

COUNCIL ACTION FORM

**SUBJECT: CORRECTION TO HEARTLAND SENIOR SERVICES ASSET
ALLOCATION FOR FY 2016/17**

BACKGROUND:

The City has an ASSET human services contract with Heartland Senior Services for FY 2016/17 in the amount of \$159,642. This total matches the amount recommended by the ASSET volunteers during the ASSET budget review process in January. However, the recommendation reported to the City Council was \$158,642. This incorrect amount was also the amount allocated in the FY 2016/17 City Budget process.

Because the City budget now indicates that less funding is available than the amount authorized by the contract, an additional \$1,000 in funding must be allocated by the City Council. Funding is available in the Local Option Sales Tax Fund available balance to remedy this situation.

ALTERNATIVES:

1. Allocate an additional \$1,000 for Heartland Senior Services from the Local Option Sales Tax Fund for FY 2016/17, bringing its total allocation to \$159,642.
2. Direct staff to negotiate with Heartland Senior Services to develop a new contract amount equaling the originally allocated amount of \$158,642.

MANAGER'S RECOMMENDED ACTION:

The recommendation from the ASSET volunteers was to allocate \$159,642 to Heartland Senior Services for FY 2016/17. An error in reporting to the City Council led to the City Council allocating only \$158,642, but a contract was issued to Heartland Senior Services in the amount of \$159,642. Funds to provide Heartland with its full contract amount are available in the Local Option Sales Tax Fund's available balance; and revising the authorized amount will reconcile this discrepancy and fully fund this agency.

Therefore, it is the recommendation of the City Manager that the City Council adopt Alternative No. 1 as described above.