

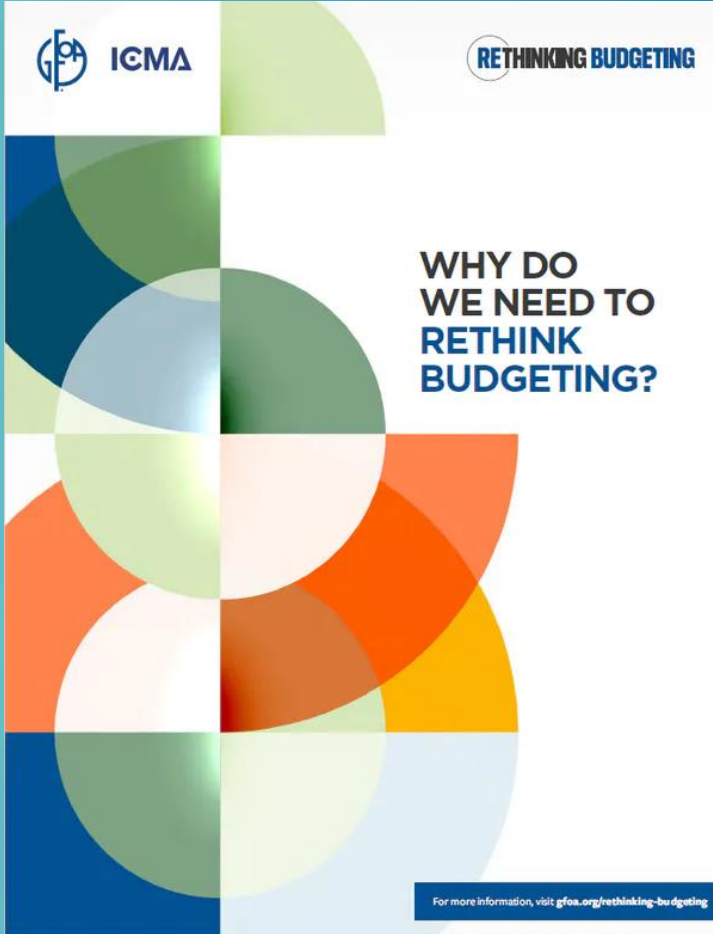


# A Better Path to Priority-Based Budgeting: How Do We Get There and What's the Payoff?



# Chris Fabian

SENIOR DIRECTOR, PRODUCT STRATEGY



“The challenges facing today’s leaders require **something different** from our budget process.”

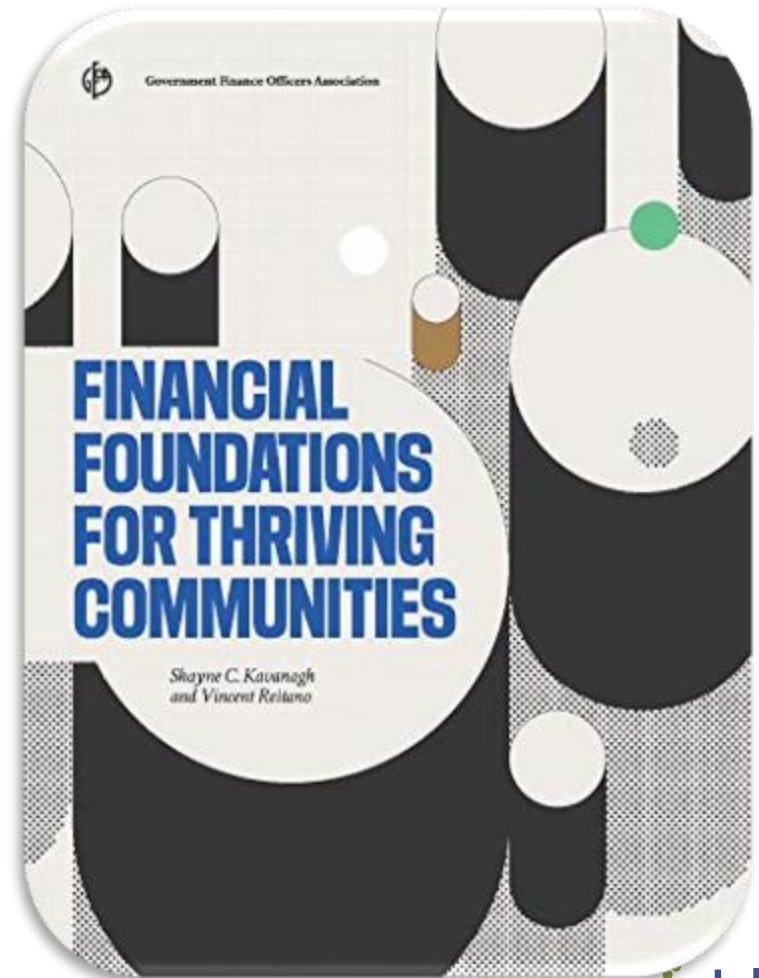


## Josh Schoemann

County Executive

Washington County, WI

**“Through priority-based budgeting, Josh cut excess programs and has reallocated nearly 15 percent of the budget. Josh and his team have a fully funded road construction plan until 2050—without raising taxes.”**





P R I O R I T Y   B A S E D   B U D G E T I N G

# Methodology & Plan

# Priority Based Budgeting **Blueprint for Funding the Future**

## **We Have New Needs**

WE WANT TO:

Launch new programs to tackle emerging challenges

Enhance current programs that need more resources

## **We Don't Have New Needs**

WE WANT TO:

Maintain/preserve current services

Seek to lower tax rates or refund tax-payers

HOW TO REACH THE ABOVE GOALS

**FREE UP & REALLOCATE RESOURCES**

+

**GENERATE NEW REVENUE**



**SOURCING**



**EFFICIENCIES**



**SERVICE  
LEVELS**



**FEES &  
CHARGES**



**GRANT  
FUNDING**



**TAXES/  
RATES**



# The Methodology

Answer three questions with data and make strategic budget decisions based on the answers.

