

PRIORITY BASED BUDGET

City Manager's Office &
Finance Department

City Council
October 27, 2020

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OVERVIEW

1. What is PBB?
2. How does it work?
3. What are the expectations?
4. What is the status and Timeline?



PRIORITY-BASED BUDGETING (PBB)
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What is Priority-Based Budgeting (PBB)?
PBB takes a new, comprehensive approach to align the City's budget to the City's strategic plan (anticipated completion in October 2020). The City has partnered with ResourceX to implement PBB as the next step in our strategic planning process. PBB aims to identify and determine the cost of all City programs and align our budget with the strategic priorities set by the City Council and citizens.

THREE CRITICAL QUESTIONS

- What do we do? (Strategic Priorities)
- What does it cost? (Program Costs)
- Does it align with our strategic priorities? (Program Alignment)

PBB starts with department users compiling an inventory of all City programs, identifying associated revenue and costs, and determining how closely each program aligns with the Council's priorities. This process will ultimately produce citywide insights about all programs offered and help the City make decisions about how to allocate resources, increase revenue, and enhance City programs.

THIS PROCESS IS BROKEN DOWN INTO 5 STEPS:

- Program Inventory** - Determine all programs and services we offer.
- Program Costing** - Allocate line-item cost/revenue to programs, identify true cost of programs.
- Identify Results** - Answer the question of "What do we want to achieve?"
- Program Rating** - Assign scores to programs based on alignment with Council's strategic priorities and the City's Strategic Plan.
- Take Action** - Apply the data - the program insights to optimize our resources for maximum program efficiency. Utilize our findings to unlock new resources or generate new revenue.

How are the strategic planning process, program insights, and priority-based budgeting related?

STRATEGIC PLANNING PROCESS
Identify our priorities for the next 5 years. City Council direction.

PROGRAM INSIGHTS
Apply our findings to optimize our resources for program efficiency.

BUDGET DEVELOPMENT
Develop a budget based on strategic priorities and program insights.

Why priority-based budgeting now?
As a follow-up to our strategic planning process, the next steps are to identify our programs and their associated revenue and costs, align the programs to the City Council's strategic priorities, and create program insights to help us make decisions for the allocation of City resources during future budget cycles. Allocating resources in this manner is known as priority-based budgeting. By reviewing programs and City resources through the lens of the strategic plan, we can create a budget that directly supports the achievement of our strategic priorities.

What does the timeline look like?
Our goal is to wrap up the PBB process by December 2020 when the next year's budget process will begin.

FOR MORE INFORMATION, CONTACT:
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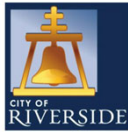
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THREE QUESTIONS OF PRIORITY BASED BUDGETING



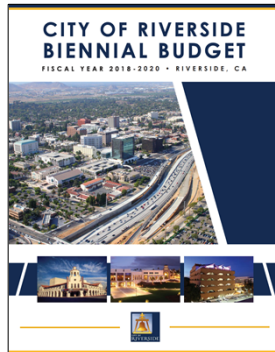
Question 1:
What do we do?



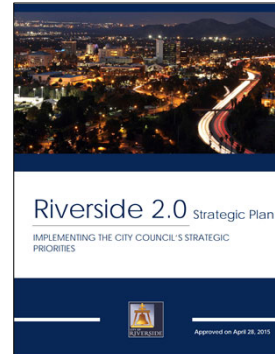
- Budget Development
- Crack Sealing
- Emergency Calls for Service
- Fire & EMS Response
- Library Circulation
- Special Events
- Youth Sports



Question 2:
What does it cost?



Question 3:
Why are we in business?



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PBB OVERVIEW

Business intelligence is developed by building data layers around programs.



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SHORT TERM GOALS

1. Establish communication and educate project stakeholders (internal, elected, public)
2. Develop citywide support and understanding of the PBB process
3. 100% participation and utilization from all departments
4. Identify all programs and services that the City provides
5. Understand where the City is allocating its resources and how that aligns with the City's strategic plan
6. Develop program insights
7. Take initial steps to realign resources to support City Council's priorities



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LONG TERM GOALS

1. Change the way people think about budgeting
2. Achieve a clear understanding and documentation of the City's programs and resources
3. Fully align funding priorities with programs and services that further the City Council's strategic priorities
4. Create partnerships to provide programs more effectively and efficiently
5. Be adept at realigning resources in times of fiscal challenge
6. Assess program effectiveness through performance measures
7. Develop department/division level KPIs to track program success
8. Consider inclusion of CIP budget



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PBB OVERVIEW

STRATEGIC PLANNING PROCESS

Identify our priorities for the next 5 years. City Council Direction.


