Folsom City Council
Staff Report

MEETING DATE:	11/14/2023
AGENDA SECTION:	Consent Calendar
SUBJECT:	Resolution No. 11124 – A Resolution Authorizing the City Manager to Execute an Agreement with OpenGov, Inc. for Budgeting and Planning Software
FROM:	Finance Department

RECOMMENDATION / CITY COUNCIL ACTION

The Finance Department recommends that the City Council pass and adopt Resolution No. 11124 – A Resolution Authorizing the City Manager to Execute an Agreement with OpenGov, Inc. for Budgeting and Planning Software.

BACKGROUND / ISSUE

The City of Folsom (City) has historically used Microsoft Excel and Microsoft Word to develop its annual Operating Budget and Capital Improvements Plan. This manual process is time consuming and error prone with reliance on inputting data from the financial system, creating links between worksheets, entering formulas, and entering static data. The lack of modern tools results in processes which are inherently difficult to engage departments outside of Finance, maintain version control, track progressions of budget through steps in the process, and efficiently create budget reporting documents and presentations. A modern budget process requires a comprehensive software solution that provides planning, forecasting, process management, budget book development, transparency, reporting and analytics, and is well suited to engage all City departments in the budget process. The OpenGov software meets these criteria and can integrate with the City's financial system, Finance Enterprise. This integration creates assurances that accurate financial data for current and prior years is being used in the budget development process.

POLICY / RULE

Section 2.36.080, Award of Contracts of the <u>Folsom Municipal Code</u> states, in part, that contracts for supplies, equipment, services, and construction with an estimated value of $70,952 or greater shall be awarded by the City Council.

Section 2.36.140, Sole Source Procurement of the <u>Folsom Municipal Code</u> states, in part, that the requesting department shall conduct a survey of available sources to determine whether there is only one source for the required supply, equipment, service or construction item, and after review of this request by the purchasing agent and the finance director and approved by the city manager, a contract shall be awarded without competition.

ANALYSIS

Finance Department staff met with and reviewed several budgeting software services. After a preliminary review of the other platforms, OpenGov's solution was the most aligned with the City's current budgeting practices and processes. Finance Department staff further vetted OpenGov's system by participating in a few demonstrations that drilled into its core functionality. For an additional measure of objectivity, Finance Department staff conferred with a neighboring city operating OpenGov Budget and Planning software to hear their testimonial and experience using the platform.

OpenGov best meets the needs of the City in the areas of operating budget preparation, personnel budgeting/forecasting, financial reporting, data management, dashboard analytics, and online budget book. Moreover, it is critical for the solution to synchronize directly to the City's financial system, providing timely and accurate access to current financial data. OpenGov offers a full-featured, cloud-based, budgeting software designed for public agencies. The centralized platform will help unify the end-to-end budgeting process from the initial stages of planning and personnel forecasting through final publication, while enabling improved collaboration throughout the process. As an integrated budgeting and planning solution, it will allow staff to develop their department budgets in a more streamlined, systematic, and repeatable way and review against real-time financial information from the City's financial system. This will dramatically improve a labor-intensive step within the current process whereby numerous Excel spreadsheets of department budget submissions are manually organized and consolidated. With the efficiency gained in OpenGov, staff will be able to divert more time to the invaluable analysis and evaluation of programs, policies, and operations. Additionally, the software includes an online budget book and dashboarding capabilities to present financial data in graphical/visual format, as well as transparency tools to help tie together and organize the City's multi-department budget according to different strategic initiatives/priorities. These publication capabilities will also allow the City to continue producing the annual budget book in pdf format.

If the contract is approved, staff anticipates a project kickoff in December 2023. This will allow adequate time to set up and configure the system per City specifications so that it can be used to prepare the FY 2024-25 Operating Budget and Capital Improvements Plan.

The total cost of $328,174.75 over the forty-three-month term is detailed below:

Billing Date	Annual Software Fee	One-Time Implementation
December 1, 2023	$42,883.75	$53,535.00
July 1, 2024	$73,515.00	-
July 1, 2025	$77,191.00	-
July 1, 2026	$81,050.00	-
Total	$274,639.75	$53,535.00

The service is recommended as a sole source procurement as there are no other known budgeting software service providers that meet or exceed the City's budgeting process goals and integrate with the City's financial system, Finance Enterprise.

The proposed action is consistent with the City Council's Strategic Plan Goal to initiate technology solutions to streamline organization and improve efficiency and create new ways for the public to access information and records for increased transparency.

FINANCIAL IMPACT

The City Council approved as part of the Fiscal Year 2023-24 Operating Budget $60,000 in the Finance Department's budget in the General Fund (Fund 010) for budgeting software. Sufficient funds are budgeted and available in the General Fund Non-Departmental division (Fund 010) in Fiscal Year 2023-24 to cover the remaining Fiscal Year 2023-24 cost of $36,418.75 needed for Year 1 of the project. Budget appropriations for the remainder of the contract will need to be allocated in future budget years. The Finance Department recommends the cost of this contract be awarded to OpenGov, Inc. for an amount not to exceed $328,174.75.

ENVIRONMENTAL REVIEW

Not Applicable.

ATTACHMENTS

1. Resolution No. 11124 – A Resolution Authorizing the City Manager to Execute an Agreement with OpenGov, Inc. for Budget and Planning Software.

Submitted,

Stacey Tamagni, Finance Director

RESOLUTION NO. 11124

A RESOLUTION AUTHORIZING THE CITY MANAGER TO EXECUTE AN AGREEMENT WITH OPENGOV, INC. FOR BUDGETING AND PLANNING SOFTWARE

WHEREAS, the City seeks to modernize the budget process and implement a budgeting and planning software solution; and

WHEREAS, OpenGov, Inc. Budgeting and Planning software meets the need for an effective and efficient budgeting and reporting software solution; and

WHEREAS, this is a sole source procurement, as no other known budgeting service providers meet or exceed the City's budgeting process and integrates with the City's financial system, Finance Enterprise; and,

WHEREAS, the City Council approved, as part of the Fiscal Year 2023-24 Operating Budget, $60,000 in the Finance Department's budget in the General Fund (Fund 010) for budgeting software, and sufficient funds are budgeted and available in the General Fund Non-Departmental division (Fund 010) in Fiscal Year 2023-24 to cover the remaining Fiscal Year 2023-24 cost in the amount of $36,418.75; and

WHEREAS, the agreement will be in a form acceptable to the City Attorney:

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Folsom authorizes the City Manager to execute an agreement with OpenGov, Inc. for Budgeting and Planning Software for an amount not to exceed $328,174.75.

PASSED AND ADOPTED this 14th day of November 2023, by the following roll-call vote:

AYES: Councilmember(s):
NOES: Councilmember(s):
ABSENT: Councilmember(s):
ABSTAIN: Councilmember(s):

_____
Rosario Rodriguez, MAYOR

ATTEST:

_____
Christa Freemantle, CITY CLERK