

Presentation on Priority Based Budgeting: Update and Next Steps

Priority Based Budgeting Overview

Priority Based Budgeting (PBB) provides elected officials and other decision-makers with a "new lens" through which to frame the line item budget in order to make better-informed financial and budgeting decisions.

With PBB we will...

- identify how the allocation of our resources aligns with our priorities.
- understand the cost of providing programs.
- be able to identify the programs that offer the highest value and continue to provide funding for them, while potentially reducing or looking for efficiencies in lower value programs.
- have the data to make better informed financial and budget decisions.

PBB Steps

1. Inventory
2. Cost
3. Scoring
4. Presentation
5. Analyze



Completed Steps



What do we do?

Getting started with Priority Based Budgeting

- A program inventory is a list of services, and descriptions of those services, that the organization provides.
- Answers the question “What do we do?”
- Programs fit into one of the following types:
 - Community
 - Governance

Inventory

Cost

Score

Present

Analyze

What does it cost?

Allocating line item costs to programs

- Allocates the line item budget, both Personnel and NonPersonnel costs, to the programs previously identified.
- Answers the question, “What does it cost?”
- Allows us to know the true cost of providing a program.

Inventory

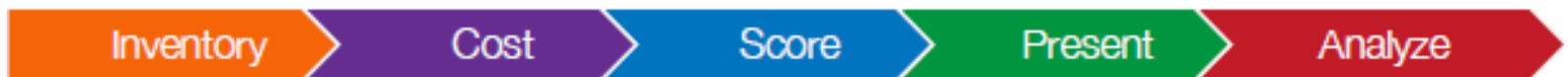
Cost

Score

Present

Analyze

Next Steps



Why are we in business?

Prioritizing by scoring programs against results

- Programs will be scored against a defined set of results:
 - **All programs** are scored against **Basic Program Attributes (BPAs)**.
 - **Community programs** are scored against **Community results**.
 - **Governance programs** are scored against **Governance results**.

Inventory

Cost

Score

Present

Analyze

Why are we in business?

Prioritizing by scoring programs against results

Basic Program Attributes

	4	3	2	1	0
Mandate	Federal/ State Mandate	City Charter and/ or Ordinance	Internal Mandate: City and/ or Department Policy	Internal Mandate: Best Practice/ Recommendation (accreditation, professional organization, etc.)	No Mandate
Reliance	City is sole provider and could not be contracted with another entity.		Program or service could be contracted with another entity with <u>difficulty</u> .		Program or service is or could be contracted.
Cost Recovery	Up to 100% of Cost is Recovered through External Fees or Grants	Up to 75% of Cost is Recovered through External Fees or Grants	Up to 50% of Cost is Recovered through External Fees or Grants	Up to 25% of Cost is Recovered through External Fees or Grants	No fees are generated
Demand	Demand is Increasing (based on Data Point)		Demand is Flat or Data is Unknown		Demand is Decreasing
Population Served	Available and Provided to More than 50% (based on Data Point)		Available to more than 50% and provided to less than 50%		Available and provided to less than 50%

Inventory

Cost

Score

Present

Analyze

Why are we in business?

Prioritizing by scoring programs against results

Community					
Result 1 Strategic Economic Growth and Development	Result 2 Strong Neighborhoods	Result 3 Cultural and Recreational Amenities	Result 4 Community Health and Wellbeing	Result 5 Infrastructure and Transportation	Result 6 Safe and Secure Community
Build an adequate framework for continued growth in a changing environment.	Maintain thriving, quality neighborhoods that connect a diversity of residents throughout the community.	Create a community that celebrates, welcomes, and supports cultural arts and recreation amenities.	Support a healthy, happy community by improving healthy lifestyle choices and opportunities.	Sustain and enhance City infrastructure to protect a high quality of life.	Sustain and enhance safety and security throughout the community to protect a high quality of life.

