



# Programmatic Budgeting Business Intelligence Initiative

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15 September 2020



# Today's Agenda

1. What is it?

2. What it is not.

3. Why Programmatic Budgeting?

4. How does it work?



What is it?

A stylized logo featuring two mountain peaks. The left peak is green and the right peak is dark blue. They are separated by a white, curved line that suggests a valley or a path.

**Sandy**  
HEART OF THE WASATCH



First and foremost... A management decision making tool.

This is not a finance initiative

Encourages collaboration in and between elected officials, staff and the community

Allows for the larger story to be told

Everyone should be interested and engaged for it to be successful





**It is not a weapon**

- It is not a cutting tool for the administration
- It is not designed to be used for pitting one department against another
- Not designed for elected officials to use against one another and the staff



# Every Program Has a Future...



## Creating new data unlocks unique insight



- Fundamental *business intelligence* to manage a 21<sup>st</sup> Century government
- *Every program offered*, how much it costs to provide it, cost recovery, population served, demand, degree of mandate, options to share, etc.
- Provide a consistent platform for accessing a program's resourcing needs

## Insights lead to options for innovation



- *Entrepreneurially*, what are your options to generate new *revenue*: through regional in-sourcing, cost recovery, grants, philanthropy, fees and charges?
- *Opportunistically*, where can we free up and *repurpose resources* through efficiencies, leveraging partner organizations (internally and externally)?

## Actionable ideas move the City forward



- *Amass resources* to invest in *new programs* that need to be launched, and current programs that need to be *enhanced*
- Execute on *revenue generation* ideas and *resource reallocation initiatives*
- *Fund the future* you're trying to create...

