



Department of Administration
Budget and Management Division

Cavalier Johnson
Mayor

Preston Cole
Administration Director

Nik Kovac
Budget and Management Director

February 21, 2024

MEMORANDUM

To: Members of the Finance and Personnel Committee

From: Nathaniel Haack, Budget Analyst

Subject: File # 231664 – Communication from the Department of Administration - Budget and Management Division and various city departments amending the Positions Ordinance to add temporary auxiliary positions.

The Enterprise Resource Planning (ERP) Executive Committee has requested that the 2024 Position Ordinance be amended to add ten (10) titles with temporary auxiliary positions for the various city departments. These positions would be used as backfill to administer regular city operations while existing staff are utilized to plan, develop, and implement the city's new ERP system. One existing position would be additionally funded at 1.0 FTE, an increase from the current funding of 0.5 FTE.

These 10 titles plus the conversion of one part time position to full time would result in anticipated expenditures of \$1.77M through 2025, including both salary and fringe estimates. These positions would be funded 100% by the capital allocation for the ERP System Replacement as approved in the 2024 adopted budget (see Exhibit B). These auxiliary positions would be eliminated at the end of 2025 unless otherwise authorized by the Common Council. A footnote would be attached to these auxiliary positions to enact this sunseting.

The initial project budget estimate accounts for \$2.45M in backfill for city staff from 2024-2026 (see Exhibit A), which includes a 10% temporary incentive pay for 11 employees as requested in File #231645. Temporary incentive pay for 23 individuals through pay period 25 of the 2025 budget creates additional anticipated costs of \$0.38M for General City and \$0.06M for Enterprise Funds.

Together, these two communication files would account for \$2.15M of the \$2.45M estimated backfill expenses in the initial program budget estimate for General City, providing some future flexibility to account for unforeseen project needs, and not requiring any additional financial allocations beyond the adopted budget in 2024.



Exhibit A – Initial Program Budget Estimates

FIVE YEAR COMMITMENT - CONTINGENCY ONLY ON SI COSTS							
	2023	2024	2025	2026	2027	2028	Total
Pre-implementation and Oversight (e.g., ISG)	440,960	610,560	610,560				1,662,080
Systems Integrator Costs		4,732,160	5,391,360	2,150,400			12,273,920
Backfill for City Staff / Staff Augmentation		946,432	1,078,272	430,080			2,454,784
Total Services	440,960	6,289,152	7,080,192	2,580,480	-	-	16,390,784
Contingency at 20% of SI Services Costs		946,432	1,078,272	430,080			2,454,784
SaaS Subscriptions		1,590,000	1,590,000	1,590,000	1,590,000	1,590,000	7,950,000
Total Annual Estimate	440,960	8,825,584	9,748,464	4,600,560	1,590,000	1,590,000	26,795,568

Exhibit B - City of Milwaukee adopted and planned capital budget

Program	2023 - Adopted	2024 - Adopted	2025 - Plan	2026 - Plan	Total Cost
ERP System Replacement - Total	\$ 1,250,000	\$ 8,000,000	\$ 10,000,000	\$ 5,320,000	\$24,570,000

Actions Required - Effective March 17, 2024 – Pay Period 07:

In the 2024 Positions Ordinance, add the following footnote to each of the following sections: “(ERP) Position authority will be eliminated at the end of 2025 unless otherwise authorized by the Common Council”

In the 2024 Positions Ordinance, add the following:

Dept./Position Title Add

COMPTROLLER
Auxiliary Personnel

Accounting Specialist (ERP) 1
City Payroll Specialist (ERP) 1

DEPARTMENT OF ADMINISTRATION
INFORMATION AND TECHNOLOGY MANAGEMENT DIVISION
Auxiliary Personnel

Systems Analyst (ERP) 1

Dept./Position Title Add

DEPARTMENT OF ADMINISTRATION

PURCHASING DIVISION

Auxiliary Personnel

Business Systems Analyst (ERP) 1

Purchasing Agent Senior (0.5 FTE) (ERP) 1

DEPARTMENT OF PUBLIC WORKS – OPERATIONS DIVISION

FLEET SERVICES SECTION

Auxiliary Positions

Systems Integration Manager (ERP) 1

DEPARTMENT OF EMPLOYEE RELATIONS

BENEFITS DIVISION

Auxiliary Positions

Human Resources Analyst (ERP) 1

DEPARTMENT OF EMPLOYEE RELATIONS

OPERATIONS DIVISION

Auxiliary Positions

Human Resources Analyst (ERP) 1

Human Resources Representative (ERP) 1

Human Resources Assistant (ERP) 1

NH:awc

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