Governance					
Result 1 Stewardship	Result 2 Communication and Engagement	Result 3 Forward Thinking and Innovation	Result 4 Transparency and Accountability	Result 5 Customer Experience	Result 6 High Performing Organization
Embrace resource stewardship to mitigate risk and foster sustainability.	Actively communicate and engage to provide information and seek input on issues and decisions.	Utilize innovative and forward thinking practices and approaches to deliver services.	Transparency and accountability are evident in our actions.	Utilize practices and processes to foster a positive customer experience.	Utilizes resources and provides support for continuous improvement and development.

Inventory

Cost

Score

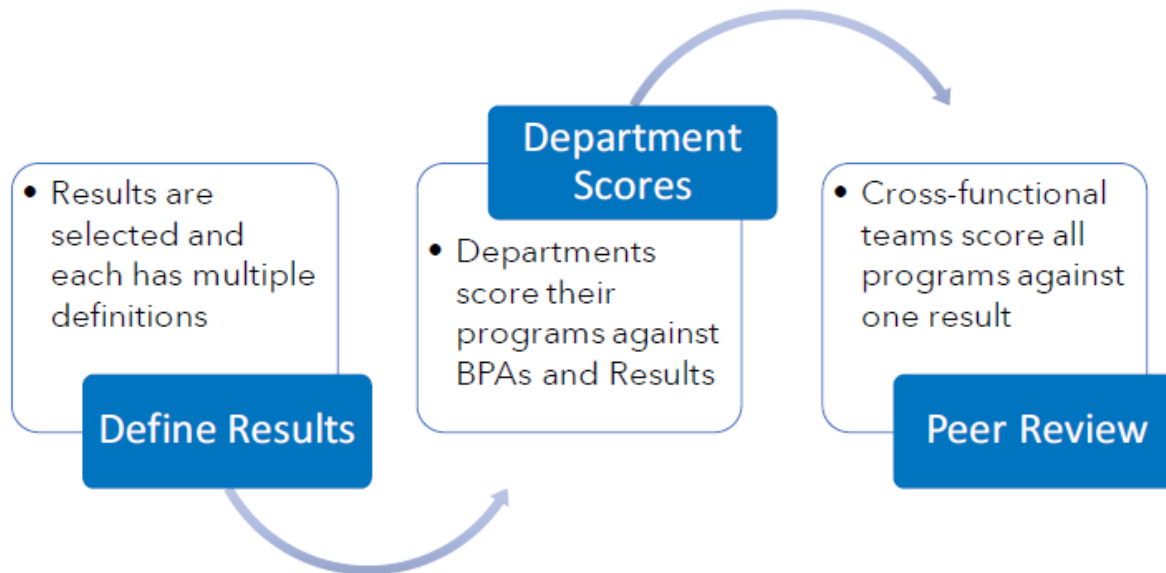
Present

Analyze

Why are we in business?

