

## Biennial Budget Implementation Workgroup Status Updates

Prepared for Council Finance, Budget, and Administration Committee Meeting 01-09-2024

### Background:

A workgroup was formed in September 2023 to identify and address work and decisions needed to develop and implement the new biennial budget process for the 2025 – 2026 biennium. The group is comprised of leaders and SMEs from across the enterprise to provide a diverse knowledgebase for supporting the effort. Status updates are provided from committees formed to support and accomplish work being done by the larger workgroup. Updates are provided from the following committees: Cayenta, CIP, Code Changes/CBA, Executive/Council, Finance/Budget, Grant Workplan, Mid-biennium, Project Management, and Questica.

### Status Updates:

- Cayenta (current work)
  - Research and testing of Cayenta for budget checking and biennial configuration options.
  - How to set appropriation authority.
  - Budget load process for 24-month period.
  - Creation of multi-year reports, monthly FinRpts, and BVA report.
  
- CIP (final recommendations)
  - CIP to be prepared biennially for a six-year period.
  - Not planning for mid-biennial adjustment, but if mid-biennial adjustment or updated statement of assessment was needed, process would need to go through planning commission.
  - Code change information has been added to code change list.
  - No changes to charter, school CFP, TIP, or ACP.
  - Planning commission schedule will include a special planning meeting 08/13/2024 for the briefing and 08/27/2024 for the hearing.
  - Budget may start separating CIP guidance from budget instruction.
  
- Code Changes/CBA (current work)
  - Code changes:
    - Systematic review of SCC for potential changes was completed and discussed amongst committees and workgroup.
    - Technical changes are drafted and under review for submission January 2024.
    - 4.26 Code changes are drafted and under review with plan to submit before end of March 2024.
  - CBA impacts:
    - Plan to evaluate CBA impacts and update budget processes once new contract is in place.
    - Mid-biennial adjustment will include annual reclass process, pending changes to CBA.

- Executive/Council
  - Items undergoing next steps for implementation are summarized under relevant committees.
  - Future items include:
    - Expectations for structure and content of budget presentations to Council and Executive's for Departments and Offices with minimal changes to budget during mid-biennial adjustment.
    - Consideration of potential charter amendments for 2026. For example, any changes to emergency appropriation conditions as defined in County Charter section 6.85.
  
- Finance/Budget
  - Decisions made:
    - Size of under expenditure will be 1.5% for the two-year period.
    - Internal service rates will be set over 24-months.
    - High-level budget calendar created with approx. dates ([see 'what is the new budget schedule?'](#)).
    - Pro Forma load process will not change. Date will be built into the detailed budget schedule.
    - If interfund rates require adjustment in mid-biennium, these will be provided during the initial budget preparation phase.
    - Budget will be a 24-month period (not two one-year periods).
    - Vacant positions will be loaded at step 1 for 24-month period.
  - Current and upcoming work:
    - Addition of budget information and guidance to SharePoint intranet site.
    - Internal service rates format and process.
    - Updates to operational aspects to support implementation of biennial budget process and new budget prep software.
    - Collaboration with other Departments on process improvement work.
    - Development of detailed budget schedule with due dates.
    - Development and implementation of training plan for budget preparers to learn new biennial budget processes and software.
    - Creation of dashboards and communication plan to share information with budget preparers within the interface of the Questica software.
  
- Grant Workplan (final recommendations)
  - Will continue to be an annual process.
  - No changes to processes or paperwork during first year.
  - Schedule:
    - Schedule and due dates for both years to be provided with budget schedule each biennium.
    - Dates will align with budget process.
    - Reconciliation report will remain due February 15.
  - Recommend increasing dollar approval amount above amount stated to 100,000 to align with Executive authorization amount. Recommendation added to code change recommendation list.

