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CUMBERLAND
★ **COUNTY** ★
NORTH CAROLINA

BOARD OF COMMISSIONERS

MEMORANDUM

TO: Finance Committee Members (Commissioners Council, Faircloth and Keefe)
FROM: Candice H. White, Clerk to the Board
DATE: April 28, 2017
SUBJECT: Finance Committee Regular Meeting – Thursday, May 4, 2017

There will be a regular meeting of the Finance Committee on Thursday, May 4, 2017 at 9:30 AM in Room 564 of the Cumberland County Courthouse located at 117 Dick Street, Fayetteville, NC.

AGENDA

1. Approval of Minutes – April 6, 2017 Regular Meeting **(Pg. 2)**
2. Presentation on Business Intelligence Process Review for Animal Control **(Pg. 10)**
3. Presentation of the Information Services Cost Savings Report **(Pg. 24)**
4. Other Items of Business **(NO MATERIALS)**

cc: Board of Commissioners; County Administration; Vicki Evans, Finance Director; Tammy Gillis, Director of Internal Audit and Wellness Services; County Legal; County Department Head(s); Sunshine List

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CUMBERLAND COUNTY FINANCE COMMITTEE
COURTHOUSE, 117 DICK STREET, 5TH FLOOR, ROOM 564
APRIL 6, 2017 – 9:30 AM
REGULAR MEETING MINUTES

MEMBERS PRESENT: Commissioner Marshall Faircloth, Chairman
Commissioner Jimmy Keefe

OTHER COMMISSIONERS PRESENT: Commissioner Glenn Adams
Commissioner Michael Boose
Commissioner Larry Lancaster

OTHERS: Amy Cannon, County Manager
Tracy Jackson, Assistant County Manager
Melissa Cardinali, Assistant County Manager
Sally Shutt, Governmental Affairs Officer
Rick Moorefield, County Attorney
Vicki Evans, Finance Director
Michael Gibson, Fayetteville-Cumberland Parks and Recreation
Director
Candice H. White, Clerk to the Board
Press

ABSENT: Commissioner Jeannette Council

Commissioner Faircloth called the meeting to order.

1. APPROVAL OF MINUTES – MARCH 9, 2017 FINANCE COMMITTEE SPECIAL MEETING

MOTION: Commissioner Keefe moved to approve the March 9, 2017 special meeting minutes.

SECOND: Commissioner Faircloth

VOTE: UNANIMOUS (2-0)

Amy Cannon, County Manager, requested the removal from the agenda of Item 4. Presentation of Agenda Process Review Conducted by the Enterprise Solutions Division of Information Services and asked that it be brought back to the next meeting. Consensus followed.

2. PRESENTATION OF PARKS AND RECREATION COUNTY DISTRICT PROJECTS FOR FY18

BACKGROUND:

Each fiscal year, Fayetteville-Cumberland Parks & Recreation considers existing plans and new requests for improvements to County parks. Michael Gibson, Director of Fayetteville-Cumberland Parks and Recreation, will provide an overview of the proposed projects for Fiscal Year 2018 and take questions from the Finance Committee.

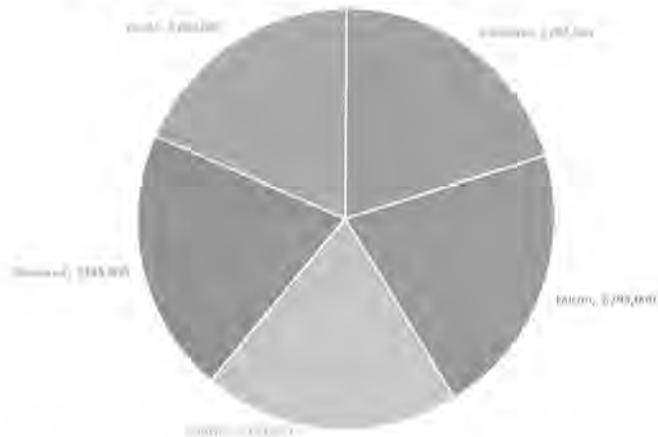
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RECOMMENDATION/PROPOSED ACTION:

No action required. Funding considerations for Fiscal Year 2018 will occur during the Board of Commissioner budget work sessions. Consider the proposed improvements to County parks planned for Fiscal Year 2018 and approve for further consideration by the full Board of Commissioners at a future meeting unless there are changes to the recommended improvements.

Ms. Cannon called on Michael Gibson, Fayetteville-Cumberland Parks and Recreation Director, who provided the following presentation on proposed district projects for FY2017-2018. Mr. Gibson referenced the district budget of the past year's approximately \$1.5 million.

DISTRICT BUDGET \$1,402,500



Mr. Gibson also referenced the following summary, to include the PARTF grant in Linden, and stated the remaining balances will be spent in the Falcon, Godwin, Wade, Stedman and Eastover communities.

PARK	BEGINNING BALANCE	FY 2015 EXPENSES	FY 2016 EXPENSES	FY 2017 EXPENSES (THRU MARCH 17)	REMAINING BALANCE
FALCON	\$ 295,000.00	\$ -	\$ 22,801.49	\$ 20,222.87	\$ 251,975.64
GODWIN	280,000.00	-	33,080.00	18,680.00	228,240.00
WADE	260,000.00	-	75,542.66	21,180.00	163,277.34
STEDMAN	285,000.00	-	43,225.00	102,594.33	139,180.67
EASTOVER	282,500.00	-	137,227.37	28,629.95	116,642.68
Total	\$ 1,402,500.00	\$ -	\$ 311,876.52	\$ 191,307.15	\$ 899,316.33

PARTF GRANT	Budget	FY 2015 EXPENSES	FY 2016 EXPENSES	FY 2017 EXPENSES (THRU NOV 2016)
LINDEN	\$ 463,231.00	\$ 153,726.00	\$ 218,950.09	\$ 90,554.17

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Mr. Gibson highlighted the remaining projects to be completed in FY18.