**1**

## What do we do?

Or, what services do we provide? You'll be able to answer this question by creating a Program Inventory.

**2**

## How much does it cost to provide these programs?

Program costing will give insight into the bottom line of time, personnel, and materials (offset by any revenue) so that organizations can have an actual cost and dollar figure for your services.

**3**

## What do these programs provide?

With program scoring, evaluation of programs discovers relative alignment with strategic plans or goals, legal mandates, and service demand.

A man with short brown hair and a beard, wearing black-rimmed glasses and a white polo shirt, is looking down at a tablet computer he is holding. He is in a modern office environment with large windows in the background. The lighting is bright and natural. A white text box is overlaid on the lower left portion of the image.

**You now have a whole new way to evaluate  
spending and make policy decisions**





P R I O R I T Y   B A S E D   B U D G E T I N G

**See it in Action**



# Chris Hall

COMMISSIONER, DISTRICT 2, COLLIER COUNTY, FLORIDA



“ I am pleased to submit the recommended FY 2025 balanced budget for your review and endorsement.

Moving forward in the budget process, staff will continue to leverage the priority-based budgeting approach while reviewing identified areas of interest.

– Amy Patterson, County Manager ”

## Collier County, Florida

With an annual operating budget of \$673M, they identified approximately 22% of the budget that could be reallocated.



“ I am pleased to submit the recommended FY 2025 balanced budget for your review and endorsement.

Moving forward in the budget process, staff will continue to leverage the priority-based budgeting approach while reviewing identified areas of interest.

– Amy Patterson, County Manager ”

## Collier County, Florida

With an annual operating budget of \$673M, they identified approximately 22% of the budget that could be reallocated.

IDENTIFIED

**\$73M**

IN RESOURCE  
REALLOCATION  
OPPORTUNITIES

**\$8M**

IN ENTREPRENEURIAL  
REVENUE-GENERATING  
OPPORTUNITIES

## Resource Reallocations\*

	% OF BUDGET	\$ REALLOCATED
Municipality in Colorado	10%	\$9,014,071
City in Georgia	10%	\$7,988,116
Municipality in Colorado	9%	\$2,924,895
City in Texas	8%	\$8,330,691
City in Michigan	8%	\$9,101,757
City in Michigan	7%	\$3,872,182
City in Pennsylvania	6%	\$24,922,036
City in Arizona	6%	\$8,354,000
City in Michigan	6%	\$4,365,328
Municipality in Colorado	4%	\$11,470,677
City in Oklahoma	4%	\$8,115,103
County in Kansas	4%	\$14,928,811
City in Virginia	4%	\$22,832,567
City in Idaho	3%	\$2,621,640
City in Minnesota	3%	\$10,802,781
City in Alberta (Canada)	3%	\$2,692,295
City in Illinois	3%	\$774,794
City in Alberta (Canada)	2%	\$8,587,498
City in Utah	2%	\$1,696,963
City in Missouri	2%	\$1,437,712
City in South Carolina	2%	\$3,597,821
City in Alberta (Canada)	2%	\$6,735,388

\*Reallocation dollar amounts are from 2021 data.

A man with a beard, wearing a dark suit jacket over a white shirt, is shown in profile, looking intently at a laptop screen. He is sitting at a desk in what appears to be a server room or data center, with blurred server racks and lights in the background. The lighting is dramatic, with strong highlights on his face and the laptop.

UPWARDS OF  
**10%**

Implementers of priority-based budgeting reported multi-million-dollar resource reallocations year-over-year in their annual budgets.

\*Resource reallocation data is from 2021.

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 **tyler**  
technologies



P R I O R I T Y   B A S E D   B U D G E T I N G

# The Process & Technology



The Priority Based Budgeting platform predicts and identifies opportunities for budget reallocation.



