



"Through the Lens"

February 1, 2016

*Co-founded in 2010 by:
Chris Fabian & Jon Johnson
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Here's How the City of Shawnee, Kansas Has Been Pushing to Improve Its Budgeting Process

'Our other budgets, they were difficult to see,' says a City Council member who has embraced a budget-making approach that involves program inventories and 'priority based' budgeting.

On January 16, 2016, reporter Bill Lucia of State Local published an article profiling CPBB partner and all-star priority based budgeting implementer City of Shawnee, Kansas ([Here's How One City in Kansas Has Been Pushing to Improve Its Budgeting Process](#)). The CPBB first partnered with the City of Shawnee in implementing PBB in July 2013. And we can't be more proud of how Shawnee has gained national attention for their innovative work!

Excerpts from the article:

["Located](#) about 10 miles southwest of Kansas City, Shawnee has almost 65,000 residents, according to the most recent U.S. Census Bureau [estimates](#). The city began the push to inventory its programs about five years ago. [In 2013](#), Shawnee also moved to ingrain [priority-based budgeting](#) into its budget-making process.

Priority-based budgeting involves a community identifying its most important priorities. Programs are then scored based on how well they align with those priorities. These scores help to guide how budget dollars are allocated."

Program Budgeting in the City of Shawnee, Kansas

What's incredible about Shawnee is that the City continues to push for maximum innovation and transparency. A comprehensive review of existing services, or 'programs', was conducted in the City of Shawnee, Kansas, including allocating costs to each Program (based on the 2014

Budget). The City launched into this effort (in conjunction with a Priority Based Budgeting process) to reassess spending, and ensure sound, long-term funding decisions (to view a list and description of each city program, please visit the City's [Program Inventory](#) page).

Budget, Forecast and Monitoring

Program Description

Received GFOA Certificate of Excellence in Budgeting Reporting for 7 consecutive years

Department:
City Manager

Link to Workplan:

Protect our significant assets in order to provide a high level of functionality and minimize future costs.

Division:

Administration

What are the program goals?

To develop and administer a financially responsible, accurate budget that supports Council policy and priorities.

Program Owner:
City Manager

Program Partners:
Finance Director, City Management Team

What are the program activities?

City Manager Department

- Provides direction and oversight of budget development
- Submits the budget to City Council for consideration
- Administers the City budget

Program Costs:
\$65,224

Last Updated
9/23/14

City leaders were intent on extending information to citizens to open up a dialogue about the full breadth and scope of services offered, and the cost of these services, and built an [interactive online tool](#) to allow citizens to drill-down into each of the City's departments to a division level, and ultimately down to a program level to see every program offered.

More excerpts from Bill Lucia's article:

"Caitlin Gard, Shawnee's assistant public works director, has also helped coordinate the city's priority-based budgeting efforts. Referring to the program inventory process she said: "That was a little bit difficult for us." One of the main challenges, according to Gard, had to do with answering a seemingly straightforward question: What is a program?"

A spreadsheet summarizing the city's program costs, posted on Shawnee's municipal website, lists 228 programs, such as payroll, fire investigation and public defender services.

The city also maintains program [inventory web pages](#), which allow users to click on an individual program to see its cost, goals and activities."

[To read the full Route Fifty article click here!](#)

[To learn more about GFOA's best practice of program budgeting click here or read below!](#)

A "New Lens" on Fiscal Transparency - The Promise of GFOA's Best Practice of Program Budgeting

"There are many reasons to consider adopting program budgeting, but perhaps the most important is its ability to create a more transparent budget. A program budget shows exactly what the government does and how much it costs." This quote is from an [article](#)

[recently published in GFOA's October 2015 Government Finance Review](#) authored by CPBB's Chris Fabian and Jon Johnson in addition to GFOA's Shayne Kavanagh.

