

Community Results Update



BATTLE CREEK
MICHIGAN



Agenda

- What is Priority Based Budgeting (PBB)?
- Why use Priority Based Budgeting?
- Battle Creek's Journey with PBB
- Community Results Update Discussion
 - Survey Data Results
 - Identify and Confirm Desired Results
 - Introduction to Result Definition discussion





Battle Creek and PBB... Go Way Back!

- Battle Creek first implemented PBB in 2015
- The methodology and tools have evolved and so has the City



PRIORITY BASED BUDGETING

PBB

- Simply stated, Priority Based Budgeting is a methodology and tool set that aids an organization with the creation of data layers that serve to inform and guide management decision making.



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

This is not a finance initiative

The name of our methodology is misleading

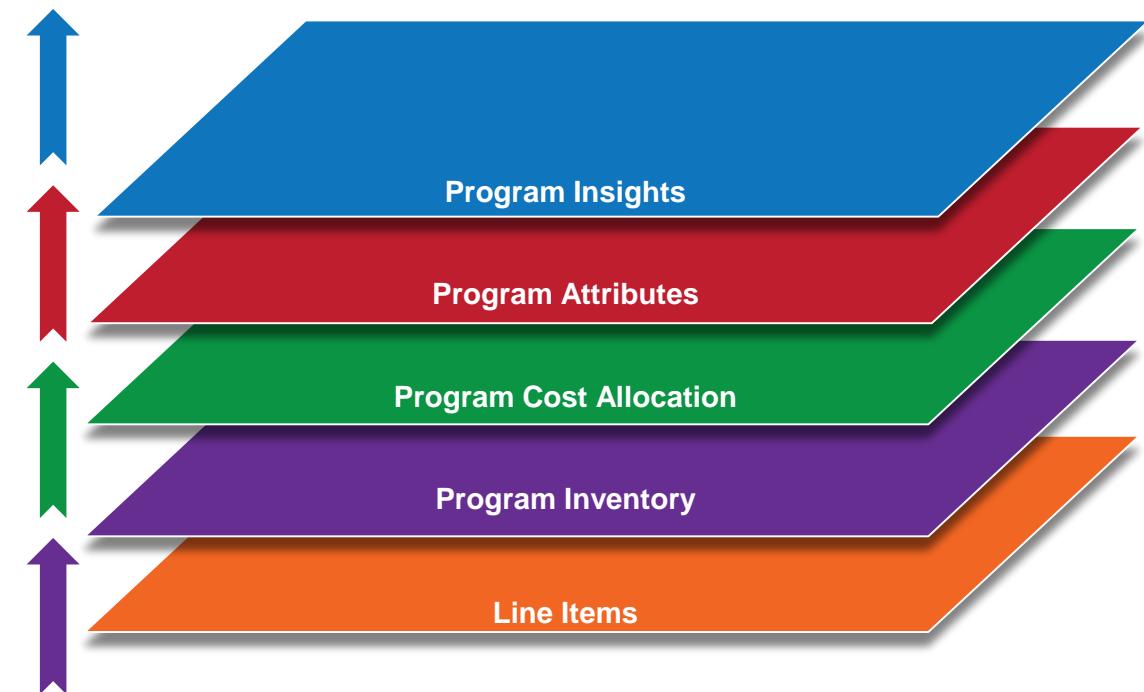
Everyone should be interested and engaged for it to be successful

The goal is not merely data creation. It is taking action upon the resultant data



Priority Based Budgeting

- PBB is a tool that uses a set of desired goals/results for the organization
- Then it works to recognize “Programs” from the line-item budget
- It then allocates a cost to each program
- Each program is scored against the original list of goals/results
- Insights are then created from the data that will lead to some meaningful transformation for a program or service



Battle Creek Program Inventory

MAIN MENU Site Navigation **Battle Creek** 2021 - Approved All Available MODEL EDITOR Edit Program Inventory resourceX

