



City of Pflugerville

Legislation Text

File #: 2024-0150, **Version:** 2

Discuss and consider action to approve an agreement between the Pflugerville Community Development Corporation (PCDC) and the City of Pflugerville regarding administrative and support services.

Following the initial discussion of this agreement with City Council on February 13, 2024, the proposed agreement was brought before the PCDC Board for discussion on February 28, 2024. The Board directed their attorney to review the contract and asked the Executive Director and the City to work together on a transition plan with a task list and timeline (attached) for the Board to review during their next meeting on March 20, 2024. With the addition of language to clarify that the City will provide financial software support and problem resolution services, the Board voted unanimously in support of the proposed agreement amendments for the City to provide full financial services and recommends City Council approval.

Currently, the City serves in a supporting role to the Pflugerville Community Development Corporation (PCDC) in terms of financial services. PCDC funds a full-time Finance Coordinator position who assists the PCDC Director with the budget process and general accounting services as it relates to the various funds, assets and bank accounts to which the City currently does not have direct access.

With the adoption of this agreement, PCDC will function much like a City department in terms of budget creation and monitoring, reporting and purchasing, which is a common practice in other cities as it greatly improves efficiency and reduces administrative costs by leveraging existing City staff, processes and software. For example, the City would no longer need to send invoices to PCDC to pay for routine expenses like payroll. Instead, payroll for PCDC would be charged directly to their account. There will also be the same finance team working with PCDC to create their budget within the City's existing budget software, eliminating the need for redundant systems.

As part of the transition process, it is also proposed that the current PCDC Finance Coordinator position be allocated to the City Finance Department where they will be able to contribute to broader City accounting needs in addition to the PCDC funds, as determined by the Finance Director. The PCDC Board plans to discuss this topic during their meeting on April 17th.

Prior City Council Action

The City Council last approved an Administrative and Support Services Agreement with the PCDC on May 23, 2023.

Deadline for City Council Action

Action is requested on March 26, 2024.

Funding Expected: Revenue Expenditure N/A

Budgeted Item: Yes No N/A

Amount: 5% of the PCDC's annual personnel budget

1295 Form Required? Yes No

Legal Review Required: N/A Required Date Completed: March 22, 2024

Supporting documents attached:

PCDC City Services Agreement

PCDC City Services Agreement_Redline

PCDC Finance Transition Plan

Recommended Action

Approve the agreement with the Pflugerville Community Development Corporation (PCDC).