Program budgeting has long been a cornerstone of best practices in public budgeting. Simply put, a program budget organizes a budget into service areas, rather than just, departments, objects-of-expenditure, and line items. A program budget is more meaningful to the governing board and the public because programs are directly relevant to how they experience public services - budget discussions about police patrols and tree services are more meaningful than discussions about salaries, benefit, commodity, and contractual service costs. Program budgets also make trade-offs between different spending options clear. If the budget for police patrols is to be increased, than a trade-off discussion about resource reallocation could be approached (ie the budget of another program, like tree services, could be proposed to offset the costs). Service goals and performance measures can also be associated with programs, making for a much richer conversation about the costs and benefits of different resource allocation strategies.



Given these merits, it's surprising that program budgeting is still not as commonplace as it should be. As of a 2011 survey, only about one-third of the winners of GFOA's Distinguished Budget Presentation Award used program budgeting. It is safe to assume that program budgeting is even less common among other local governments (although becoming more common among high performing local governments).

So, why is program budgeting not a common practice even if it is a best practice? Certainly, part of the reason is that the increased clarity brought about by program budgeting can also bring about increased conflict. When the tree service program budget is reduced in favor of increasing the police patrol budget, the community's tree-aficionados will come to out to public meetings to make their displeasure known. However, if only the salary line item in the police budget goes up and the salary line item in the public works budget goes down, it may not draw the same level of public attention. However, as budgets tighten, public skepticism of government's motivations increases, and the need for higher quality public services goes up, obscuring tough decisions behind a veil of line items is no longer a tenable strategy. Program budgeting is as needed as it ever was - in fact, program budgeting is more needed than ever.

Program Budgeting 101: A "How to Guide"

Financial constraints have forced many local governments to take a hard look at the services they offer. A fundamental step is to develop an inventory all programs in order to clarify the breadth of services it provides and, ideally, inform all stakeholders (i.e. staff, elected officials, constituents) exactly what the organization "does". How often do we engage in long and stressful conversations about "line-items" or about a total department budget? Are these conversations as meaningful as they could be if we were focused on individual programs? When we prioritize or when we have to "cut", discussions about which department is a priority or which line item to reduce are sometimes subjective and circular (i.e. they just go "round and round"). It is hard to gain agreement or even consensus at these levels. When confronted with the question "Is Police more important that Parks?" or "Is Public Works more important than the Library?", are those conversations productive? Do we all really know what "Public Works" is? The inventory provides the basis for better, more meaningful, discussions about what services are more of a priority and how to understand the budget at a "programmatic" level than just viewing it from the line item or "org chart" perspective.

[To read the rest of the GFOA + CPBB co-authored Program Budgeting White Paper click here!](#)

CPBB + Michigan Municipal League Present: *Intro & Advanced Priority Based Budgeting Training*

Michigan Municipal League Better Communities. Better Michigan.

CPBB CENTER FOR PRIORITY BASED BUDGETING
Using a Unique Lens to Focus Community Resources on Results

Michigan Municipal League + Center for Priority Based Budgeting Present:

**Priority Based Budgeting
Intro & Advanced Implementation**

March 2, 2016 8am - 5pm | MML Lansing, MI Office | www.MML.org

CONNECT.COMMUNICATE.EDUCATE **ELGL** LOCAL GOVERNMENT LEADERS

This training supported in partnership with:
Engaging Local Government Leaders
Southeast Michigan Council of Governments
Alliance for Innovation **SEMCOG**
SOUTHEAST MICHIGAN COUNCIL OF GOVERNMENTS

ALLIANCE FOR INNOVATION
TRANSFORMING LOCAL GOVERNMENT

The CPBB is thrilled to partner with the [Michigan Municipal League](#) for our third annual Priority Based Budgeting training in Lansing, Michigan on March 2, 2016. This year, we're excited to have this training supported in partnership with the [Alliance for Innovation](#), [Engaging Local Government Leaders \(ELGL\)](#) and the [Southeast Michigan Council of Governments \(SEMCOG\)](#).

