

CITY OF NEW HAVEN

DEPT. OF FINANCE

OFFICE OF THE CONTROLLER



TONI N. HARP. Mayor

Daryl H. Jones

Controller

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November 15, 2016

Dear President Walker,

In our continued efforts to reduce cost but maintain or increase the level of service to our residents, the City is seeking authorization from the Board Alders to enter into multiyear maintenance agreements for Information Technology computerized systems.

The City's Information Technology Department (IT) operates nearly 50 computer systems such as the computerized financial system, tax system, Microsoft software and public safety communications that provide services to our city residents. The IT Department has recognized that many of these systems that have been in place for years require maintenance support to provide software upgrades, hardware upgrades and technical support. The majority of the \$2 million annually maintenance support contracts are paid every fiscal year which include annual increases ranging from 3 to 5 percent. By authorizing the City's Information Technology Department to enter into multiple year agreements, on the maintenance contracts prior to the beginning of the fiscal year can reduce or avoid annual increases. Listed below are examples of two contracts that can generate cost savings to the City.

		Contracted Years with	Proposed Multi-Year					
<u>Vendor</u>	<u>Purpose</u>	<u>City</u>	Contract	Annual Cost	Annual Savings			Total
MUNIS-Tyler Technology	City's Financial System	5 years Plus	3yr Contract.	\$375,000	\$11,250	\$11,603	\$11,936	\$34,788
Greywall Software	Emergency Operations	5 years Plus	3yr Contract.	\$175,000	\$5,000	\$5,000	\$5,000	\$15,000
							Total	\$49,788

The Information Technology Department will report to the Board of Alders in the monthly financial report to the Board of Alders Finance Committee when multi-year contracts are reached. If you have any questions please call or email. Thank you for your consideration in this matter.

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Controller City of New Haven