PALM BEACH COUNTY BOARD OF COUNTY COMMISSIONERS AGENDA ITEM SUMMARY

Meeting Date:	September 12, 2017	[x] Consent	[] Regular					
Department:		[] Public Hearing	[] Workshop					
Submitted by: Submitted for:	Information Systems Se Information Systems Se							
	I. EXEC	UTIVE BRIEF						
\$325,000 within t	Motion and Title : Staff recommends motion to approve : a Budget Transfer of \$325,000 within the 10.0M NAV 13 CP, ISS VOIP fund to re-allocate expenditure budget from Reserves to Operating to complete the Countywide Unified Communication (UC) Project.							
Summary: The Countywide UC Project requires funding from the Reserves Unit of the 10.0M NAV 13 CP, ISS VOIP fund to be transferred to the Operating Unit of the same fund in order to complete the final phases of this project. A reserve balance has accumulated since the inception of this fund from interest earnings on the fund balance. (Countywide) (PFK)								
cost was develop the required netw the estimate inclu outside contract s	d Justification: The initined some 21 months before the control of the costs of upgrades to the staff to assist with project lity requested by custome	re the contract was awar nined. Areas where actu the enterprise data netwo tasks, system maintenar	ded and the extent of al costs will exceed ork, utilization of nce, and additional					
The UC Project has thus far replaced over 8,400 telephones and 67 private branch exchange (PBX) telephone systems, upgraded the infrastructure of the County's communication network, and trained more than 2,800 employees. The new UC system is supported by two Voice Over IP (VoIP) telephone call processing nodes which, in addition to providing telephone service, enable other modes of communication including text messaging, video conferencing and web conferencing.								
In addition to modernizing the County's communication technology, the new system has reduced costs. VoIP phones operate over the County's fiber optic network rather than leased voice circuits that were required for the previous phone systems. When fully implemented, the new system will reduce the County's telecommunications costs by more than \$2.3 million annually. Cost savings are primarily attributable to the cancellation of leased voice circuits and reductions in maintenance costs as summarized in the following table (page 3).								
Continued on pag	ne 3							
Attachments:	,							
1. Budget Transfer Document, 10.0M NAV 13 CP, ISS VOIP								
Recommended by	: Steve Borde	lon 8	-23-17					
•	Department Dir	ector	Date					
Approved by:	Ja		14/17					
Apploved by.	County Adminis	trator	Date					

II. FISCAL IMPACT ANALYSIS

A. Five Year Summary of Fiscal Impact

Fiscal Years Capital Expenditures Operating Costs	2017 \$125,000 \$0	2018 \$200,000 \$0	2019 0 \$0	2020 0 \$0	2021 0 \$0
External Revenues Program Inc (County) In-Kind Match (County)	\$0 0 0	\$ <u>0</u> 0 0	\$ <u>0</u> <u>0</u> <u>0</u>	\$0 0 0	\$0 0 0
NET FISCAL IMPACT	\$125,000	<u>\$200,000</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
# Additional FTE Positions (Cumulative)	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Is Item Included in Current Budge	t	Yes X	No		
Expend Budget Number: Fund 3 Expend Budget Number: Fund 3				•	5,000> 5,000

B. Recommended Sources of Funds / Summary of Fiscal Impact

The total fiscal impact of this transfer, \$325,000, is required to complete this Capital Project due to unforeseen additional system enhancements. This additional funding is available due to interest earned on bond funds while the project was in process.

C.	Department Fiscal Review:	Var	TOB	sel e	25/7
		, 🖵			

III. <u>REVIEW C</u>	<u>OMMENTS</u>
A. OFMB Fiscal and/or Contract Developmen	t & Control Comments:
ET 9/24 N/S OFMB VA # 1341	Contract Administration
B. Legal Sufficiency: Assistant County Attorney	
C: Other Department Review:	
Department Director	

THIS SUMMARY IS NOT TO BE USED AS A BASIS FOR PAYMENT.

Continued from Page 1...

	Annual Expenditures					
Cost Category	Pre-UC Project	Post-UC Project	Difference			
Leased Voice Circuits	\$9,441,196	\$7,485,760	\$1,955,436			
Phone System Maintenance	\$824,650	\$415,200	409,450			
Total Annual Savings			\$2,328,886			

The original scope of the project, including replacement of the core system, installation of new telephones and the upgrade of network equipment will be completed by September 30, 2017. The added functionality requested by ISS customers and software that will help streamline the system administration are in the process of being implemented and will be completed by March 31, 2018.

2017 - 1026

BOARD OF COUNTY COMMISSIONERS PALM BEACH COUNTY, FLORIDA BUDGET TRANSFER

FUND 3071 - 10.0M NAV 13 CP, ISS VOIP

BGEX 490 082117 * 1698

ACCOUNT NAME AND NUMBER	ORIGINAL BUDGET	CURRENT BUDGET	INCREASE	DECREASE	ADJUSTED BUDGET	EXPENDED/ ENCUMBERED AS OF 08/21/2017	REMAINING BALANCE
Expenditures 3071-491-9900-9908 Res-New Projects 3071-491-I321-6405 Data Processing Equipment	282,918 9,999	329,136 62,815	0 325,000	325,000 0	4,136 387,815	0	4,136 387,815
TOTAL APPROPRIATIONS & EXPENDITURES			325,000	325,000			
Office of Financial Management and Budget INITIATING DEPARTMENT/DIVISION Administration/Budget Department Approval OFMB Department - Posted	Signatures & Dates Steve Bordelon, Direc	tor, ISS Steve	Bordelon		BY BOARD OF CO AT MEETING OF Deputy Clerk to the Board of County Co		TERS