

GENERAL

Ordinance Fact Sheet

R-2020-00378

Ordinance Number

200340

Brief Title	Approval Deadline
Authorizing an amendment to the City's contract with Cochran Head Vick & Co., P.C.	

Reason
Authorizing execution of Amendment No. 4 of a 5-year contract with Cochran Head Vick & Co., P.C. for the purposes of providing professional third-party accounting and financial reporting services.

Details

Positions/Recommendations

<p>Reason for Legislation</p> <p>Authorizing the execution of Amendment No. 4 of a 5-year contract with Cochran Head Vick & Co., P.C. (CHV) for the purposes of providing professional third-party accounting and financial reporting services to the Tax Increment Financing (TIF) Commission of Kansas City, Missouri.</p> <p>Ordinance No. 160074 authorized the execution of a 5-year contract with CHV and required compensation to be determined on an annual basis. Execution of Amendment No. 4 requires City Council approval per Committee Substitute for Ordinance No. 200228.</p>
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Sponsor	Tammy L. Queen, Director of Finance
Programs, Departments, or Groups Affected	Finance Department
Applicants / Proponents	<p>Applicant</p> <p>City Department</p> <p>Other</p>

<p>Discussion</p> <p>The City and the TIF Commission executed a Financial Accounting and Limited Partial Assignment and Assumption Agreement (the TIFC Agreement) on May 1, 2016.</p> <p>The TIFC Agreement requires the City to hold and administer the TIF Special Allocation Fund, following the transfer of funds from the TIF Commission.</p> <p>The TIFC Agreement also requires the City, or its contractor, to provide: fiscal accounting / financial reporting, coordination with respect to annual audits, and participation in meetings.</p> <p>The City executed a 5-year contract with CHV to perform various functions required by the TIFC Agreement on May 1, 2016. The original contract allows for 4 one-year renewals. This renewal is the final one-year renewal under the original contract.</p> <p>The City and CHV implemented a transition of TIF accounting from the Great Plains financial system utilized by the Economic Development Corporation (EDC) to the City's PeopleSoft financial system, as a separate business unit therein. The transition to PeopleSoft was completed in March 2017.</p>

Opponents	<p>Groups or Individuals</p> <p>Basis of opposition</p>
Staff Recommendation	<p><input checked="" type="checkbox"/> For</p> <p><input type="checkbox"/> Against</p> <p>Reason Against</p>
Board or Commission Recommendation	<p>By</p> <p><input type="checkbox"/> For <input type="checkbox"/> Against <input type="checkbox"/> No action taken</p> <p><input type="checkbox"/> For, with revisions or conditions (see details column for conditions)</p>
Council Committee Actions	<p><input type="checkbox"/> Do pass</p> <p><input type="checkbox"/> Committee Sub.</p> <p><input type="checkbox"/> Without Recommendation</p> <p><input type="checkbox"/> Hold</p> <p><input type="checkbox"/> Do not pass</p>

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Details

Amendment No. 4 increases the amount of the 5-year contract by \$340,224.00 to a total of \$1,738,309.00 and extends the term of the contract through April 30, 2021.

The increase is based on estimates received from CHV.

Actual compensation will be based on the number of hours worked on the contract, with different hourly rates being applied to work performed by Certified Public Accountants (CPAs) and all other staff.

Policy/Program Impact

Policy or Program Change	<input checked="" type="checkbox"/> No <input type="checkbox"/> Yes
Operational Impact Assessment	

Finances

Cost & Revenue Projections -- Including Indirect Costs	
Financial Impact	CHV amendment - \$340,224.00. The FY 2020/21 adopted budget includes an appropriation for this contract amendment. No additional funds are needed.
Fund Source (s) and Appropriation Account Codes	2215-121460-610120

Fact Sheet Prepared by:

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Date:

May 6, 2020

Reviewed by:

Doug Buehler

Date:

May 6, 2020