



**OFFICE OF THE CHIEF  
ADMINISTRATIVE OFFICER**  
*Staff Report*

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REPORT NO: CAO-2024-12  
TO: Council  
SUBMITTED BY: Greg Clark, Acting CAO  
PREPARED BY: Greg Clark, Acting CAO  
REVIEWED BY: Greg Clark, Acting CAO  
DATE: November 4, 2024  
SUBJECT: Project Management Support

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**RECOMMENDATION:**

THAT Report CAO-2024-12 Project Management Support be received, and;

THAT additional funding be approved for project Municipal Accounting Software Upgrade (1230-003) in the amount of \$300,000, to be funded from Infrastructure Renewal Capital Reserve Fund (6125).

**SUMMARY:**

- A project was approved in 2020 to replace the existing Finance System
- No work progressed due to COVID-19 and recent staff turnover.
- A modern Enterprise Resource System is foundational to a modern organization.
- Some progress was made in summer of 2024, but it has stalled due to staff capacity constraints.
- A dedicated project management professional is required to lead this work.
- Phase 1 of the project will see replace of current Finance and Human Resource systems
- Future phases will address additional enhancements

## BACKGROUND:

A capital project was approved as part of the 2020 Capital Budget, Municipal Accounting Software Upgrade, with a budget of \$150,000. Due to the COVID-19 pandemic and recent staff turnover, minimal work had progressed on this project as of early 2024.

## REPORT:

### **Need for a new process**

As part of a modern corporation the Enterprise Resource Planning (ERP) system functions as the hub of both data management and key operational efficiency in providing excellent customer service. A modern ERP system addresses Financials, Human Resources and Budget requirements in an integrated and interdependent solution.

The Townships current software solutions are neither modern nor integrated. The Financial system has been in place for over two decades and has not evolved either has a software tool or in how the Township uses it. The software is at end of life and the current vendor that owns it is transitioning many of its clients to newer more robust software. They are continuing to provide minimal system support for those who remain, but no new investment is being made. The Human Resource solutions currently used to manage time and attendance, training and payroll are not integrated and require significant effort to process payroll on a bi-weekly basis. There is minimal ability to improve this situation based on the current software.

Implementing a new ERP system is a significant investment in both human resources and financial resources. The benefits of the project are realised not through the software selected, but by the effectiveness of the implementation. To have a successful implementation many processes and procedures must be reviewed, reformatted and retrained to be successful, as well new processes must be developed to enable enhanced outcomes. This work requires dedicated leadership and support to ensure it is completed as expected. The Township does not have a resource to currently lead this work.

### **Progress in 2024**

Throughout the summer of 2024 staff came together under guidance from Finance and HR to begin the process of identifying the current state of the Townships software systems and processes. A team was assembled with leads assigned from across the corporation. The team assembled preliminary scoping of the current software infrastructure. They also compiled a list of processes that are currently undertaken, the level or lack of integration and also processes that ideally would be completed in a new ERP system.

Due to the level of work required, Finance and HR have identified that a dedicated lead for this project needs to be brought in to work full time in managing this critical project. Without a dedicated lead this project will continue to sit idle. The issues with the current systems will persist and any future benefits will continue to be delayed.

## Requested Resource

An ERP project requires a dedicated resource to lead the internal team as well as manage external vendors and coordinate with senior management and impacted front line staff. Staff are requesting additional funding be approved ahead of the 2025 Capital budget to enable the hiring of the required Project Manager in a timely manner. This would be a two-year contract position which will get the project through the initial phase of identifying the system requirements, selecting a solution and implementation of the software to replace core Finance and HR systems only. Full integration with secondary systems would be completed in future phases.

## Phase 1 Funding Requirements

The full cost of the first phase of the project, including the Project Manager (PM), is estimated to be in the range of \$750,000 to \$1,000,000. Currently there is \$150,000 of funding approved, and the ask for the PM is \$300,000. Once scoping of system requirements is completed a budget ask will come to Council for approval, this will be for the procurement and implementation of the new software. The timing does not align with the 2025 Capital budget, therefore it is most likely that an ask will come forward during 2025 for the additional required funds.

## Future Phases of ERP

Through the initial scoping of the project, items that are not in scope, such as secondary system integration, will be planned for future phases. The budget requests for these future phases will be brought forward starting in 2026. These costs will vary depending on the level of work required, the need for additional licensing of existing or new systems and the ongoing need for technical and business support.

### ALIGNMENT WITH THE TOWNSHIP OF WILMOT STRATEGIC PLAN:

**Financial Stability** - Build a strong financial foundation to support our community now and in the future.

### FINANCIAL CONSIDERATIONS:

The required funding for the PM is \$300,000, this will allow for a two-year contract for a qualified and experienced project management professional to work full-time to lead the project.

The funding from the Infrastructure Renewal Capital Reserve Fund (6125) is appropriate as this project is focused on replacing a Township asset which has reached its end of life. There is funding within the reserve fund to allow for this approval in advance of the 2025 budget.

### ATTACHMENTS: None