

To: President and Members of the Munster Town Council
From: Wendy Mis, Clerk-Treasurer *W Mis*
Date: September 21, 2020
Re: Agreement for Financial Software

In the year 2000, the Clerk-Treasurer's Office entered into an agreement with Pentamation to provide accounting, utility billing and building permit software. Over the past twenty years, Pentamation expanded, merged with and bought out other software products. Today it is known as Central Square and is used by all Town departments. Over the past five years, Staff has become increasingly dissatisfied with the functionality of the software and support received from Central Square. Repeated conversations with Central Square to resolve the issues leads staff to believe that the time has come to change providers.

The Clerk-Treasurer's Office has researched several software solutions, seen demonstrations, and talked with colleagues about their experiences with various vendors. One provider stands out. BS&A Software is a Michigan-based company providing local government software for financial management, utility billing, community development, online services, and tax assessment.

The software would be used for general ledger, accounts payable, accounts receivable, utility billing, payroll, building permits, planning and zoning, and cash receipts. Staff from Community Development have seen the demonstration of building product, has asked questions, and is satisfied with the product and what it will allow them to do. BS&A Software will allow critical processes to be streamlined, provide greater online capabilities to residents, vendors and employees, and meet the needs of the Town in a better way than the current provider does.

There are several other Indiana municipalities already using BS&A. Staff has spoken with some of these users and the feedback has been all positive. Other software vendors that would need to integrate with any new software have provided very positive feedback as well. All complimented their customer service. While the quote includes the initial training, BS&A offers regular trainings throughout the year. Because neighboring communities already use the software, there is the opportunity to share costs for any on-going training.

Staff has spoken with Impact about the costs of new servers and other maintenance items required by this change. A copy of the cost estimate from BS&A and Impact are attached as well as a summary sheet. The BS&A costs include travel for installation and training. How COVID-19 will play into the amount of actual travel is unknown at this point. The summary sheet assumes all the travel costs will be incurred. The project will be funded through multiple sources including the 2020 General Obligation Bond, the Technology Fund, the Sewer Depreciation Fund, the Water Depreciation Fund, and the Solid Waste Management Fund. A portion of the purchase will be eligible for reimbursement under the CARES Act.

The total to be paid to BS&A in the first two years is \$394,915. The initial outlay and training cost is \$358,475. This includes the first year of support. Support for year two will be \$32,355 and year three will be the same. For comparison, the Town will pay Central Square \$39,010 for maintenance this contract year. Their prices are set to increase October 1, 2020. The price could potentially double.

The agreement with Central Square is set to expire in November 2020. BS&A estimates it will take nine months from contract approval to complete the conversion and be live in the new software. Staff will seek a short-term agreement with the current provider to maintain their software until we are up and running with BS&A.

We recognize the significant cost for the Town. Staff has contemplated and researched for about a year and believe this is a wise investment with long-term benefits for the organization.

Recommendation:

By motion and roll call vote, approve the agreement with BS&A Software in an amount not to exceed \$394,915 and approve the purchase of server hardware, licensing, and installation by Impact in an amount not to exceed \$23,202.00 for a total project cost of \$418,117.

	Data Conversion &									
	Software	Database Setup	Annual Service	Other	Total Cost	2020 GO Bond	Sewer Maintenance Fund	Water Cash Operating Fund	Solid Waste Management Fund	Technology Fund
General Ledger	\$ 12,495	\$ 6,250	\$ 2,500	\$ -	\$ 21,245	\$ 15,934	\$ -	\$ 5,311	\$ -	\$ -
Accounts Payable	10,645	5,325	2,130	-	18,100	13,575	-	4,525	-	-
Cash Receipts	10,645	5,325	2,130	-	18,100	13,575	-	4,525	-	-
Misc. Receivable	10,645	1,500	2,130	-	14,275	10,706	-	3,569	-	-
Fixed Assets	10,645	5,325	2,130	-	18,100	13,575	-	4,525	-	-
Purchase Orders	10,645	-	2,130	-	12,775	9,581	-	3,194	-	-
Utility Billing	17,000	14,500	3,400	-	34,900	-	10,470	20,940	3,490	-
Payroll	13,745	11,250	2,750	-	27,745	20,809	-	6,936	-	-
HR	12,495	3,000	2,500	-	17,995	13,498	-	4,499	-	-
Building	15,620	13,275	3,125	-	32,020	32,020	-	-	-	-
Field Inspection	6,560	1,500	1,310	-	9,370	9,370	-	-	-	-
Employee Self Service	8,250	-	1,850	-	9,900	7,425	-	2,475	-	-
Online Permit Application Feature	9,840	-	1,970	-	11,810	11,810	-	-	-	-
Public Records & Online Bill Pay	3,500	-	2,500	-	6,000	1,500	-	4,500	-	-
Building Report Training	-	-	-	1,410	1,410	1,410	-	-	-	-
Project Management & Implementation Planning	-	-	-	34,750	34,750	26,083	-	8,688	-	-
Implementation & Training	-	-	-	75,000	75,000	58,250	-	18,750	-	-
Post Go-Live Assistance	-	-	-	4,000	4,000	3,000	-	1,000	-	-
Travel	-	-	-	24,745	24,745	17,322	-	7,424	-	-
Receipt Printers	-	-	-	1,850	1,850	925	-	925	-	-
Cash Drawers	-	-	-	500	500	250	-	250	-	-
Scanner	-	-	-	250	250	188	-	63	-	-
Credit Card Reader	-	-	-	75	75	75	-	-	-	-
Impact: Server hardware, licensing & install	-	-	-	16,982	16,982	12,737	-	4,248	-	-
Impact: Recurring monthly services (\$518.34)	-	-	-	6,220	6,220	-	-	-	-	6,220
	\$ 152,730	\$ 67,250	\$ 32,355	\$ 185,782	\$ 418,117	\$ 291,594	\$ 10,470	\$ 106,343	\$ 3,490	\$ 6,220