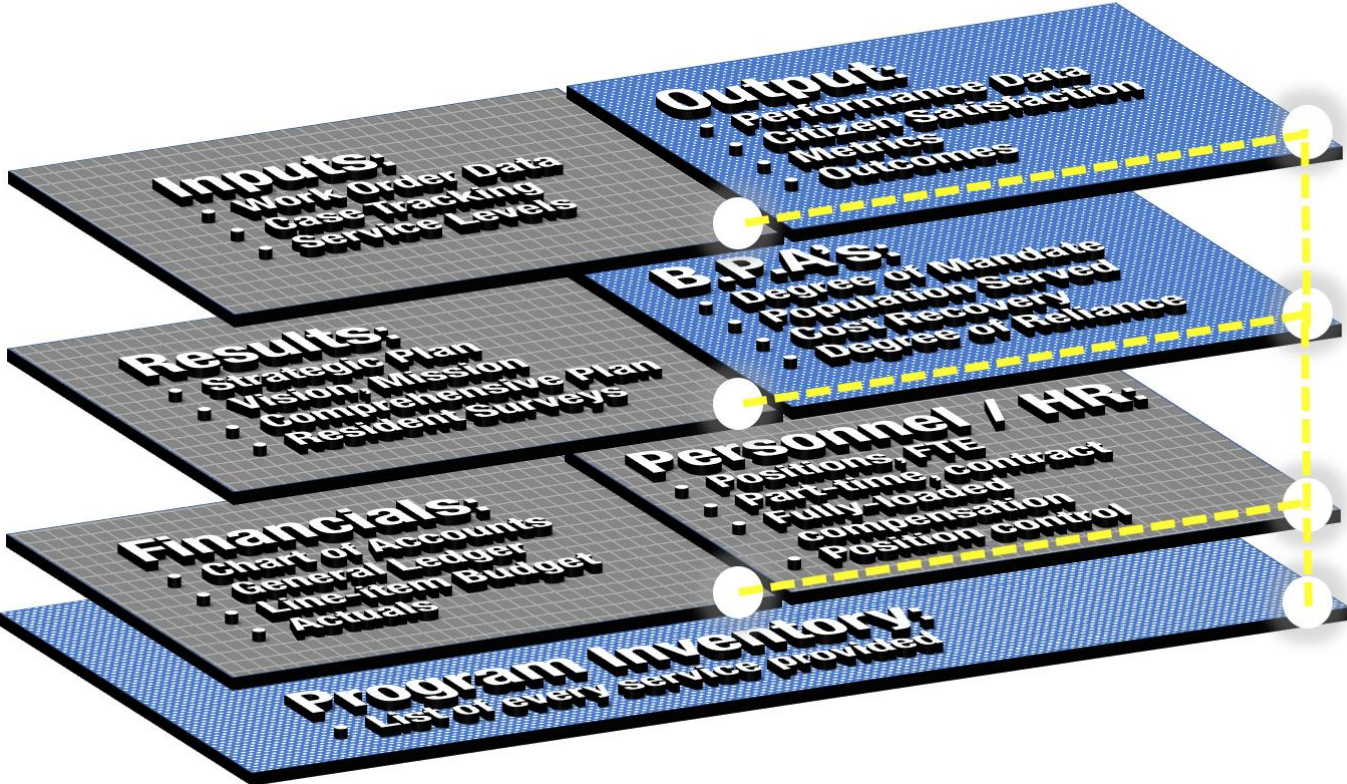




# Data Layers

# Process Techniques

# Best Practices



Performance  
Measurement

Program Scoring  
And Peer Review

Program Cost  
(and Revenue) Allocation

3

Performance-Based  
Budgeting

2

Priority-Based  
Budgeting

1

Programmatic  
Budgeting

# Programmatic Budgeting: What Do We Provide, and How Much Does it Cost?

MAIN MENU  
Site Navigation

Kalamazoo

2019 - Final

All Available

MODEL EDITOR  
Edit Program Inventory

resourceX

Program Inventory

Edit Program Inventory

Add a Program from SEARCH

Combine Programs

ADD PROGRAM

DOWNLOAD

Browse... No file selected

Show 100 entries

Options	ServiceType	Department	Division	ProgNum	Program	Description
<div>Update</div> <div>Delete</div>	Governance	Public Services	City Fleet	9258	Accident Investigations and Disciplinary Administration	Investigate all accident progressive disciplinary exception of Public
<div>Update</div> <div>Delete</div>	Governance	Management Services	Financial Services	9139	Accounts Payable Processing	Complete vendor statements obtaining W9 information approve invoices for Review monthly vendor Compile annual data to requisitions to ensure that payments can be made ag
<div>Update</div> <div>Delete</div>	Governance	Management Services	Treasury	9172	Accounts Receivable	Invoice generation and mailings. Follow application of liens. Report and analyze m
<div>Update</div>	Community	Community Planning & Development	Trades	108	ADA Compliance Reviews & Inspections	Review of construction plans for compliance with Americans with Disabilities Act requirements 775

Showing 1 to 25 of 544 entries

Previous

1

2

3

4

5

...

22

Next

**544**  
**Programs Identified**  
(each with a price, workforce, cost recovery)



# Final Product



SAFE COMMUNITY	SUSTAINABLE GROWTH	ECONOMIC DEVELOPMENT	CIVIC DEVELOPMENT	BALANCED REGULATORY ENVIRONMENT	AMENITIES AND OPEN SPACE	ENGAGED COMMUNITY	GOOD GOVERNANCE
Offers Protection, Enforces the Law and Is Well-Prepared to Promptly and Effectively Respond to Emergencies and Calls for Service	Fosters a Feeling of Personal Security and Security for Individuals in their Neighborhoods, Commercial Areas, Public Facilities and Outdoor Spaces throughout the Community	Maintains a Visible Public Safety Presence that Addresses Community Concerns and Focuses on Prevention and Intervention	Provides for a Safe Well-Maintained Public Infrastructure That Ensures Safe Travel for Vehicles and Pedestrians and Ensures the Safe and Reliable Delivery of Utility Services	Promotes and Sustains a Well-Designed, Properly Regulated, Economically Thriving and Visually Appealing Community	Builds an Informed, Engaged and Educated Community that Shares in the Responsibility for its Safety and Well-Being		

