

**2023 Capital Improvement Budget
Information Technology Department**

(in thousands)

Projects	Bonds	State	Federal	Other	Total
Application Service Life Cycle	-	-	-	450	450
Desktop Life Cycle Management	-	-	-	60	60
SAP Migration to S/4 HANA	-	-	-	1,000	1,000
Total	-	-	-	1,510	1,510

2023 - 2028 Capital Improvement Program Information Technology Department

(in thousands)

Projects	Year	Bonds	State	Federal	Other	Total
Management Information Systems						
Application Service Life Cycle	2023	-	-	-	450	450
	2024	-	-	-	490	490
	2025	-	-	-	455	455
	2026	-	-	-	235	235
	2027	-	-	-	50	50
	2028	-	-	-	100	100
			-	-	-	1,780
Desktop Life Cycle Management	2023	-	-	-	60	60
	2024	-	-	-	60	60
	2025	-	-	-	60	60
	2026	-	-	-	60	60
	2027	-	-	-	60	60
	2028	-	-	-	60	60
			-	-	-	360
Infrastructure Life Cycle Replacement	2024	-	-	-	900	900
	2025	-	-	-	900	900
	2026	-	-	-	900	900
	2027	-	-	-	900	900
	2028	-	-	-	900	900
			-	-	-	4,500
SAP Migration to S/4 HANA	2023	-	-	-	1,000	1,000
	2024	-	-	-	1,000	1,000
	2025	-	-	-	1,000	1,000
	2026	-	-	-	1,000	1,000
	2027	-	-	-	1,000	1,000
			-	-	-	5,000
Security Hardware & Software Upgrade	2024	-	-	-	100	100
	2025	-	-	-	100	100
	2026	-	-	-	100	100
	2027	-	-	-	100	100
	2028	-	-	-	100	100
			-	-	-	500
	Total	-	-	-	12,140	12,140

Application Service Life Cycle

Project ID	IT2022003	Department	Information Technology
Project Type	IT	Start Date	May 2023
District	HD-SD: Community-wide	End Date	November 9999

Community Council

Description

The Information Technology (IT) department is developing an enterprise wide Application Lifecycle Management road map that will help better manage the use of multiple tools by different teams from different locations, enhance real-time collaboration and access to centralized data repository, cross-tool and cross-project visibility, as well as better project monitoring and reporting. The IT department aims to improve current practices by unifying software development and operation.

The IT department maintains in excess of 100 separate software applications on behalf of Municipal departments. Some, such as Muni.org, require a complete architecture rehosting and content migration. The majority of the software requires version upgrades. Others will require consolidation to an enterprise standard and licensing upgrades. Example: Improved public access and constituent self-service portal with a Muni.org rewrite, standardize payment gateways, and document management technologies.

Comments

The operations and maintenance (O&M) costs identified for this project includes computer software maintenance and purchase costs associated with the assets, the interest for the loans used to fund this project, and the depreciation of the assets once they are placed in service. The depreciation is not appropriated but it will serve as the mechanism for cost recovery via intragovernmental charges.

Version 2023 Proposed

		2023	2024	2025	2026	2027	2028	Total
Revenue Sources	Fund							
Internal Charges to Others	607800 - Information Technology	450	490	455	235	50	100	1,780
Total (in thousands)		450	490	455	235	50	100	1,780
O & M Costs								
Computer SW Maint(MOA/AWWU)		-	75	75	75	75	75	375
Computer SW Purchase>\$1,000		-	100	100	100	100	75	475
LT Contracts Payable Int		-	15	14	13	13	5	60
Total (in thousands)		-	190	189	188	188	155	910

Desktop Life Cycle Management

Project ID IT2022001 **Department** Information Technology
Project Type IT **Start Date** March 2023
District HD-SD: Community-wide **End Date** December 9999

Community Council

Description

The purchase of new desktop/laptop computers to replace existing Information Technology (IT) computers that have reached end of life. This funding is used to replace computers used by staff within the IT department. Desktops will have a 4-year lifespan & laptops a 3-year lifespan.

Comments

The operations and maintenance (O&M) costs identified for this project includes computer hardware maintenance costs associated with the assets, the interest for the loans used to fund this project, and the depreciation of the assets once they are placed in service. The depreciation is not appropriated but it will serve as the mechanism for cost recovery via intragovernmental charges.

Version 2023 Proposed

		2023	2024	2025	2026	2027	2028	Total
Revenue Sources	Fund							
Internal Charges to Others	607800 - Information Technology	60	60	60	60	60	60	360
Total (in thousands)		60	60	60	60	60	60	360
O & M Costs								
CompHW Pch>\$1k(Full)		-	12	12	12	12	6	54
LT Contracts Payable Int		-	3	2	1	1	1	8
Total (in thousands)		-	15	14	13	13	7	62

Infrastructure Life Cycle Replacement

Project ID	IT2020004	Department	Information Technology
Project Type	IT	Start Date	March 2021
District	HD-SD: Community-wide	End Date	December 9999

Community Council**Description**

To replace outdated Enterprise infrastructure no longer supported by the manufacturer located in over 120 buildings and 5 datacenters within the Municipality. Proactive approach to lifecycle information technology (IT) hardware supporting the Municipality's growing IT dependency. Infrastructure will include network, server, and storage for enterprise applications, and foundation IT technologies to ensure system stability and quality of service.

