



Memorandum

To: Mayor Giordani and Bellevue Common Council Members

From: Shelly Shoemaker, Treasurer

Re: Request for Inclusion of Payroll in Claims Reports

Date: April 27, 2026

Background

In response to Council Member Wrede's request noted above, I consulted with other City Treasurers, and reviewed relevant Idaho Code provisions, the ICCTFOA Accounting manual and Association of Idaho Cities Newly Elected Manual and Roles and Responsibilities Manual. Based on this review, I found no statutory or procedural basis requiring payroll to be included in claims reports for City Council approval.

City Councils are responsible for approving the annual appropriation budget; however, payroll administration does not fall within their direct oversight. Councils do retain authority to adopt personnel and operational policies by resolution, but this authority is distinct from routine payroll processing and approval.

Standard Practice

The City of Bellevue is following the same standards of practice as other cities in Idaho regarding financial procedures and reporting. Idaho Code Section 50-1011 that Council Member Wrede refers to requires that financial statements be provided on a quarterly basis. These statements must include, for each fund, balances of debits and credits, including salaries, capital outlay, and percentage comparisons to the original appropriation.

The monthly and quarterly financial reports currently provided satisfy all statutory requirements. They include comprehensive information on payroll-related expenditures, including wages and salaries, retirement contributions, payroll taxes, and health insurance costs.

Attachments:

Idaho Code Section 50-1011
Council Member Wrede's Memorandum Request



Idaho Statutes

Idaho Statutes are updated to the website July 1 following the legislative session.

TITLE 50
MUNICIPAL CORPORATIONS
CHAPTER 10
FINANCES

50-1011. PUBLICATION OF FINANCIAL STATEMENTS - NONCOMPLIANCE. It shall be the duty of the city treasurer to cause to be published quarterly during each fiscal year for at least one (1) insertion in the official newspaper of the city, a full statement of each separate account, fund or appropriation for the year to date, and balances of the debits and credits belonging thereto, indicating salaries, capital outlay and a percentage comparison to the original appropriation. All published financial statements shall include the following: "Citizens are invited to inspect the detailed supporting records of the above financial statements." Such statement shall be published within thirty (30) days from the end of each quarter, except for the final quarter of the fiscal year which shall be published no later than thirty (30) days from the date of completion of the annual audit. Notwithstanding the above, no one shall be precluded from making this filing prior to the completion of an audit. Failure upon the part of the treasurer of any city to comply with the requirements of this section shall be deemed a misdemeanor.

History:

[50-1011, added 1967, ch. 429, sec. 171, p. 1249; am. 1979, ch. 90, sec. 2, p. 217; am. 1989, ch. 28, sec. 1, p. 33; am. 1990, ch. 88, sec. 1, p. 183.]

How current is this law?

REQUEST TO INCLUDE PAYROLL IN CLAIMS REPORTS

Subject: Request to Include Payroll and Payroll Liabilities in Monthly Claims Reports

To: City Administrator; City Treasurer

From: Councilmember Suzanne Wrede

Date: 4/13/2026

I am requesting that **all payroll-related disbursements** be included in the City's regular Claims Report presented to the City Council for approval.

At present, the Claims Report includes vendor invoices but **excludes payroll, payroll liabilities, and payroll-related accruals**, even though these constitute the majority of the City's expenditures. As a result, the Council is not being provided with the full financial picture necessary to perform its statutory oversight responsibilities.

Idaho Code § 50-1011 requires that **all claims** against the City be approved by the Council unless a specific pre-approval ordinance has been adopted. Payroll is a claim because it is a disbursement of public funds, and payroll liabilities (PERSI, FICA, Medicare, unemployment insurance, benefit contributions, leave payouts, etc.) are legally binding obligations of the City.

To ensure full transparency, accurate financial oversight, and compliance with statutory requirements, I request that the Claims Report be expanded to include:

1. **Gross payroll totals** for each pay period
2. **Employer-paid payroll liabilities**, including:
 - PERSI
 - FICA/Medicare
 - Unemployment insurance
 - Workers' compensation premiums
 - Health, dental, and vision insurance contributions
3. **Any payroll-related accruals or payouts**, including:
 - Overtime
 - Comp time payouts
 - Leave payouts

4. **Departmental allocation of payroll costs**, consistent with our chart of accounts
5. **Payroll clearing entries**, if applicable

This information is essential for the Council to understand actual spending, monitor budget-to-actual performance, and ensure responsible stewardship of public funds. Payroll typically represents **60–75% of municipal expenditures**, and excluding it from the Claims Report prevents the Council from fulfilling its oversight role.

Please confirm when this reporting enhancement can be implemented.

Thank you.

— Councilmember Suzanne Wrede