Eastover	Godwin	Wade
FY 18	FY 18	FY 18
Tennis Courts Volleyball Area Drainage Improvement	Recreation Room Addition Mini Shelter Multipurpose Field	Restroom (build) Mini Shelters/4 Tennis Court Resurfacing
Falcon	Stedman	
FY 18	FY 18	
Park Ditch Rip T-Ball Field	Basketball Court Improvement Tennis Court Resurfacing	

Mr. Gibson reviewed the list of capital projects for FY 18:

Facility	Expenditure
Falcon Town Park	Splash Pad
Godwin Town Park	Splash Pad
Wade Town Park	Splash Pad
Stedman Town Park	Splash Pad
Linden Town Park (Little River Community Park)	Splash Pad
Eastover Town Park	Splash Pad
Gray's Creek Community Park	Community Park
Cape Fear High School	Tennis Court Lights
Pine Forest Middle School	Air Conditioning

Mr. Gibson highlighted possible splash pad locations in Falcon, Eastover, Godwin, Linden, Stedman and Wade. Mr. Gibson stated splash pads run between \$150,000 and \$200,000 per facility and their size is between 1,000 to 1,500 SF per pad. Mr. Gibson stated splash pads as a water feature at parks do not have high maintenance costs, do not require life guards or a pool manager and are basically self sufficient. Mr. Gibson stated they are basically irrigation systems that sit on top of concrete, can be turned on and off and checked remotely, are good in a rural environment and are very popular in the district.

Mr. Gibson stated other big items include tennis court lights at Cape Fear High at approximately \$150,000, an HVAC system at Pine Forest High at an estimated cost of \$120,000 and a recreation center in Grays Creek. Mr. Gibson shared pictures of tennis court lighting and stated there is a working agreement with the school system so when the high school is finished using its tennis courts, a timer system will turn the lights on and off. Ms. Gibson stated with the development of the Grays Creek area, the population has grown away from the recreation center so because of that, he would like to develop the community park in the general area where the people are located as opposed to close to the recreation center as originally proposed. Mr. Gibson stated the community park will likely be eight to ten acres with elements like shelters, walking trails, a splash pad and playground unit. Mr. Gibson displayed a picture of the HVAC system for the gymnasium at the high school in Stedman and stated the same thing will be done at Pine Forest.

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For county wide service projects, Mr. Gibson provided highlights of the proposed West Senior facility of approximately 18,000 SF to be located on Lake Rim and stated it ties into services that have no boundary lines. Mr. Gibson stated as part of the bond package, the two senior centers will be developed and will have participation from the district and the city. Mr. Gibson shared aerial photos of the view from the building across Lake Rim and stated there is a storm water easement for trails and there will also be boating.



Mr. Gibson also provided highlights of the senior facility (west) features to include renderings of potential facility facades. Mr. Gibson stated the district will be asked to support soft costs to outfit this new 18,000 SF facility. Mr. Gibson stated the hope is to begin construction in early 2018 so it can open by the end of 2018.

Will house current FCPR senior staff and all current programming to include:

- A lobby with reception desk
- Office space for staff
- Restrooms
- Library/computer room
- Conference room
- Game room
- Art room
- Fitness room
- Dance studio
- Kitchen/Cafe
- Health education, preventative and nutritional services
- Video/theatre room
- Therapy Pool

County funding of 10% will cover soft cost (i.e. furniture, televisions, weight equipment)

Mr. Gibson stated county wide special need projects included a proposed upgrade to the Massey Hill inclusive playing field and Gilmore Therapeutic Recreation Center. Mr. Gibson stated a \$250,000 grant was received from the NC Connect bond and another \$40,000 was received from Major League Baseball which will be used to build a totally rubber miracle field of about 150

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feet for physically challenged individuals. Mr. Gibson stated the Gilmore Center was designed as a teen center but it is now being used as a therapeutic recreation center. Mr. Gibson stated significant upgrades are needed and the plan is to enlarge to 3,000 SF and add a sensory room which will allow individuals to come to the recreation center to see a therapist rather than the hospital. Mr. Gibson stated this is a soft cost that the district will be asked to support. Commissioner Faircloth stated the Finance Committee will not take any action as this will be part of the budget process.

3. CONSIDERATION OF CONSULTANT FOR SELECTION OF NEW TAX SOFTWARE SYSTEM

BACKGROUND:

Cumberland County’s goal is to reduce overall County expenses by phasing out the usage of the Mainframe as a system to handle data and routine processes. The Tax System, Oasis, is soon to be the final product still hosted on the Mainframe. To ensure the successful selection and migration to a new system, Cumberland County has identified the need for professional services to ensure an optimal solution. The selection is based on the following criteria:

- Needs Assessment (Discover what our organizational requirements are)
- Development of a Request for Proposal (RFP)
- Guide County through the ERP software selection process through on-site demonstrations, off-site client visits, and final selection. (Matching our needs with a system)
- Contract Development, Negotiations, and a Statement of Work (Ensuring that our system is properly designed)

Five companies provided responses for assistance in selection. Three of those were qualified for the scope of the project.

Please reference the summary table below for additional comparison.

Vendor	Ranking	Evaluation Findings	Key Risks Identified	Costs
Harris Consulting	1 st	<ul style="list-style-type: none"> • Specializes in municipal government systems • Proven track record of extensive experience in Tax solution initiatives • Verified references from 2 NC agencies (Guilford and Orange) confirming exceptional service provided throughout their Tax project • Has established relationships with many of the Tax solution vendors 	<ul style="list-style-type: none"> • No identified risks 	<ul style="list-style-type: none"> • \$93,700.00
ClientFirst	2 nd	<ul style="list-style-type: none"> • Verified references from NC agencies confirming exceptional service provided but for ERP solutions related to financials • Solid approach to consultation process • When asked on multiple occasions 	<ul style="list-style-type: none"> • Lack of experience with Tax solution initiatives • Lack of on-site hours during requirements gathering process • Will require greater use of 	<ul style="list-style-type: none"> • \$89,249.00

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		about references or experience with Tax solutions, nothing was provided	County resources (IT support and collaboration with Tax staff) due to initial requirements gathering process	
Panorama	3 rd	<ul style="list-style-type: none"> • Highest cost of the 3 options • Has extensive experience but lacked viable references within NC • Undetermined experience with government agencies 	<ul style="list-style-type: none"> • Are not involved in site visits to other NC agencies for demos • No recommendations provided from any NC agencies 	• \$130,410.00

Selecting one of these three vendors to assist with the Needs Assessment, Requirements Gathering, RFP development, Software Selection, and Contract Negotiations for the Cumberland County Tax Department will increase the quality of the implementation of an ERP Solution. All phases are projected to take 6-8 months to complete.

