

HCMS Interfund Loan

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Current HCMS Interfund Loan

- The HCMS information technology project is funding a new Human Capital Management System (HCMS) known as "Workday", which provides a critical replacement of the City's timekeeping and payroll system
- In November 2024, the Council authorized a revolving interfund loan of up to \$11 million to pay for capital development costs related to the HCMS system, with a loan term that expires December 31, 2026 (Ordinance 127131)
- The interfund loan has been drawn on in full to pay for HCMS project expenses, and was fully repaid by proceeds of the 2025 LTGO Bond issuance in June 2025 as planned
- The current legislation amends Ordinance 127131 to recognize changes in the HCMS budget and the interfund loan limit that are needed to bring the project to completion



Amended HCMS Interfund Loan Request

The proposed legislation amends Ordinance 127131 to:

- Amend the revolving HCMS interfund loan by increasing the loan authorization ceiling from the initial \$11M to \$13.2M
 - The \$11M has already been drawn on once in full and has been fully repaid
- Change the borrowing fund from the 2025 Multipurpose LTGO Bond Fund to the 2026 fund, reflecting the loan repayment for the new \$13.2M interfund loan amount which will come from the proceeds of the 2026 LTGO Bond issuance
- The interfund loan remains within the current term which expires Dec 31, 2026
- Increase the CIP project budget appropriation by \$13.2M



Next Steps

If the legislation is approved:

- ✓ The City will complete the HCMS system implementation, paying for the updated project costs by drawing on the amended Interfund Loan
- ✓ The City will repay the Interfund Loan with proceeds from the 2026 LTGO Bond issuance anticipated in June 2026

