

TO: Mayor and City Council  
FROM: David Chanski, City Administrator  
RE: Approval of Questica Budget Software  
DATE: November 6, 2023

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### **Background**

As part of the 2024 budget process, City Administrator Chanski has discussed the addition of budget and transparency software. This was initially discussed during the August 1 budget workshop and was also included in the Preliminary 2024 Budget.

The purpose of this software is multifaceted. First, it will allow staff to be much more efficient in the development and management of the City's budget. Currently, the budget is developed through a series of spreadsheets that take a lot of time to format. For example, when running wage calculations, it currently takes Administrator Chanski roughly an hour to run a scenario as dozens of formulas must be manually adjusted and then double checked as such manual entry is prone to error. Additionally, spreadsheets do not integrate with the City's financial software, so every number for every account code in the budget (and there are hundreds) must be manually entered. As this software would directly integrate with the City's financial software, department heads would have easier, instant access to their budgets (which would be updated daily), and dozens of hours every year would be saved in preparation management of the budget. 24 hours (for example) of City Administrator Chanski's time is valued at over \$2,200.

In addition to internal improvements, this software has an external component as well. As this software is web-based, the public will be able to access the budget in different ways. The public will not only see the final approved budget, but the City will be able to publish preliminary budgets as well as create budget pages for various projects such as city hall and Buschmann Road. Again, as the software integrates directly with our financial software, the budget information the public will be able to see will also be kept up to date throughout the year.

Lastly, this software will always the City to easily produce a pectoral and narrative type budget document that is much more transparent and understandable. Such a document will also be able to be submitted to the Government Finance Officers Association (GFOA) for their annual Outstanding Budget Presentation Award.

For more information about this software, short video "tours" can be found [here](#).

### **Software Budget**

As mentioned above, the cost of this software was included in the Preliminary 2024 Budget. The attached proposal is for 5 years (which is standard for such software) and

includes a first-year subscription cost of \$18,375 and a one-time implementation cost of \$11,500. The subscription cost is split 50/50 between the General Fund and Sewer Fund, and the one-time implementation cost would be paid out of the Capital Fund.

The provided proposal is only good through November 24, 2023. If the agreement is approved after that date, 2024 price increases will go into effect, which are estimated to increase the cost by 5%-10% (\$1,500-\$3,000). As this software is included in the 2024 Budget (not 2023), City Administrator Chanski has negotiated with Questica that, should the City approve the attached agreement, the City will not be billed until after January 1.

**Council Action**

Staff recommends that the City Council approve the attached proposal from Questica for budget and transparency software.