**Select Tabset**  
Results

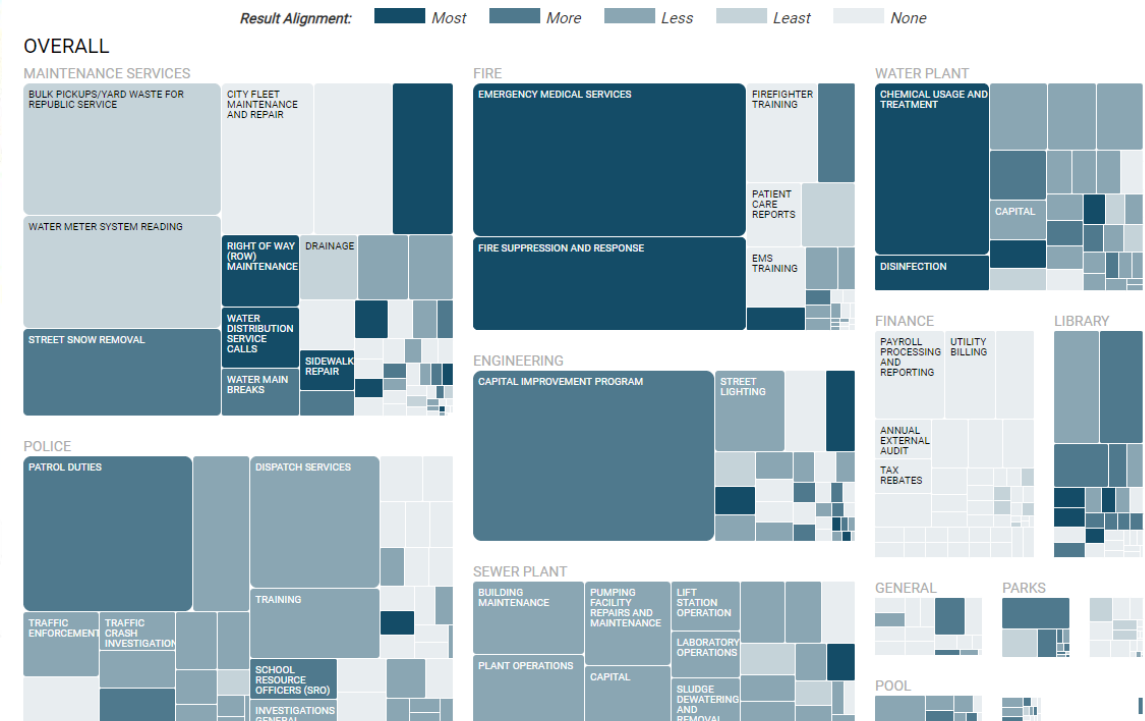
**Select Budget**  
FY20

**Select a Service Area**  
All Available

Summary **TreePlot** Table Reports

Click into the boxes below for more detail, you can click down to view details on Departments, Divisions, and Programs. Click "Overall" to return to the top.

## OVERALL



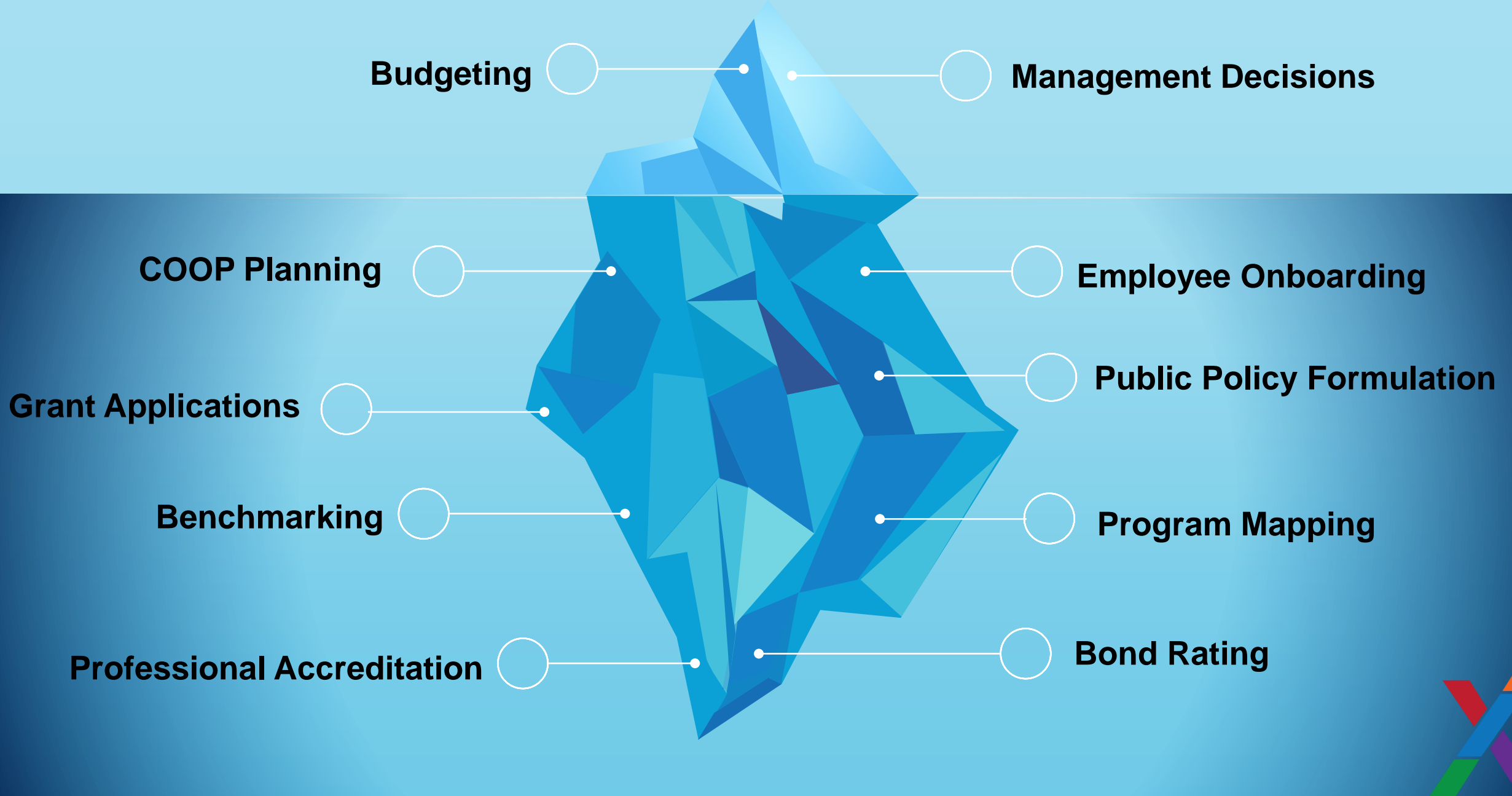
The logo features two stylized mountain peaks. The left peak is green and the right peak is dark blue. The text "Why do it?" is centered over the green peak.