RECOMMENDATION/PROPOSED ACTION:

Recommend the Finance Committee approve Harris Consulting for the needs assessment and selection services of a new tax system and the associated budget revision.

Recommend the approval of Budget Ordinance Amendment B171120 in the amount of \$93,700 to procure the services of Harris Consulting. Please note, this amendment requires the use of fund balance that was specifically allocated during the FY2017 budget process – to be used for technology upgrades.

Keith Todd, Information Services Director, reviewed the background information and summary table for three of the companies qualified for the scope of the project recorded above. Mr. Todd stated Harris Consulting has a proven track record of over twenty years working with tax and procurement selection processes and additionally were the most engaged in the process. Mr. Todd stated from the start to selecting the software to implementation will take six to eight months. Mr. Todd reviewed the recommendation/proposed action recorded above.

Commissioner Boose inquired regarding the total allocation to include upgrades. Ms. Cannon responded \$4.5 million. Additional questions and comments followed. Commissioner Faircloth referenced Harris Consulting’s relationships with many tax vendors and stated it needs to be clear that they are working for Cumberland County and not the vendors with whom they have relationships.

MOTION: Commissioner Keefe moved to approve Harris Consulting for the needs assessment and selection services of a new tax system and the associated Budget Ordinance Amendment B171120.

SECOND: Commissioner Faircloth

VOTE: UNANIMOUS (2-0)

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- 4. REMOVED FROM AGENDA
- 5. PRESENTATION OF CAPITAL IMPROVEMENT PLAN (CIP) - FINANCING UPDATE

BACKGROUND:

An update regarding financing of the capital improvements plan last occurred during the Budget Work Session on March 6, 2017.

As a reminder, the benefits of this financing structure include: permits and contracts are not required up front but will be required as projects approach their starting point; overall administrative costs (financial advisor, bond counsel, bank counsel and LGC fees) will be lower as there will be two financings as opposed to financings occurring each fiscal year for three years.

The application process and meeting with the Local Government Commission (LGC) as well as a bank financing request for proposal is required this year and at the end of project completion. Funds will be drawn from the bank as invoices become due. Upon completion of the projects after the three years, the total amount utilized over the three years will be financed and repayment will begin during the fourth year (fiscal year 2021).

The financing calendar is recorded below. The findings resolution and authorization for LGC filing and calling for a public hearing will be presented during the June 5, 2017 Board of Commissioners' meeting. Adoption of the approving resolution and the public hearing will be considered during the June 19, 2017 Board of Commissioners' meeting. Approval from the LGC will be sought at their meeting scheduled for July 11, 2017.

RECOMMENDATION/PROPOSED ACTION:

No action is necessary, for information purposes only.

COUNTY OF CUMBERLAND, NORTH CAROLINA
2017 GENERAL GOVERNMENT DRAW PROGRAM

DRAFT FINANCING SCHEDULE- PENDING COUNTY & LGC REVIEW

<u>DATE</u>	<u>EVENT</u>	<u>PARTICIPANTS</u>
April 3	Send Complete Financing Package Information to LGC	FA
April 6	Meeting with Finance Committee	County
May 10	Send RFP for Proposed Financing	FA/County
May 24	Bids Due - FA and County Discuss Financing Proposals	County/FA
May 25	Send Joint Legislative Committee Letter (on or before)	County/BC
TBD	LGC Kickoff Meeting	All
May 31	County Commission Items Due for June 5 th Meeting	County/BC
Wk of June 5th	Distribute First Draft of Documents	BC/PC

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June 5	County Adopts Findings Resolution and Authorize LGC Filing; County Calls for Public Hearing	County/BC
June 6	Submit Application to LGC	County
June 7	Publish Notice of Public Hearing (on or before)	County/BC
June 8	Meeting with Finance Committee	County
June 13	County Commission Items Due for June 19 th Meeting	County/BC
June 19	County Adopts Approving Resolution and Holds Public Hearing	County/BC
Wk of July 10	Discuss Closing Requirements	All
July 11	LGC Approval (Executive Committee)	LGC
July 19 (est)	Closing	All

Vicki Evans, Finance Director, reviewed the background information and the draft financing schedule recorded above. Ms. Evans stated the calendar will drive action by the Board of Commissioners at Board meetings. No action was required.

6. OTHER ITEMS OF BUSINESS

There were no other items of business.

There being no further business, the meeting adjourned at 10:08 a.m.



ITEM NO. 2

INFORMATION SERVICES TECHNOLOGY

5th Floor, Room No. 519, Courthouse • PO Box 1829 • Fayetteville, North Carolina 28302-1829
(910) 323-6119 • Fax (910) 323-6153

**MEMO FOR THE AGENDA OF THE
MAY 4, 2017 MEETING OF THE FINANCE COMMITTEE**

TO: FINANCE COMMITTEE
FROM: KEITH TODD, CHIEF INFORMATION SERVICES DIRECTOR
THRU: MELISSA C. CARDINALI, ASSISTANT COUNTY MANAGER
DATE: APRIL 25, 2017
SUBJECT: PRESENTATION OF BUSINESS INTELLIGENCE PROCESS REVIEW FOR ANIMAL CONTROL

Presenter(s): Sabrina Patterson, Business Analyst

Estimate of Committee Time Needed: 15 Minutes

BACKGROUND

As a part of the Board of Commissioners approved Business Intelligence initiative, the Enterprise Solutions Division within Information Services recently conducted a comprehensive business process review of Animal Control. Through the business process review, several opportunities for business process improvements were discovered.

A presentation will be provided to review the recommendations set forth to improve these business processes.

RECOMMENDATION

Report will be for informational purposes only. No further action required.

