

The City of Portsmouth

"Where the Ohio and Scioto Meet"

Department of Finance

Municipal Building, Room 3

728 Second Street, P.O. Box 1323
Portsmouth, OH 45662

Phone: (740) 354-7751 - Fax: (740) 353-4583
Email: cityauditor@mail.com

M. Trent Williams
City Auditor



State of Ohio



TO: HONORABLE JAMES D. KALB, MAYOR

FROM: M. TRENT WILLIAMS, AUDITOR

DATE: MAY 1, 2006

RE: FINANCE DEPT. CIP BUDGET INFORMATION
FOR COUNCIL REVIEW AND MOLLETTE MEMO OF 5/1/06

COPY: HONORABLE MEMBERS OF CITY COUNCIL

The Windows system software improvements requested in the Capital Improvement Program budget provides for the first major upgrade to the City Finance system since 1998, at which time an overhaul of the account system was implemented. The only other significant technology enhancement was the actual conversion to a computerized system in 1986. At that time of the 1998 upgrade, the software systems continued to use a character based system as opposed to utilizing a graphical user interface system. Windows operating systems have, of course, been the benchmark of computerized accounting systems for nearly twenty years. This upgrade will bring the selected components of the Finance system into a "Windows" environment allowing for many improvements and increased efficiency for the end users.

The Auditor has continued to update the current system each year as needed to maintain the integrity of the accounting system. However, this upgrade will provide a user-friendly interface more compatible with standard office suite software and be more compatible in producing output needed for data reporting requirements for compliance with state and federal agencies. One tremendous benefit I see due to the upgrade will be the integration of system data with Microsoft Excel and Word, etc. Much of the reports and data generated by the Auditor, his staff and the Mayor's office and other departments in preparing budgetary information, etc. is compiled manually into spreadsheets from printed reports from the current character based system.

Additionally, system support for character-based software is becoming more and more rare and costly. The current software vendor has been in contact with the City advising that at some point in the near future, these current character based systems will no longer be able to be supported. The vendor has been encouraging cities to begin preparing both financially and systematically for technology modifications. The upgrade will help avoid non-support of our system due to its obsolescence.

The City has been trying to remain current over the past several years with system hardware needs. It is necessary that the City move forward with its Finance software needs as well. Many other system improvements and capabilities are being planned, most of which will be included in the costs of the upgrade, such as departmental budget inquiry, direct deposit, information sharing, utilization of digital output and backup data storage equipment (laser printers, scanning, etc.) as opposed to analog bursters, printers, etc. But the first step must be in providing for those capabilities by stepping up to the Windows system software. Please contact me if you have any further questions. Thank you for your cooperation.

Respectfully submitted,

M. TRENT WILLIAMS, AUDITOR

CAPITAL IMPROVEMENT PROGRAM 2006

Estimated available funds by individual fund

<u>Fund #</u>	<u>Fund Name</u>	<u>Estimated funds available for CIP expenditures</u>
231	Streets (SCMR)	\$ 5,000
265	Flood Defense	\$ 900,000
301	Income Tax CIP	\$1,300,000
606	Water CIP	\$ 600,000
621	Sewer Operating	\$ 100,000
622	Sewer CIP	\$ 140,000
631	Sanitation	\$ 85,000
801	Recreation	\$ 0
851	Cemetery Trust	\$ 125,000