



## Legislation Details (With Text)

<b>File #:</b>	32235	<b>Version:</b>	2	<b>Name:</b>	Fiscal Agent for MUFN-C
<b>Type:</b>	Resolution	<b>Status:</b>	Passed		
<b>File created:</b>	11/19/2013	<b>In control:</b>	BOARD OF ESTIMATES (ended 4/2017)		
<b>On agenda:</b>	12/3/2013	<b>Final action:</b>	12/3/2013		
<b>Enactment date:</b>	12/5/2013	<b>Enactment #:</b>	RES-13-00887		
<b>Title:</b>	SUBSTITUTE - Authorizing the City of Madison Finance Department to serve as Fiscal Agent for the Metropolitan Unified Fiber Network, Unincorporated Association (MUFN-C), authorizing the Mayor and City Clerk to sign a contract with MUFN-C for the same, and authorizing the Finance Director to receive and disburse funds on behalf of MUFN-C as Fiscal Agent, and amending the Finance Department's 2014 Operating Budget by \$20,000 for related expenditures and revenues.				
<b>Sponsors:</b>	Chris Schmidt				
<b>Indexes:</b>					
<b>Code sections:</b>					
<b>Attachments:</b>	1. By Title Only 32235.pdf				

Date	Ver.	Action By	Action	Result
12/3/2013	2	COMMON COUNCIL	Adopt - 15 Votes Required	Pass
11/25/2013	2	BOARD OF ESTIMATES (ended 4/2017)	RECOMMEND TO COUNCIL TO ADOPT (15 VOTES REQUIRED) - REPORT OF OFFICER	Pass
11/19/2013	1	COMMON COUNCIL	Referred	
11/19/2013	1	Information Services	Referred for Introduction	

### Fiscal Note

The Finance Department's additional costs will be offset by revenues paid by MUFN-C. There is no impact on the levy.

### Title

SUBSTITUTE - Authorizing the City of Madison Finance Department to serve as Fiscal Agent for the Metropolitan Unified Fiber Network, Unincorporated Association (MUFN-C), authorizing the Mayor and City Clerk to sign a contract with MUFN-C for the same, ~~and~~ authorizing the Finance Director to receive and disburse funds on behalf of MUFN-C as Fiscal Agent, and amending the Finance Department's 2014 Operating Budget by \$20,000 for related expenditures and revenues.

### Body

WHEREAS, the City is a member of a public-private consortium known as Metropolitan Unified Fiber Network, Unincorporated Association (MUFN-C, U.A. or "MUFN-C") whose members include the Board of Regents of the University of Wisconsin Systems on behalf of UW-Madison Division of Information Technology, the School of Medicine and Public Health, and the University of Wisconsin - Extension/Wisconsin Geological and Natural History Survey; the City of Middleton, the County of Dane, DaneNet, Madison Area Technical College, Madison Metropolitan School District, Middleton-Cross Plains Area School District, Monona Grove School District, South Central Library System, Wisconsin State Laboratory of Hygiene, University of Wisconsin Hospitals and Clinics Association, University of Wisconsin Medical Foundation, Meriter Health Services, Inc., WINMetro, LLC and SupraNet. The City's membership in MUFN-C was authorized by RES-13-00042 (ID#28545); and

WHEREAS, MUFN-C is a ch. 184 Unincorporated Association; a legal entity separate and distinct from its

members. MUFN-C was created as a requirement of a federal broadband technology grant to administer and provide access to a fiber optic communications network created with the federal funds (known as the MUFN network). The City was a sub recipient of this grant. As a condition of the grant the City is obligated to repair and maintain the MUFN network (fiber and conduit) for 20 years, and the City's obligation to maintain the network is memorialized in an agreement between the City and MUFN-C, whereby MUFN-C pays the city a fiber use fee. The fiber use fee is charged per member and per pair of fiber. MUFN-C collects fees from 17 of the members and then pays the City; and

WHEREAS, MUFN-C requires the services of a fiscal agent to issue invoices, receive payment from its members and disburse payments; and

WHEREAS, MUFN-C is governed by an operating committee and the operating committee has asked the City's Finance Department to perform these services;

The Finance Department is willing and able to perform the following services for MUFN-C:

- maintaining a completely separate account for MUFN-C
- issuing invoices in the name of MUFN-C
- receiving payments on behalf of MUFN-C
- issuing checks on behalf of MUFN-C
- contract for audit and tax preparation services for MUFN-C

WHEREAS, a rough estimate of staff time required to perform these services is 2-4 hours per week, with an estimate of \$12,000-\$15,000 as compensation time (including benefits). Finance staff will need to contract for audit and tax preparation services on behalf of MUFN-C at an estimated rate of \$3,000-\$5,000, for total estimated 2014 expenditures and revenues for the Finance Department in the amount of \$20,000 which will require a budget amendment for 2014; and

WHEREAS, Finance Staff seeks authorization to negotiate with MUFN-C a rate of payment based on the above estimates and authorization for the City to enter into a contract with MUFN-C for the same; and

WHEREAS, the Finance Director requires authorization to receive and disburse funds and make expenditures from MUFN-C revenues to provide the services described above, which will defined in the contract;

NOW, THEREFORE, BE IT RESOLVED that:

1. The City Finance Department is authorized to serve as Fiscal Agent for the Metropolitan Unified Fiber Network, Unincorporated Association (MUFN-C) for the purposes described herein;
2. The Mayor and City Clerk are authorized to execute a contract with the Metropolitan Unified Fiber Network, Unincorporated Association (MUFN-C) to govern the fiscal agent services with fees paid to the City to be negotiated by City staff; for an initial period to commence as soon as a contract can be signed and to continue through the services performed for the 2014 fiscal year, and up to five (5) renewal terms of one (1) year each, to be exercised at the option of the City;
3. The Finance Director is authorized to receive and disburse funds and make expenditures from MUFN-C revenues to provide the services described above, which will be defined in the contract; and

BE IT FINALLY RESOLVED that the Finance Department 2014 adopted Operating Budget is amended to increase the appropriation to the Finance Department by \$20,000 for compensation, supplies, contracted audit and tax advisory services costs, offset by revenues paid by MUFN-C to the City for fiscal agent services.

\$ 13,100      GN01-51300-332200      Overtime Wages

1,900	GN01-52000-332200	Fringe Benefits
5,000	GN01-54702-332200	Audit Fees
<u>(20,000)</u>	GN01-78890-332200	Other Revenue
\$ 0		