Prioritizing by scoring programs against results

- Programs will be scored by 2 groups:
 - Departments
 - Peer Review Teams



Inventory

Cost

Score

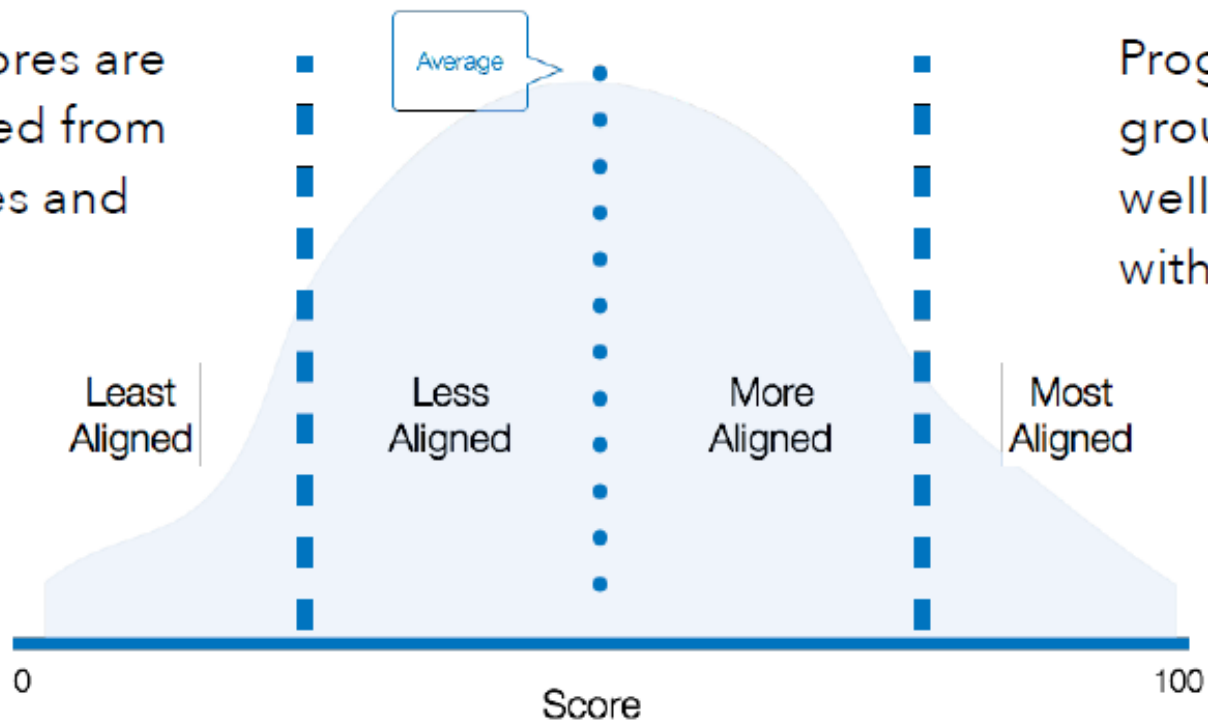
Present

Analyze

Why are we in business?

Prioritizing by scoring programs against results

Final scores are calculated from attributes and results



Programs are grouped on how well they align with results

Inventory

Cost

Score

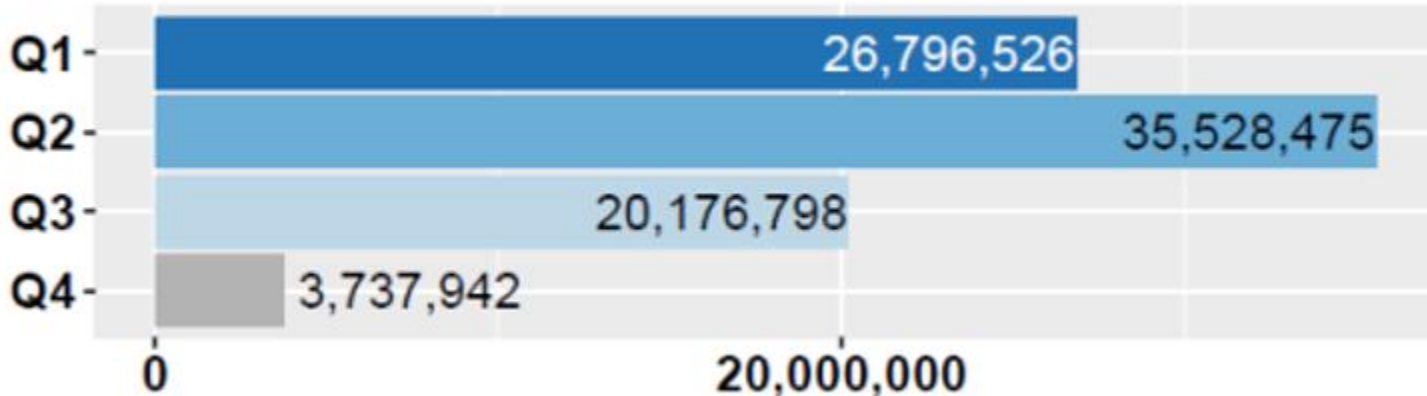
Present

Analyze

How do we explain PBB?

