DEPARTMENT OF
INFORMATION TECHNOLOGY

To: HR/IT Committee
From: Corey Popp, Information Technology Director
Date: August 13, 2025
Re: 2025 IT Mid-Year Budget Report

As of July 31, 2025, the Information Technology Department remains on budget for the calendar year, with no concerns regarding overspending. The data reflected in the table on page 3 was generated directly from the City's ERP system and represents actual expenditures and available balances across all operational and capital sub-orgs.

At mid-year, the department has expended approximately $1.67 million of its $3.2 million budget. This leaves just over $1.5 million in available funds across operating and capital accounts.

However, the ERP financial system has not yet been updated to reflect carryovers approved by Common Council in May. To maintain transparency and provide full context to the Committee, IT has included these approved carryovers as a separate column in this report.

Key Budget Points

- While most budget lines are on track, both the Development and Operations sub-orgs show overages in the Equipment Repairs & Maintenance line. In Development, this is due to slightly higher-than-anticipated costs associated with maintaining the legacy iSeries system during its wind-down phase. The overage is minor and will be fully absorbed within the existing 2025 budget. In Operations, the overage reflects a deliberate recategorization of the City's NetApp support contract ($35,000), which was originally budgeted under Software Support. This reallocation was made at the time of billing for administrative clarity and does not reflect any increase in total spending.
- Otherwise, no budget line is projected to run over in 2025. Any apparent mid-year deficits are fully covered by approved carryovers.
- For example, the Traffic Camera and Ethernet Switch capital line appears over budget by $26,896.32, but a carryover of $397,283 was approved and will cover this discrepancy once entered into the ERP.
- Similarly, the Consulting Services line in Operations is currently showing an overage of $119,365.49, but this is also covered by a carryover of $279,651, leaving ample margin for remaining 2025 project work.
- Several fringe benefit lines appear unspent, which is typical at mid-year, as payroll-based allocations are still being reconciled.
- Software support expenditures remain well within expectations, with more than $294,000 still available, plus an additional $126,000 in carryover funds for ongoing licensing.
- The ERP Implementation line remains healthy, with more than $335,000 in available funds, and progress on this multi-year effort continues in alignment with both budget and schedule.

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In summary, despite some timing limitations related to carryover accounting, IT's financial position is strong, with all obligations appropriately budgeted and no current risk to project or service delivery.

Key Accomplishments

Several major initiatives reached implementation milestones in the first half of 2025, significantly advancing the City's digital infrastructure and enterprise modernization efforts:

- **ERP System Advancements:** As reported at the April 23, 2025 HR/IT Committee meeting, the Enterprise Asset Management (EAM) module and the City's document management migration to Tyler Content Management (TCM) were completed in March and February, respectively.
- **ERP Utility Billing**: I'm also pleased to inform you that, as projected in the April report, the Utility Billing (UB) module went live on the Tyler ERP platform in July. While post-launch stabilization and cleanup are ongoing, all major revenue streams are now fully integrated into the City's ERP environment.
- **Final ERP Phase Pending**: The final phase of the ERP program, Enterprise Permitting and Licensing (EPL), is currently in pre-implementation planning. The City is coordinating with Tyler Technologies to initiate this module in November 2025. EPL is projected to take one year to implement.
- **Citywide Phone System Modernization**: The RingCentral SaaS telephone system has been successfully deployed across all departments and divisions. The project is now in its final stabilization stage, with all users transitioned to the new platform.
- **Fuel Management Modernization**: The City's fuel tracking system has been upgraded to a cloud-based SaaS platform, enhancing remote access, reliability, and vendor-supported lifecycle management.

Outlook

Looking ahead to the remainder of 2025, the Information Technology Department is well-positioned to maintain budget stability while completing key projects in their final phases. With major systems now operational and the final ERP module preparing for launch, the department continues to advance the City's goals for modernization, efficiency, and service delivery. We appreciate the continued support and oversight of the Committee and the Common Council as we work to complete this transformative period of technology investment and modernization.

City of Appleton – Information Technology Department
2025 Mid-Year Budget Summary
(as of July 31, 2025)

Sub-Org	Description	Budget	Actual	Available Budget	Carryover
IT CIP	Traffic Cams/Ethernet Switches	$47,091.00	$65,612.32	($26,896.32)	$397,283.00
IT CIP	ERP Implementation	$395,564.00	$60,150.67	$335,413.33	$167,498.00
Administration	Regular Salaries	$249,551.00	$132,891.57	$116,659.43	–
Administration	Fringes	$62,166.00	$0.00	$62,166.00	–
Administration	Training/Conferences	$26,750.00	$19,783.47	$6,966.53	–
Administration	Mileage Reimbursement	$720.00	$420.00	$300.00	–
Administration	Parking Permits	$4,800.00	$0.00	$4,800.00	–
Administration	Office Supplies	$2,000.00	$138.93	$1,861.07	–
Administration	Awards & Recognition	$150.00	$25.50	$124.50	–
Administration	City Copy Charges	$1,500.00	$6.83	$1,493.17	–
Administration	Miscellaneous Equipment	$1,000.00	$0.00	$1,000.00	–
Administration	Telephone	$4,489.00	$351.25	$4,137.75	–
Administration	Cellular Phones	$3,500.00	$766.50	$2,649.80	–
Development	Regular Salaries	$222,943.00	$122,770.98	$100,172.02	–
Development	Call Time Wages	$2,224.00	$1,326.83	$897.17	–
Development	Fringes	$98,463.00	$0.00	$98,463.00	–
Development	Consulting Services	$12,000.00	$6,937.50	$5,062.50	–
Development	Equip Repairs & Maint	$2,100.00	$2,382.24	($282.24)	–
Development	Software Support	$255,913.00	$6,529.68	$249,297.33	–
Operations	Regular Salaries	$293,740.00	$170,063.32	$123,676.68	–
Operations	Call Time Wages	$2,930.00	$2,066.22	$863.78	–
Operations	Overtime Wages	$1,907.00	$255.25	$1,651.75	–
Operations	Fringes	$91,250.00	$0.00	$91,250.00	–
Operations	Office Supplies	$8,500.00	$4,866.90	$3,243.93	–
Operations	Miscellaneous Equipment	$187,815.00	$122,878.28	$61,077.54	$7,042.00
Operations	Consulting Services	$33,700.00	$153,065.49	($119,365.49)	$279,651.00
Operations	Equip Repairs & Maint	$86,000.00	$100,379.70	($14,457.05)	–
Operations	Communication Eq. Repairs	$72,300.00	$34,778.29	$37,391.71	–
Operations	Software Support	$814,908.00	$506,829.16	$294,453.54	$126,000.00
Operations	Network Security Support	$223,000.00	$151,824.91	$71,175.09	–
Total		**$3,208,974.00**	**$1,667,101.79**	**$1,515,246.52**	**$977,474.00**