

CITY COUNCIL AGENDA ITEM COVER SHEET

ITEM NO: Action A-4
DATE: October 22, 2009
SUBJECT: Establishment of Information Technology (IT) Fund
CONTACT PERSON: Laura Koenig, Clerk/Deputy Finance Director

ISSUE:

The issue before the Council is the introduction and first reading of Ordinances 1064-09 to establish an IT Fund (Information Technology)

SUMMARY:

At the Budget workshop, the Council discussed establishing an IT fund to accurately track the cost of internet service, web page management, computer and software maintenance and to provide for electronic equipment replacement. The operating funds will transfer funds to cover the cost of IT services based on the budget and needs of each department.

BACKGROUND:

Budgetary Funds are created in several different ways; 1) by ordinance to specifically create a fund; 2) by reference within other code sections; or 3) by a bond ordinance.

Funds specifically created by ordinance are included in SMC Title 3. Information on these funds is easy to locate and staff and the general public can determine the purpose, funding source and allowed uses.

Funds created by reference within other code sections, such as the impact funds, are difficult to locate for both staff and the general public. This has been an issue in prior audits when staff has been asked how a fund was created and the intended purpose of the fund.

Funds created by bond ordinance are specific to that bond. The ordinance is not included in the SMC. The fund will terminate when the bond is paid in full.

The proposal before the Council is to establish a new funds under Title 3 SMC for IT services and expenditures.

ALTERNATIVES:

1. Do not adopt the ordinance. This will require the City to continue to use the existing funds established in various sections of the SMC to track IT expenses.
2. Adopt the ordinance to establish a separate fund for the IT services. This will allow the City to more efficiently track and account for revenues and expenditures for this fund.

STAFF RECOMMENDATION:

Staff recommends the introduction of Ordinance 1064-09 for a first reading on October 22, 2009 and adoption on November 12, 2009.

Attachments: A. Ordinance 1064-09

CITY OF SULTAN
SULTAN WASHINGTON
ORDINANCE 1064-09

AN ORDINANCE OF THE CITY OF SULTAN AMENDING
CHAPTER 3.29 TO ESTABLISH A INFORMATION TECHNOLOGY
(IT) FUND

THE CITY COUNCIL OF THE CITY OF SULTAN DO ORDAIN AS FOLLOWS:

Chapter 3.29 of the Sultan Municipal Code is hereby amended to read as follows:

Chapter 3.29
Information Technology (IT)

Sections:

- 3.29.010 Establishment and Purpose
- 3.29.020 Funding Sources
- 3.29.030 Expenditures - Policy and Procedures

3.29.010 Establishment and Purpose: There is hereby created a Information Technology (IT) Fund which shall be used for the purpose of funding service, repair and maintenance and capital purchases for computer systems, printers, copiers and other electronic equipment.

3.29.020 Funding Sources: Funds may be appropriated from the operating funds as a part of the annual budget process to provide operating funds in the account.

3.29.030 Expenditures: Expenditures from the fund shall be made as appropriated and authorized in the City's annual budget.

Severability: This ordinance is severable and if any portion of it shall be declared invalid or unconstitutional, the remaining portion shall remain valid and enforceable.

Effective Date: This ordinance shall be in full force and effect five days after publication as required by law.

REGULARLY ADOPTED this day of November 2009.

Carolyn Eslick, Mayor

Attest:

Laura J. Koenig, City Clerk

Approved as to form:

Margaret King, City Attorney