



— FINANCE DEPARTMENT —

To: Board of Trustees, Indianola Municipal Utilities

From: Andrew J. Lent, Director of Finance

CC: Mayor & City Council

Ryan Waller, City Manager

Christopher DesPlanques, IMU General Manager

Date: 13 January 2020

Re: City Clerk/Finance Department Services for IMU

This memo is a follow-up to a request by IMU Finance/HR Director, Chris Longer on the services provided by the City Clerk/Finance Department to IMU. Attached is a list of the current services provided by the city clerk (currently Diana Bowlin) and the administrative bookkeeper, Lu Ann Kappelman. With the separation of bank accounts between the City and IMU, Lu Ann has gone beyond the listed duties with an enormous amount of time in assisting with IMU bank reconciliation.

With the retirement of Diana Bowlin, the City Council, at their meeting on December 2, 2019, decided to appoint me at the CFO/City Clerk and proceed with the hiring of a deputy clerk. It is understood, that most of the administrative duties performed by city clerk, such as report filing, taking minutes, preparing meeting packets, will be performed by the deputy clerk.

In calculating the shared cost between the City and IMU, the assumption is that there would be no immediate change of services provided. Any desired changes in services received from the City is a decision for the Board. Historically, the City/IMU cost share for the department and has been half of the departmental costs. When Chris Longer was named as the IMU Finance Director, direct costs for the City's CFO position (salary, benefits, education, mileage) were excluded from that calculation. Similarly, when IMU made the determination to no longer perform accounts receivable duties for the City and the hiring of a City accounts receivable employee was necessary, the direct costs for that position were excluded.

If Diana were not retiring, the shared total for her and Lu Ann's pay and benefits were estimated to be \$195,488 in FY21. However, with her retirement and the duties transferred to a deputy clerk (lower hourly pay), the estimated total is now \$170,987. The difference is \$24,501, which is an estimated savings to IMU of about \$12,000.

These salaries and benefits are not the only shared costs in the department, as other items are shared, such as supplies and computer usage. These are utilized in the completion of the shared services. The total for the department, excluding direct costs for the City CFO position and the accounts receivable position is estimated at \$205,072. Therefore, IMU's FY21 share for the department is currently estimated at \$102,536. This is about \$15,000 less than what IMU is currently contributing in FY20, which is \$117,778.

If there are any questions or requested changes in the services provided to IMU, please let us know as soon as possible in order to make any necessary adjustments as we continue to work on the FY21 budget.

City Clerk Services for IMU

- Payroll quarter end reports
 - EFT Sales Tax (electric, water, fiber, connection fees) – monthly and quarterly
 - Publish the Project Share ad twice a year
 - Trustee agenda/packet and supporting information – place the packet into the drop box, web site
 - E-mail the Board of Trustees and IMU department heads the agenda/packet/etc.
 - Trustee minutes
 - Prepare resolutions for signatures
 - Send all legal publications to the paper (minutes, public hearing, resolutions)
 - Keep project files up to date
 - Snap shot packets, minutes, resolution, etc into Laserfiche
 - Treasurer's report
 - Send IPAIT and Banker Trust Statements to Chris L
 - Send new vehicle information into the IDOT to obtain title's and license plates
 - Order name plates for new Trustee members, etc
 - Order copy paper (this is for all department – then it is divided between the departments)
 - List all bids for projects on the web site, Iowa League of Cities, IAMU web site and facebook
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- Email claims to IMU department, Trustees heads biweekly
 - Attend all bid openings
 - Attend IMU Board of Trustee meetings. Set up council chambers for meetings.

IMU Services

Accounts Payable: Lu Ann Kappelman

Accounts Payable

- Process claims, including monthly recurring invoices and mail checks
- Proof monthly statements and contact vendors for invoices or discrepancies
- Manage procurement cards and process charges
- Create IMU Approval of Claims list
- Create IMU Publication Reports
- Process 1099-Misc forms
- Calculate and pay Use Tax quarterly (Create a spreadsheet for Electric, Chris L. provides totals for Fiber)
- Monitor outstanding checks & submit unclaimed property to appropriate States – ongoing

Payroll

- Process bi-weekly payroll and complete W-2's

General Ledger

- Create new GL codes for Electric and Water
- Monthly balancing – Bank Rec.
- Create adjusting journal entries and monthly recurring journals

Misc.

- Complete credit applications, W-9's and Iowa Sales Tax Exempt Forms