Why do it?

**Sandy**  
HEART OF THE WASATCH



# Programmatic Based Business Intelligence Uses



# The Problem



## Accessibility

Are you implementing PBBi to make it easier for the public to see what and how their tax money is being allocated?



## Prickly Issues

Looking for a way to help diffuse other prickly issues relating to budgeting and decision making?



## Zero Sum Game

Looking for a way to end the zero-sum budget game where some departments win and others lose?



## Organizational Efficiency

Looking for a way to generate data that can help with programmatic and organizational efficiency?



## Insufficient Resources

Finding it difficult to fund both capital and operational needs?



# Benefits of a Program Initiative

- Better way of approaching the budget and decision-making process
  - Inclusive
  - Accountability
  - Aligns community strategies with service delivery
  - Encourages collaboration
  - Allows policy makers and policy implementers to work hand in hand
- Aids in defining roles
  - Policy
  - Execution
- Prepares an organization for when a fiscal emergency does occur
- Resulting data can be shared with community
- Process can involve the public in helping establish key priorities





# Line Item Budgeting Just Wasn't Working

Maintaining the Status  
Quo is a recipe for  
stagnation.



# What did I find out?



- It's not all about the budget!
- This is a fantastic management decision making tool
- PBBi takes leadership at all levels
- PBBi requires change management
- How to guarantee failure with implementation



# What did I find out?



- PBBi is a journey not a destination
- Programs tell much better stories than line items
- Programs are a great conversation starter
- You learn a lot about your organization through programs



# PBB Blue Print

To Fund the Future

## We have new needs...

- ...to launch **new programs** to tackle emerging challenges
- ...to **enhance current programs** that need additional resources

⋮

## We have no new needs...

- Preserve, maintain current services
- Or, seek to lower tax rates or refund tax-payers

**PBBi is a tool, a means to an end...**



# PBB Blue Print

To Fund the Future

## We have new needs...

- ...to launch **new programs** to tackle emerging challenges
- ...to **enhance current programs** that need additional resources

Free-up &  
Re-allocate  
Resources

Generate  
New  
Revenue

**We have 2 basic levers...**

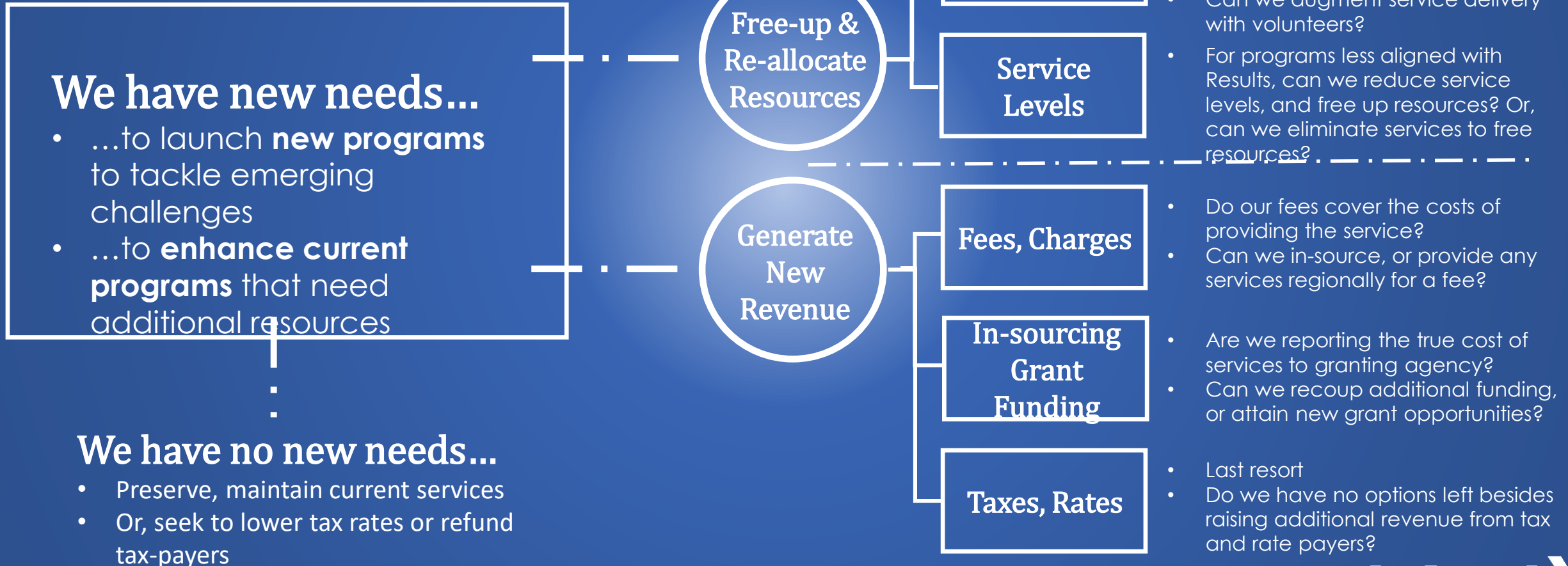
## We have no new needs...