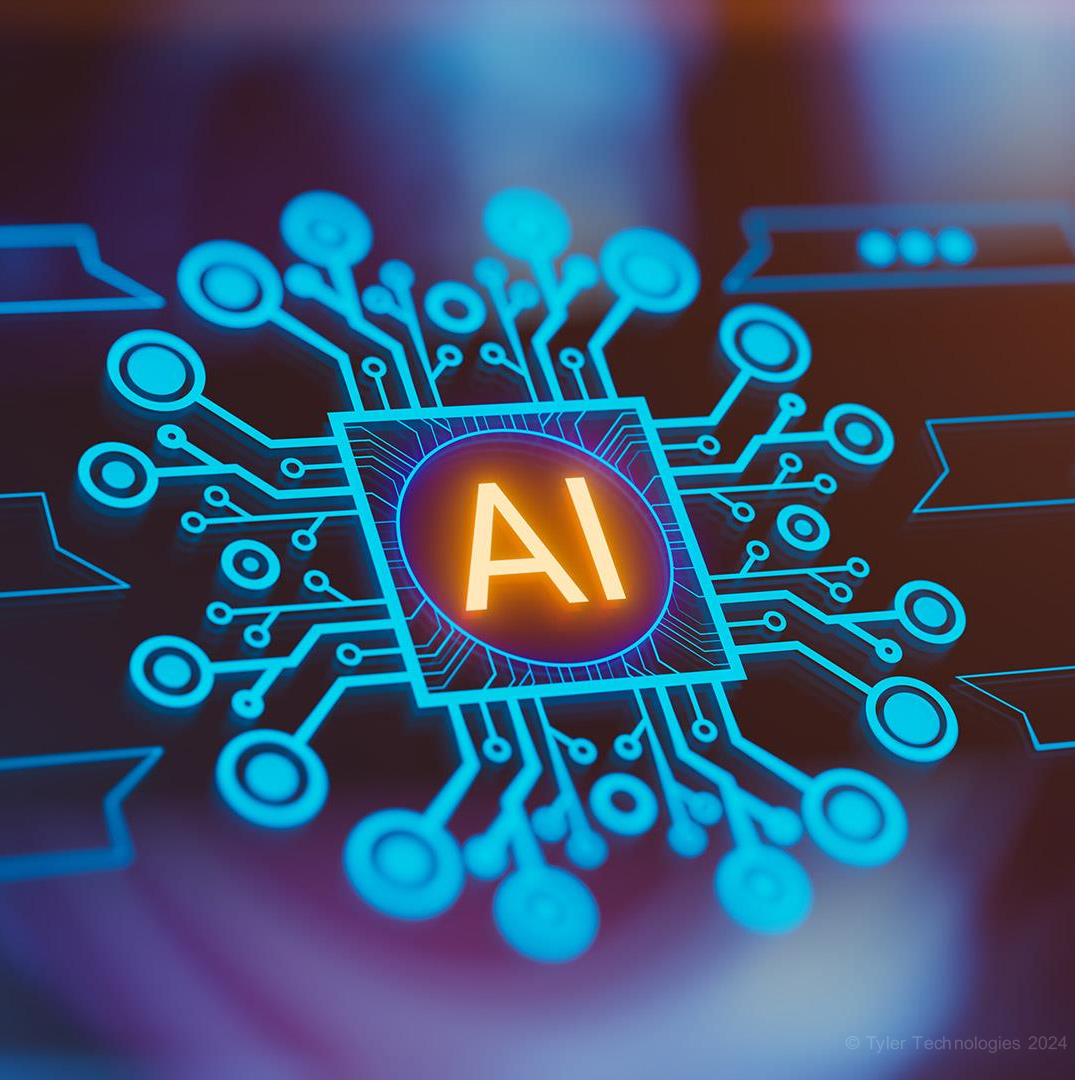
The strategic framework focuses the team's decision-making on:

**Investing in priorities**

**Aligning organizational goals**

**Targeting community outcomes**





# The AI Process

- 1 Identify**  
Programs from budget items
- 2 Forecast**  
Costs and revenue allocations
- 3 Predict**  
Impact on organizational priorities
- 4 Discover**  
Cost savings and revenue opportunities