Program Inventory Info

Edit Program Inventory Add a Program from SEARCH Combine Programs

ADD PROGRAM **DOWNLOAD** **Upload...** No file selected

Service Type Department Business Unit

All Available All Available All Available

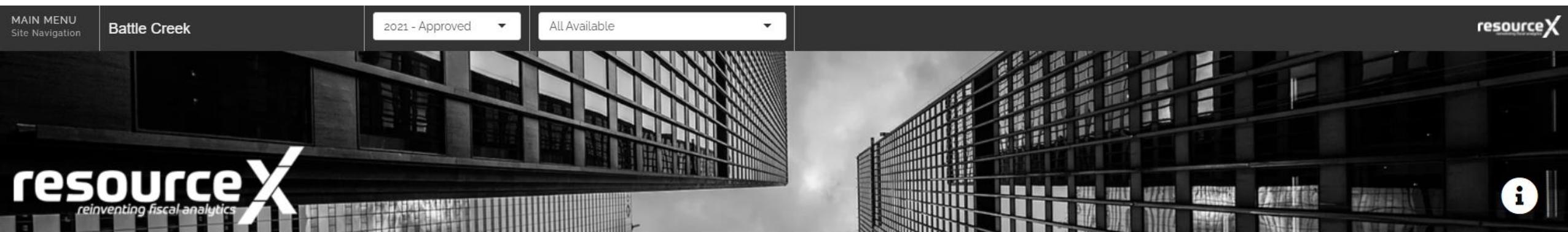
Show entries Search:

Options	ServiceType	Department	Business Unit	ProgNum	Program	Description	ProgID
Update Delete	Community	Recreation	7050 - Bailey Park	9955	13's World Series	Provide facilities to AABC for the 13 and under age group World Series.	118
Update Delete	Governance	27 - Fleet	9320 - Fleet Services	9052	24-hour Emergency Response	24-hour on-call staff to respond to after hours equipment and DPW facility needs. Necessary for storm water permit, fire alarms, and underground storage tank permit (UST)	531
Update Delete	Governance	11 - Human Resources	2370 - Human Resources	9158	457 Administration	Ensure compliance to 457 retirement plans and process loan applications	10.
Update Delete	Community	50 - Other	9130 - Cable Access TV	6	Access Cablevision	Contribution to local Cable Access channel	571
Update Delete	Governance	06 - Finance	2290 - Finance	9007	Accounts Payable	Processing and mailing of payments to vendors, reconciliations of statements, verification of account numbers and available budget, posting to the books of record, annual 1099 processing	10.
Update Delete	Governance	06 - Finance	2290 - Finance	9008	Accounts Receivable	Processing and mailing of all requests for invoicing from across the organization and posting to the books of record	101

* Battle Creek's Program Inventory contains 585 unique programs

Battle Creek Costing

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



MAIN MENU
Site Navigation

Battle Creek

2021 - Approved

All Available

resourceX

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.

Battle Creek Attribute Scoring

- Mandate
- Reliance
- Cost Recovery
- Demand
- Population Served

Mandate

	Definitions for Mandate	Score
Fed/State Mandate		4
Charter		3
City Code, Resolution,Ordinance		2
Best Practice		1
No Mandate		0

ProgNum	ProgName	ProgDescription	Score	DeptComments
9052	24-hour Emergency Response	24-hour on-call staff to respond to after hours equipment and DPW facility needs. Necessary for storm water permit, fire alarms, and underground storage tank permit (UST)	4	
615	ADMINISTRATIVE - Environmental Site Administration	EA-Grant and Contract Management, Site Closure, communications on contaminated sites, site cleanup grant writing, submittals	4	
9159	Affordable Care Act (ACA) Administration	Ensure compliance to the requirements of the Affordable Care Act	4	
493	Aircraft Rescue and Fire Fighting (ARFF)	Emergency services for aircraft and other emergencies on the airport, ARFF Vehicle maintenance, ARFF Supplies (dry chemical, aqueous film forming foam, misc. supplies)	4	
496	Airport Management - Operations	Day to day operations, FAA Part 139 compliance, security, wildlife hazard management, regulatory compliance, equipment procurement, rules and regulations enforcement, facility maintenance planning.	4	
497	Airport Snow & Ice Control	Removal of snow and ice from runways, taxiway and aprons as well as parking lots, airport perimeter road, etc.. Maintenance of snow removal equipment, fuel, staff time,	4	
492	Air Traffic Control Tower	Maintenance and operation of City owned air traffic control tower that is occupied by a federal contractor. Includes maintenance of ATC equipment, custodial, utilities, landscaping, parking lot, etc.	4	
2334	Asphalt Road Maintenance	Staff, equipment, and materials to patch and repair utility cuts	4	
9002	Assessment Roll Preparation	Identifying all real and personal property parcels in the City. Placing value on all property not specifically exempt. Identify owner of record.	4	
557	ATF	Federal Firearms Investigation	4	
529	Ballot & Election Equipment Preparation and Testing	Ballot/Equipment Preparation & Testing	4	
9029	Bids and Proposal Management	Assist departments with requests for proposals, serve as point of contact for advertisement of bids and vendor questions, accept and open bids from vendors, tally results and work with departments for award to vendors and City Commission resolution for approval	4	
289	Biosolids Operation	Oversight of contract application and compliance of biosolids 290 Biosolids Operations Dewatering and handling of biosolids residuals	4	

Every Program Has a Future...



