

130 1412

AN ORDINANCE
BY FINANCE/EXECUTIVE COMMITTEE

AN ORDINANCE AUTHORIZING THE CHIEF FINANCIAL OFFICER TO ALLOCATE ORACLE IMPLEMENTATION COSTS AMONG FUNDS BY AMENDING THE CITY'S FY2014 (CAPITAL FINANCE FUND) BUDGET BY ADDING TO ANTICIPATIONS AND APPROPRIATIONS IN THE TOTAL AMOUNT OF TWENTY FOUR MILLION SIX HUNDRED EIGHTY THREE THOUSAND FIVE HUNDRED FIFTY FIVE DOLLARS AND NO CENTS (\$24,683,555.00) FOR THE INDIRECT COST ALLOCATION FOR ORACLE IMPLEMENTATION; AND FOR OTHER PURPOSES.

WHEREAS, the City of Atlanta (the "City") paid over Forty One Million Dollars (\$41,000,000) over several years implementing its Oracle accounting system; and

WHEREAS, the implementation costs for Oracle are recorded as a deficit in the City's Capital Finance Fund budget in the General Fund; and

WHEREAS, the Oracle system serves the departments funded by the City's enterprise funds as well as the General Fund; and

WHEREAS, expenditures from the Capital Finance Fund budget are not included in the City's cost allocation plan; and

WHEREAS, the City's Auditor's Office recommended in its December 2009 Indirect Cost Allocation report and its June 2012 Implementation of Audit Recommendations report that the implementation costs for the Oracle system should be shared among each of the City's funds, beginning with Fiscal Year 2009; and

WHEREAS, the City Auditor's Office further recommended that a combination of transactions performed and budgeted full-time equivalent employees would produce a reasonable allocation of both implementation costs and annual operating costs, and that the City's Chief Financial Officer and Chief Information Officer should develop a specific allocation method using these allocation bases; and

WHEREAS, the City's Chief Financial Officer and Chief Information Officer have developed a specific allocation method using transactions performed and budgeted full-time equivalent employees in order to allocate the Oracle system implementation costs, beginning with FY2013; and

WHEREAS, it has been determined that the proper allocation among the funds is Twelve Million Seven Hundred Eighty Thousand Eight Hundred Forty Four Dollars (\$12,780,844) to the City's General Fund, Six Million Three Hundred Seventy Nine Thousand Eight Hundred Ninety Four Dollars (\$6,379,894) to the City's Airport Fund, Thirteen Million Eight Hundred Seventy Three Thousand One Hundred Sixty Seven Dollars (\$13,873,167) to the City's Water and Wastewater Fund, and Four Million Four Hundred Thirty Thousand Four Hundred Ninety Four Dollars (\$4,430,494) to the City's Solid Waste Fund for a total of Thirty Seven Million Four

Hundred Sixty Four Thousand Three Hundred Ninety Nine Dollars (\$37,464,399) for Oracle implementation costs; and

WHEREAS, the General Fund's portion of the allocation has been made by the transfer from the General Fund in Fiscal Year 2011 of twenty five percent (25%) of the surplus for Fiscal Year 2010 and Fiscal Year 2011, which totaled Twenty Nine Million Dollars (\$29,060,000), as shown in attached Exhibit A; and

WHEREAS, the City desires to implement the recommendations of the City Auditor's Office by amending the City's FY2014 (Capital Finance Fund) budget to transfer the amount of Twenty Four Million Six Hundred Eighty Three Thousand Five Hundred Fifty Five Dollars (\$24,683,555.00) from the City's Airport Fund, Water and Wastewater Fund, and Solid Waste Fund to properly allocate Oracle implementation costs.

THE CITY COUNCIL OF THE CITY OF ATLANTA, GEORGIA, HEREBY ORDAINS, as follows:

SECTION 1: That the FY 2014 (Capital Finance Fund) budget is hereby amended as follows:

ADD TO ANTICIPATIONS

Fund	3503	Capital Finance Fund
Dept\Org	000002	Default Revenue
Account	3912015	Operating Transfer from Fund 5052
Function	1310000	Mayor\Commission Chair
Total		\$13,873,167

ADD TO APPROPRIATIONS

Fund	3503	Capital Finance Fund
Dept\Org	040101	Exe Mayors Office
Account	5999901	Reserve Conversion Account
Function	1310000	Mayor\Commission Chair
Total		\$13,873,167

ADD TO ANTICIPATIONS

Fund	3503	Capital Finance Fund
Dept\Org	000002	Default Revenue
Account	3912131	Operating Transfer from Fund 5402
Function	1310000	Mayor\Commission Chair
Total		\$4,430,494

ADD TO APPROPRIATIONS

Fund	3503	Capital Finance Fund
Dept\Org	040101	Exe Mayors Office
Account	5999901	Reserve Conversion Account
Function	1310000	Mayor\Commission Chair
Total		\$4,430,494

ADD TO ANTICIPATIONS

Fund	3503	Capital Finance Fund
Dept\Org	000002	Default Revenue
Account	3912024	Operating Transfer from Fund 5502
Function	1310000	Mayor\Commission Chair
Total		\$6,379,894