# Predicting the Inventory of Programs

## IDENTIFY: PROGRAMS FROM BUDGET ITEMS

BudgetYear	Year	Item#	Acct#	AcctCode	AcctTyp	Duration Type	TotalCost	NumberOfHrs	Fund	Department	Cost_Center	Position_ID	Job Code	Position	User Group
Adopted Budget	2024	49940	29545	10100-0061000-100	Expense	Ongoing	252,919.00	1	10100 - General Fund	Development Services	0061000 - Development Sv	00000793		Development Services/Direc	Development Services
Adopted Budget	2024	49939	29544	10100-0061000-100	Expense	Ongoing	597,296.00	1	10100 - General Fund	Development Services	0061000 - Development Sv	10001512		Development Project Coord	Development Services
Adopted Budget	2024	49941	29549	10100-0061000-100	Expense	Ongoing	513,080.00	1	10100 - General Fund	Development Services	0061000 - Business Suppor	10001823		Administrative Coord	Development Services
Adopted Budget	2024	49948	29533	10100-0061000-100	Expense	Ongoing	587,276.00	1	10100 - General Fund	Development Services	0061010 - Business Suppor	00006379		Sr Administrative Asst	Development Services
Adopted Budget	2024	49946	29531	10100-0061000-100	Expense	Ongoing	5133,552.00	1	10100 - General Fund	Development Services	0061010 - Business Suppor	10002333		Sr Accountant	Development Services
Adopted Budget	2024	49945	29530	10100-0061000-100	Expense	Ongoing	5133,419.00	1	10100 - General Fund	Development Services	0061010 - Business Suppor	10001823		Management Analyst II	Development Services
Adopted Budget	2024	49943	29548	10100-0061000-100	Expense	Ongoing	\$144,264.00	1	10100 - General Fund	Development Services	0061010 - Business Suppor	00000086		Administrative Services Mg	Development Services
Adopted Budget	2024	49942	29547	10100-0061000-100	Expense	Ongoing	568,060.00	1	10100 - General Fund	Development Services	0061010 - Business Suppor	00004286		Administrative Assistant	Development Services
Adopted Budget	2024	49902	29507	10100-0061000-100	Expense	Ongoing	\$100,775.00	1	10100 - General Fund	Development Services	0061010 - Business Suppor	10002336		Management Analyst II	Development Services
Adopted Budget	2024	49947	29532	10100-0061000-100	Expense	Ongoing	\$89,931.00	1	10100 - General Fund	Development Services	0061010 - Business Suppor	00000093		Sr Administrative Asst	Development Services
Adopted Budget	2024	49941	29546	10100-0061000-100	Expense	Ongoing	571,591.00	1	10100 - General Fund	Development Services	0061010 - Business Suppor	00004234		Administrative Assistant	Development Services
Adopted Budget	2024	49949	29554	10100-0062000-100	Expense	Ongoing	\$235,796.00	1	10100 - General Fund	Development Services	0062000 - Permitting and	00000604		Asst Development Services	Development Services
Adopted Budget	2024	49951	29536	10100-0062000-100	Expense	Ongoing	\$126,121.00	1	10100 - General Fund	Development Services	0062010 - Development Sv	00000094		Customer Service Manager	Development Services
Adopted Budget	2024	49958	29573	10100-0062000-100	Expense	Ongoing	\$85,264.00	1	10100 - General Fund	Development Services	0062010 - Development Sv	00000098		Customer Service Supervisor	Development Services
Adopted Budget	2024	49963	29588	10100-0062000-100	Expense	Ongoing	553,260.00	1	10100 - General Fund	Development Services	0062010 - Development Sv	10001343		Customer Service Rep II	Development Services
Adopted Budget	2024	49960	29565	10100-0062000-100	Expense	Ongoing	557,455.00	1	10100 - General Fund	Development Services	0062010 - Development Sv	00006511		Customer Service Rep II	Development Services
Adopted Budget	2024	49954	29539	10100-0062000-100	Expense	Ongoing	547,132.00	1	10100 - General Fund	Development Services	0062010 - Development Sv	10000697		Customer Service Rep I	Development Services
Adopted Budget	2024	49952	29537	10100-0062000-100	Expense	Ongoing	555,554.00	1	10100 - General Fund	Development Services	0062010 - Development Sv	00000092		Customer Service Rep I	Development Services
Adopted Budget	2024	49953	29538	10100-0062000-100	Expense	Ongoing	555,319.00	1	10100 - General Fund	Development Services	0062010 - Development Sv	00000442		Customer Service Rep I	Development Services
Adopted Budget	2024	49994	29599	10100-0062000-100	Expense	Ongoing	570,974.00	1	10100 - General Fund	Development Services	0062010 - Development Sv	10002777		Sr Customer Service Rep	Development Services
Adopted Budget	2024	49986	29581	10100-0062000-100	Expense	Ongoing	570,974.00	1	10100 - General Fund	Development Services	0062010 - Development Sv	10001344		Sr Customer Service Rep	Development Services
Adopted Budget	2024	49981	29586	10100-0062000-100	Expense	Ongoing	\$69,390.00	1	10100 - General Fund	Development Services	0062010 - Development Sv	00000427		Sr Customer Service Rep	Development Services
Adopted Budget	2024	49978	29583	10100-0062000-100	Expense	Ongoing	559,396.00	1	10100 - General Fund	Development Services	0062010 - Development Sv	00000107		Sr Customer Service Rep	Development Services
Adopted Budget	2024	49970	29575	10100-0062000-100	Expense	Ongoing	\$83,646.00	1	10100 - General Fund	Development Services	0062010 - Development Sv	00006843		Customer Service Supervisor	Development Services
Adopted Budget	2024	49962	29587	10100-0062000-100	Expense	Ongoing	557,413.00	1	10100 - General Fund	Development Services	0062010 - Development Sv	10000698		Customer Service Rep II	Development Services
Adopted Budget	2024	49995	29600	10100-0062000-100	Expense	Ongoing	553,831.00	1	10100 - General Fund	Development Services	0062010 - Development Sv	10002689		Sr Customer Service Rep	Development Services
Adopted Budget	2024	49988	29593	10100-0062000-100	Expense	Ongoing	553,831.00	1	10100 - General Fund	Development Services	0062010 - Development Sv	10002129		Sr Customer Service Rep	Development Services
Adopted Budget	2024	49980	29585	10100-0062000-100	Expense	Ongoing	570,627.00	1	10100 - General Fund	Development Services	0062010 - Development Sv	00000148		Sr Customer Service Rep	Development Services
Adopted Budget	2024	49977	29582	10100-0062000-100	Expense	Ongoing	553,528.00	1	10100 - General Fund	Development Services	0062010 - Development Sv	00000105		Sr Customer Service Rep	Development Services
Adopted Budget	2024	49974	29579	10100-0062000-100	Expense	Ongoing	565,209.00	1	10100 - General Fund	Development Services	0062010 - Development Sv	00000099		Sr Customer Service Rep	Development Services
Adopted Budget	2024	49956	29561	10100-0062000-100	Expense	Ongoing	552,748.00	1	10100 - General Fund	Development Services	0062010 - Development Sv	00000102		Customer Service Rep II	Development Services
Adopted Budget	2024	49955	29560	10100-0062000-100	Expense	Ongoing	545,695.00	1	10100 - General Fund	Development Services	0062010 - Development Sv	00000100		Customer Service Rep II	Development Services
Adopted Budget	2024	49965	29570	10100-0062000-100	Expense	Ongoing	553,661.00	1	10100 - General Fund	Development Services	0062010 - Development Sv	00002788		Customer Service Rep II	Development Services
Adopted Budget	2024	49975	29580	10100-0062000-100	Expense	Ongoing	570,974.00	1	10100 - General Fund	Development Services	0062010 - Development Sv	00000101		Sr Customer Service Rep	Development Services
Adopted Budget	2024	49989	29594	10100-0062000-100	Expense	Ongoing	566,354.00	1	10100 - General Fund	Development Services	0062010 - Development Sv	10002930		Sr Customer Service Rep	Development Services
Adopted Budget	2024	49992	29597	10100-0062000-100	Expense	Ongoing	553,804.00	1	10100 - General Fund	Development Services	0062010 - Development Sv	10002772		Sr Customer Service Rep	Development Services
Adopted Budget	2024	49993	29598	10100-0062000-100	Expense	Ongoing	588,857.00	1	10100 - General Fund	Development Services	0062010 - Development Sv	00000776		Sr Customer Service Rep	Development Services
Adopted Budget	2024	49973	29578	10100-0062000-100	Expense	Ongoing	571,904.00	1	10100 - General Fund	Development Services	0062010 - Development Sv	00000096		Sr Customer Service Rep	Development Services
Adopted Budget	2024	49957	29562	10100-0062000-100	Expense	Ongoing	553,260.00	1	10100 - General Fund	Development Services	0062010 - Development Sv	00001213		Customer Service Rep II	Development Services
Adopted Budget	2024	49972	29572	10100-0062000-100	Expense	Ongoing	552,748.00	1	10100 - General Fund	Development Services	0062010 - Development Sv	00000212		Customer Service Rep II	Development Services
Adopted Budget	2024	49976	29581	10100-0062000-100	Expense	Ongoing	566,524.00	1	10100 - General Fund	Development Services	0062010 - Development Sv	00000104		Sr Customer Service Rep	Development Services
Adopted Budget	2024	49959	29564	10100-0062000-100	Expense	Ongoing	555,126.00	1	10100 - General Fund	Development Services	0062010 - Development Sv	00006510		Customer Service Rep II	Development Services
Adopted Budget	2024	49986	29592	10100-0062000-100	Expense	Ongoing	599,853.00	1	10100 - General Fund	Development Services	0062010 - Development Sv	10002778		Training Specialist	Development Services
Adopted Budget	2024	49969	29574	10100-0062000-100	Expense	Ongoing	\$83,646.00	1	10100 - General Fund	Development Services	0062010 - Development Sv	00001121		Customer Service Supervisor	Development Services
Adopted Budget	2024	49971	29576	10100-0062000-100	Expense	Ongoing	582,038.00	1	10100 - General Fund	Development Services	0062010 - Development Sv	10002779		Customer Service Supervisor	Development Services
Adopted Budget	2024	49979	29584	10100-0062000-100	Expense	Ongoing	559,396.00	1	10100 - General Fund	Development Services	0062010 - Development Sv	00000117		Sr Customer Service Rep	Development Services
Adopted Budget	2024	49982	29587	10100-0062000-100	Expense	Ongoing	562,497.00	1	10100 - General Fund	Development Services	0062010 - Development Sv	00000112		Sr Customer Service Rep	Development Services
Adopted Budget	2024	49987	29592	10100-0062000-100	Expense	Ongoing	564,569.00	1	10100 - General Fund	Development Services	0062010 - Development Sv	10001345		Sr Customer Service Rep	Development Services
Adopted Budget	2024	49990	29595	10100-0062000-100	Expense	Ongoing	553,752.00	1	10100 - General Fund	Development Services	0062010 - Development Sv	10002770		Sr Customer Service Rep	Development Services
Adopted Budget	2024	49966	29571	10100-0062000-100	Expense	Ongoing	545,695.00	1	10100 - General Fund	Development Services	0062010 - Development Sv	00000782		Customer Service Rep I	Development Services
Adopted Budget	2024	48166	78874	10100-0062000-100	Expense	Occuranc	\$718,175.00	1	10100 - General Fund	Development Services	0062010 - Development Sv	00006005		Asst Development Services	Development Services

