CITY OF ANGELS PO Box 667, 200 Monte Verda St. Suite B, Angels Camp, CA 95222 P: (209) 736-2181

DATE: September 3, 2024

TO: City Council

FROM: Michelle Gonzalez, Finance Director

RE: **DISCUSSION AND AUTHORIZATION TO ALLOW STAFF TO MOVE FORWARD WITH SECURING NEW FINANCIAL SYSTEM**

RECOMMENDATION:
Approve the staff recommendation to enter into an agreement with AccuFund for the City's government accounting fund-based system software.

BACKGROUND:
In April 2024, the City issued a Request for Qualifications (RFQ) for a new Government Accounting Fund-Based system. The deadline for proposals was May 15th, and we received three proposals: Central Square, Tyler Technologies, and AccuFund. Rose and Michelle met with each firm for a discovery call to discuss the City's needs. From these calls, it was determined that Central Square's system was too robust and expensive, and it was mutually agreed to proceed with the other two proposals. Demonstrations were set up in August, during which a team of department heads, accounting staff, human resources, and the City Administrator reviewed the software in an in-depth demonstration of how it could meet the City's needs. These demonstrations lasted about six hours, with the software firms meeting with the City in person. The City's team then scored each firm based on a criteria form developed from the RFQ.

DISCUSSION:
During the process of evaluating new software firms, we reached out to some current users of the systems to gather their feedback. For Tyler Technologies, there are concerns that integrating multiple software modules into one system could be confusing for users. The software appears quite similar to Springbrook, and the support team also shares similar characteristics. Additionally, the pricing structure presents some challenges. While Tyler Technologies offers a strong product, there are apprehensions regarding support and overall cost. The implementation timeline, estimated to be 12 months or more, could extend beyond our existing Springbrook contract, potentially resulting in additional costs. Furthermore, the integration of different systems into a single software solution may lack cohesiveness.

Overall, AccuFund is seen as a great fit for our needs. The system's flexibility, cost, support, and expertise are considered significant advantages. The implementation is expected to take 6-9 months, and the fact that the same representative will guide us from implementation to support is highly valued. Although AccuFund does not have all the features of Tyler, it is recognized as a reliable system with strong reporting

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capabilities, particularly for 941 forms and state controller reports, which will save time. The presentation by AccuFund was thorough and completed by the staff, unlike Tyler's, which felt rushed. The system is also considerably less expensive than Tyler. There is a minor wish for a fire department scheduling feature, but this can be managed separately and integrated into the system.

We have decided to proceed with AccuFund for our software needs. Since 2001, AccuFund's financial management solutions have helped thousands of nonprofits and government entities enhance their overall management. This comprehensive fund accounting software is available both online and onsite and features a robust core system with expandable modules. It will bring us up to date and ensure compliance with timesheets, purchasing requisitions, and updated reporting.

FINANCIAL IMPACT:

This is a one-time cost to purchase the software, train staff, and convert data. With AccuFund, the ongoing annual costs will be for hosting, support, and maintenance, which will be lower than our current expenses with Springbrook. These one-time costs are expected to be recouped in just over three years.

Use General Fund Reserve balance (roughly $1,899,645 in reserves), earned from prior year investment income. 70%
Water/Wastewater 30% for Utility Billing and Customer Pay Portal.

Software Purchase (one time) – $51,068
Maintenance & Support - $12,047
Hosting - $3,500
 Setup & Implementation - $68,950
Total Cost Year 1 - $135,565

Estimated Year 2 $15,148 and Year 3 $15,940

ATTACHMENTS:
Proposal from AccuFund
Price Comparison
Budget Adjustment Form