related accounting records. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the information and use of the City and the Supervisors Association of Beverly Hills and is not intended to be and should not be used by anyone other than these specified parties.

Macias Gini & O'Connell LLP
Sacramento, California