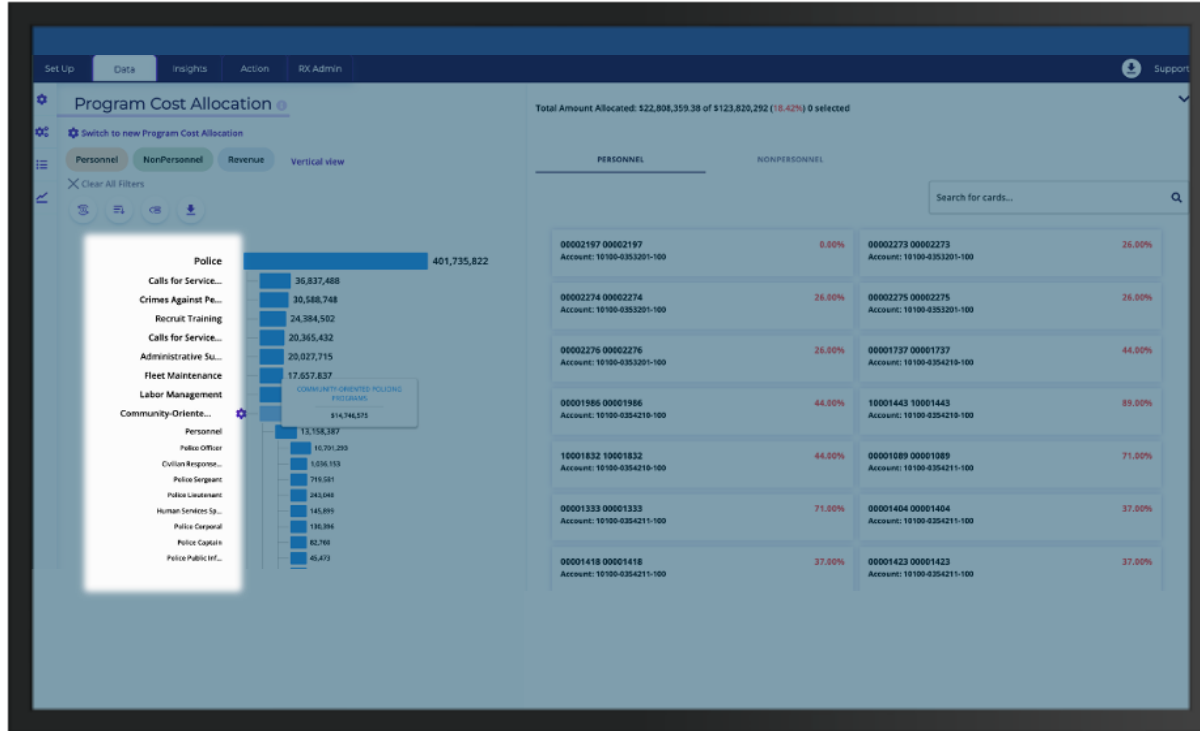
AI predicts the programs a local government offers by analyzing the General Ledger (GL) line-item data.