We're also thrilled to have local all-star PBB implementers the [City of Kalamazoo, Michigan](#) on hand to present a case study of their successes and challenges in implementing priority based budgeting into their organization. [Register today!](#)

Morning Session: The Match Game: Aligning Community Resources and Priorities with Priority Based Budgeting

Priority Based Budgeting is a unique and innovative approach being used by local governments across the country to match available resources with community priorities, provide information to elected officials that lead to better informed decisions, meaningfully engage citizens in the

budgeting process and, finally, escape the traditional routine of basing "new" budgets on revisions to the "old" budget. This holistic approach presented in this session will help provide elected officials and other decision-makers with a "new lens" through which to frame better-informed financial and budgeting decisions and help ensure that a community is able to identify and preserve those programs and services that are most highly valued.

Afternoon Session: Advanced Implementation of Priority Based Budgeting

At the end of 2015, more than 100 communities were practicing Priority Based Budgeting, using the process and tools to reshape the way a community's resources are leveraged to achieve results, and inviting citizens further into an authentic role of influence and participation. This session is intended for those who have completed a Priority Based Budgeting class, including this morning's session, and are interested in the next steps. Participants will learn how to implement online Priority Based Budgeting, with tools such as Program Costing Analyzer and Model Maker.

[Click here](#) for a more detailed description of both sessions.

[Find out more and register here!](#)

The Center for Priority Based Budgeting *Mission Control Center!*

"... you've completed the package of a "Mission Control Center" for every government leader, every elected official, every manager, and maybe every citizen!"



Our New Mission

The opportunity we all have in front of us is here, to reverse the downward trend in public trust, to restore the faith in government as a leader in creating communities that are safer, healthier, smarter, economically thriving and enriching!

As hard as it is to pick up a Time Magazine and be confronted with a fearful headline "Is your City next?" with the image of Detroit in the background; ***the opportunity we have is to re-imagine ourselves at the forefront of a new mission, with the very stake of our communities on the line.***

For every desperately dedicated city or county manager, for every visionary finance director, for every ambitious and committed elected official who came to public service to create and inspire greatness in their communities - we are on your team! **And bringing "Mission Control" to your organization is our contribution to your success. *Let's do this together!***

[Find out more about CPBB Mission Control Center here!](#)

Local Government 101 - A New ICMA Online Certificate Program

Local Government 101 goes back to the basics - grounding local government professionals in those key skills and practices that are the foundation of becoming an effective local government manager.

What is Local Government 101?

This interactive online certificate program immerses you in the special challenges that confront the local government manager today. Taught by experienced managers and local government experts, this online certificate program is designed to impart real-life experience, best practices, and sound advice in the areas most important to a manager's day-to-day role.

Local Government 101 - A New Online Certificate Program

This December, gain the skills you need to do an outstanding job for your community and make yourself marketable in the increasingly competitive field of local government management.



LOCAL Government **101**
MASTER THE
FUNDAMENTALS



Gain Your Competitive Edge

Local Government 101 is designed to help new and mid-career managers, assistant managers, and even career-changers new to local government, gain the competitive edge in leading their communities and advancing their careers. This five-course, 15-session program provides the basic skills you need to do an outstanding job for your community and make yourself marketable in the increasingly competitive field of local government management. Courses include:

- Effective Local Government Manager (3 sessions)
- Human Resources and Staff Effectiveness (3 sessions)
- Understanding and Creating a Municipal Budget (3 sessions)
- Managing Local Government Services (3 sessions)
- Become an Effective Leader (3 sessions)

Program Details

All Local Government 101 courses begin at 1:00 p.m. ET and last 90 minutes.