Celebrating Our Past...Embracing Our Future



CUMBERLAND COUNTY ANIMAL CONTROL

ANIMAL CONTROL BUSINESS PROCESS REVIEW FOR FINANCE COMMITTEE

PRESENTED BY:
SABRINA PATTERSON

DATE
MAY 4, 2017

AGENDA

- Fact Findings
- Discovered Problem Areas
- Recommendations and Value Added Summary
- Recommendations Cost
- Rollout Phases

FACT FINDINGS

- FY2014 to January 18, 2017 - 43,152 animals resided at the shelter
- FY2014 to January 18, 2017 - 21,085 euthanized with 10,643 being adoptable
- FY2015 to February 2017 - \$494,031 revenue
 - \$47,392 for injured animals
 - \$446,639 for spay/neuter fees
- FY2015 to February 2017 - \$384,324 expenses
 - \$17,971 for injured animals
 - \$366,353 for spay/neuter fees
- 20 Veterinarians participate in the county rabies vaccination voucher program

FACT FINDINGS CONT'D

- Call Taker statistical data for FY2016

 - *Average of 6 staff answering calls*

 - 59,996 calls presented
 - 37,694 calls handled
 - 22,289 calls abandoned

- Enforcement Officers statistical data

 - Responded to 34,613 calls
 - 12 jurisdictions covered
 - Cumberland, Eastover, Falcon, Fayetteville, Fort Bragg, Godwin, Hope Mills, Linden, Out of County, Spring Lake, Stedman, and Wade

- Civil Citations

 - Approximately 2,764 outstanding
 - Fees ranging from \$100 to \$11,000
 - Total Monetary Value = \$325,625

DISCOVERED PROBLEM AREAS

- Administrative/Office Support
 - Uncompleted work assignments
 - Unable to contact staff
 - Inability to communicate electronically
- Shelter Attendants
 - Safety concerns with equipment
 - Mental fatigue due to euthanizations
- Volunteer Coordinator
 - Unable to keep accurate time records
 - Multiple email distribution groups on multiple computers
- Call Taker
 - Phone system underutilized
 - Missing important information
 - Adoption operational hours
 - Dealing with irate customers due to impounding fees

DISCOVERED PROBLEM AREAS CONT'D

- Enforcement/Cruelty Officers
 - Technology equipment
 - Irrate animal owners
 - Address history of issues
 - Lack of training for equipment
 - Cruelty cases privacy concerns
 - Large video file transfers
- Pet License Notices
 - High cost to print notices
 - For CY16, approximately 24,088 notices were prepared and mailed out at a cost of \$13,303
- Revenue
 - Conflicting data between Chameleon and the Tax Department import
 - Pet license renewals are declining
 - From FY13 to FY16, there was a revenue loss of \$155,924

RECOMMENDATIONS & VALUE ADDED

Process Improvement	Value Added
<ul style="list-style-type: none"> Incorporate the County's Print Shop for pet license notices 	<ul style="list-style-type: none"> Cost savings \$6,265 (black/white) - \$6,073 (color)
<ul style="list-style-type: none"> Incorporate Chameleon PostMaster 	<ul style="list-style-type: none"> Email cost savings \$3,477 (black/white) - \$3,572 (color) Enhances electronic communication Central distribution email location
<ul style="list-style-type: none"> Publicize and educate citizens on pet license fees 	<ul style="list-style-type: none"> Citizens become aware of County's Ordinance
<ul style="list-style-type: none"> Revamp the Phone System menu 	<ul style="list-style-type: none"> Improves customer service Supervisor visibility Keeps customers informed about upcoming events
<ul style="list-style-type: none"> Add additional phones in the Adoption area and the Cruelty Officer's office 	<ul style="list-style-type: none"> Increases communication Enables cross trained staff to assist with citizens
<ul style="list-style-type: none"> Utilize available resources for employees (EAP) 	<ul style="list-style-type: none"> Reduces stress levels and mental fatigue

RECOMMENDATIONS & VALUE ADDED CONT'D

Process Improvement	Value Added
<ul style="list-style-type: none"> • Purchase reliable and sustainable safety equipment such as catch poles, cat tongs, and a portable conveyor belt for Shelter Attendants 	<ul style="list-style-type: none"> • Provides safety mechanisms • Reduces physical fatigue • Reduces workers' compensation claims
<ul style="list-style-type: none"> • Revamp the Intake/Drop Off and Adoption Sign-in Sheet 	<ul style="list-style-type: none"> • Produces data to support organizational growth
<ul style="list-style-type: none"> • Cross train Administrative personnel 	<ul style="list-style-type: none"> • Enhances daily productivity • Eliminates delay in processing
<ul style="list-style-type: none"> • Cross train other staff members 	<ul style="list-style-type: none"> • Enhances customer service • Improve call abandoned percentage (37%) and calls handled percentage (63%)
<ul style="list-style-type: none"> • Gradually change the hours for the last Adoption walk-through 	<ul style="list-style-type: none"> • Reduces the cost of overtime, comp time, and exempt time • Improves the adoption process

RECOMMENDATIONS & VALUE ADDED CONT'D

Process Improvement	Value Added
<ul style="list-style-type: none"> • Implement a computer kiosk for volunteers 	<ul style="list-style-type: none"> • Provides better tracking
<ul style="list-style-type: none"> • Purchase a multiple USB data transfer cable 	<ul style="list-style-type: none"> • Central location to transfer large video files
<ul style="list-style-type: none"> • Add printing codes to the Adoption Ricoh printer 	<ul style="list-style-type: none"> • Protects privacy
<ul style="list-style-type: none"> • Implement Laserfiche 	<ul style="list-style-type: none"> • Reduces paper storage
<ul style="list-style-type: none"> • Incorporate safety training for officers 	<ul style="list-style-type: none"> • Increase searching capabilities
<ul style="list-style-type: none"> • Purchase/upgrade technology equipment and software 	<ul style="list-style-type: none"> • Enhances officers' safety
	<ul style="list-style-type: none"> • Address and alert history
	<ul style="list-style-type: none"> • Standardization for mobile devices
	<ul style="list-style-type: none"> • Less equipment breakage and connection failures

RECOMMENDATIONS & VALUE ADDED CONT'D

Process Improvement	Value Added
<ul style="list-style-type: none"> Implement WebChameleon on mobile devices (iPads or iPhones) 	<ul style="list-style-type: none"> Anytime, anywhere access Off-site adoptions and medical tasks Eliminates annual software cost of \$3,907 Eliminates digital cameras (\$250) and AVLs (\$896) Reduces processing time and downtime for officers
<ul style="list-style-type: none"> Consider placing Animal Control Officers underneath the Law Enforcement Center (LEC) 	<ul style="list-style-type: none"> Ability to charge citizens on scene Access to vital information systems Better training (BLET) and equipment Access to LEC officers for additional protection Communication with County Dispatch