- Preserve, maintain current services
- Or, seek to lower tax rates or refund tax-payers



# PBB Blue Print

## To Fund the Future





# City of South Jordan, Utah

2016-2020 (current)

We have new needs...

18%

**\$10.2 million**

Increased investment in  
service level increases and  
new programs

**11%**

From Resource  
Re-allocation

**7%**

From New  
Revenue

Sourcing

**5% freed up**

**\$2.6 million**

Efficiencies

**3% freed up**

**\$1.7 million**

Service Levels

**3% freed up**

**\$1.5 million**

Fees, Charges

**6% new revenue**

**\$3.5 million**

In-sourcing  
Grant Funding

**1% tax revenue**

**\$711,607**

Taxes, Rates

**resourceX**  
reinventing fiscal analytics



How does  
implementation  
work?

**Sandy**  
HEART OF THE WASATCH



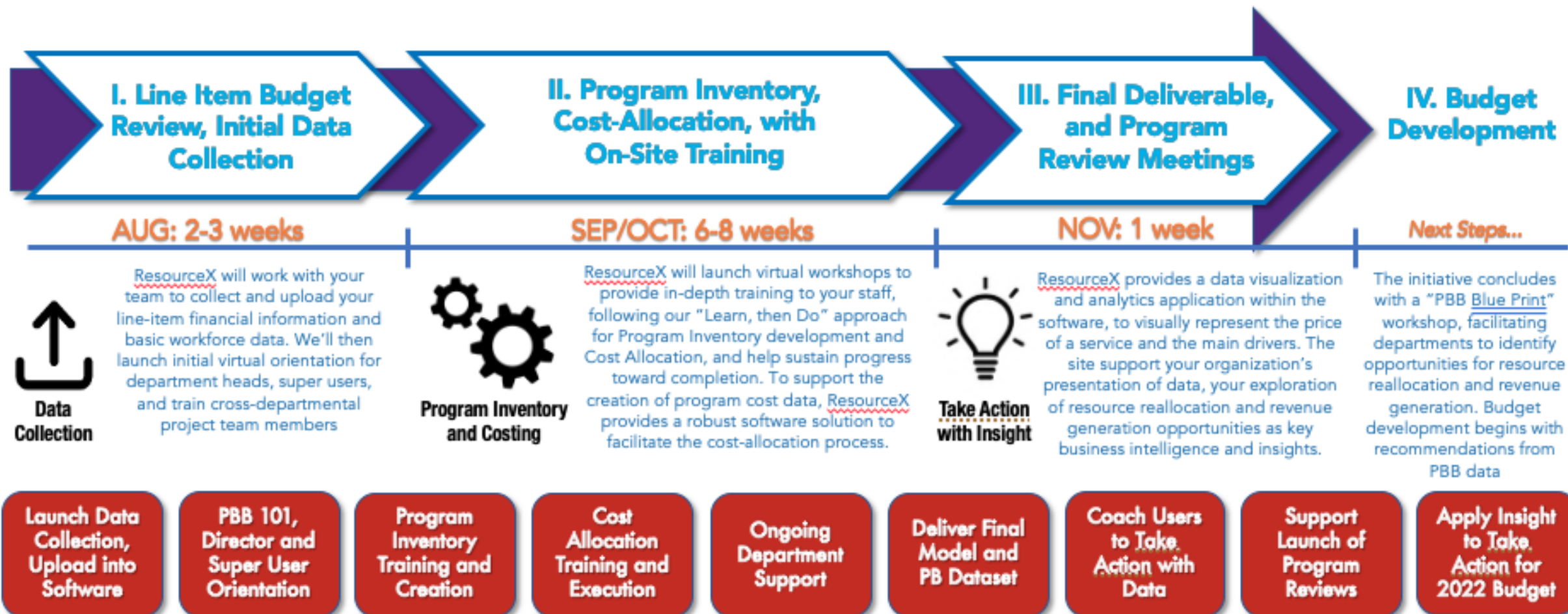


# City of Riverside, California

## Program Based Business Intelligence



**DRAFT** PBBi Implementation Plan and Timeline **DRAFT**



# Program Inventory

What Services Do We Offer?

