



Staff Report

TO: City Council

FROM: Lisa Leach, CPA, Assistant Finance Director

DATE October 4, 2022

SUBJECT: Approval for Purchase of Tyler Accounts Receivable Module

Background and Analysis:

The City has an existing contract with Tyler Technologies for primary accounting and budgeting software services. All central accounting processes including the general ledger, accounts payable, budgeting, payroll, utility billing, and fixed assets are operated under a contract dated May 1, 2022.

The City is seeking to expand its use of the Tyler Incode 10 system to include the Accounts Receivable module. Currently, the City uses Excel to invoice and track fees, service charges, reimbursement agreements, insurance recoveries and grant funding. Excel limits the City's ability to provide aging reports, concentrated collection efforts on delinquent accounts and lacks full integration into the core financials. The annual accounts receivable value for any given fiscal year amounts to between \$2,000,000 to \$3,000,000.

The integration of accounts receivable module will allow for timely collection efforts and tracking of delinquent accounts as well as real time reporting in the City's financial system.

The Finance and Audit Committee was updated on all Finance Department projects including the purchase of the accounts receivable module at the September 12, 2022 meeting.

Fiscal Impact:

The initial (one-time) cost to implement the accounts receivable module is \$20,230. This includes the cost of the module and Tyler staff time to support the implementation and training. The ongoing annual costs are \$7,425. The annual maintenance costs will remain at this level until April 30, 2023, which is the term of the existing contract. The

Tyler Accounts receivable module is approved in the FY 21/22 budget in the general fund account 100-1225-7071-0000.

Recommended Action:

Approve the attached contract amendment with Tyler Technologies, including the one-time implementation costs of \$20,230 and ongoing annual maintenance costs of \$7,425.

Attachments:

- A. Amendments to Tyler Technologies contract to add Accounts Receivable Module.