Creating new data unlocks unique insight



- Fundamental *business intelligence* to manage a 21st 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...





History

A quick look back at Priority Based Budgeting in Battle Creek



NICO BERRIOS | Published: January 28, 2016

Photo credit: Art Frith/WBCK

BATTLE CREEK SECOND IN MICHIGAN TO IMPLEMENT PRIORITY-BASED BUDGETING

I. Establishing Results

City of Battle Creek, Michigan
Results Validation Exercise

City of Battle Creek: Results of Government

	Number of Voters	Percentag e of Voters	Total Votes
1.) Fosters Economic Vitality	19	95%	1418
2.) Ensures Residents and Visitors Feel Safe in Battle Creek	17	85%	1237
3.) Develops and Maintains Reliable and Up-to-Date Infrastructure	20	100%	1527
4.) Practices and Encourages Environmental Stewardship	15	75%	568
5.) Provides Recreational, Cultural and Leisure Opportunities	20	100%	1123
6.) Offers a Connected, Accessible and Reliable Transportation Network	19	95%	972
7.) Ensures Well-Planned Growth and Development	17	85%	1062
8.) Operates a Progressive, Adaptive City Government at the Most Effective and Efficient Level Possible	16	80%	1008
9.) Provides Accessible and Responsive Customer Service for the Entire Community	15	75%	915
10.) ADDITIONAL: Encourage vibrant neighborhoods and support a healthy housing market	1	5%	80
11.) ADDITIONAL: Does all of the above in ways that proactively contribute to a more equitable community.	1	5%	50
12.) ADDITIONAL: Create an environment youth are proud to call home & young adults seek as a place to reside	1	5%	40
TOTALS	20		10000

**Tabulate and Summarize
Results of the Exercise**

Results Identification Exercise

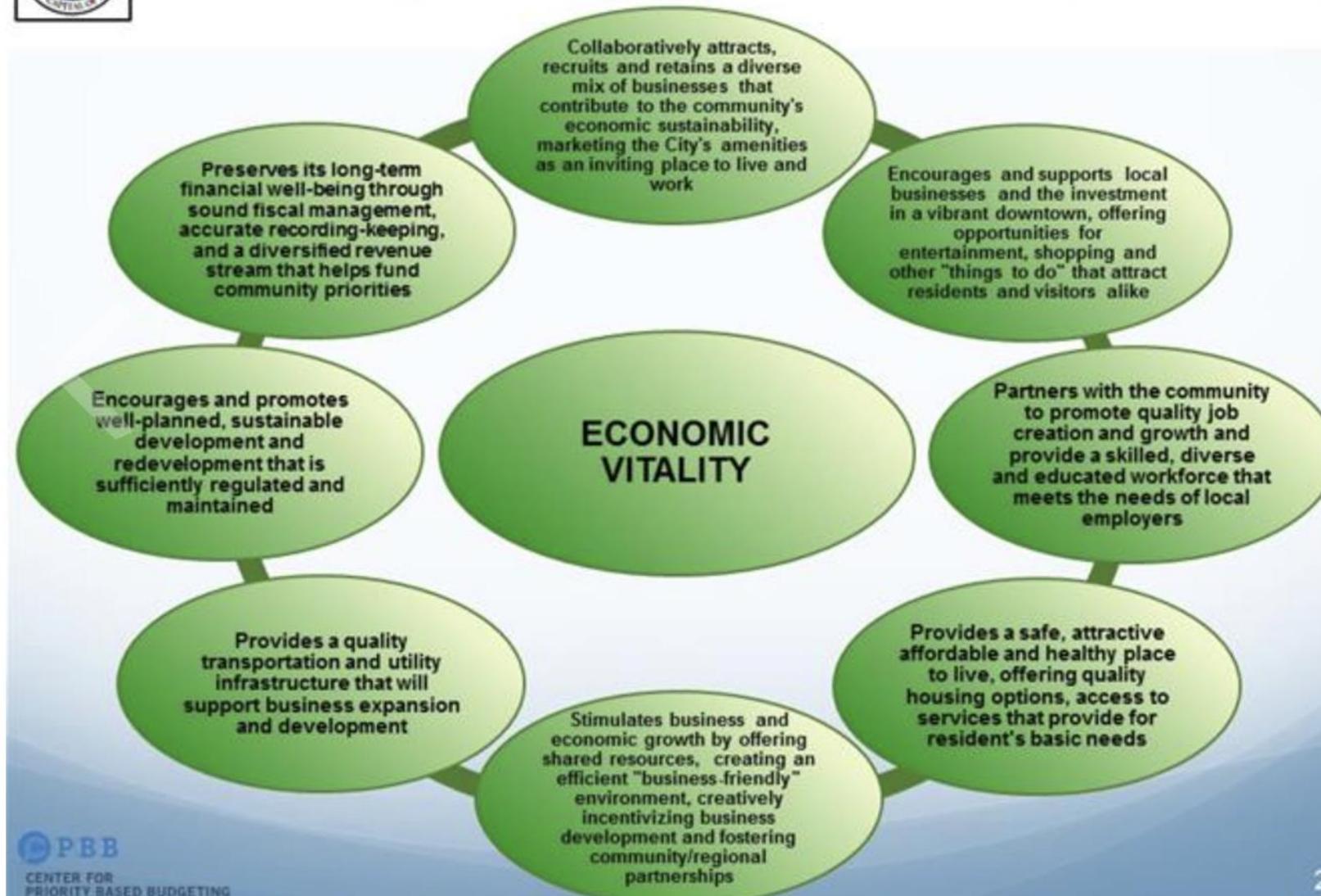
Category	Number of Voters	Total Votes
3	20	1418
1	19	1237
2	17	1062
5	20	1123
7	19	972
8	17	85%
6	15	568
9	15	40
4	15	1008
10	1	80
11	1	50
12	1	40

