



## Legislation Details (With Text)

<b>File #:</b>	20-36	<b>Version:</b>	1	<b>Name:</b>	
<b>Type:</b>	Resolution	<b>Status:</b>		City Business	
<b>File created:</b>	1/8/2020	<b>In control:</b>		City Council	
<b>On agenda:</b>	1/22/2020	<b>Final action:</b>			
<b>Title:</b>	Approve a Resolution Amending the FY2020 Budget through the use of General Fund Contingency, to cover expenses not previously budgeted for Purchase Order Template Adjustments, Arbitrage Calculation Services and Accounting & Auditing Services, BAF # 20-023-T1, T2 and T3. (Finance Director)				
<b>Sponsors:</b>					
<b>Indexes:</b>					
<b>Code sections:</b>					
<b>Attachments:</b>	1. Budget Resolution FY 2020.pdf, 2. BAF 20-023-T1-FN-Arbitrage, Superior & Auditing (1-22-19) Agenda 20-036.pdf, 3. BAF 20-023-T2-FN-Arbitrage, Superior & Auditing (1-22-19) Agenda 20-036.pdf, 4. BAF 20-023-T3-FN-Arbitrage, Superior & Auditing (1-22-19) Agenda 20-036.pdf				

Date	Ver.	Action By	Action	Result
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## CITY COUNCIL AGENDA ITEM

Memo Date: January 8, 2020  
Agenda Date: January 22, 2020  
Prepared By: Lea Malarae, Senior Fiscal Analyst  
Through: Rebecca Bowman, MBA, CGFO, CGFM, Finance Director  
Requested Action:

Approve a Resolution Amending the FY2020 Budget through the use of General Fund Contingency, to cover expenses not previously budgeted for Purchase Order Template Adjustments, Arbitrage Calculation Services and Accounting & Auditing Services, BAF # 20-023-T1, T2 and T3.

### **BACKGROUND:**

Superion (Central Square) is the City's software company. Staff utilizes the software to print bills for miscellaneous accounts receivable and to print purchase orders. Due to the desire to print purchase orders (POs) fully utilizing the City's software and the need to modify the miscellaneous accounts receivable bill, staff obtained quotes and contracted with Superion to make the necessary changes to the software.

1. PO 75129 (Requisition 39147) for PO template modification for a total of \$5,680.00, which the expense was split 50% / 50% between the General Fund and Water/Sewer Fund in FY19. Upon further review, it was determined that the general ledger account coding was incorrect. The reclassification of the cost for this services has necessitated a budget amendment because the reclassification has caused the corrected general ledger account to be over budget. Additional budget is required in the General Fund's Contract Services Account (34-00) to cover the costs. (BAF # 20-023-T1)

2. Purchase Requisition 39939, for MR invoice printing is in process for a total expense of \$1,760.00, charged to the Contract Services account (34-00). A BAF was requested and processed to move budget from the Other Charges & Obligations Account (49-00) to Contract Services Account (34-00). Account (49-00) is now negative \$1,865. Addition budget is required to move budget from the Contingency account to cover the deficiency in account and 49-00. (BAF # 20-023-T1)

In addition, on November 28, 2018 (file #18-605), Council approved a multi-year contract with Integrity Public Finance Consultants ("Consultant") for services and expenses relating to arbitrage calculations for the City's outstanding bonds and bank notes. As work progressed in FY2019, the Consultant determined that additional work was required due to (a) commingled funds maintained in several Reserve accounts and (b) existence of non-bona fide debt service funds. The additional effort by the Consultant resulted in a higher cost totaling \$23,229. The Water/Sewer Fund has significant budget to cover the cost: however, additional budget is needed in the General Fund. (BAF# 20-023-T2)

Also, during the budget process, \$40,000 was budgeted in the Water/Sewer Accounting & Auditing account for auditing services. However, auditing services were included in the charges for services allocation during the Utility Rate Study. The full amount of the bill will be paid out of the General Fund account and the Water/Sewer Fund will reimburse the General Fund through the charges for services allocation. As a result, the General Fund needs additional budget to pay for the total cost of auditing services. The Utility Fund has a need for additional budget in the Professional Services account, so this BAF also reclassifies budget for the required purposes. (BAF # 20-023-T3)

### **STRATEGIC PLAN CONNECTION:**

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### **BUDGETARY IMPACT:**

Budgeted	No
If not budgeted, is amendment/transfer attached?	Yes

### **Budget Adjustment 20-023-T;**

#### **PO# 75129 (Rec 39147)**

Amount Requested	<u>(\$2,840)</u>
Account Number	001-1600-513.31-00
Account Name	<u>Professional Services</u>

Amount Requested	<u>\$2,840</u>
Account Number	001-1600-513.34-00
Account Name	<u>Contract Services</u>

Amount Requested	<u>(\$2,840)</u>
Account Number	421-4010-536.31-00

Account Name                      Professional Services

Amount Requested                \$2,840

Account Number                 421-4010-536.34-00

Account Name                      Contract Services

**Rec #39939**

Amount Requested                (\$1,865)

Account Number                 001-1600-513-39-00

Account Name                      Contingency

Amount Requested                \$1,865

Account Number                 001-1600-513-49-00

Account Name                      Other Charges & Obligations

**Budget Adjustment 20-023-T2; Arbitrage Services**

Amount Requested                (\$5,969)

Account Number                 001-1600-513-39-00

Account Name                      Contingency

Amount Requested                \$5,969

Account Number                 001-1600-513-31-00

Account Name                      Professional Services

**Budget Adjustment 20-023-T3; Auditing Services**

Amount Requested                (\$40,000)

Account Number                 001-1600-513.39-00

Account Name                      Contingency

Amount Requested                \$40,000

Account Number                 001-1600-513.32-00

Account Name                      Accounting & Auditing

**PREVIOUS ACTION:**

**RECOMMENDED MOTION:**

Approve a Resolution Amending the FY2020 Budget through the use of General Fund Contingency, to cover expenses not previously budgeted for Purchase Order Template Adjustments, Arbitrage Calculation Services and Accounting & Auditing Services, BAF # 20-023-T1, T2 and T3