- Mid-biennium (current recommendations)
  - Outside of changes not due to economic changes of conditions and emerging issues, budget adjustments shouldn't be submitted with mid-biennium.
  - Current proposed biennial and mid-biennium actions:

<b>Action</b>	<b>Biennial Budget</b>	<b>Mid-Biennium Review</b>
Levy Ordinances (6 if IPD > 1)	X	X
CIP Ordinance	X	
School CFP (every other yr)	X	
Roads TIP Motion	X	X
Roads ACP Ordinance	X	X
SW CIP Motion	X	
SW ACP Motion	X	
SWM CIP Motion	X	
SWM ACP Motion	X	
Grant Workplan Motions	X	X
ER&R Rates Motion	X	X
Parking Rates Motion	if needed	if needed
Budget Ordinance (Revenue, Appropriations, FTE Cap, Targeted Reduction)	24-month period	mod/restate if needed
IF Rate Models	24-month period	mod/restate if needed
ICAP	TBD	TBD
Levy Certification	X	X
Elected Car Allowance Motion	X	X
Fee Schedules	X	X
Financial Reports	X	X
4.70.050 Disclosure of supplemental information.	X	X
SCC 4.87.050 Fairgrounds-Operating Reserve	X	X
Facilities	X	When needed/major space changes only
Reclass Process (pending changes to CBA)	X	X

- Project Management
  - Internal change management and communication plan integrated with project management plan.
  - Below includes high-level project schedule dates<sup>1</sup> that correspond to slide 3 in the PowerPoint:

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## Biennial Budget Implementation On track

Overview List Board Timeline Calendar Workflow Dashboard Messages Files Gantt

+ Add task Filter Sort: 1 X Hide

#	Task name	Due date ↑
<b>People</b>		
1	Information gathering from WA Counties with biennial budgets	Oct 2, 2023 – Dec 15, 2023
2	Change Management - awareness, desire, knowledge communications from Executive Leadership	Sep 27, 2023 – Dec 28, 2023
3	Change Management - knowledge, ability, reinforcement communications and operational informatio	Jan 15 – May 5
4	Questica End User Training	Apr 18 – Jun 13
5	Biennial Budget Workgroup and Committee Meetings	Sep 13, 2023 – Jul 15, 2024
6	Promote engagement - provide project status updates and conduct informational interviews with imp.	Sep 3, 2023 – Dec 22, 2024
7	Biennial SharePoint intranet site updated with information and FAQs	Dec 8, 2023 – Dec 31, 2024
8	Sustainment of Change - gather feedback and lessons learned to refine and improve process	Jun 28 – Dec 31
Add task...		
<b>Process</b>		
1	GWP process change recommendations prepared and shared with workgroup	Oct 5, 2023 – Dec 15, 2023
2	Midbiennium process change recommendations prepared and shared with workgroup	Oct 3, 2023 – Dec 15, 2023
3	CIP process change recommendations prepared and shared with workgroup	Oct 11, 2023 – Dec 18, 2023
4	Technical code change recommendations prepared and submitted to Council	Sep 27, 2023 – Jan 31, 2024
5	4.26 code change recommendations prepared and submitted to Council	Sep 27, 2023 – Mar 29, 2024
6	Budget System Preparation Phase	Feb 6 – May 4
7	Department Phase	May 7 – Jun 14
8	Exec Rec Phase	Jun 17 – Sep 6
9	Council Phase	Sep 6 – Dec 1
10	Implementation of changes to operational aspects of budget preparation to support integration of ne	Sep 27, 2023 – Dec 31, 2024
11	Ongoing work on process changes and improvement to support biennial implementation and new sof	Sep 18, 2023 – Jan 31, 2025
Add task...		
<b>Technology + ...</b>		
1	Questica Implementation Phase 1	Oct 9, 2023 – Apr 30, 2024
2	Cayenta configuration for biennial budget	Oct 17, 2023 – May 20, 2024
3	High Line and Cayenta integrations with Questica Budget	Dec 15, 2023 – Jul 15, 2024
4	Updates to budget data reports, dashboards, and public-facing websites	Feb 28 – Sep 28
5	Questica Implementation Phase 2	Oct 1, 2024 – Jan 31, 2025

