



## Legislation Text

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**File #:** 19-1040, **Version:** 1

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### **CITY COUNCIL AGENDA ITEM**

#### **ACTION REQUESTED:**

Approve the award of Option Year One to Contract 18-221, Government Accounting and Payroll Services, to Lauterbach & Amen, LLP for an amount not to exceed \$172,020

**DEPARTMENT:** Finance Department

**SUBMITTED BY:** Rachel Mayer, Director

#### **BOARD/COMMISSION REVIEW:**

N/A

#### **BACKGROUND:**

In December 2018, City Council awarded Contract 18-221 to Lauterbach & Amen, LLP (Lauterbach) for a one-year term from January 1, 2019 through December 31, 2019 with three, one-year options to extend. The purpose of this contract is to perform accounting oversight and payroll administration functions for the City. Specifically, Lauterbach is responsible for providing the following services:

- Accounting Oversight - assists with year-end financial reporting, conducts prep-work for the annual audit and assists with generation of the year-end audited financial statements and CAFR. The services supplement the internal staff accountant position.
- Payroll Administrator - performs daily payroll functions, produces the quarterly tax returns (941's), responds to payroll questions from City staff and acts as the main point of contact for the City's advanced scheduling/timekeeping software (Novatime), payroll software (Tyler Munis) and the payroll check and W-2 administrator (ATS).

#### **DISCUSSION:**

Lauterbach performed well during the original term of the contract. In addition to performing the standard payroll functions and accounting functions, Lauterbach also assisted with the transition of the payroll functions from the old ERP system (Naviline) to the new ERP system (Munis). Lauterbach staff was instrumental in testing and debugging the functionality before and after going live. Since transitioning to Munis, the payroll processing time has been reduced by half a day.

The Finance Department and Lauterbach would like to continue their partnership. Lauterbach has requested a 2.4% increase for the first option year. The increase is directly attributable to the increase in personnel costs. The Finance Department recommends approval of the increase.

The term of the first option year is January 1, 2020 through December 31, 2020 with two, one-year options to extend remaining.

**FISCAL IMPACT:**

CIP#: N/A

Accounting and payroll services are expensed to the financial services account listed below. A total of \$316,107 is tentatively budgeted for accounting and payroll services in 2020, pending Council approval.

Account Number	Fund Description	Total Budget Amount
15101100-531304	General Fund	\$232,733
15101300-531304	Electric Fund	\$41,687
15101500-531304	Water Fund	\$41,687