



Legislation Text

File #: 20-36, Version: 1

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 service 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. Additional 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	<u>Professional Services</u>

Amount Requested	<u>\$2,840</u>
Account Number	421-4010-536.34-00
Account Name	<u>Contract Services</u>

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