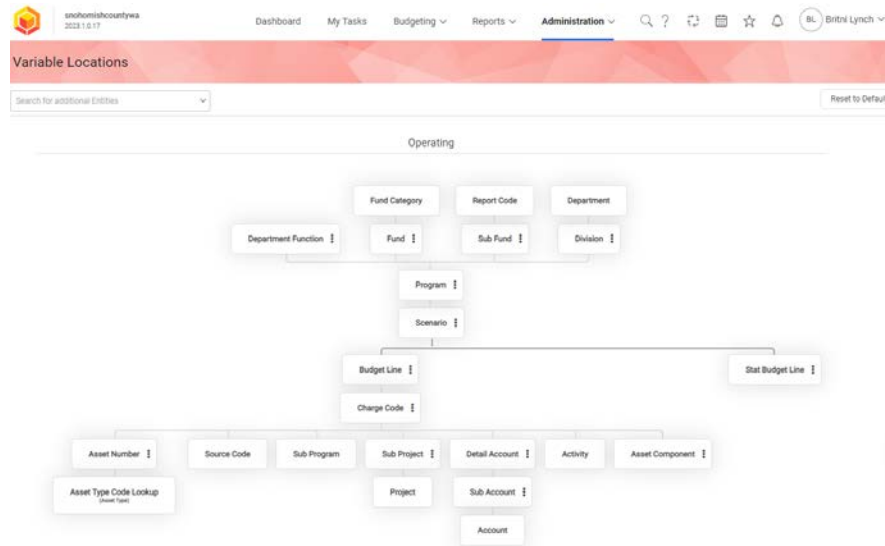
<sup>1</sup>Future start and end dates are approximate. Dates without years are current year 2024.

- Questica Budget Prep Software Implementation
  - Summary of vendor SOW:

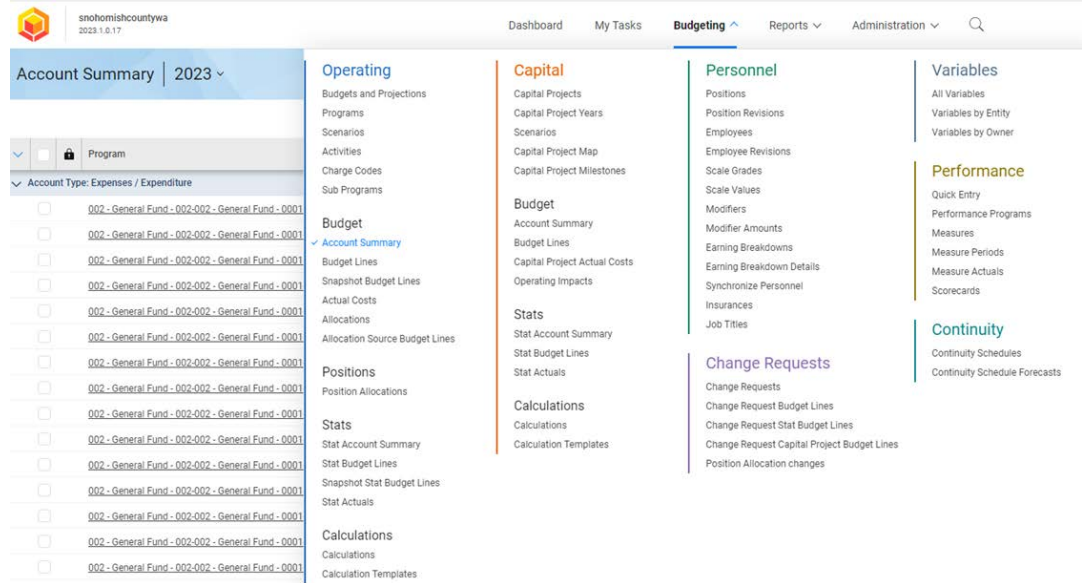
**Questica will perform the following work as set forth in the tables in Section 2 of this SOW as “In Scope” in 2 phases:**