Presenting your work in Priority Based Budgeting

- One common way to present PBB data is to categorize programs into quartiles, which shows how well our resources are aligned to our priorities.



Inventory

Cost

Score

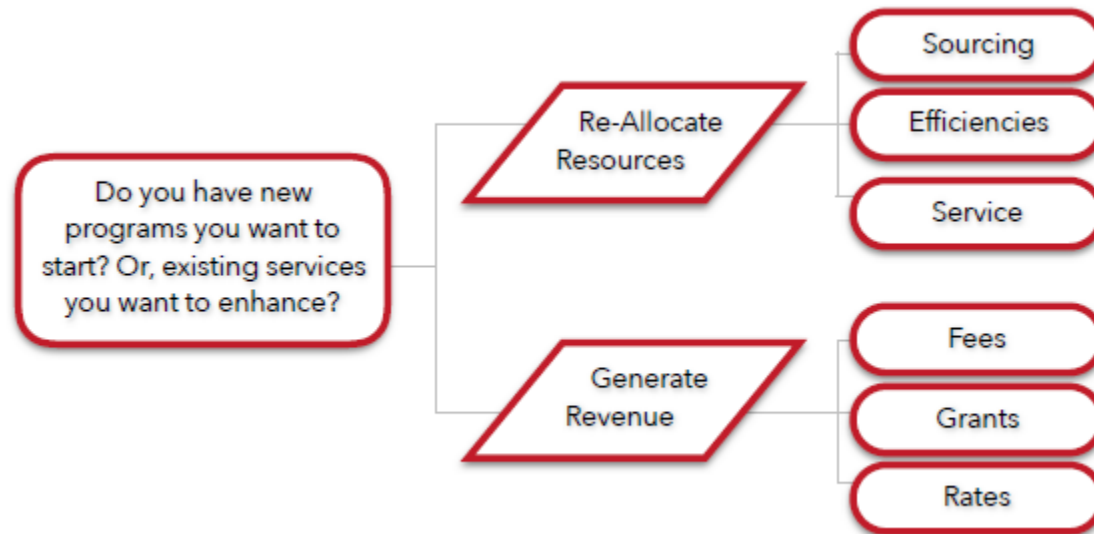
Present

Analyze

What to do with PBB data?

Analyzing data and taking action to achieve results

- Through PBB, we will have the necessary data to perform analyses and make better-informed financial and budgeting decisions.



Inventory

Cost

Score

Present

Analyze

Community and Governance Results

The Community and Governance Results were based on the priorities outlined in existing plans and documents:

- Strategic Plan (LS Ignite)
- 2019 City of Lee’s Summit Citizen Survey
- Business Plan (2013-2018)

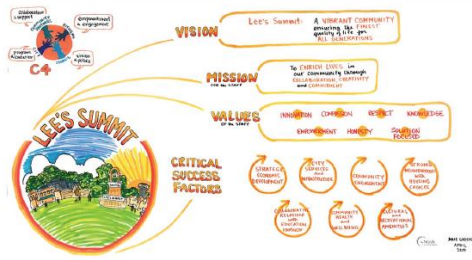
CITY OF LEE'S SUMMIT COMMUNITY STRATEGIC PLAN

STRATEGIC PLAN FRAMEWORK

Vision
Lee's Summit: A vibrant community ensuring the finest quality of life for all generations

Organizational Mission
To enrich lives in our community through collaboration, creativity, and commitment

Organizational Values
Innovation, Compassion, Respect, Knowledge, Empowerment, Honesty, Solution Focused



City of Lee’s Summit
 Citizen Survey
 Findings Report

...helping organizations make better decisions since 1982

2019

Submitted to the City of Lee’s Summit, Missouri

ETC Institute
 725 W. Frontier Lane,
 Olathe, Kansas
 66061

March 2019

City of Lee’s Summit Business Plan
 2013-2018

VISION

A Culturally Rich Community with Diverse Economic Sectors to Create a Prosperous and Dynamic Community in Perpetuity

MISSION

Our mission is to create positive community relationships and a progressive organization delivering valued programs and services.

