

**To the Mayor and Members of the City Council****August 4, 2020**

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**SUBJECT: CONVERSION OF CODE FIELD OPERATIONS' ACCOUNTS
RECEIVABLE BALANCES FROM MICROFOCUS TO PEOPLESOFT**

The purpose of this Informal Report is to provide the Mayor and City Council with a summary of the proposed plan to clean up data as we transition the accounts receivable and billing functions from Microfocus (previous mainframe system) to the PeopleSoft Accounts Receivable and Billing ("PeopleSoft AR") system for the Code Compliance Field Operations Division ("Code Compliance").

Background

In the 1980's, a mainframe billing application was implemented to process Code Compliance billings for Mowing, Demolition, Board-ups and Nuisance Abatements. The application was originally developed to provide a computerized method for generating a bill and lacks the functionality to properly manage receivable transactions (payments, adjustments, etc.).

While much of the data prior to 2002 has been reviewed, both Code Compliance and Financial Management Services ("FMS") agree the data from January 1, 2002 forward should be converted since it is the most accurate and defensible. Data prior to this date will be archived, but accessible to staff so that the City can still attempt to collect on property liens. This will ensure data integrity in the new system and save the City the expense of scrubbing old data that dates back as much as 30 years.

Conversion Process

The chart below summarizes the estimated balances that will be archived during the conversion process.

	Estimated Principal Adjustment	Estimated Interest Adjustment	Total AR Adjustment	Average Transaction Date
Board-Up	\$33,500.00	\$16,500.00	\$50,000.00	7/30/1995
Demo	\$912,500.00	\$337,500.00	\$1,250,000.00	6/11/1995
Nuisance	\$85,500.00	\$64,500.00	\$150,000.00	12/9/1999
Mowing	\$2,080,000.00	\$4,420,000.00	\$6,500,000.00	12/8/1996

An allowance for doubtful accounts was already established for the amounts shown in the table above. As a result, the write off and archival of these balances will result in no effect on the General Fund's fund balance. Invoices will be sent to all accounts with a remaining balance once the conversion is complete. While some citizens/customers will receive bills for perhaps the first time or for the first time in several years, a conscious effort has been made to ensure we have the most accurate billing information possible.

Going Forward

Code Compliance will retain responsibility for the billing data and lien filings relating to the four areas listed above. FMS will be responsible for mailing/e-mailing the bills and past due notices, processing payments, and referring delinquent accounts to the City's third party collection firm (when necessary). If you have any questions, please call Brandon Bennett, Code Compliance Director, at 817-392-6322.

David Cooke
City Manager