

BUDGET AND FINANCE COMMITTEE REPORT relative to a proposed contract between the Office and Finance and Thomson Reuters, West Publishing Corporation for tax audit case selection and management system services.

Recommendation for Council action:

APPROVE and AUTHORIZE the Director, Office of Finance, or designee, to execute the proposed contract with Thomson Reuters, West Publishing Corporation, to provide tax audit case selection and management system services for the Audit Division, for a term of three years with one two-year option to extend, for a total of five years. The maximum allowable compensation shall not exceed \$2,894,039, subject to the review and approval by the City Attorney as to form.

Fiscal Impact Statement: The City Administrative Officer (CAO) reports that partial funding in the amount of \$124,000 for the first year has been set aside in the Office of Finance's Contractual Services Account (Line Item No. 30). The balance of funding for the first year and subsequent years is subject to approval by the Mayor and Council through the annual budget process. There is no additional impact to the General Fund.

Financial Policies Statement: The CAO reports that the recommended action is in compliance with the City's Financial Policies in that current and future expenditures are limited to the appropriation of funds in the budget.

Community Impact Statement: None submitted

TIME LIMIT FILE – JUNE 5, 2026

(LAST DAY FOR COUNCIL ACTION – JUNE 5, 2026)

SUMMARY

At a Special meeting held on April 13, 2026, your Budget and Finance Committee considered the CAO report, dated April 6, 2026, relative to a proposed contract with Thomson Reuters, West Publishing to provide tax audit case selection and management system services to the Office of Finance's Audit Division for a three-year term, with one two-year option to extend, for a cumulative term of five years. The maximum allowable compensation shall not exceed \$2,894,039. The contracted services will increase the effectiveness of the Office of Finance's audit selection process with a goal of increasing the number of productive audits and the average recovery per audit.

After an opportunity for public comment was held, the Committee moved approval of the recommendation contained in the CAO report, as detailed above. This matter is now forwarded to the Council for its consideration.

Respectfully Submitted,

BUDGET AND FINANCE COMMITTEE

<u>MEMBER</u>	<u>VOTE</u>
YAROSLAVSKY:	YES
BLUMENFIELD:	YES
HUTT:	YES
McOSKER:	YES
HERNANDEZ:	ABSENT

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