CORE VALUES

Professionalism, Trustworthy, Customer Focus, Communication, Accountability, Collaborative, Innovation, Engaged

GOALS & OBJECTIVES

- Customer Focus**
 - Ensure customer engagement
 - Maximize customer satisfaction through proactive and effective relationship building
 - Foster customer self-sufficiency (technology)
 - Ensure Employee satisfaction and engagement
 - Proactively manage workforce capacity and capability
 - Foster employee technological self-sufficiency
- Delivery of Services**
 - Utilize technology to facilitate optimum delivery of services
 - Ensure a systems-based process to organizational management and planning
 - Ensure City infrastructure supports and facilitates the delivery of service to customers
 - Ensure the delivery of the right services at the right time to customers
- Workforce**
- Communication**
 - Maximize employee effectiveness through internal communication
 - Ensure effective stakeholder and citizen satisfaction through external communication
- Fiscal Accountability**
 - Ensure financial resources are available to meet strategic and daily operational needs effectively and efficiently
 - Effectively communicate financial tools and results to stakeholders

Community						
	Result 1 Strategic Economic Growth and Development	Result 2 Strong Neighborhoods	Result 3 Cultural and Recreational Amenities	Result 4 Community Health and Wellbeing	Result 5 Infrastructure and Transportation	Result 6 Safe and Secure Community
	Build an adequate framework for continued growth in a changing environment.	Maintain thriving, quality neighborhoods that connect a diversity of residents throughout the community.	Create a community that celebrates, welcomes, and supports cultural arts and recreation amenities.	Support a healthy, happy community by improving healthy lifestyle choices and opportunities.	Sustain and enhance City infrastructure to protect a high quality of life.	Sustain and enhance safety and security throughout the community to protect a high quality of life.
Definition 1	<p>Diverse Economic Base</p> <p>Facilitates business development and growth through appropriate incentives, shared resources, community partnerships and "business-friendly", efficient processes to define and plan for a diversified economic base.</p> <p>(SP1A; SP6)</p>	<p>Affordable, Diverse Housing Options</p> <p>Supports the availability of diverse and affordable housing choices that meet the needs of the community.</p> <p>(SP2A; SP2B)</p>	<p>Events</p> <p>Promotes and supports a variety of affordable, accessible and safe community and cultural events, celebrations and entertainment opportunities that promote a spirit of community and attract residents and visitors.</p> <p>(SP3A; CS5; CS14)</p>	<p>Mental Health/ Vulnerable Populations</p> <p>Monitors the physical, mental and socioeconomic well-being of the community, actively partnering with others to improve the situations of those in need.</p> <p>(SP5A; CS1; CS2)</p>	<p>Facilities</p> <p>Continuously improves and invests in well-maintained, safe and effective public infrastructure network and accessible, efficient, adequately regulated city facilities.</p> <p>(SP7; SP7B; CS3; BP2C)</p>	<p>Protection and Enforcement</p> <p>Protects the community from harm, justly and fairly enforces the law, reduces the occurrence of crime, promptly responds to calls for service and is well-prepared for all emergency situations.</p> <p>(SP7; SP7B; CS1; CS2)</p>
Definition 2	<p>Business Attraction and Retention</p> <p>Attracts, recruits and retains economically sustainable, diverse, well-balanced mix of targeted business and industry that enhance job creation.</p> <p>(SP1; SP1B; SP6)</p>	<p>Code Enforcement</p> <p>Upholds community standards for safety and appearance through selective and proactive code enforcement.</p> <p>(SP2C; CS9)</p>	<p>Facilities</p> <p>Invests and maintains public facilities and infrastructure that are functional, long-lasting and safe; providing gathering places and connecting the community</p> <p>(SP3C; CS5; CS14; BP2C)</p>	<p>Community Fitness</p> <p>Offers a variety of accessible and affordable indoor and outdoor recreational/leisure-time programs and activities to meet a variety of diverse interests and promote a healthy lifestyle.</p> <p>(SP5B; CS5)</p>	<p>Transportation</p> <p>Continuously and proactively maintains, repairs, improves and invests in its transportation infrastructure (roadways, bridges, street lights, and sidewalks).</p> <p>(SP7; SP7B; CS3; BP2C)</p>	<p>Emergency Response</p> <p>Provides for a well-planned, effective and prompt response to emergencies of all kinds, including individual calls for service, fires, public safety threats and natural disasters.</p> <p>(SP7; SP7B; CS1; CS2)</p>
Definition 3	<p>Workforce Development</p> <p>Proactively collaborates with stakeholders to promote quality job creation and retention, offering a broad range of well-paying employment opportunities, and providing a skilled, educated workforce that meets the needs of employers.</p> <p>(SP1; SP6A; SP6B)</p>	<p>Safe and Quality Neighborhoods</p> <p>Creates an environment where residents feel safe and secure in their homes, neighborhoods and public spaces.</p> <p>(SP2; SP7; CS1; CS2)</p>	<p>Parks and Open Spaces</p> <p>Develops, preserves, enhances and invests in its community parks, neighborhood parks, open spaces, green spaces, lakes and waterways, ensuring they are safe, clean, attractive and accessible.</p> <p>(SP3C; CS5)</p>	<p>Spirit of Community</p> <p>Empowers citizens to be partners in a connected community, providing opportunities for volunteerism, partnerships, and community input.</p> <p>(SP5C; CS14)</p>	<p>Infrastructure</p> <p>Designs, builds, improves, and proactively maintains an infrastructure system that provides safe, affordable, and reliable water, sewer, and storm water services.</p> <p>(SP7; SP7B; CS4; CS8; CS11; BP2C)</p>	<p>Safety Presence</p> <p>Fosters a feeling of safety through a visible and approachable public safety presence and proactive prevention.</p> <p>(SP7; SP7B; CS1; CS2; CS12)</p>

