



Work Session Agenda Summary

January 24, 2023

Bret Naber, Chief Information Officer

John Karner, Finance Director

Tammy Hitchens, Deputy Finance Director

Krystal Dilka, Senior Project Manager – Information Technology

Title:

Updates: Enterprise Resource Planning (ERP) and Financial Audits (2021, 2022, 2023)

Background:

As indicated to the City Council during the December 13 update, staff is returning to City Council during its January 24 Work Session to provide an update on (a) the ERP based on its relation to the Financial Audit process; and (b) Fiscal Years 2021-2023 financial audit processes.

During the City Council's December 13, 2022 Work Session, staff provided an update on the Fiscal Year 2021 Financial Audit. As outlined at that time, the Fiscal Year 2021 Financial Audit is the first audit completed under the City's Enterprise Resource Planning (ERP) system which went live with on January 1, 2021. Based on the significant challenges the ERP implementation has presented to the City, the first year of the City's financials in the new ERP have required significant manual adjustments and corrections – resulting in a late submission of the City's audited financial statements to the State of Colorado. As a result of the delayed submission, and in compliance with State Statute, the State has notified the City of temporary withholding of specific grant funding – and Weld County has notified the City that property tax payments will be held in suspense – until an audited financial audit is submitted to the State. The City's external auditor is in the process of completing their audit of the City's 2021 financials. It is anticipated that their work will be completed next month, with the City submitting final audited financial statements to the State in late February or into the first days of March. Upon submission, any funds held in suspense will be released to the City.

With the close of 2022, the first phase of the ERP Refinement Project was complete – with several significant and positive improvements made to the ERP system functionality. Many of these improvements were critical to completing the 2021 audit process. The ERP Refinement Project lead – Chief Information Officer Bret Naber – will provide an update on the Phase I accomplishments and the priorities for Phase II which is tentatively scheduled for completion on June 1, 2023.

Strategic Focus Area:



High-Performance Government

Attachments:

PowerPoint Presentation