***Pertaining to #8 and #9:** The last two items on the list, efficient/effective government and customer service are not so much about "why" we exist but rather about "how" we provide service. When addressing the reasons WHY we exist, we must do so in an adaptive, efficient and effective manner that includes great customer service.

City of Battle Creek Results Maps



City of Battle Creek, Michigan



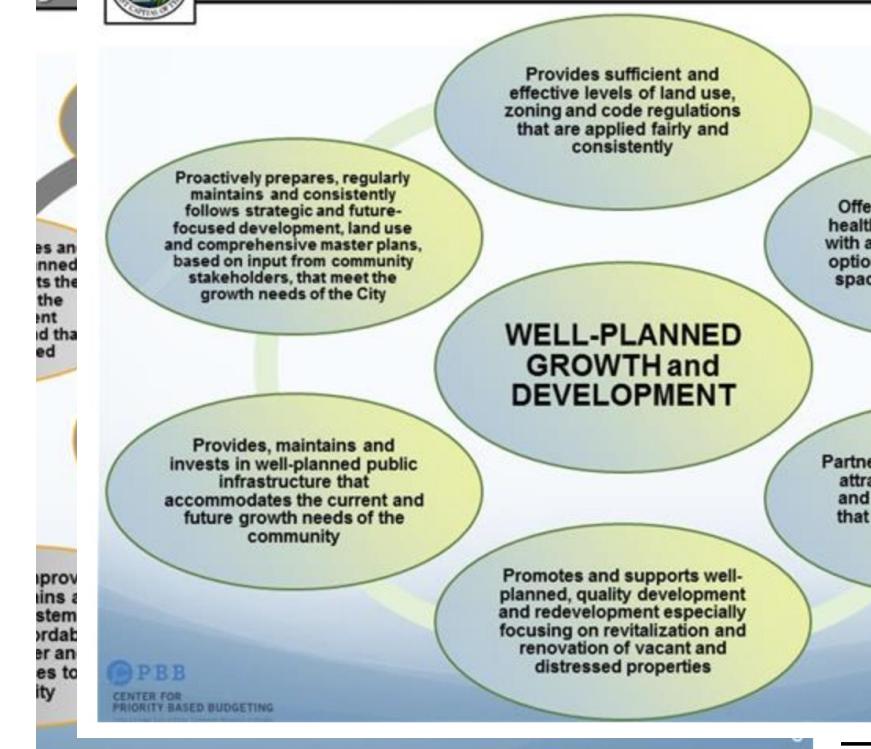
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IS)

City of Battle Creek Results Maps



City of Battle Creek, Michigan



more opportunity to better themselves and the community

brings in new businesses for more jobs

has housing available at affordable prices

helps low income homeowners fix up their property

Creates meaningful employment opportunities

PRIORITY BASED BUDGETING

Battle Creek's New Approach to Allocating Resources

By Jessica VanderKolk and Rebecca Fleury

The City of Battle Creek is just the second Michigan community to take on an entirely new way of budgeting, priority based budgeting, an effort to address and improve our fiscal health and wellness.