ADD TO APPROPRIATIONS

Fund	3503	Capital Finance Fund
Dept\Org	040101	Exe Mayors Office
Account	5999901	Reserve Conversion Account
Function	1310000	Mayor\Commission Chair
Total		\$6,379,894

Transfers To and From

Transfer To:

Fund	Department	Account	Function	Amount
3503 Capital Finance Fund	000002	3912015	1512000	\$13,873,167

Transfer From:

Fund	Department	Account	Function	Amount
5052 DWM Renewal & Ext	200101	6110049	1512000	\$13,873,167

Transfer To:

Fund	Department	Account	Function	Amount
3503 Capital Finance Fund	000002	3912001	1512000	\$4,430,494

Transfer From:

Fund	Department	Account	Function	Amount
5402 Solid Waste R&E	200101	6110049	1512000	\$4,430,494

Transfer To:

Fund	Department	Account	Function	Amount
3503 Capital Finance Fund	000002	3912024	1512000	\$6,379,894

Transfer From:

Fund	Department	Account	Function	Amount
5502 Airport R&E	200101	6110049	1512000	\$6,379,894

SECTION 2: That all ordinances or parts of ordinances in conflict herewith are hereby waived to the extent of the conflict.

EXHIBIT A

Oracle Module	Basis	% of Modules	Proportional Cost	Fund	Transaction Count/%	Alloc. Cost
General Ledger	Transactions			General	33,108 24%	\$6,532,422
Accounts Payable	Transactions			Aviation	25,303 18%	\$ 4,992,445
iExpense	Transactions			Watershed	59,960 43%	\$ 11,830,494
Accounts Receivable	Transactions			Solid Waste	19,723 14%	\$ 3,891,475
Fixed Assets	Transactions				138,094 100%	\$ 27,246,835
Property Manager	Transactions					
Cash Management	Transactions					
Financial Intelligence	Transactions					
Project Accounting	Transactions					
Grants Accounting	Transactions					
Procurement	Transactions					
iProcurement	Transactions					
Contracts	Transactions					
Sourcing	Transactions					
iSupplier Portal	Transactions					
Purchasing Intelligence	Transactions	73%	\$27,246,835			
Human Resources	Budgeted FTE					
Training Admin.	Budgeted FTE					
Self-Service HR	Budgeted FTE					
HR Administration	Budgeted FTE					
Payroll	Budgeted FTE					
Advanced Benefits	Budgeted FTE	27%	\$10,217,563			
	22		\$37,464,399			
Oracle Asset # 133561, as of May-2013						
	Accum Depreciation		37,464,399			
	NBV		-			
			37,464,399			
Capital Finance Fund	3503.200308.5610043.1535000					

Budgeted FTE Count/%		Alloc. Cost
General	4,463 61%	\$ 6,248,422
Aviation	991 14%	\$ 1,387,449
Watershed	1,459 20%	\$ 2,042,673
Solid Waste	385 5%	\$ 539,019
	7,298 100%	\$ 10,217,563

Allocation Cost	
General	\$ 12,780,844
Aviation	\$ 6,379,894
Watershed	\$ 13,873,167
Solid Waste	\$ 4,430,494
	\$ 37,464,399

						\$ (12,780,844)
				Enterprise fund total		\$ 24,683,555

Capital Finance Fund	3503.200308.5610043.1535000	account string where depreciation expense was recorded
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EXHIBIT B

Oracle Asset:

Oracle Applications - PCATSI Production Instance - Only Authorized users should access this Instance

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Book	Cost	Recoverable Cost	Net Book Value	YTD Depreciation	Accumulated Depreciation
COAMAR	37,464,398.78	37,464,398.78	0.00	6,619,669.77	37,464,398.78
COAFAB	37,464,398.78	37,464,398.78	0.00	6,619,669.77	37,464,398.78

Original Cost	37,464,398.78	Method	STL	Capacity	
Salvage Value	0.00	Life Years	5	Months	0
Date in Service	01-JAN-2008	Remaining Life Years	0	Months	0
Prorate Convention	CURRENT MO	Life End Date		YTD Production	
Prorate Date	01-JAN-2008	Basic Rate		LTD Production	
<input type="checkbox"/> Depreciate		Adjusted Rate		Depr Ceiling	
<input type="checkbox"/> Investment Tax Credit		Bonus Rule		Revaluation Ceiling	
				Revaluation Reserve	0.00
				YTD Bonus Depreciation	0.00
				LTD Bonus Depreciation	0.00

Period	Expense Account	Depreciation Amount	Bonus Depreciation Amount	Revaluation Amortization
DEC-2012	3603.200308.6610043.1636000.000000.0000	2,497,626.52	0	0.00
NOV-2012	3603.200308.6610043.1636000.000000.0000	624,406.66	0	0.00
OCT-2012	3603.200308.6610043.1636000.000000.0000	624,406.66	0	0.00
SEP-2012	3603.200308.6610043.1636000.000000.0000	624,406.66	0	0.00
AUG-2012	3603.200308.6610043.1636000.000000.0000	624,406.66	0	0.00
JUL-2012	3603.200308.6610043.1636000.000000.0000	624,406.66	0	0.00

Transactions

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