# Predicting the Inventory of Programs

IDENTIFY: PROGRAMS FROM BUDGET ITEMS



AI predicts the programs a local government offers by analyzing the General Ledger (GL) line-item data.



# Predicting Program Costs and Revenue Allocation

FORECAST: COSTS AND REVENUE ALLOCATIONS

**Load Program and Position key files:**  
These files define which programs the costs should be allocated to

```
In [17]: predictions_todo, predictions_all = load_key_files(
        position_keys_file, position_context,
        position_keys_reference, position_keys_user_group,
        program_keys_file, program_context,
        program_keys_reference, program_keys_user_group,
        key_dir='./map_files/', cost_type='Personnel')
```

```
In [74]: ind = 0
example = predictions_todo['Position'].values[ind]
key = predictions_todo[predictions_todo['Position']==example]['key'].values[ind]
print('Example check: We will estimate the allocations of this Position:')
print(example)
print('To these programs:')
predictions_todo[(predictions_todo['Position']==example) & (predictions_todo['key']==key)]
```

Example check: We will estimate the allocations of this Position:  
Community Outreach Coord  
To these programs:

```
Out [74]:
```

key	ItemID	ProgID	User Group(accts)	Position	TotalCost	User Group(prgs)	ProgName	Description	position_context	program_context	key_iter
0	1	11222	668	Family & Community Services Community Outreach Coord	83826.23	Family & Community Services	Child support assistance	It is the mission of the Department of Family ...	Family & Community Services. Community Outreach...	Family & Community Services. Child support ass...	1_Far Comm Sen Comm
346	1	11222	663	Family & Community Services Community Outreach Coord	83826.23	Family & Community Services	Emergency/crisis intervention such as meeting ...	It is the mission of the Department of Family ...	Family & Community Services. Community Outreach...	Family & Community Services. Emergency crisis ...	1_Far Comm Sen Comm
682	1	11222	669	Family & Community Services Community Outreach Coord	83826.23	Family & Community Services	Facility Maintenance	Facility maintenance of Family and Head ...	Family & Community Services.	Family & Community Services. Facility	1_Far Comm Sen