RECOMMENDATIONS COST

Equipment Upgrade

Current Equipment	Quantity	Individual Cost	One-Time Cost	Annual Cost
One-Time Cost: Laptop (\$1,300), AVLs (\$896), Digital Camera (\$250)	21	\$ 2,446	\$ 51,366	
Monthly Cost: Verizon Wireless Service Charge (\$1106 for 30)		\$ 42		\$ 13,272
Annual Cost: NetMotion (\$1,027)				\$ 1,027
Annual Cost: Chameleon License for Field Officers (\$240)	12	\$ 240		\$ 2,880
		\$ 2,728	\$ 51,366	\$ 17,179

Recommendation	Quantity	Individual Cost	One-Time Cost	Annual Cost
One-Time Cost: iPad Pro 9.7 (\$630), Protective Case (\$53)	21	\$ 683	\$ 14,343	
One-Time Cost: Truck Mount (\$75)	21	\$ 75	\$ 1,575	
One-Time Cost: iPhone 6s (\$99), Protective Case (\$35)	1	\$ 134	\$ 134	
Monthly Cost: Verizon Wireless Service Charge (\$40)	22	\$ 40		\$ 10,560
Annual Cost: AirWatch (\$51)	22	\$ 51		\$ 1,122
Annual Cost: WebChameleon for Field Officers (\$960)	10	\$ 960		\$ 9,600
Windows Server 2016 License	8	\$ 73	\$ 584	
WebChamelon Server License	1		\$ 2,880	\$ 2,880
		\$ 2,016	\$ 19,516	\$ 24,162

RECOMMENDATIONS COST CONT'D

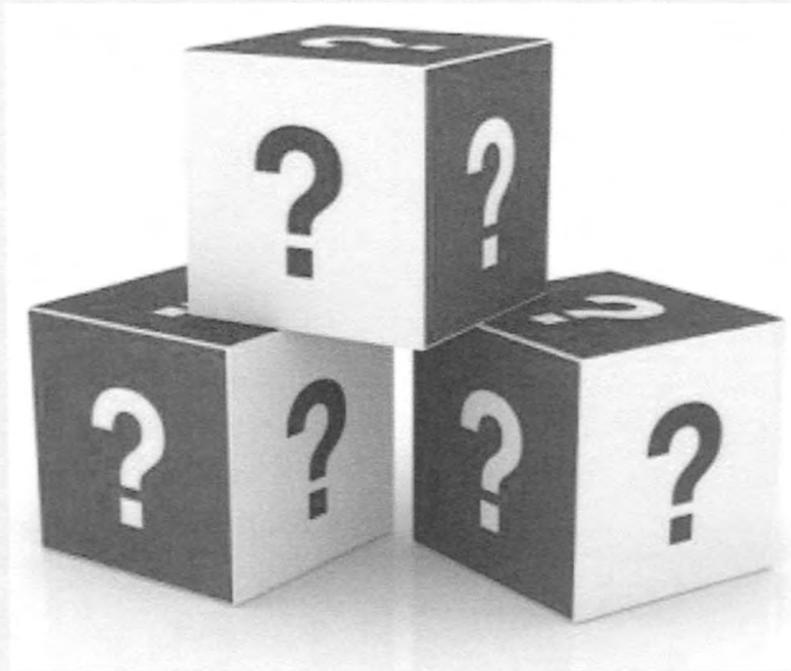
Equipment Upgrade

Phone Equipment Recommendation	Quantity	Individual Cost	One-Time Cost	Annual Cost
Cisco Phone for Cruelty Officer	1		\$ 549	
Cisco Phone for Adoption Area	1		\$ 494	
			\$ 1,043	
Laserfiche Recommendation	Quantity	Individual Cost	One-Time Cost	Annual Cost
Solution License Software	3	\$ 528.00	\$ 1,584	
Annual Support & Warranties	3	\$ 105.60		\$ 316.80
		\$ 633.60	\$ 1,584	\$ 316.80

Data Transfer Recommendation	Quantity	Individual Cost	One-Time Cost	Annual Cost
Multiple USB data transfer cable	1		\$ 10	
		\$ -	\$ 10	

Safety Equipment Recommendation	Quantity	Individual Cost	One-Time Cost	Annual Cost
Dual Release Catch Poles	Varies	\$92 - \$100		
Cat Tongs	Varies	\$56 - \$62		
Conveyor Belt for Shelter Attendants	1		\$ 637	
		\$ -	\$ 637	

QUESTIONS





ITEM NO. 3

INFORMATION SERVICES TECHNOLOGY

5th Floor, Room No. 519, Courthouse • PO Box 1829 • Fayetteville, North Carolina 28302-1829
(910) 323-6119 • Fax (910) 323-6153

**MEMO FOR THE AGENDA OF THE
May 4, 2017 MEETING OF THE FINANCE COMMITTEE**

TO: FINANCE COMMITTEE
FROM: KEITH TODD, CHIEF INFORMATION SERVICES DIRECTOR
THRU: MELISSA C. CARDINALI, ASSISTANT COUNTY MANAGER
DATE: APRIL 25, 2017
SUBJECT: PRESENTATION OF THE INFORMATION SERVICES COST SAVINGS REPORT

Presenter(s): Keith Todd, Chief Information Services Director

Estimate of Committee Time Needed: 10 Minutes

BACKGROUND

Cumberland County Information Services has provided a Cost Savings Report as an update on cost saving measures enacted and/or considered by the Information Services Department. Besides meeting the expectations of County Management, this report also serves to showcase three important principles:

1. Effective management of department resources by following a disciplined approach to budgeting;
2. Prioritizing activities and allocating resources accordingly, to ensure the best possible outcomes, and
3. Documenting previous efforts to reduce expenditures and streamline processes.

RECOMMENDATION

Report will be for informational purposes only. No further action required.