MAIN MENU  
Site Navigation

Salem

2020 - Final


All Available

resourceX  
reinventing fiscal analytics


Dashboard

SuperUser


Admin




**Program Inventory** - Update program inventory.




**Program Costing** - Complete program cost allocation.




**Program Scores** - Complete program scoring.




**Present PBB** - Visualize the outcomes of PBB.




**Resource Alignment** - Study your program costs.




**Reports** - Download a Program Manual. Export raw data.



**Support Documentation** - Indexed help for the online PBB tool.



**EngagePBB** - Access forums and the PBB community.



**Blog** - News and events surrounding Priority Based Budgeting.





# 180,000+ programs to guide you

200+ implementations since 2008

Program Inventory

Edit Program Inventory

Add a Program from SEARCH

Combine Programs

Search from a list of programs used by others in the PBB community. Then select programs to add to your inventory.

The Program's name and description will be added to your Inventory where you may further update the program fields. Scores listed here will NOT be transferred to your organization.

Add highlighted Programs to selected User Group

City Manager

Add Programs

Show 

100

 entries

Search: 

homeless

Org	RX_Department	Department	Division	Program	Description
<div>All</div>	<div>All</div>	<div>All</div>	<div>All</div>	<div>All</div>	<div>All</div>
Idaho Falls, ID	Police	Police	Animal Services	Animal Sheltering	Sheltering of stray/homeless animals
Rapid City, SD	Citizen (Public) Engagement	Community Resources	Community Development	City Initiatives for Homelessness, Affordable Housing and Prosperity	Community coordination, collaboration and enlistment for addressing City initiatives on Homelessness, Affordable Housing, and Prosperity.
Goodyear, AZ	City/County Administrator's (Manager's) Office	City Manager	Intergovernmental Relations (1320)	Community Partnerships & Support	Community Organization Partnership & Support: Support various community organizations through serving on boards and/or committees, participating in meetings and supporting events. (i.e., Three Rivers Historical Society; Homeless Youth Connection; YMCA, Southwest Valley Chamber of Commerce; Estrella Mountain Community College; Homeless Youth Connection; Westmec; Rotary; Arizona Department of Transportation (ADOT)school districts, other municipalities
Douglas County, NV	Neighborhood Services	Community Services	Social Services - General (551)	Emergency housing and transitional housing	Funded through various grants to assist homeless Douglas County residents with housing and short and long term case management.
Toledo, OH	Neighborhood Services	Neighborhoods	Administrative Services	Emergency Solutions Grant (ESG) Administration and Compliance	Details and functions of the Emergency Solutions Grant consist of providing funding to Homeless Service Providers who are non-profits and qualify for the Emergency Solutions Grant funding. All non-profit agencies Emergency Solutions Grant funding MUST be monitored to ensure compliance with HUD regulations, the Federal Cash Transaction Report is mandated by HUD and provides a quarterly financial report on ESG that has to be prepared. Drawing down of the HUD funding for reimbursement of expenditures has to be done. Review and approval of non-profits requests for reimbursement of the HUD dollars is done. Accounting Responsibilities: Accounts Payable, Accounts Receivable, Budget

Showing 1 to 26 of 26 entries (filtered from 27,646 total entries)

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Next



# Program Costing

What does it cost us to do what we do? (And do we collect revenue?)

MAIN MENU  
Site Navigation


Salem


2020 - Final


All Available


resourceX  
reinventing fiscal analytics


Dashboard SuperUser Admin


  
Program Inventory - Update program inventory.


  
Program Costing - Complete program cost allocation.


  
Program Scores - Complete program scoring.


  
Present PBB - Visualize the outcomes of PBB.

  
Resource Alignment - Study your program costs.

  
Reports - Download a Program Manual. Export raw data.

  
Support Documentation - Indexed help for the online PBB tool.

  
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Blog - News and events surrounding Priority Based Budgeting.