PROGRAM INSIGHTS

Apply our findings to optimize our resources for program efficiency.

BUDGET DEVELOPMENT

Develop a budget based on strategic priorities and program insights.

How are the strategic planning process, program insights, and priority-based budgeting related?



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PROGRAM INVENTORY

Program Inventory

Edit Program Inventory

Add a Program from SEARCH

Combine Programs

ADD PROGRAM

DOWNLOAD

Browse... No file selected

Show 1 entries

Search:

Options	ServiceType	Department	Division	ProgNum	Program	Description
<div>Update Delete</div>	Community	City Manager	2875 - Housing Authority	82	Chronic Permanent Supportive Housing Program	Supportive services and operations for 8 Chronic PSH units
<div>Update Delete</div>	Community	Library	5135 - Neighborhood Services	554	Circulation Services	Oversee circulation of materials to customers and assist with their library accounts
<div>Update Delete</div>	Governance	Innovation & Technology	none	513	Citizen Emergency Notification Services Program	Maintain and support all technical requirements needed for software to function
<div>Update Delete</div>	Community	City Manager	1100 - CM Administration	48	Citizen Inquiry and Response	Receive citizen inquiries and concerns and coordinate follow-up. Operate the city call center.
<div>Update Delete</div>	Community	City Council	none	39	Citizen Point of Contact	City Council members often respond to inquiries from the public. The City Council, as the public's elected representatives, are accessible and responsive to the public.

Showing 126 to 150 of 949 entries

Previous

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Next



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PROGRAM COSTING

Program Insights and Cost Summary - Circulation Services

Program Description: Oversee circulation of materials to customers and assist with their library accounts

Program Insights Edit Program Description Program Cost Summary

Total Cost: 1,425,029

Personnel Cost: 1,226,930 Program FTE: 16.28

Current Allocation	Program Cost	Position Name	Position ID	Name	Account
6.67	4,772	Senior Administrative Assistant	510353001		101-5130000-510353001
6.67	10,673	Assistant Library Director	510035001		101-5130000-510035001
5.00	11,099	Library Director	510040001		101-5130000-510040001
2.00	1,981	Library Digital Systems Specialist	510165001		101-5130000-510165001
5.00	8,888	Administrative Services Manager	519571001		101-5130000-519571001
50.00	35,131	Senior Office Specialist	510082002		101-5135000-510082002
6.67	1,203	General Service Worker	512930999		101-5135000-512930999
15.00	2,338	Library Page	515770999		101-5135000-515770999
40.00	27,494	Library Assistant	515785001		101-5135000-515785001

NonPersonnel Cost: 198,099

Current Allocation	Program Cost	GL Object Description	GL Object	Account
4.22	6,155	IT-Internet Service Provider	421215	101-5130000-421215
4.22	42	Telephone	422200	101-5130000-422200
4.22	121	Telephone - Cellular	422320	101-5130000-422320
4.22	265	Motor Pool Equipment Rental	423400	101-5130000-423400
4.22	34	Vehicle Usage Reimb Employee	423500	101-5130000-423500
3.82	1,811	All Other Equip Maint/Repair	424220	101-5130000-424220
27.25	3,379	Gas	422300	101-5135000-422300
27.25	7,572	Water	422500	101-5135000-422500
27.25	7,766	Other Utilities	422600	101-5135000-422600

Program Revenue: 91,000

Current Allocation	Program Revenue	GL Object Description	GL Object	Account
100.00	91,000	Library Fines - City	351010	101-5135000-351010



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PROGRAM SCORING

Complete Program Scoring from the Program or Result perspective.

Select User Group for Program Scoring

Fire

Scoring by Result Scoring by Program

Scoring by Result Click on the bars to see the scores by result.

Result Type:

BPA

Community Trust	
Demand	
Equity	
Fiscal Responsibility	
Innovation	
Mandate	
PopServed	
RecoveryCost	
Reliance	
Sustainability and Resiliency	

Program Scoring

Complete Program Scoring from the Program or Result perspective.

Select User Group for Program Scoring

Fire


Scoring by Result Scoring by Program

Scoring by Result Click on the bars to see the scores by result.