- **Phase 1** work includes tasks described in sections:
  - **2.1 Budget Configuration shall be completed no later than January 31, 2024**
    - New biennial process
    - Preferred method for SSO is Azure Market Place. Questica supports SSO with SAML 2.0 and can connect to the County’s Active Directory or Azure Active directory as the County’s Identity Provider. Questica has a listing on Azure Marketplace but it’s not connected to our SSO offering.
  - **2.2 Operating Module shall be completed no later than January 31, 2024**
    - Including integrations requiring 3rd party vendor coordination
  - **2.3 Personnel Planning & Budgeting Module shall be completed no later than January 31, 2024**
    - Including providing method for data integration to County
  - **2.4 Capital Module (Minimal Utilization) shall be completed no later than January 31, 2024**
    - Initial implementation similar to current use of BDT where one GL line represents many projects
    - No Capital module integrations will be developed in Phase 1
  - **2.11 Customizations for Phase 1, sections 2.1, 2.2, 2.3, and 2.4 shall be completed no later than January 31, 2024**
  - **2.7 OpenBook shall be completed no later than April 30, 2024**
  - **2.10 Budget Book and CIP shall be completed no later than April 30, 2024**
  - **2.8 Training shall be completed no later than April 30, 2024**
    - Training on modules implemented in Phase 1
- **Phase 2** work includes tasks described in sections:
  - **2.4 Capital Module (Full Utilization) shall be completed no later than January 31, 2025**
    - Questica will share multiple concepts for configuration of this module. County will work with Questica to select best configuration(s). County will update processes around these configurations.
  - **2.6 Performance Measures shall be completed no later than January 31, 2025**
  - **2.11 Customizations for Phase 2, Sections 2.4 and 2.6 shall be completed no later than January 31, 2025**
  - **2.8 Training shall be completed no later than January 31, 2025**
    - Additional training on Capital module
    - Performance Measures training

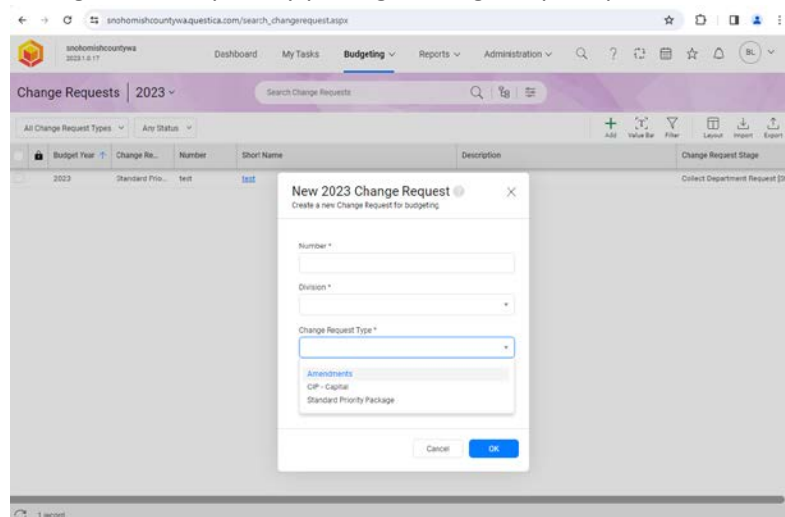
- Questica implementation completed work:
  - Initial load of 2021, 2022, and 2023 operating and personnel data for review for completion of milestones related to SOW 2.1 through 2.4.
  - Data structure built to align with Snohomish County Cayenta DAC/Chart of Account structures:



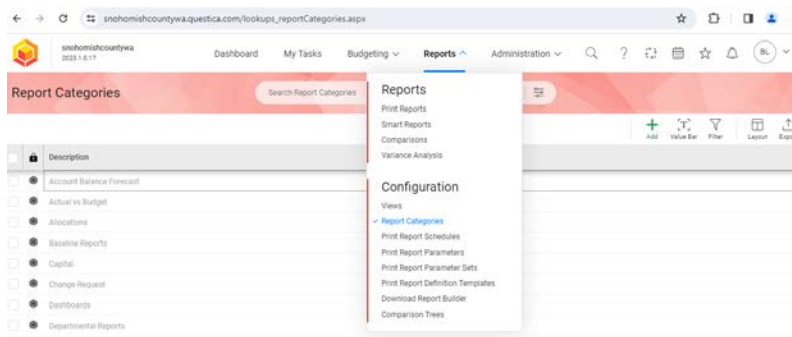
- Questica implementation work in progress:
  - Validation of accuracy of data loaded for current and past year budgets.
  - Configuration of Questica system for County processes related to SOW 2.1 through 2.4:



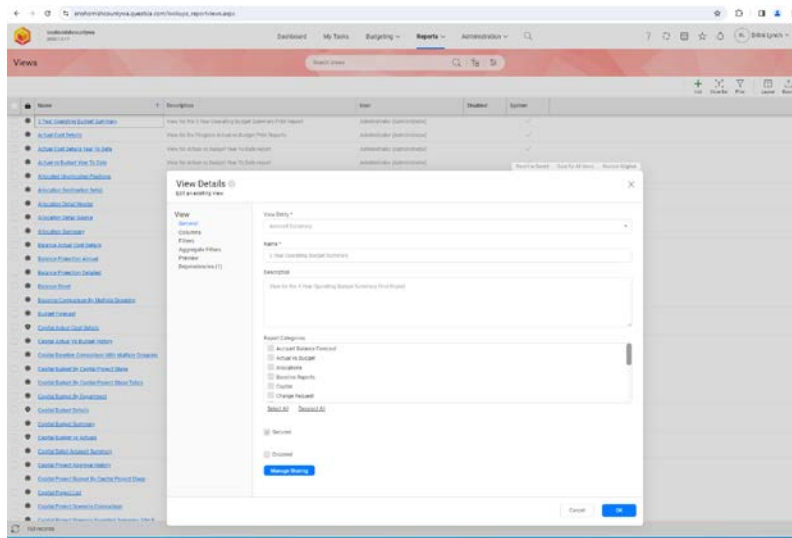
- Questica integrations and customizations
  - Customizations to support the Cayenta DAC/Chart of Accounts structures and ensure data fidelity.
  - Vendor work to integrate Cayenta and High Line data into Questica.
- High Line integration
  - Process improvement work.
  - Development project with County IT and Budget to replace use of BDT to retrieve and process High Line data.
- Cayenta integration
  - Negotiation of SOW with Cayenta for output data needed to integrate with Questica budget. Approx cost will be 15,000/56 hours. Once quote is finalized it will be sent to Cayenta steering for proposed payment via money from descoped Cayenta work.
  - IT is working with Budget and Questica to build an interim solution to be used during the initial go-live while Cayenta completes the integration work.
- Configuration of priority package/change request processes:



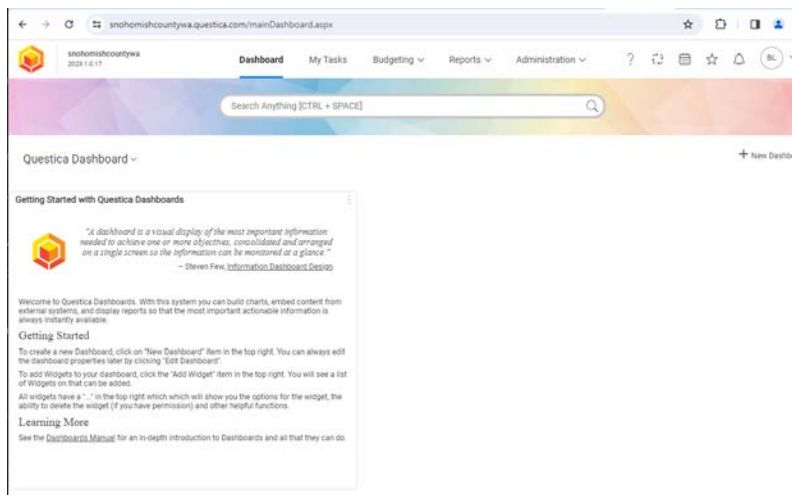
- Questica implementation upcoming work:
  - Configuration of system security levels/SSO access.
  - Configuration of reports:



- Configuration of views:



- Configuration of dashboards to communicate information to end users:



- Remaining phase 1 milestones.
- Training for project team trainers and training for end users.
- Configuration of other processes within Questica.
- Updates to operational processes surrounding use of the new software.