Course One: Effective Local Government Manager (Dec. 10, Jan. 14, Jan. 28)

Course Two: Understanding and Creating a Municipal Budget (Feb. 11, Feb. 25, March 10)

Course Three: Human Resources and Staff Effectiveness (April 14, April 21, April 28)

Course Four: Managing Local Government Services (May 19, June 2, June 16)

Course Five: Become an Effective Leader (July 21, Aug. 4, Aug. 18)

[***CPBB to Lead Local Government 101 Municipal Budgeting Courses***](#)

As an [ICMA partner and leading practice provider](#), the Center for Priority Based Budgeting (CPBB) is thrilled to bring our unique and innovative budgeting concepts to this course work.

Understanding and Creating a Municipal Budget course work is described as: *Get a better handle on the budgeting process by learning the principles and concepts that everyone should understand. This course will present a forward looking, strategic examination of local government budgeting and how to improve the process. You will explore how the municipal budget can be used as a tool to promote citizen engagement and economic vitality in the community. Subject matter to include:*

- Lessons for budgeting and the budgeting cycle
- The budget as a tool for citizen engagement
- Budget preparation and legislative approval
- Managing conflict through a budget policy
- Executive implementation
- Financial controls, communication, and compliance
- Accounting and auditing
- Capital budgeting
- Performance measurement

[Be sure to register for ICMA Local Government 101 here!](#)

The Center for Priority Based Budgeting

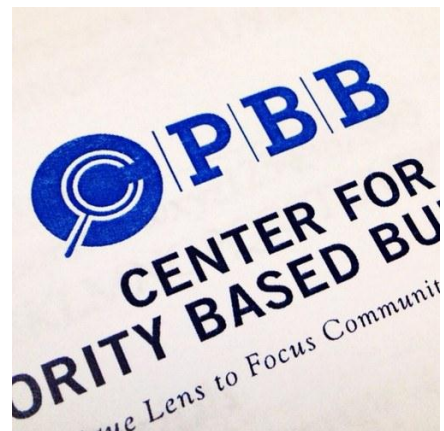
ON... THE.... MOVE.....

Implementing Innovative Local Government Solutions Coast to Coast!

February 11, 25, and March 10, 2016 - ICMA's Local Government 101: Master the Fundamentals "Understanding and Creating a Municipal Budgeting"
The Center for Priority Based Budgeting is spearheading ICMA's "Local Government 101" program with a 3-part series "Understanding and Creating a Municipal Budget." [Find out more and register here!](#)

March 2, 2016 -Michigan Municipal League Priority Based Budgeting Training

Join the CPBB, [MML](#) and [ELGL](#) as we dive into local government finance and budgeting in Michigan by presenting introductory and advanced priority based budgeting implementation in Lansing on March 2nd. [Find out more and register here!](#)



The speakers:

- Jon Johnson, co-founder, Center for Priority Based Budgeting
- Chris Fabian, co-founder, Center for Priority Based Budgeting
- Kathie Novak, former elected official, 2009 president of the National League of Cities and Senior Adviser, Center for Priority Based Budgeting

Please [Contact Us](#) if you'd like to join any of these exciting upcoming presentations or to schedule a free webinar and identify the best CPBB service option(s) to meet your organization's particular needs.

Using a Unique Lens to Focus Community Resources on Results.



**CENTER FOR
PRIORITY BASED BUDGETING**

Using a Unique Lens to Focus Community Resources on Results

The **Center for Priority Based Budgeting™ (CPBB)**, a Denver, Colorado-based results focused organization established in 2010, provides technical and advisory services to assist local governments, school districts, educational institutions, special districts and other non-profit agencies in the achievement of [Fiscal Health and Wellness through Priority Based Budgeting](#). This creative and unique process, developed by CPBB, enables communities to reassess their priorities in order to make sound, long-term funding decisions. **CPBB has already led over 100+ communities through this comprehensive body of work.** [Learn More](#)

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*Using a Unique Lens to Focus
Community Resources on Results*

 **JOIN OUR MAILING LIST**

*The Center for Priority Based
Budgeting is a proud partner
in the success of local
government communities*



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