Community						
	Result 1 Strategic Economic Growth and Development	Result 2 Strong Neighborhoods	Result 3 Cultural and Recreational Amenities	Result 4 Community Health and Wellbeing	Result 5 Infrastructure and Transportation	Result 6 Safe and Secure Community
Definition 4	<p>Transportation Connectivity</p> <p>Provides for a safe, integrated transportation network that supports mobility and ensures local and regional connectivity for all users. (SP7B; CS3; CS5; BP2C)</p>	<p>Transportation Network</p> <p>Provides a public transportation network that is well maintained, well lit, accessible, and enhances traffic flow and mobility for vehicles, cyclists, and pedestrians. (SP7B; CS3; CS5; CS6; BP2C)</p>	<p>Programs</p> <p>Provides a diverse mix of affordable, safe and convenient recreational and leisure-time venues and programs that meet the interests and needs of a variety of ages and abilities. (SP3; CS5)</p>	<p>Informed, Engaged and Educated Citizens</p> <p>Utilizes existing and develops new approaches to foster and facilitate community involvement, participation, engagement and collaboration. (SP5; SP4A; SP4B)</p>	<p>Traffic and Congestion Management</p> <p>Designs and builds an accessible, convenient transportation system that reduces congestion, improves traffic flow and enhances mobility. (SP7; SP7B; CS6)</p>	<p>Well Built, Safe Structures</p> <p>Provides for appropriately designed, structurally sound and adequately regulated buildings and infrastructure, as well as safe, well-maintained parks, open spaces and public spaces. (SP7; CS3; CS4; CS5; CS8; CS11; BP2C)</p>
Definition 5	<p>Amenities that Attract Businesses and Workers</p> <p>Provides for a quality of life that attracts, sustains and retains diverse businesses, educated and skilled workers, and creative entrepreneurs. (SP3; SP6A; SP7; CS5)</p>	<p>Community Collaboration and Education</p> <p>Proactively partners with residents, businesses and community groups to address issues, seek input, facilitate effective communication and educate the community on resources and opportunities. (SP2D; SP4; SP6B; CS10; CS14)</p>	<p>Cultural Arts</p> <p>Advances cultural enrichment by encouraging and supporting the visual, performing, graphic and literary arts and promoting multi-cultural events and preserving its historical heritage. (SP3; SP3A; SP3C; CS14)</p>			<p>Safe Transportation Infrastructure</p> <p>Plans, designs and builds transportation infrastructure to ensure safety for all users including vehicles, cyclists, and pedestrians. (SP7; CS3; BP2C)</p>
Definition 6	<p>Purposeful Growth</p> <p>Encourages and supports strategically planned and well-designed mixed use development and redevelopment, enhancing its desirability as a great place to live and work. (SP7A; CS7)</p>	<p>Water Quality and Treatment</p> <p>Provides, maintains and improves a reliable infrastructure system that delivers safe, clean water, effectively manages wastewater treatment and ensures efficient storm water collection and drainage. (SP7B; CS4; CS8; CS11)</p>				
Definition 7		<p>Amenities that Attract and Retain Residents</p> <p>Attracts and retains a diversity of residents by providing a quality of life and the amenities which help to maintain thriving, quality neighborhoods throughout the community. (SP3; SP7; CS5)</p>				

