

ITEM 7  
MANAGER'S REPORT NO. 70  
COUNCIL MEETING 89/10/30

RE: 1989 COMPUTER EQUIPMENT - CASH REGISTERS

MUNICIPAL MANAGER'S RECOMMENDATION:

1. THAT the recommendation of the Information Services Director be adopted.

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To: MUNICIPAL MANAGER  
FROM: INFORMATION SERVICES DIRECTOR  
SUBJECT: 1989 COMPUTER EQUIPMENT - CASH REGISTERS  
PURPOSE: To obtain Council authority for purchase of subject equipment.

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RECOMMENDATION:

1. THAT the acquisition from Mountain Systems of equipment as outlined in the attached Equipment List (Appendix 1) at a cost of \$234,663.50 be approved. The expenditures are funded from the 1989 Annual Capital Budget.

R E P O R T

SUMMARY

As part of the Park's Registration computer project, (reference MIS Strategic Plan), the need for new cash registers at all Burnaby recreation centers was established. A separate "Electronic Cash" project was established which defined the specifications for this new equipment. That project concluded that Burnaby needed to acquire 15, (plus 2 for the Municipal Hall for compatibility), personal computer (PC) based point of sale (POS) workstations

with applicable custom software.

In 1988 Council approved some \$1.6 million being spent on computer hardware and software. That list of items included provision for cash registers although the cost, at that time, was estimated to be \$133,000. A firm's price has now been obtained for the required equipment and it is \$234,663.50. This may mean deferring other hardware and software acquisitions to subsequent years to stay within the \$1.6 million approved for 1988 (and carried over to cover 1989).

The expenditures are justified by the considerable tangible and intangible benefits outlined in the appendices to the report. Customer service would be significantly enhanced and the cash registers would have "paid for themselves" within two years. For these reasons approval is recommended.

#### REPORT

The 1989 Action Plan<sup>1</sup> outlined some 27 computerized application systems which are proposed for maintenance or new development activity this year. Activity is currently under way on the majority of these systems.

Application systems development investigates and recommends both hardware and software solutions to business problems. Additionally, development solutions may suggest a manual system be implemented and specific procedures be put in place to solve a business requirement.

The Electronic Cash, Program Registration and Corporate Cash projects had identified and justified the requirements for POS workstations which is being proposed. The project team developed a Statement of User Requirements which clearly identified the requirements and scope of the user department's needs and proposed a combined hardware and software solution.

The project team identified within the Electronic Cash project \$ 140,170 in annual tangible benefits (appendix 2) which would be realized by the corporation with the implementation of this system. Additionally, the intangible benefits identified in appendix 3, would further enhance the viability of this system and the overall acquisition of the POS workstations.

A selection subcommittee to the Electronic Cash project was struck to perform the various tasks of research and analysis of possible vendor solutions to meet the hardware and software requirements as specified in the Statement of User Requirements document. This resulted in identifying possible vendors of practicable hardware and software, short-listing these suppliers, and scheduling product demonstrations of the short-listed supplier's products.

The results of the subcommittee's analysis were compiled by the subcommittee into a 100 page document entitled the Statement of Alternatives Evaluation. Although 21 companies were contacted and 8 of these chose to submit proposals, only that from Mountain Systems was deemed acceptable on the basis of accommodating all evaluation criteria.

The proposed hardware and software solutions appear a viable solution to our aging main cash register in the Municipal Hall. Further tangible and intangible benefits would be realized by implementing this solution.

The reports and their recommendations were presented and approved by the Task Force and Steering committees. This resulted in those recommendations going forth to the Computer Advisory Committee which supported and approved of the reports and their recommendations regarding the hardware and software selection.

Approval is now being sought to purchase the POS workstations, polling PC and applicable software which will provide a solution to a wide range of business related problems within our Parks & Recreation and Finance Divisions.

FINANCING

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The 1988 Capital Equipment Budget (carried over to cover 1989) provides the necessary funding for the expenditure, albeit at the possible cost of deferring other computer acquisitions to subsequent years to stay within the \$1.6 million allotment.

