



Legislation Text

File #: 0372-2024, **Version:** 1

Background:

This ordinance NO. 0372-2024 authorizes the City Auditor to enter into year three (3) of eight (8) possible renewal periods and authorizes the expenditure of \$575,000 for professional lockbox and banking services for Tax Revenue filings. Ordinance 0867-2021 approved a 10 year contract, subject to annual appropriation and approval of council. The Depository Commission and Treasury Investment Board approved this account on April 27, 2022. The initial contract (PO341676) was for the period of May 1, 2022, through February 29, 2024.

For each renewal year, funds for service shall be reviewed and expenditures shall be approved by ordinance of City Council and the appropriation and certification of funds by the City Auditor.

This ordinance authorizes the first renewal option for the third year of the contract and is being submitted in accordance with the relevant provision of Chapter 329 of the City Code.

1. Amount of additional funds: \$575,000.
2. Reason additional funds were not unforeseen: The need for additional funds was known at the time of the initial contract and this legislation authorizes funding to cover a continuation of the services for 2024.
3. Reason other procurement processes were not used: This is the first year of 8 renewal options.
4. How cost was determined: The renewal is based on estimated requirements for 2024 rates established in the existing contract.

Contract Compliance: The vendor contract compliance number is 000709 and is valid through 5-11-2025.

Fiscal Impact:

This ordinance authorized an expenditure of \$575,000 from the General Operating Budget. Funds were specifically budgeted for this contract. The availability of funds is contingent on the passage of the 2024 General Fund Budget, Ordinance 3011-2023.

Emergency designation: This lockbox service manages the intake of City tax returns and processes revenue deposits. The returns are digitized and integrated with the City's tax revenue system. The current contract expires on February 29, 2024, and needs to be renewed in order to continue uninterrupted services. An emergency designation is requested to prevent service interruptions in processing City tax returns and to maintain the cash flow from revenue deposits that are crucial for providing City services.

To authorize the City Auditor to renew a service contract with J.P Morgan Chase to provide lockbox and banking services

for Income Tax Revenue filings for the Division of Income Tax; to authorize the expenditure of \$575,000 from the General Fund; and to declare an emergency (\$575,000.00).

WHEREAS, Ordinance No. 0867-2021, passed by the Columbus City Council on April 19, 2021, authorized the Department of the City Auditor, Division of Income Tax, to enter into a contract with J.P. Morgan Chase for lockbox and banking services; and

WHEREAS, the Depository Commission and Treasury Investment Board has approved this account and service on April 27, 2022; and

WHEREAS, the original contract was for two (2) years from May 1, 2022, through February 29, 2024, with the option to renew for eight (8) additional one-year terms based upon mutual agreement of the parties, budgeted funds, and approval by City Council; and

WHEREAS, this ordinance seeks authority for the first of eight (8) annual renewal provisions provided for within the original contract; and

WHEREAS, an emergency exists in the usual daily operation of the City Auditor's Office, Division of Income Tax, in that it is immediately necessary to authorize the City Auditor to enter into a contract to renew the contract with J.P. Morgan Chase to prevent any delays in banking and lockbox services for Income Tax revenue, all for the immediate preservation of the public health, peace, property, and safety; **NOW, THEREFORE**,

BE IT ORDAINED BY THE COUNCIL OF THE CITY OF COLUMBUS:

SECTION 1. That the City Auditor be and hereby is authorized to renew a contract with J.P Morgan Chase for the Division of Income Tax.

SECTION 2. That the expenditure of \$575,000.00 or so much thereof as may be needed, is hereby authorized in Fund 1000 (General Fund), Dept-Div 2202 (Division of Income Tax), object class 03 (Services) per the accounting codes in the attachment to this ordinance.

SECTION 3. That the contract may be renewed for up to seven (7) additional years based upon mutual agreement of the parties, available appropriation, and approval by Council.

SECTION 4. That funds are hereby deemed appropriated and expenditures and transfers authorized to carry out the purposes of this ordinance and the City Auditor shall establish such accounting codes as necessary.

SECTION 5. That the City Auditor is authorized to make any accounting changes to revise the funding source for all contracts or contract modifications associated with this ordinance.

SECTION 6. That for the reasons stated in the preamble hereto, which is hereby made a part hereof, this Ordinance is hereby declared to be an emergency measure and shall take effect and be in force from and after its approval by the Mayor, or ten days after passage if the Mayor neither approves nor vetoes the same.