Governance						
	Result 1	Result 2	Result 3	Result 4	Result 5	Result 6
	Stewardship	Communication and Engagement	Forward Thinking and Innovation	Transparency and Accountability	Customer Experience	High Performing Organization
	Embrace resource stewardship to mitigate risk and foster sustainability.	Actively communicate and engage to provide information and seek input on issues and decisions.	Utilize innovative and forward thinking practices and approaches to deliver services.	Transparency and accountability are evident in our actions.	Utilize practices and processes to foster a positive customer experience.	Utilizes resources and provides support for continuous improvement and development.
Definition 1	<p>Resource Stewardship</p> <p>Provides stewardship and manages the sustainability of financial, human, and physical resources to ensure resources are available to meet strategic and daily operational needs.</p> <p>(SP1D; BP5A)</p>	<p>Communication</p> <p>Maximize employee effectiveness by ensuring two-way communication and encouraging input and feedback.</p> <p>(CS10; BP4A)</p>	<p>Forward Thinking Planning</p> <p>Supports decision-making and planning with timely and accurate short-term and long-range analysis that enhances vision and is forward thinking.</p> <p>(SP1C; SP7A; BP2B)</p>	<p>Proactive Information Sharing</p> <p>Proactively share and publish information to increase transparency and enhance accountability.</p> <p>(SP4; CS10; BP1A; BP5B)</p>	<p>Practices and Processes</p> <p>Utilizes technology, best practices, and innovative processes to meet customer needs.</p> <p>(CS13; BP1, BP2A-D)</p>	<p>Development</p> <p>Focuses on equipping, training and continuously expanding the abilities of decision-makers, leadership, management and staff to successfully accomplish goals and objectives.</p> <p>(BP3A; BP3B; BP3C)</p>
Definition 2	<p>Risk Mitigation</p> <p>Provides assurance of regulatory and policy compliance to mitigate risk and utilize resources appropriately.</p> <p>(BP5)</p>	<p>Accurate and Timely</p> <p>Delivers responsive, accurate, and timely information to communicate and engage employees and stakeholders.</p> <p>(BP4A; BP4B)</p>	<p>Collaboration and Partnerships</p> <p>Advances City interests and service delivery through collaboration and partnerships with local, regional and national partners and stakeholders.</p> <p>(SP6B)</p>	<p>Compliance</p> <p>Enables compliance with laws, ordinances, regulations and policies to ensure accountability.</p> <p>(BP Values)</p>	<p>Experience</p> <p>Enhances customer experience through proactive and effective relationship building, timely and effective collaboration, and from seeking input and feedback from customers.</p> <p>(CS13; BP1A; BP1B)</p>	<p>Invest In, Support and Engage Employees</p> <p>Utilizes resources to maintain and develop an efficient, well-trained and productive workforce dedicated to enriching lives in our community.</p> <p>(BP3A; BP3B; BP3C)</p>