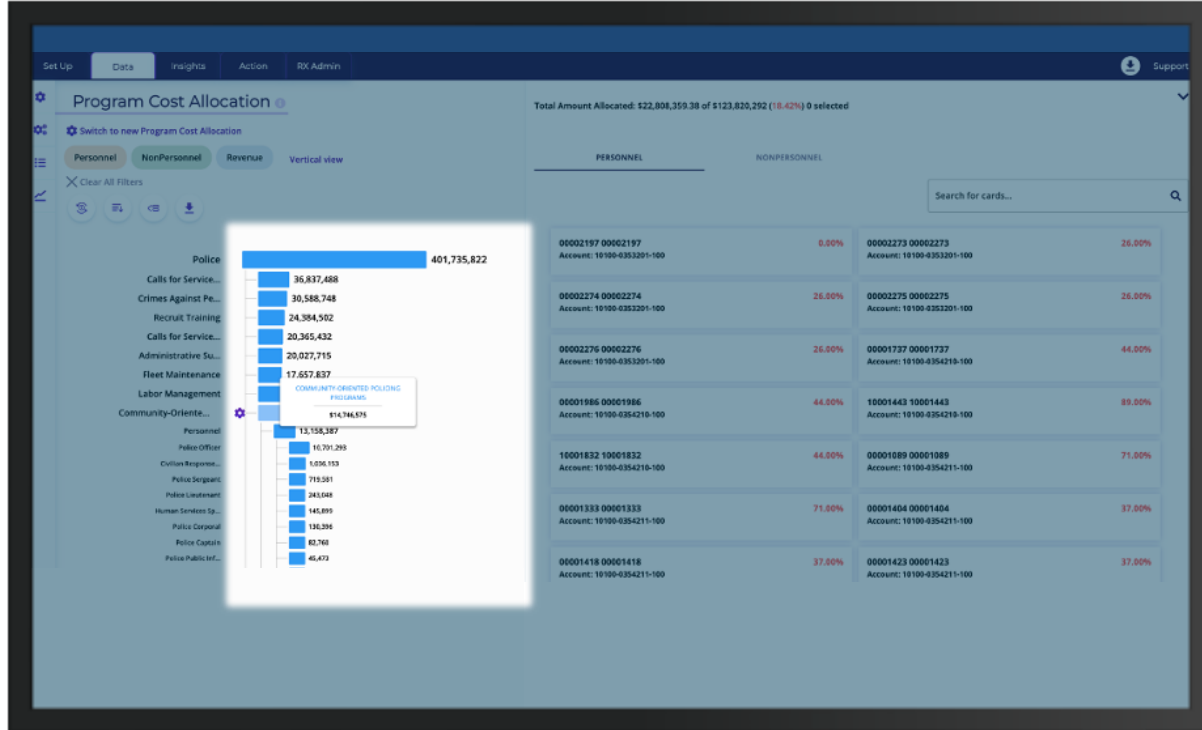
**5. Allocate Personnel**

Machine learning techniques predict the costs of providing these programs and their cost-recovery.



# Predicting Program Costs and Revenue Allocation

FORECAST: COSTS AND REVENUE ALLOCATIONS

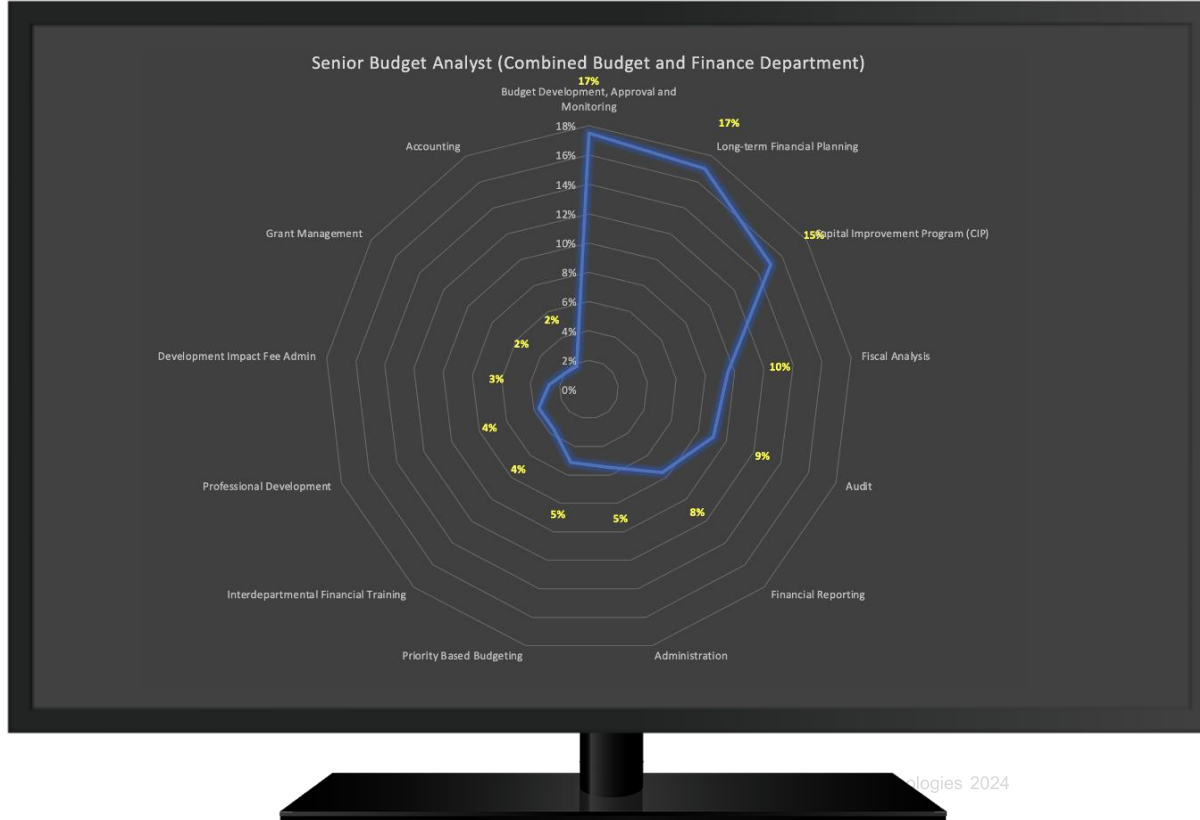


Machine learning techniques predict the costs of providing these programs and their cost-recovery.