# Program Scoring

## Measure Influence on Results

Safe &  
Welcoming  
Neighborhoods

Economic  
Prosperity

Orderly  
Development

Building  
Infrastructure  
& Improving  
Mobility

Supporting  
Culture and  
Recreation

High  
Performance  
Government

## Basic Program Attributes

Degree of  
Mandate

Degree of  
Reliance  
upon the  
City

Degree of  
Cost  
Recovery

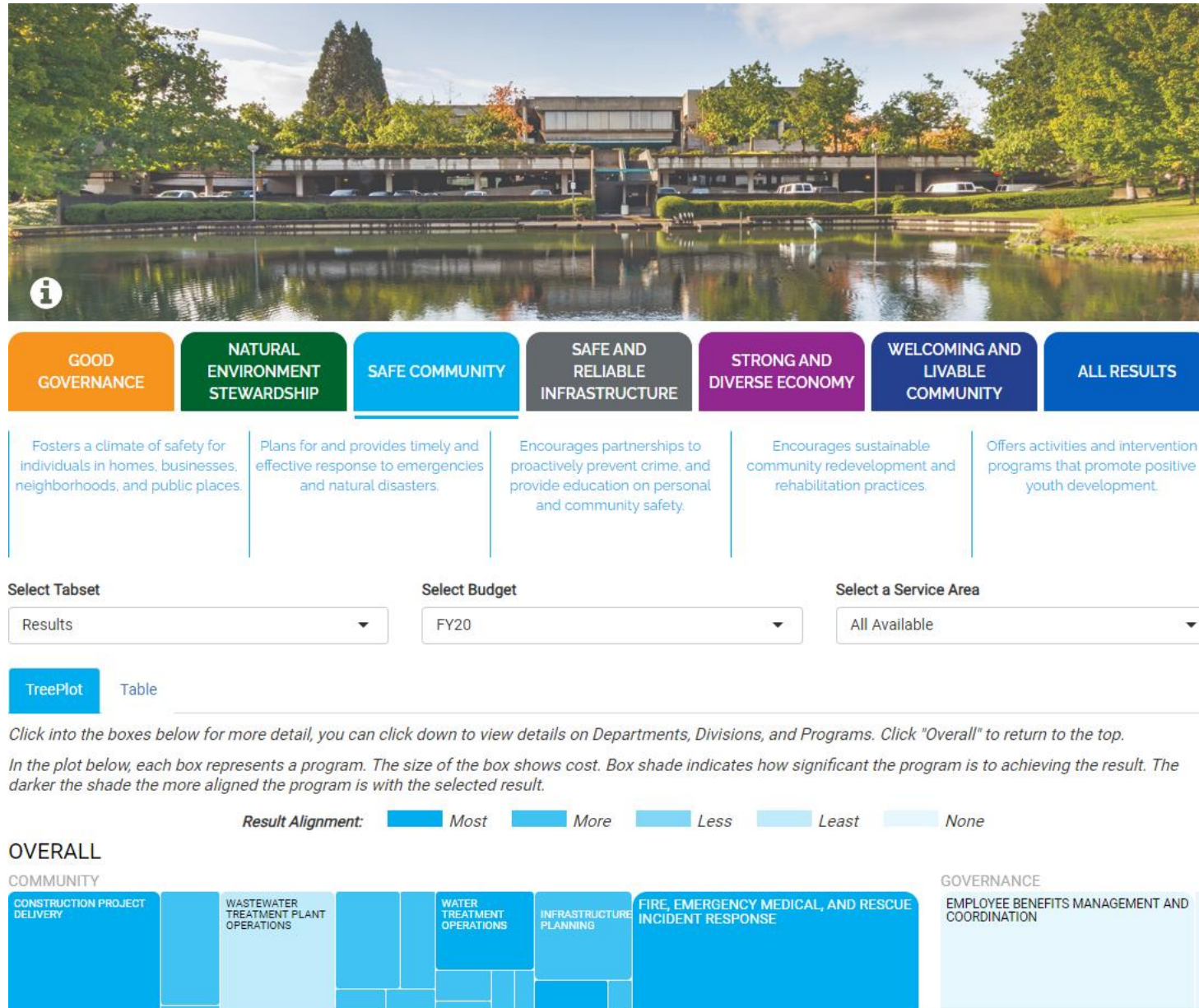
Size of  
Population  
Served

Change in  
Demand



# Programmatic Budgeting

Present Site Deliverable

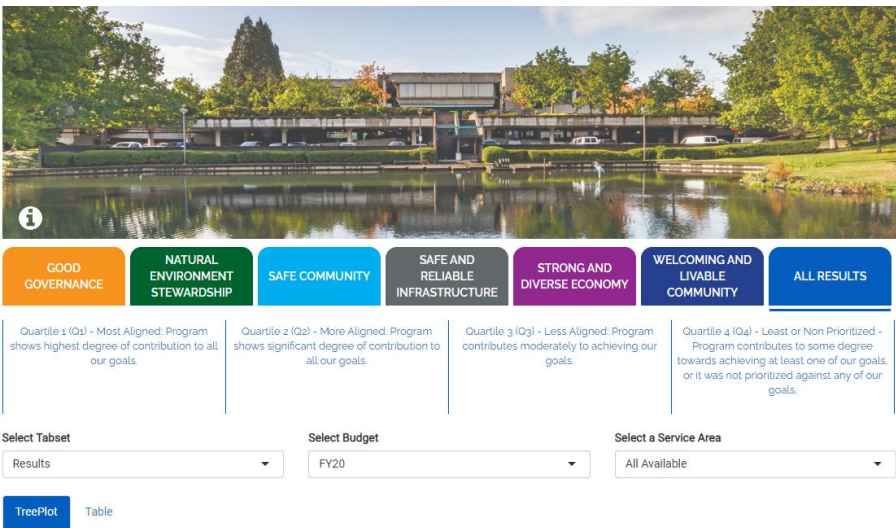


Tell your story graphically!