*Rogger*

Ron W. Taylor  
Information Services Director

1. This document formulates the development activities to be undertaken by Information Services in 1989. The document was produced by Information Services and was approved by the Computer Advisory and Management Committees.
2. The Statement of User Requirements document was produced by the project team and formally approved by the project's Task Force and Steering Committee. These committees oversee the project. The "Approved" document is available from the Clerk's Office for reference.
3. The Statement of Alternatives Evaluation document was produced by the project team and was formally approved by the project's Task Force and Steering Committee. These committees oversee the project. The "Approved" document is available from the Clerk's Office for reference.

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			Vendor
Number of Units	Description	Quotation	
15	Point of Sale Workstations (Electronic Cash Registers with applicable software). Parks & Recreation Centers	\$198,825	
2	Point of Sale Workstations (Electronic Cash Registers with applicable software). Municipal Hall - Main Cashier	26,510	
1	Polling PC. Central Site Computer Room.	8,896	

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APPENDIX 2

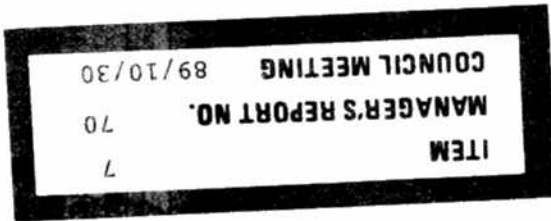
TANGIBLE BENEFITS ARISING FROM THE INTRODUCTION OF ELECTRONIC CASH

The following tangible benefits should accrue from implementation of the Electronic Cash system:

**TANGIBLE BENEFITS:**

ANNUAL ESTIMATE

- |    |   |           |
|----|---|-----------|
| 1. | Reduction in time spent preparing cash reports manually   | \$ 20,675 |
|    | 11 facilities x 1.5 reports/day x 350 days x .25 hrs/day<br>(15 mins) x \$14.32/hr  |           |
| 2. | Reduction in time spent preparing statistical reports for admissions  | \$ 8,592  |
|    | 6 income facilities x 50 weeks x 2 hrs/week x \$14.32/hr<br>(Cameron, Bonsor, Burnaby Mtn. Golf, CG Brown, Kensington, Burnaby Lake Rink)         |           |
| 3. | Reduction in time spent preparing other point of sale   | \$ 63,008 |
|    | 11 facilities x 50 weeks/yr x 2 hrs/wk x \$14.32/hr x 4 functions (passes/memberships, drop-ins, equipment facilities rentals, merchandise sales) |           |
| 4. | Reduction in preparation of quarterly point of sale statistics  | \$ 4,582  |
|    | 8 facilities x 4 quarters x 10 hrs/quarter x \$14.32/hr   |           |
| 5. | Reduction in time spent compiling statistics in response to ad hoc requests   | \$ 10,550 |
|    | Sr. Exempt:<br>2 days/yr x 4 staff x \$270/day = \$2160   |           |
|    | Jr. Exempt:<br>3 days/yr x 8 staff x \$200/day = \$4800   |           |
|    | Facility Mgr.:<br>2 times/yr x 6 staff x \$170/day = \$2040<br>2 times/yr x 5 staff x \$155/day = \$1550  |           |
| 6. | Reduction in time spent acquiring up-to-date revenue figures for the purpose of supporting the budgeting and re-forecasting functions             | \$ 7,913  |
|    | Sr. Exempt:<br>3 times/yr x 4 staff x \$270/day x .5 days = \$1,620   |           |
|    | Jr. Exempt:<br>3 times/yr x 8 staff x \$200/day x .5 days = \$2,400   |           |
|    | Facility Mgrs:<br>3 times/yr x 6 staff x \$170/day x .5 days = \$1,530<br>3 times/yr x 5 staff x \$155/day x .5 days = \$1,163                    |           |
|    | Clerks:<br>3 times/yr x 8 facilities x \$100/day x .5 days = \$1,200  |           |







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