Celebrating Our Past...Embracing Our Future



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**Information Services
Cost Savings Report**

IT Cost Savings Principles

- Effective management of department resources by following a disciplined approach to budgeting.
- Prioritizing activities and allocating resources accordingly, to ensure the best possible outcomes.
- Documenting previous efforts to reduce expenditures and streamline processes.



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FY 2015 - 2017

- Maintained continuous improvement strategies by routinely assessing the needs of County departments.
- Implemented Enterprise Solutions Division to identify opportunities to increase efficiencies.
- Established a technology refresh cycle and completed multiple projects to improve reliability, enhance infrastructure and provide long term cost savings.
- Began application modernization strategy to retire the mainframe system and migrate dependent systems to modern environment to improve sustainability.



Annual Cost Savings Implemented

FY 2015 – 2017 Maintenance & Operational Efficiencies

- Telecommunications services - \$139,200/year.
- Reduced computer room operations - \$7,871/year.
- Tyler Munis Upgrade - \$112,085/year.
- OSDBA support - \$30,000/year.
- TWC fiber - \$18,800/year.
- Virtualized servers - \$20,100/year.
- Centralized computer procurement - \$7,500/year.
- In-house work order systems - \$3,635/year.

Total Savings for Maintenance & Operational Efficiencies = \$339,191



Business Intelligence Initiatives

FY 2015 – 2017

- Mail Room –83% reduction in paper usage for reports, eliminated unused permits \$2,500/year.
- Print Shop –new printing equipment \$35,786 plus/year.
- Animal Control – \$14,915 or more/year.
- Jury – processing reduction 81%, 309 labor hours reclaimed.
- Veterans Services –5,007 labor hours reclaimed(equivalent to 2 FT positions), eliminated report errors, and streamlined reports.
- Initiatives in Progress: DSS, Planning, Environmental Health, Gun Permits, Fire Inspections, Commissioner's Agenda process, etc.



Annual Cost Savings Expected

FY 2018 – 2020 Future Improvement Considerations

- GIS systems consolidation - \$11,032 or more/year.
- Data Center Consolidation - \$30,000 or more/year.
- IBM mainframe elimination - \$318,264/year.
- Other considerations with cost savings to be determined include:
 - VoIP infrastructure as a Service
 - Increase of cloud-based systems
 - Continued assessment of document management needs
 - Assessment of opportunities for business restructuring and innovation

**Total Savings for Future Improvement
Considerations = \$348,264**



Questions





CUMBERLAND
★ COUNTY ★
NORTH CAROLINA

Information Services Cost Savings Report



April 2017

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INFORMATION SERVICES COST SAVINGS REPORT

Background

Cumberland County Information Services has been requested to provide a compilation of agency efforts and initiatives to generate efficiencies and cost savings for the County. This report is being provided to County Management as an update of cost saving measures considered and/or enacted by the Information Services Department.

Besides meeting the expectations of County Management, this report will also serve to showcase three important principles:

1. Effective management of department resources by following a disciplined approach to budgeting;
2. Prioritizing activities and allocating resources accordingly, to ensure the best possible outcomes; and
3. Documenting previous efforts to reduce expenditures and streamline processes.

FY 2015 - 2017

Enterprise Solutions

In fiscal year 2015, the County Information Services Department embarked on a mission to increase efficiencies and enhance services to the County while maintaining minimal overhead and ensuring fiscal responsibility. This endeavor began by reorganizing the department to create a new division within the existing budget to focus on enterprise-wide solutions, business intelligence, and IT policy. The purpose of the new Enterprise Solutions Division is to:

- Identify opportunities for improvement throughout the County
- Research and recommend business process improvements to maximize operational efficiencies and eliminate wastes of time and resources
- Explore and propose technology providing enterprise-wide solutions that can be shared by multiple departments for the greatest benefit
- Maintain the County Enterprise Resource Planning (ERP) systems
- Review, revise and maintain County IT policies to streamline and standardize processes and procedures

In addition to the new division, FY 2015 began a continuous improvement methodology that was adopted by all areas of the Information Services Department.

Infrastructure Division

The Infrastructure Division provides support for and maintains County computers, telephones, server systems, network security, and disaster recovery. They also maintain Wi-Fi networks and manage County internet access. In FY 2015, a technology refresh cycle was developed which involves replacing outdated servers, network switches, and other related hardware to improve reliability, enable new and anticipated capabilities, and save money in the long term. There were many other projects implemented to strengthen and support County infrastructure. Several of these included core network, server environment and Exchange email upgrades, a new data backup system, a new enterprise document management system, a new help desk system, an upgrade of the applications used by the County Fire Departments, and free Wi-Fi throughout the Courthouse.

Applications Division

The Applications Division is responsible for sustaining the legacy mainframe system while developing and maintaining internal web applications. In FY 2015, efforts began to develop an application modernization strategy in concert with County departments. This strategy involves retiring legacy applications that are no longer cost-justified or risk-acceptable. One of the many projects implemented in FY 2015 to support long-term efficiencies and cost savings for the County included an upgrade of the mainframe processor, tape drives and storage to ensure continuity of the legacy system while newer options are in consideration or development. Others included the purchase of new Jury software, a rebuild of all Intranet applications, a website feedback system, database server upgrades and consolidation, expansion of GIS applications and services, and development of new work order systems for Central Maintenance and Solid Waste to remove them from the legacy mainframe system.



Through fiscal years 2016 and 2017, the County Information Services Department has maintained the continuous improvement strategies by routinely assessing needs of County departments. Assessments are conducted by all 3 divisions of Information Services. The Infrastructure team completes assessments resulting from hardware, software and/or network requests submitted through the help desk. The Applications team assesses department needs for internal application development. The Enterprise Solutions team proactively conducts assessments through comprehensive business process reviews. Many of the projects completed by Information Services through fiscal years 2016 and 2017 are listed below. In FY 2017, efforts also began to develop project prioritization and governance standards to ensure initiatives are selected based on priority, impact, and alignment to the County strategic goals and objectives.