Governance						
	Result 1	Result 2	Result 3	Result 4	Result 5	Result 6
	Stewardship	Communication and Engagement	Forward Thinking and Innovation	Transparency and Accountability	Customer Experience	High Performing Organization
	Embrace resource stewardship to mitigate risk and foster sustainability.	Actively communicate and engage to provide information and seek input on issues and decisions.	Utilize innovative and forward thinking practices and approaches to deliver services.	Transparency and accountability are evident in our actions.	Utilize practices and processes to foster a positive customer experience.	Utilizes resources and provides support for continuous improvement and development.
Definition 3	<p>Long-Term Focus</p> <p>Use of planning and analysis to ensure existing resources are available and sustainable (or potential resources could be made available) to fund services and implement plans. (SP3B; SP1C; BP5)</p>	<p>Secure, Accurate, and Accessible</p> <p>Ensures equal access in providing accurate, accessible, and secure information. (BP4)</p>	<p>Promote Accountability, Integrity, and Best Practices</p> <p>Support ongoing organizational innovation and efficient work processes to enhance accountability, knowledge, and best practices. (BP2B)</p>	<p>Evidence and Data Based</p> <p>Supports evidence-based decisions and reviews utilizing data, forecasts, and analysis to foster transparency and ensure accountability. (BP Values and SP Values)</p>	<p>Self-Sufficiency</p> <p>Processes, practices, and delivery methods allow for customer self-service and enhance self-sufficiency. (CS13; BP1C, BP3C)</p>	<p>Provide Necessary Resources and Information</p> <p>Provides the necessary resources (i.e. equipment, tools, technology, materials, etc.) and information so employees are able to provide high quality services. (BP3B; BP3C)</p>
Definition 4	<p>Resiliency</p> <p>Use of resources (i.e. human, technologies, systems, financial, etc.) contributes to or improves resiliency. (BP2A, BP2B, BP2C)</p>	<p>Communication Practices and Mediums</p> <p>Utilizes communication practices and mediums to engage and inform stakeholders, facilitate feedback, and encourage input in making decisions. (BP4A; BP4B)</p>				<p>Workforce: Attract, Recruit, Motivate, and Retain</p> <p>Attracts, recruits, motivates and retains a high-quality, diverse, engaged and productive workforce. (BP3A)</p>

The letters/ numbers in red after the definition are the cross references to the documents.

SP = Strategic Plan CS = Citizen Survey BP = Business Plan

Result 1 Strategic Economic Growth and Development	Result 2 Strong Neighborhoods
Build an adequate framework for continued growth in a changing environment.	Maintain thriving, quality neighborhoods that connect a diversity of residents throughout the community.
<p>Diverse Economic Base</p> <p>Facilitates business development and growth through appropriate incentives, shared resources, community partnerships and "business-friendly", efficient processes to define and plan for a diversified economic base.</p> <p>(SP1A; SP6)</p>	<p>Affordable, Diverse Housing Options</p> <p>Supports the availability of diverse and affordable housing choices that meet the needs of the community.</p> <p>(SP2A; SP2B)</p>



CRITICAL SUCCESS FACTORS

SP1  **STRATEGIC ECONOMIC DEVELOPMENT** - build an adaptable environment.

OBJECTIVES:

- A** - Define and plan for a diversified economic base
- B** - Focus recruitment and retention efforts
- C** - Implement economic development plans
- D** - Ensure fiscal sustainability

SP2  **STRONG NEIGHBORHOODS WITH HOUSING CHOICES** - maintain and connect a diversity of residents throughout the community.

OBJECTIVES:

- A** - Encourage affordable housing

PBB Implementation Team

- Bette Wordelman, Finance
- Brian Austerman, Fire
- Carole Culbertson, Parks and Recreation
- Chris Clubine, Administration
- Mathew Garrett, Parks and Recreation
- Sarah Shore, Public Works
- Steve Marsh, ITS

Questions?