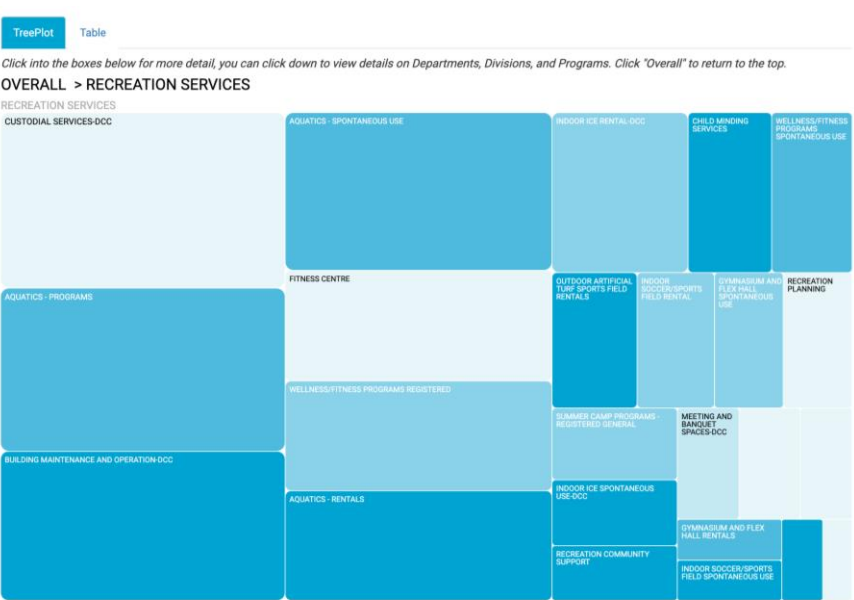


# Present Site Deliverable



Click into the boxes below for more detail, you can click down to view details on Departments, Divisions, and Programs. Click "Overall" to return to the top.

In the plot below, each box represents a program. The size of the box shows cost. Box shade indicates how significant the program is to achieving the result. The darker the shade the more aligned the program is with the selected result.



TreePlot Table

The table shows the highest cost program by category. Click more info to see a detailed breakdown of the program costs.

More Info	Policy0	DirectCost	Program	Description
More Info	1	155,815	Safety Codes Inspections	Ensure inspections are carried out for all disciplines (building, electrical, plumbing, and gas) in accordance with the City's Quality Management Plan (QMP). The QMP outlines the City's level of service and is what provides the City with accreditation under the Safety Codes Council.

Showing 1 to 1 of 1 entries (filtered from 205 total entries)

Previous 1 Next

## Safety Codes Inspections

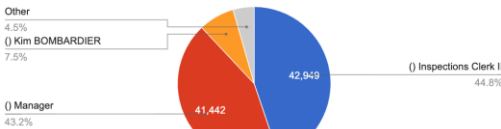
Description: Ensure inspections are carried out for all disciplines (building, electrical, plumbing, and gas) in accordance with the City's Quality Management Plan (QMP). The QMP outlines the City's level of service and is what provides the City with accreditation under the Safety Codes Council.

Total Cost: 155,815.5

FTE: 1.06

Total Cost Positions Operating Costs

Personnel Cost: 95,912



Position	Cost	Allocation
Inspections Clerk II	42,949	0.60
Manager	41,442	0.30
Kim BOMBARDIER	7,240	0.10



# Insights

## Program Insights and Cost Summary - **Fire, Emergency Medical, and Rescue Incident Response**

**Program Description:** Emergency response for all-hazard mitigation within the community (medical, fire and special rescue) for calls within City of Salem.

Program Insights

Edit Program Description

Program Cost Summary

### Program future and insight specific to this dataset

#### What is the future for this program

- ☐ Status Quo
- ☐ Service Level Increase
- ☐ Repurpose - Service Level Decrease
- ☐ Partnership
- ☐ Cost Recovery
- ☐ Other
- ☐ Service Level Increase - Launch New Program
- ☒ Service Level Increase - Current Program
- ☐ Repurpose Resources - Efficiency
- ☐ Repurpose Resources - Sourcing
- ☐ Partnership - Insource
- ☐ Partnership - Outsource
- ☐ Revenue Generator - Grant Funding
- ☐ Revenue Generator - In-Sourcing
- ☐ Other - Efficiency

#### Add an insight how this can be achieved.

Emergency Operations Division is not staffed to meet the current service demands of the City of Salem and continues to fall well short of City Council established response time goals. There is an immediate need for at least 1 more advanced

Save Changes

# Insight Summary

## Program Costing - Online Allocator

### Allocation Summary

