

MEMORANDUM

TO: Finance and Administration Committee of City Council
FROM: Jeremy Craig, Director of Finance and Administration
DATE: April 17, 2006
SUBJECT: **Finance and Administration Committee Meeting**

The Finance and Administration Committee met on Monday, April 17, 2006. Those in attendance included: Chairperson Jane Durrell, Ward I, Councilmember Bruce Geiger, Ward II, Councilmember Barry Streeter, Ward II, Councilmember Dan Hurt, Ward III, Councilmember Mike Casey, Ward III, Councilmember Mary Brown, Ward IV, Councilmember Connie Fults, Ward IV, Mayor John Nations, City Administrator Mike Herring, Assistant City Administrator for Economic and Community Development Libbey Simpson, and Director of Finance and Administration Jeremy Craig. Also in attendance were Information Systems Manager Jim Michael, MIS CAC Chair Lorenzo Squellati (via phone), MIS Vice-Chair Scott Berlinger, MIS Committee Member Chuck Forgue, Director of Planning Teresa Price, Police Chief Ray Johnson and Executive Secretary Caroline McDowell. The meeting was called to order by Chairperson Durrell at 5:05 p.m.

1. Approval of Minutes—March 8, 2006

Councilmember Brown motioned to approve the minutes from March 8, 2006 and Chairperson Durrell seconded. The minutes were approved 2-0; Councilmember Geiger was not yet present and Councilmember Hurt abstained.

2. Discussion of Enterprise Resource Planning (ERP) Software Project

Mr. Craig introduced MIS committee members Squellati, Berlinger and Forgue, explaining Mr. Squellati will narrate his online presentation via phone.

Mr. Squellati's presentation:

- outlined the City's growth and software utilization from 1995 to the present
- defined the ERP request for proposal process and the submitted solutions
- explained the benefits and integration of the proposed software
- provided a timeline from RFP to implementation
- and defined the next steps that Council should make in the process, most important being the allocation of the funding so the RFP process may continue in a prompt manner.

Questions that arose following the presentation included:

- Are any MIS Committee members involved with the vendors? Mr. Squellati assured the F&A Committee that one of his top priorities was noting any conflict-of-interest between members of the MIS Committee and the RFP vendors; there was none.
- Has something substantial occurred that prompted the RFP for new software in the middle of a budget year? Mr. Herring explained that one of the main issues Mr. Craig wanted to

address as soon as he was hired three years ago was the financial software of the City. Currently, each department has its own data and organization of information; therefore, duplication often occurs and there are no internal controls to monitor fraud or error. The MIS Committee began the RFP process in September of last year to identify software packages that will integrate the City's departments and get an idea of cost. In turn, the proposal would be brought to Council with an accurate funding estimate and description of the software capabilities.

- Will the City get its money's worth? The \$475,000 in funding is a conclusive amount that will include software, hardware, implementation and training. The City will, in the future, need to budget for annual maintenance charges.
- Does the software have compatibilities to build on in the future? Within the framework of the proposed software, there is room to accommodate growth on both the personnel and service levels. The finalist vendors are exclusive to government software contracts and, therefore, focus on business functions unique to government.

The Mayor and F&A Committee members commended the MIS Committee and staff for their efforts and diligence. All agreed that the software was necessary; however, the process of allocating the funding was not customary or brought up at budget discussions for FY2006. A vote for fund allocation was to be taken at the City Council meeting following this F&A Committee meeting.

4. Adjournment/Next Meeting

The meeting was adjourned at 6:05 p.m.