Result Type:

Community

Arts, Culture and Recreation	
Community Well-Being	
Economic Opportunity	
Environmental Stewardship	
Infrastructure, Mobile & Connect	



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PROGRAM INSIGHTS

Decrease Service Level

Programs Identified for Service Level Decrease:

User Group	Program	2020 - Pr
Fire Rescue-Operations	Emergency Medical Services	5,0
	Total	5,0

Partnership Opportunity

Increase Service Level

Emergency Medical Services

User Group: Fire-Operations

Total Cost: 5,024,731 FTE: 50.8 Personnel: 4,812,789 NonPersonnel: 211,942

Quartile: 2

Final score (out of 100): 61.1

Description: Advanced and basic life support, ambulance transport services, medical alarm response, fire, emergency medical and motor vehicle collision response.

Comment: none

Animal Sheltering and Care

User Group: Animal Control


Total Cost: 106,777 FTE: 2.42 Personnel: 91,022 NonPersonnel: 15,755

Quartile: 3

Final score (out of 100): 34.7

Description: Care and maintenance of all impounded animals.

Comment: none



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FINAL PRODUCT



UNIQUE LIFESTYLE AND CHARACTER

ECONOMIC VITALITY

ENHANCE NEIGHBORHOODS

PRESERVE MEANINGFUL OPEN SPACE

SEEK SUSTAINABILITY

ADVANCE TRANSPORTATION

GOOD GOVERNANCE

Provide analysis planning and policy development which supports data-informed decision-making