Comments

The operations and maintenance (O&M) costs identified for this project includes computer hardware maintenance costs associated with the assets, the interest for the loans used to fund this project, and the depreciation of the assets once they are placed in service. The depreciation is not appropriated but it will serve as the mechanism for cost recovery via intragovernmental charges.

Version 2023 Proposed

		2023	2024	2025	2026	2027	2028	Total
Revenue Sources	Fund							
Internal Charges to Others	607800 - Information Technology	-	900	900	900	900	900	4,500
Total (in thousands)		-	900	900	900	900	900	4,500
O & M Costs								
Computer HW Maint(MOA/AWWU)		-	90	90	90	90	90	450
Depreciation		-	180	180	180	180	180	900
LT Contracts Payable Int		-	38	30	22	15	5	110
Total (in thousands)		-	308	300	292	285	275	1,460

SAP Migration to S/4 HANA

Project ID	IT2022002	Department	Information Technology
Project Type	IT	Start Date	June 2023
District	HD-SD: Community-wide	End Date	November 9999

Community Council**Description**

SAP announced that beginning in 2027, they will no longer support Enterprise Resource Planning (ERP) Central Component (ECC) systems, nor will they support the purchasing / Supplier Relationship Management (SRM) or the human resources / Human Capital Management (HCM) modules; they also made it clear that their business model is to phase out ECC and promote the move for SAP ECC users to SAP suite for High-performance Analytic Appliance (S/4HANA). S/4HANA is an in-memory, column-oriented, relational database management system developed by SAP.

This project proposes: conversion of our current SAP ECC to S/4HANA, adopt the core functionalities of S/4HANA Self Services Procurement as well as H4S4 to replace HCM or embrace SuccessFactors, develop solutions for missing functionalities such as ROS/SUS, and adapt our current business processes while reducing our customization footprint to facilitate the conversion. The scope of the migration will be extensive and will highlight areas that might need extra attention including but not limited to:

- Study of our current licensing model and financial impact to convert to the S/4HANA licensing model
- Complete a comprehensive readiness assessment/study of our SAP ECC systems
- Data cleansing and archiving
- Rethink, reengineer, and simplify business processes
- Custom codes clean-up and reduction
- Business enhancement requests freeze

Comments

The operations and maintenance (O&M) costs identified for this project includes computer software maintenance and license costs, the interest for the loans used to fund this project, and the depreciation of the assets once they are placed in service. The depreciation is not appropriated but it will serve as the mechanism for cost recovery via intragovernmental charges.

Version 2023 Proposed

		2023	2024	2025	2026	2027	2028	Total
Revenue Sources	Fund							
Internal Charges to Others	607800 - Information Technology	1,000	1,000	1,000	1,000	1,000	-	5,000
Total (in thousands)		1,000	1,000	1,000	1,000	1,000	-	5,000
O & M Costs								
Computer SW Maint(MOA/AWWU)		-	-	-	-	-	750	750
Depreciation		-	-	-	-	-	250	250
LT Contracts Payable Int		-	20	205	170	124	78	597
Total (in thousands)		-	20	205	170	124	1,078	1,597

Security Hardware & Software Upgrade

Project ID	IT2020002	Department	Information Technology
Project Type	IT	Start Date	March 2023
District	HD-SD: Community-wide	End Date	November 9999

Community Council

Description

This will handle a more exposed/shared environment creating a greater challenge for security. Upgrade replaces outdated enterprise firewalls, other security appliances, and software no longer supported by the manufacturer. Proactive approach to avoid security failures due to out dated equipment and to include firewalls, intrusion detection, intrusion prevention for the F5 and DMZ. Budget will be allocated towards external access to MOA network. Security infrastructure supports constituents access to MOA data, technical access from MOA technical staff, 3rd party interfaces that include connectivity to the State of Alaska, and 3rd party contractors such as SAP application support, etc.

Comments

The operations and maintenance (O&M) costs identified for this project includes computer hardware maintenance costs, the interest for the loans used to fund this project, and the depreciation of the assets once they are placed in service. The depreciation is not appropriated but it will serve as the mechanism for cost recovery via intragovernmental charges.

Version 2023 Proposed

		2023	2024	2025	2026	2027	2028	Total
Revenue Sources	Fund							
Internal Charges to Others	607800 - Information Technology	-	100	100	100	100	100	500
Total (in thousands)		-	100	100	100	100	100	500
O & M Costs								
Computer HW Maint(MOA/AWWU)		-	15	15	15	15	15	75
Depreciation		-	5	20	20	20	20	85
LT Contracts Payable Int		-	1	4	3	2	1	11
Total (in thousands)		-	21	39	38	37	36	171