Through priority based budgeting, commonly called PBB, our staff has reviewed the entire city organization, identifying all programs, their costs, and their relevance through prioritizing each one. This will lead us to creating a budget that helps us assign funds to our programs and services based on those priorities.



We need to answer questions like, "What exactly do we do and what does it cost?" "What is of the highest importance?" and "What can we 'see' differently?"

This process has been implemented by almost 100 local governments across the United States and Canada and is recognized as a best practice by organizations like the International City/County Management Association, the Government Finance Officers Association, the Alliance for Innovation, and the National League of Cities.



Organizations that use PBB believe it increases the level of accountability and transparency and better communicates how resources are allocated through the budget process to achieve the priorities of our community.

Gathering Broad-based Input

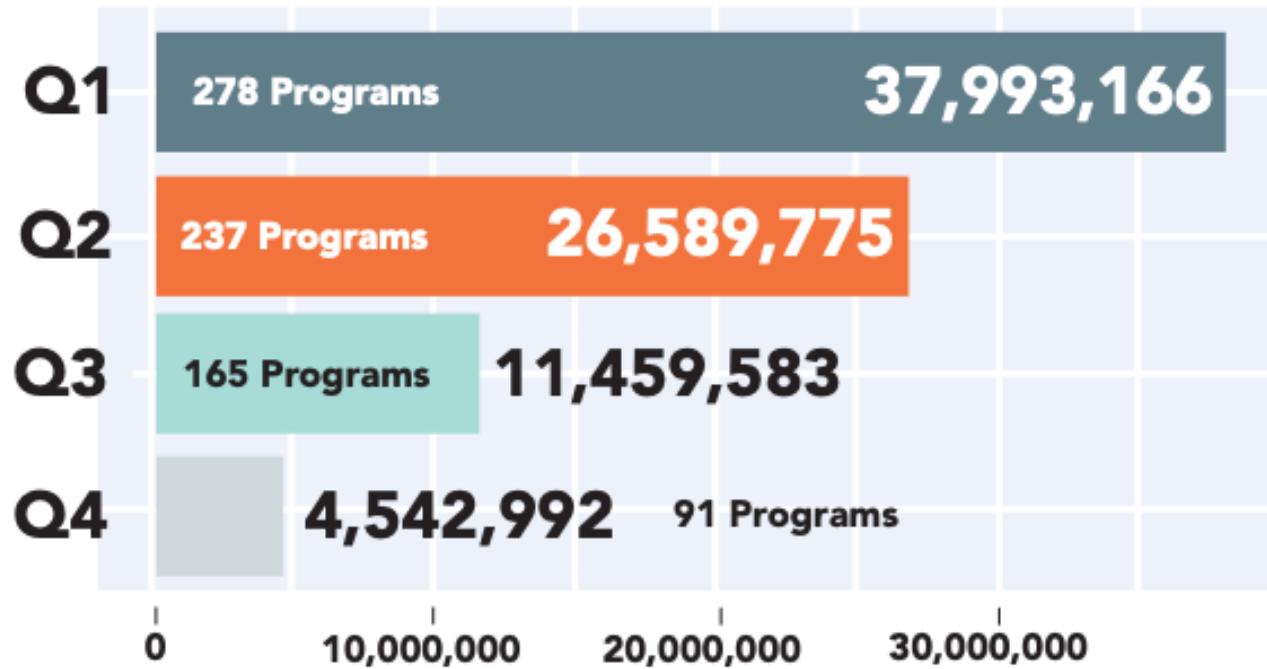
This is a new process for the City of Battle Creek, and not a small one to begin, but moving in this direction was one of Rebecca Fleury's goals when she joined the city team in 2014.

Understanding what our community thinks are our most important services is key to good governance. It is vital to the City Commission and our administration. PBB helps us focus on these and align our resources to be the most efficient and effective in providing services. PBB is a transparent way to ensure, as public servants, we are being good stewards of the tax dollars with which we are entrusted.

The goal of PBB is to ensure we spend those tax dollars on the highest priority programs that meet our eight "results"—the term used to identify the role of city government. These are the high-level reasons our organization exists and will remain consistent and unchanged over time. Through community conversations, focus groups, and surveys, as well as workshops with community members, staff, and city commissioners, we developed a list of key results:

ALLOCATE RESOURCES BASED ON PRIORIZATION

City of Battle Creek Community Programs



Why We are Here Today

- Re-examination of your fundamental purpose for existence
- Examination of your citizen's input and prioritization regarding your community results
- Affirmation or adjustment to the community results





Phase II Workshop

- A second workshop will be needed to help establish the definitions for your agreed upon community results
- Definitions will become important as you align your programs and services with the results and rescore the programs according to your new community results