Communicate effectively about city programs and services

Support fiscally-sound policies and operations and effective resource management

Encourage a high-performing and innovative organization and work culture

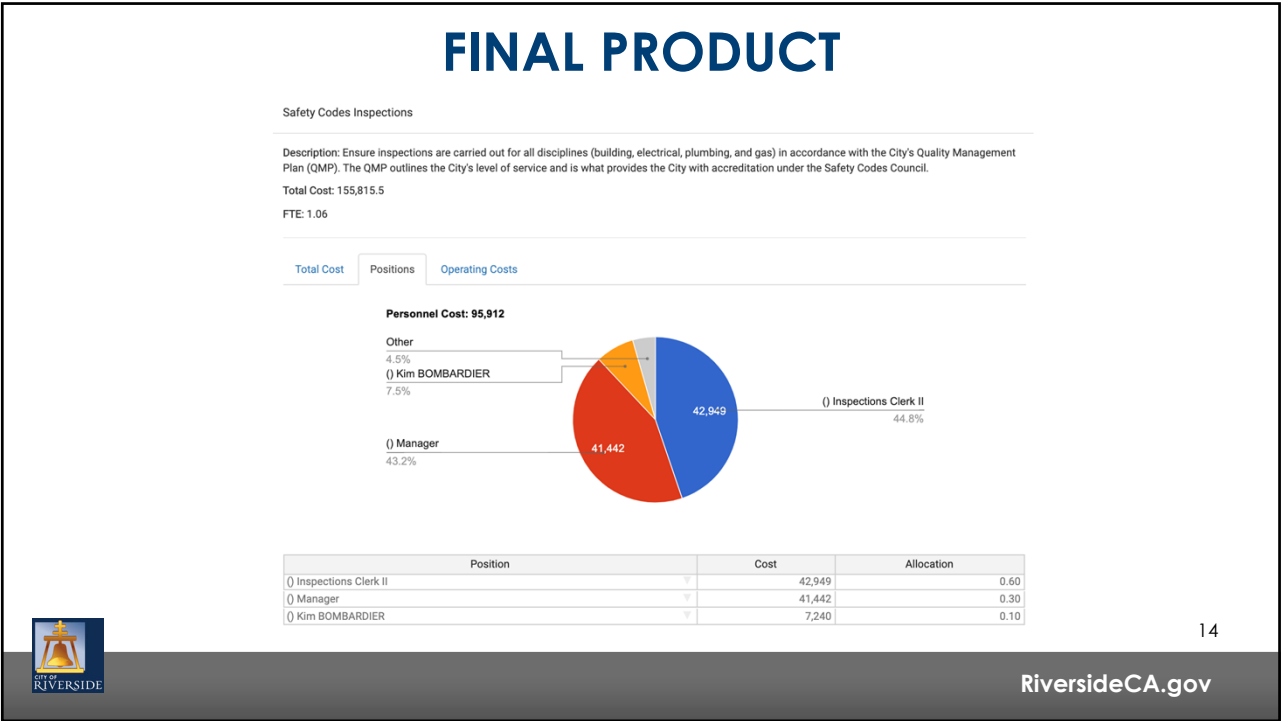
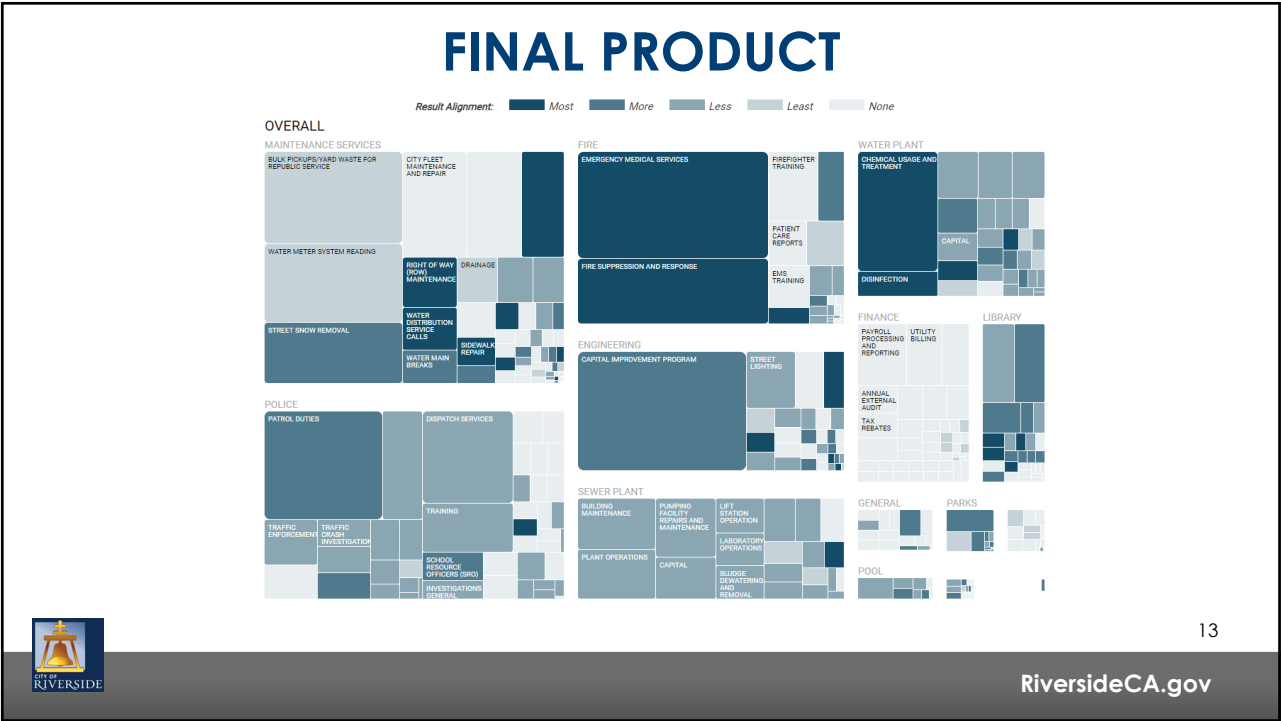
Ensure community is prepared to respond to emergencies

Implement reliable and innovative technology solutions to provide and support city functions



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STATUS AND TIMELINE

Completed:

- ✓ Planning Session - July 21
- ✓ Super Users Identified - August 21
- ✓ Charter Development - August 27
- ✓ Budget Uploaded - August 28
- ✓ Department Users Identified - September 4
- ✓ PBB 101 and Program Inventory Training - September 9 & 10
- ✓ PBB 101 Awareness Piece - September 14th
- ✓ Strategic Priorities approved - September 15th
- ✓ Program Inventory Complete - September 25th
- ✓ Costing Training - October 1
- ✓ Scoring Training - October 7 & 13
- ✓ Peer Review Training - October 22



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STATUS AND TIMELINE

Upcoming:

- ☐ Cost Allocation and Program Scoring complete - November 6
- ☐ Peer Review begins - week of November 9
- ☐ Insights Training - November 12
- ☐ Peer Review complete - December 4
- ☐ Final Review Training - week of December 7
- ☐ Next Steps: What to do with the Data? - week of December 14
- ☐ Post implementation Check-in - mid January 2021



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QUESTIONS

