

11-4-21 FINANCE AND AUDIT COMMITTEE APPROPRIATION TRANSFERS
 C CAPITAL IMPROVEMENTS

Action Required
 Finance and Audit Committee
 Majority County Board

2)	<u>From</u>	<u>To</u>
<u>WO0647 – Enterprise Platform Modernization Phase 3#</u>		
60113 - Prof. Serv-Cap/Major Mtce		\$2,305,196
60506 - DP Software Lease/LCN-Lt		\$282,000
75702 - Other Capital Outlay-(Cap)		\$2,818,899
60113 - Prof. Serv-Cap/Major Mtce	\$1,434,928	
<u>WO0602 – Enterprise Platform Modernization#</u>		
60113 - Prof. Serv-Cap/Major Mtce	\$22,859	
60114 - Prof. Serv.-Data Process	\$994,671	
70814 - Minor DP Equipment	\$6,750	
75702 - Other Capital Outlay-(Cap)	\$2,262,861	
75607 - Computer Equipment-Rep>\$500	\$684,026	

Existing Project, + Included in 5-Year Plan, * New Project

The Office of the Comptroller requests an appropriation transfer of \$5,406,095 to reallocate the remaining budget authority from capital project WO0602-Enterprise Platform Modernization (\$3,971,167), to capital project WO0647-Enterprise Platform Modernization Phase 3. In addition, the appropriation transfer reorganizes the budget for capital project WO0647-Enterprise Platform Modernization Phase 3.

The 2017 through 2019 Adopted Capital Budgets included appropriations of \$6,139,784, \$3,000,000 and \$3,000,000, respectively, for the implementation of the Enterprise Resource Planning System (ERP). The ERP is business a management software consisting of a set of integrated applications to consolidate common business operations. The scope of work included the implementation and integration of various modules, such as Finance, Procurement and Cash Management. The scope also included modifications for usability, process efficiency that were not able to be accommodated in original platform implementation timelines. Work also includes software fixes and functionality to stabilize platform. The total project amount was \$21.4 million, with financing from \$10.7 million in cash and \$10.7 million in promissory notes. The financing for the appropriations totaled \$12,139,784 initially. In June 2019, an appropriation transfer was approved to modify the financing for the 2019 appropriation from \$3,000,000 in bonds to \$1,500,000 in bonds and \$1,500,000 in sales tax revenue. Therefore, the total bond amount was \$10,639,784. In 2019, the County issued \$10,740,000 in General Obligation ERP Promissory Notes to finance the ERP Project.

In July of 2021, an appropriation transfer was approved for Project WO0602 Enterprise Platform Modernization to provide financial flexibility by transferring the bond funded items (\$3,147,352) to cash financing to complete project implementation for the new INFOR System. The INFOR System is live and in the post development phase of the project as well as completing the remaining development stage improvements.

This appropriation transfers reallocates the remaining balance from Project WO0602 Enterprise Platform Modernization to Project WO0647 Enterprise Platform Modernization Phase 3. It also reallocates the combined budget amount of \$5,406,095 (\$3,971,167 (WO0602) plus \$1,434,928 (WO0647)) to address the acquisition and implementation of the new budgeting system, address identified issues after go live and complete development stage improvements. This will allow for easier monitoring of the project since Project WO0602 Enterprise Platform Modernization is more a complex project due to the numerous work elements involved in the planning and development stages of the project. Phase 3 is comparatively more focused as numerous work elements have been completed as the development stage moves closer to completion. This appropriation transfer does not increase expenditure authority for the combined amount of the projects. There are no tax levy implications associated with this fund transfer.

This fund transfer has no tax levy impact.

TRANSFERS SIGNED BY THE COUNTY EXECUTIVE OCTOBER 1, 2021.