



Property Tax System Replacement

January 3rd, 2017

C. L. Raffety, Treasurer/Tax Collector

Joe Harn, Auditor/Controller

Karl Weiland, Assessor

Today

- Briefly recap previous actions and contents of the staff report
- Outline the implementation timeline and project plan
- Outline obstacles, risks and opportunities
- Support the recommendation

Property Tax System Transition

● Summer 2014

- Board approved migration concepts based on CTO recommendation
- Requires replacement of Property Tax System
- Directed to look at alternatives

● Fall 2015

- Report on replacement systems
- Authorization to explore and bring back recommendation

● Spring 2016

- Recommendation by Property Tax Departments to go with Megabyte
- Directed to proceed with agreements

● Today

- Agreements and other project recommendations in front of you for approval

Recommendation

- The Software License , including
 - The program functionality
 - The project implementation strategy
 - License pricing schedule.
- The Maintenance and support agreement including
 - Scope of Services
 - Support Pricing schedule
- Staffing, Project Charter and Funding recommendations

The Treasurer Tax Collector, the Auditor, The Assessor and the CAO recommend approval

Project Comparison

| Attribute | FENIX | PTARP |
|-----------------------------------|------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------|
| Software usage | Financial system used by every department. Every employee is on the payroll. | Used by three Property Tax Admin departments. |
| Variety of usage | Revenues, expenses, budget, purchasing, fixed assets and payroll. | Focused on property tax inventory, appraisal, assessment, billing and collection |
| Regulation, oversight & Reporting | Compliance with rules established by every Federal, State and other revenue source, oversight and reporting agency and government. | Administered by State Board of Equalization & State Controller |
| Experience | Tyler MUNIS not currently operating in a California County. There is a national users group. | Megabyte operates in 28 California Counties, most are very similar to El Dorado. Strong support from user group |

Phase 1 – Design/Setup/Analysis

- 1/3/2017 - 7/31/2017
- General Design Analysis/Hardware acquisition and configuration/Special Requirements
 - The analysis phase
 - Set up access and security
 - Software Installation
 - Configuration
 - Business process/GAP analysis
- Selection of Project Manager

Phase 2 –Data Conversion

- 1/3/2017-12/31/2017
- Data Conversion
 - Validate data consistency and relationships
 - Map data from existing structure to new structure
 - Create SQL database for the new system to operate against
 - Convert relevant historical data

Phase 3 – System Testing

- 01/01/2018-02/28/2018
- System Testing
 - Inventory testing procedures & protocols
 - Conduct system tests
 - Review Business Processes for accuracy
 - Document everything

Phase 4 - Training

- 3/1/2018 – 6/30/2018
- Training by MPTS
 - At Roseville location
 - Use of Go To Meeting software for on site training
- Complete process documentation
- Get ready for Go Live

Phase 5 – Go Live

- 7/1/2018-12/31/2018
- 2018/19 roll completed by Assessor in old system
 - Roll closes in both systems for control
- Roll extended, billed and collected in new system through 12/31/2018 for final validation thru complete business cycle of assessment extension, billing and collection
- Assessor begins work on 2019/20 roll in new system

Phase 6 –Post Go Live

- 1/1/2019/ - 12/31/2024
- This is when we go to the list of things that we have discovered need to be addressed, but not during implementation
- Develop a post go live plan to identify, work on and improve the system.
- Participate in user's group and improve our knowledge and use of the system

Project Costs

| Project Component | Cost |
|-----------------------------------------------------|--------------------|
| Megabyte Software License and Implementation | \$1,103,000 |
| County IT hardware and software | 180,000 |
| Contracted project management services | 150,000 |
| Additional staff support (property tax departments) | 247,000 |
| Training | 10,000 |
| Project contingency | <u>115,000</u> |
| Total | \$1,805,000 |

Risk

- Conversion of data from the existing system may take longer than expected.
- Data conversion process may cause the loss of data relationships
- Current functionality may not exist in the new system. Developing the lost functionality may be expensive or time consuming
- Retirement/loss of key IT and department staff may affect the project's timely completion
- Lack of executive leadership and support is one of the most common reason projects fail.

Risk Mitigation

- High degree of coordination between County IT and Megabyte IT to minimize conversion delays
- Key historical data will be preserved in alternate formats to allow for rebuilding lost relationships
- Installations in 28 other counties will offer alternative solutions to lost functionality
- Dedicated project management will keep the project on schedule.
- Immediate approval and implementation of the project will reduce the risk of delay and the risk of key staff losses
- The project Charter includes visible leadership and is supported by the three involved departments

Keys for Success

- **Right Software** – The Megabyte system is successfully operating in 28 other California Counties
- **Right vendor** – The company has a track record of successful implementation and client support through the user group that will greatly benefit this County's Property Tax Administration
- **Right Staff** – Our Department and IT staff are experienced, capable and excited about this project
- **Right Leadership** – The Tax Collector, Auditor and Assessor , along with the project manager, CAO and the Board of Supervisors provide highly visible and engaged leadership to bring this project in on time and at/under budget,



Questions ?