



## TOWNSHIP OF EDWARDSBURGH CARDINAL ACTION ITEM

**Committee:** Committee of the Whole – Administration and Operations

**Date:** December 4, 2023

**Department:** Finance

**Topic:** Pre-budget approval for Budgeting Software

**Purpose:** To implement budgeting software to enhance quarterly reporting, create efficiencies in the budget process and ability to generate multi-year forecasts. If approved, this item will be added to the 2024 Operating Budget.

**Background:** Currently the Township is using Munisoft to handle the budget process. While the cost is minimal (\$180.00 per year) it does not provide enough customization for our needs.

The Treasurer hosted a demo with two companies. The first company was Questica. They provide budget software that generates quarterly reports and also generates a full budget book that can be posted to the website for the public to view with drilldowns in to the actual data. The senior management team was present for the demo and it was well received.

As part of the review, the Treasurer reached out to other Municipalities and the recommended software alternative to Questica was Public Sector Digest (PSD). The Township currently use PSD for our asset management software Citywide.

The Treasurer also attended a demo for the PSD software. The software was similar to Questica and can create the same types of reports and can also do a budget book that can be posted on the website.

Both software programs can receive data directly from Munisoft and Citywide. Both software programs also have three modules, Operating, Salary and Capital. The Operating module is what creates the reports and budget book. The salary module would be used to forecast salaries and the capital module will assist in capital reporting by giving more transparent budget to actual variance reports. The quotes received were for all three modules.

Modules can be purchased one at a time, however there is more of a discount applied if all three are purchased.

**Policy Implications:** All financial items over \$75,000 require Council approval.

**Financial Considerations:** The pricing models for each software is different. With Questica it is a five-year agreement with an annual license fee whereas the PSD software is a one-time purchase with an annual maintenance component for version updates.

The cost for Questica breaks down as follows:

1. First year software cost - \$24,500 plus 5% inflation increase annually
2. Implementation cost - \$12,000 (discounted from \$17,000)
3. Total cost in Year 1 - \$36,500
4. Total value of 5-year contract - \$147,378

The cost for PSD Budgeting breaks down as follows:

1. One-time software cost - \$26,600 (\$42,000 less multi-product discount)
2. Implementation cost - \$42,500
3. Total cost in Year 1 – \$69,100
4. Annual cost in future years - \$9,700

While Questica is the lowest cost in Year 1 the annual go forward cost is higher. PSD has a higher implementation cost and is a one-time purchase which is preferable.

**Recommendation:** That Committee recommend to Council that the Treasurer enter an agreement with Public Sector Digest to purchase the Operating, Salary and Capital budgeting software for use in 2024 at a cost of \$69,100 plus future annual maintenance costs of \$9,700.



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Treasurer



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