
Sponsor: Finance

Meeting Date: 4/1/2025

Title: Enterprise Resource Planning Bond Reimbursement Resolution

File Number: 2025-080

Background and Rationale:

The county is replacing the current Enterprise Resource Planning (ERP) system, PeopleSoft, with a new commercial off the shelf ERP system. The county implemented its current system in 1999, and the system contains significant customizations to support county processes. In 2023 and 2024, the county completed a needs assessment of the current system and processes to identify key opportunities for improvement in the new system. Key objectives of this project include:

- Move to a modern, cloud-based system with improved functionality compared to current systems.
- Leverage standard functionality and align processes with best practices, when possible, to minimize customizations.
- Become more efficient in operations and resident services.
- Develop integrations between the new ERP system and other county systems to facilitate efficient data transfers and processes.

This project will impact all departments across the county and is led by Finance, Human Resources and Information Services.

As part of this effort, a Request for Board Action is being considered by the county board to approve a funding plan. The funding proposal includes Information Technology Portfolio Project funds as allocated by the Technology Governance Committee (TGC), General Fund fund balance (pending approval by the Ramsey County Board) and 2026 bonding for the project. The bonds will be sold in early 2026. In order to maximize their use, Finance is requesting approval, through this action, to reimburse Ramsey County for eligible expenses with the bond funds.

The county plans to issue up to \$12 million in tax-exempt bonds to finance the replacement of its ERP system. According to Internal Revenue Service (IRS) regulations, the county may use bond proceeds to reimburse prior expenditures if the following conditions are met:

1. **Official Intent:** The county must declare its intention to use bond proceeds for reimbursement within 60 days of incurring the expenditure.
2. **Reimbursement Period:** The reimbursement must be completed within 18 months after the expenditure is made or the project is placed in service, whichever is later, but no later than three years after the expenditure.
3. **Qualified Expenditures:** The expenditures must qualify as capital expenditures, issuance costs, or certain extraordinary working capital expenses.
4. **Documentation:** The county must maintain detailed records of all expenditures and reimbursements.

These requirements ensure the proper use of tax-exempt bond proceeds in accordance with IRS guidelines.

Recommendation:

The Ramsey County Board of Commissioners resolved to:

1. Adopt a resolution establishing procedures relating to compliance with reimbursement bond regulations under the Internal Revenue Code.
2. Authorize the Chair and Chief Clerk to execute the resolution.

A motion to approve was made by Commissioner Miller, seconded by Commissioner Jebens-Singh. Motion passed.

Aye: - 7: Jebens-Singh, McGuire, McMurtrey, Miller, Moran, Ortega, and Xiong

By: _____

A handwritten signature in blue ink, appearing to read "Jason Yang", is written over a horizontal line.

Jason Yang, Interim Chief Clerk - County Board