


Res. No. 37 - 22 - 23. By Alderpersons Mitchell and Filicky-Peneski.
July 5, 2022.

A RESOLUTION authorizing entering into a contract with Fifth Asset, Inc. d/b/a DebtBook for the financial management of leases, IT subscriptions, and General Obligation Debt.

WHEREAS, the rules are being suspended to allow immediate approval of this resolution in order to take full advantage of the contract term; and

WHEREAS, over the past five years, the Governmental Accounting Standards Board ("GASB") has been refining Statement 87 which addresses the management of lease reporting for government agencies; and

WHEREAS, GASB Statement 87 has now gone into effect, requiring government agencies to record lease liabilities (lessee and lessor) with a duration of longer than 12 months; and

WHEREAS, the City of Sheboygan has approximately 93 leases that have to be amortized and recorded in Tyler Munis to be in compliance with GASB Statement 87; and

WHEREAS, GASB is currently creating GASB Statement 96 which will require similar requirements for all Information Technology subscriptions (software contracts) and Fifth Asset, Inc. d/b/a DebtBook ("DebtBook") has proactively adapted their software to comply; and

WHEREAS, our current financial software does not have the capability to manage this requirement and city staff has learned many local governments, of comparable size, have contracted with DebtBook to manage their lease accounting, making the software an industry best practice; and

WHEREAS, DebtBook was originally designed to manage General Obligation ("GO") Debt and the city has selected a pricing tier that will allow us to utilize this software to manage our debt at no additional cost; and

WHEREAS, staff has negotiated a contract with DebtBook to manage our leases, IT subscriptions, and GO Debt for \$15,000 per year. This contract includes free implementation and is price-locked for three years; and

WHEREAS, the City Attorney's Office has reviewed and approved the provisions related to Indemnification and allowing for a lower limit of liability for non-Intellectual Property matters given the lower risk presented by this agreement.

*Suspend
Adopt*

NOW, THEREFORE, BE IT RESOLVED: That the Finance Director is hereby authorized to execute the three-year contract with Fifth Asset, Inc. d/b/a DebtBook commencing July 5, 2022 and expiring July 4, 2025, a copy of which is attached hereto.

I HEREBY CERTIFY that the foregoing Resolution was duly passed by the Common Council of the City of Sheboygan, Wisconsin, on the _____ day of _____, 20____.

Dated _____ 20____. _____, City Clerk

Approved _____ 20____. _____, Mayor