- Business process reviews on multiple departments – Planning, Environmental Health, Veterans Services, Legal, Mail Room, Print Shop, DSS – Food and Nutrition Services, Commissioners Agenda, etc.
- VoIP upgrade for the Sheriff's Office and other County departments
- Emergency Services Initiatives - EOCC upgrade, Dispatch computers and infrastructure upgrade, and Disaster Recovery site
- County Fire MCT expansion/review
- Security monitoring/mitigation update
- Enterprise Web content management system
- Phase 2 of CMF Work Order System & Inventory and Solid Waste Work Order System & Inventory
- Website Redesign and Development
- Phase 2 of the Child Support Laserfiche project
- Conference Bridge to host conference calls
- Internet upgrade
- Implementation of an Enterprise Resource Planning (ERP) system including County core functions – Finance, Payroll, Human Resources, Benefits and Risk Management, and Utility Billing

Though this list is extensive, it is not a full account of all projects and initiatives completed by the Information Services Division during fiscal years 2015 – 2017. With each initiative, primary goals and objectives include maximizing efficiencies, eliminating waste of resources, increasing productivity, and providing cost savings for long term financial sustainability. The information below provides the cost savings and efficiency gains for many of these efforts.

Summary of Efficiencies Implemented

Maintenance and Operations Efficiencies	Annual Savings
<ul style="list-style-type: none"> Telecommunication service provider reduced \$11,600 per month due to the elimination of the PBX which allowed for better insight into the service provider charges. This reduction was accomplished by reviewing charges, terminating unused circuits, eliminating outdated surcharges (mileage, call forwarding, etc.), moving alarm lines to newer technologies, and renegotiating the service contract. 	\$139,200
<ul style="list-style-type: none"> Computer Room supplies (green bar and ribbons) reduced due to implementing electronic reports instead of printed reports. 	\$5,428
<ul style="list-style-type: none"> Mainframe backup tapes (3590 and 3592) 	\$2,443
<ul style="list-style-type: none"> Tyler Munis Upgrade (Annual Cost Reduction due to elimination of CGI) 	\$112,085
<ul style="list-style-type: none"> Cancelled OSDBA support for Munis – existing IS staff provides same level of support 	\$30,000
<ul style="list-style-type: none"> Time Warner Cable fiber lines renegotiated. As of January, 2017, we have saved \$1,610 per month by having renegotiated the service contract to a more updated service type and, in some cases, have negotiated for better services at the same price level. 	\$18,800
<ul style="list-style-type: none"> Virtualization of Servers. Annual cost savings by not replacing physical servers. 95% of our servers have been virtualized reducing the time needed to maintain equipment and allowing us to be much more agile when making choices about hosting, upgrades, re-platforming, etc. Virtualization decreased the number of physical servers by over half. 	\$20,100
<ul style="list-style-type: none"> Centralized computer hardware budget and procurement (75 PCs @ \$100/PC) 	\$7,500
<ul style="list-style-type: none"> New CMF Work Order System (estimated minimum) 	\$2,035
<ul style="list-style-type: none"> New Print Shop Work Order System 	\$1,600
<ul style="list-style-type: none"> New PIO Work Order System and Health Department Work Order System. Many departments conduct similar activities or purchase the same items independently, and have expressed a need for a work order system. By IS upgrading to a new work order system, many departments have been able to leverage this system at no additional costs. 	Savings Vary
TOTAL:	\$339,191

Business Intelligence initiatives result in recommendations that will improve operational efficiencies to ultimately reduce cost to the County. Time savings provides labor hours that will be used for additional work at no additional cost to the County.

Business Intelligence Initiatives Efficiencies	Projected Annual Savings
<ul style="list-style-type: none"> Mail Room – no cost savings with new solution, multiple steps eliminated resulting in time savings, observations due in April 2017 for quarterly evaluation <ul style="list-style-type: none"> Discovered unused permits and eliminated cost of \$2500 per year 83% reduction in paper usage for reports Reduced steps to create reports Reduced effort/steps of tracking transactions Improved reporting capabilities 	\$2,500
<ul style="list-style-type: none"> Print Shop – selection and implementation of new printing equipment, business process improvements <ul style="list-style-type: none"> Provided print job help desk access to all 5 employees New equipment can eliminate position or replace position with one of lower grade and salary (salary and equipment considerations included in savings range provided) 	\$35,786 to \$63,000

Business Intelligence Initiatives Efficiencies (continued...)	Projected Annual Savings
<ul style="list-style-type: none"> • Animal Control – recommended several business process improvements and software and equipment upgrades, etc. <ul style="list-style-type: none"> ○ Utilize County Print Shop for pet license notices for savings of \$8,988 - \$10,140 ○ Use Chameleon Postmaster to email pet license notices for savings of \$874 - \$1,457 ○ Implement WebChameleon on mobile devices <ul style="list-style-type: none"> ▪ Eliminates need for NetMotion for savings of \$1,027 ▪ Eliminates annual cost for field service units for savings of \$2,880 ▪ Eliminates need to purchase cameras @ \$250 each and AVLs @ \$896 each* <ul style="list-style-type: none"> * Multiple of each are purchased continually through the year (used 5 as average) ○ Other Recommendations: <ul style="list-style-type: none"> ▪ Purchase reliable safety equipment – may reduce worker’s comp claims ▪ Change adoption hours to reduce overtime, comp and exempt time ▪ Implement Laserfiche for document management and redeem office space 	\$14,915 to \$21,234
<ul style="list-style-type: none"> • Jury – cost evened out with new solution <ul style="list-style-type: none"> ○ 81% reduction in processing time ○ 309 IS annual labor hours reclaimed <ul style="list-style-type: none"> *Value of labor hours at no additional cost to the County = \$7,259.21 	Elimination of labor hour for IS and reduction of labor hour for Jury Coordinator
<ul style="list-style-type: none"> • Veterans Services – implemented Bell Data for intake, business process improvements, currently implementing Laserfiche for document management <ul style="list-style-type: none"> ○ 5007 annual labor hours reclaimed ○ Value of labor hours reclaimed at no additional cost to the County = \$86,828.56* <ul style="list-style-type: none"> * This is equivalent to 2 requested FT positions which the Director stated is no longer needed ○ Eliminated the 15% error rate ○ Eliminated the 5 to 7-day process to create reports ○ Implementing Laserfiche will redeem 297 square feet of office space 	No additional staff required
<ul style="list-style-type: none"> • DSS Food and Nutrition Services – still in progress, Express Zone team currently being implemented, observations due in April to evaluate improvements <ul style="list-style-type: none"> ○ Implementing Laserfiche can eliminate up to 1,007 file cabinets, which equals 7,455 square foot of office space <ul style="list-style-type: none"> ▪ Can also reduce Patterson Storage cost, which averages \$14,426/year ○ Phone Interview Team can provide time savings of 15-30 minutes per application, which equals 109 to 219 labor hours 	To be determined
TOTAL (Minimum):	\$53,201

Information Technology capabilities are essential for efficient, productive staff, and to support the County’s strategic goals and objectives requiring a focus in technology, business process improvements, and enhanced services for Cumberland County citizens. A balance must be sustained between maintaining legacy systems and current technology, judiciously implementing new technology, and managing the short and long term cost savings.

The strategic direction for the Information Services Department is to proactively seek opportunities to maximize efficiencies and productivity while remaining fiscally responsible. This involves utilizing an IT cost optimization discipline that will accommodate new opportunities and threats that emerge as business requirements evolve, new technologies mature, IT assets reach the end of their useful life cycles and new service and delivery options develop.

To strengthen and support the financial sustainability of the County, the innovations, initiatives and projects below will be considered or implemented within fiscal years 2018 – 2020.

FY 2018 - 2020

Summary of Future Improvement Considerations

Improvement Consideration	Benefits	Projected Annual Savings
Replace older Cisco switches with Meraki switches	<ul style="list-style-type: none"> • Lower cost per switch • All-inclusive pricing includes enterprise support 	To be determined
Consolidate GIS systems	<ul style="list-style-type: none"> • Eliminates file conversions and work-around requirements between systems • Allows full utilization of existing County GIS system • Reduces duplicated work, cost and overlapping staff tasks 	\$11,032 and up
Consolidate data centers	<ul style="list-style-type: none"> • Eliminate redundant equipment and support • Reduced cost of disaster recovery solutions – each IS department spends about \$50,000/5yrs, eliminating 3 data center sites can save up to \$150,000 over 5-yr period 	\$30,000 and up (3 sites)
VoIP infrastructure as a service	<ul style="list-style-type: none"> • Increased control and automation over VoIP services provisioning • Better operations management 	To be determined
Session Initiated Protocol (SIP)	<ul style="list-style-type: none"> • More reliable than traditional voice trunks. • Inherit redundancy within the technology 	To be determined
Cloud-based systems	<ul style="list-style-type: none"> • Cloud based systems will continue to be considered part of the initial review of a project request to determine the most cost effective approach to the project 	To be determined
Continue to assess document management needs	<ul style="list-style-type: none"> • Reduce usage and cost of paper and storage • Increase automation or workflows and processes • Share information across departments 	To be determined
Adoption of industry standards such as COBIT, ITIL, and ISO/IEC best practices	<ul style="list-style-type: none"> • Reduces total cost of ownership (TCO) for IT projects • Facilitates proactive approach to manage projects, define IT solutions/services and review aging assets • Effective governance of IT activities and management framework of policies, internal controls, defined practices 	To be determined
Assess opportunities for business restructuring and innovation	<ul style="list-style-type: none"> • Maximize efficiencies and productivity • Strengthens support for business process improvements and re-engineering • Provides opportunities to reorganize for departmental optimization • Discover operational efficiencies • Eliminate wastes in resource usage • Streamline processes for greater productivity • Strengthen BI analytics • Provide more extensive baselines • Allow insight into what has happened • Better projections of what is likely to happen • Enables future planning and decision-making 	To be determined

Improvement Consideration	Benefits (continued ...)	Projected Annual Savings
Elimination of IBM mainframe, software and backup services <i>(see cost breakdown below)</i>	<ul style="list-style-type: none"> • Ability to operate on a newer platform, more reliable • More aligned technology with internal and external support staff • Reduction of Operational responsibilities • Reduction in print services and special paper stock • Eliminates mainframe hardware maintenance and supplies • Elimination of burster for mainframe print jobs 	\$318,264.10
TOTAL (Minimum):		\$348,264.10

The Big Picture of Retiring the Legacy Mainframe System

In coordination with our strategic efforts to deploy an integrated ERP system, we are partnering with our client departments in an applications modernization endeavor to migrate their applications from the IBM mainframe to a more modern computing and user-accessible environment. This will provide a roadmap to allow us to retire the mainframe system and its dependent systems, which will eliminate the associated costs below. The removal of last application on the mainframe is projected to begin in 2018.

Vendor	Product (or description)	Annual Costs
HARDWARE		
IBM	Hardware (zBC12) - Initial Purchase and Installation \$249,752.05	\$49,950.41
IBM	Hardware Maintenance	\$10,480.00
PSR	Storage (DS8870) - Initial Purchase and Installation \$83,066.00	\$16,613.20
PSR	3592 Tape Cartridges (QTY: 25 + 2)	\$1,651.00
PSR	Printronix Printer (P7210) - Initial Purchase \$12,345.00	\$2,469.00
PSR	Printronix Printer (P7210) - Maintenance [2/21/2016 - 2/20/2019]	\$2,902.00
IntegraServ	Printronix Printer (P7220) - Initial Purchase \$8,788.00	\$1,757.60
IntegraServ	Printronix Printer (P7220) - Maintenance (initial)	\$1,261.00
IntegraServ	Printronix Printer (P7220) - Maintenance [7/1/2016 - 6/30/2017]	\$1,278.26
Computer Plus	Tape drive maintenance - 3590	\$3,136.00
Computer Plus	Tape drive maintenance - 3592	\$829.00
Kodak Alaris	Burster maintenance	\$3,308.00
SOFTWARE		
IBM	Software Maintenance	\$46,830.00
PSR	z/VSE Central Functions	\$27,952.00
PSR	Support Services	\$25,000.00
T. Farlow & Associates	Disaster Recovery Services	\$32,448.00
Data 21	IP Bridge, IP Server	\$1,538.00
Sync Sort	Sort software	\$6,329.00
CSI	BIM editor and related software	\$11,343.00
CA Technologies	Software	\$3,955.00
Barnard Software	Opti-Audit & TCP/IP Tools	\$4,243.63
Thigpen	VSE2PDF	\$1,500.00
Tyler Technologies	OASIS (TAX) software maintenance	\$61,490.00
TOTAL		\$ 318,264.10