# Predicting Program Costs and Revenue Allocation

FORECAST: COSTS AND REVENUE ALLOCATIONS

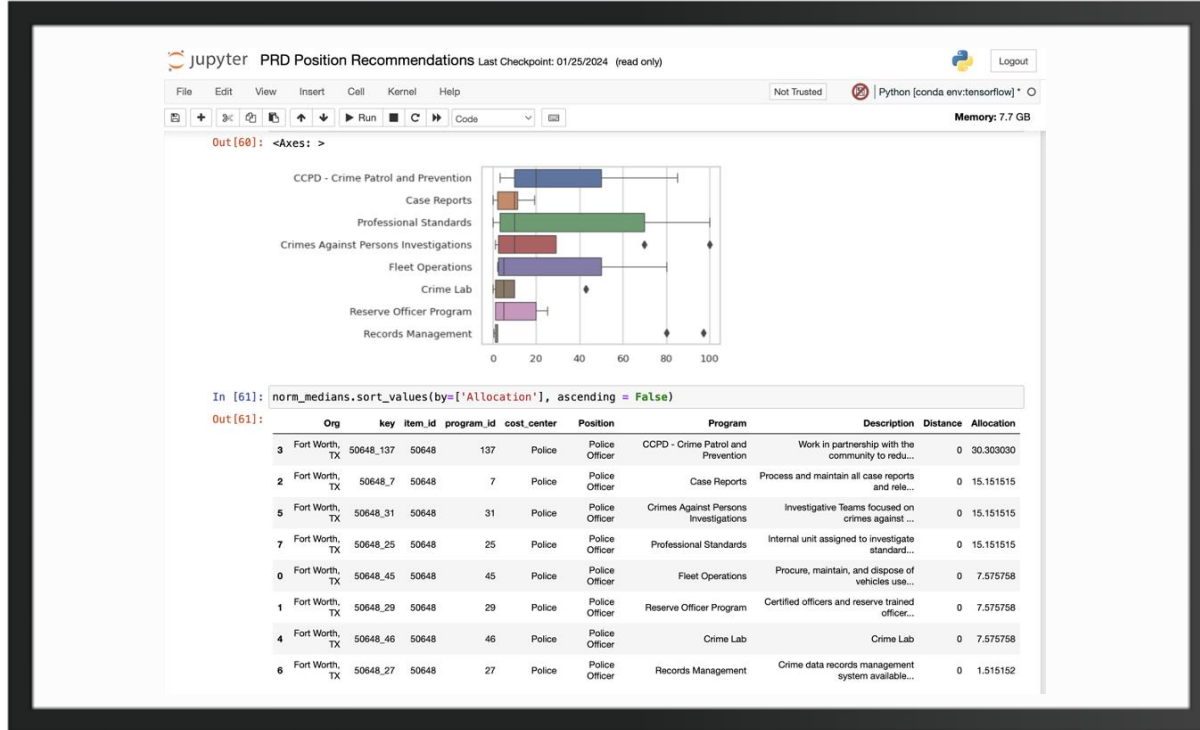


Machine learning techniques predict the costs of providing these programs and their cost-recovery.



# Predicting Program Costs and Revenue Allocation

FORECAST: COSTS AND REVENUE ALLOCATIONS



Machine learning techniques predict the costs of providing these programs and their cost-recovery.





# Predicting the Impact of Each Program

PREDICT: IMPACT ON ORGANIZATIONAL PRIORITIES

**Configure Results**

**Result Types:** + Add New...

**Community** + Add Result

- AFFORDABILITY & HOUSING** (AFFORDABILITY & HOUSING - Improve access to a broad range of quality housing that is safe, accessible, and affordable. Address the increase of the cost of living through diverse job opportunities, living wage adjustments, and reduce the mismatch between available jobs and skills in the workforce.)  
Scale: 5-point Edit
- MULTIMODAL TRANSPORTATION & PUBLIC TRANSIT** (MULTIMODAL TRANSPORTATION & PUBLIC TRANSIT - Building, maintaining and improving a modern infrastructure for ease of traffic flow and safety, and the availability of transportation alternatives, and access to public transportation)  
Scale: 5-point Edit
- SAFE COMMUNITY** (SAFE COMMUNITY - Meet the expected level of core and specialized public safety services as the community grows and continue to adapt and implement practices and strategies that address mental, behavioral and illegal drug health issues.)  
Scale: 5-point Edit

Weight: 3 Edit Have Score

**DEFINITIONS**

(The user will have to assess how well a program aligns with this collection of definitions)

- Support the City's plan to have the Albuquerque Community 5 safety Department (ACS) operate 24 hours/7 days a week.
- Support the Animal Welfare Department to open the spay/neuter clinic to 5 days a week to reduce intakes and overcrowding at City shelters.
- Initiate a program to hire private security entities to assist in patrolling public transit, public buildings, and neighborhoods.
- Continue to prioritize full staffing and longevity incentives for

**Governance** + Add Result

- HIGH PERFORMING GOVERNANCE** (HIGH PERFORMING GOVERNANCE - Delivering services desired by the community through sound financial management; data-informed, transparent, and collaborative decision making; effective communication and efficient project management; and attract and retain a City workforce through development and growth opportunities.)  
Scale: 5-point Edit

**BPA** + Add Result

- Demand** (DEMAND)  
Scale: 3-point Edit
- POPULATION SERVED** (POPULATION SERVED)  
Scale: 3-point Edit
- Mandate** (MANDATE)  
Scale: 3-point Edit

Weight: 1 Edit Have Score

**DEFINITIONS**

(The user has to select the one, which best corresponds to the program)

- No Mandate
- Self Mandate or Ordinance
- State or Federal Mandate

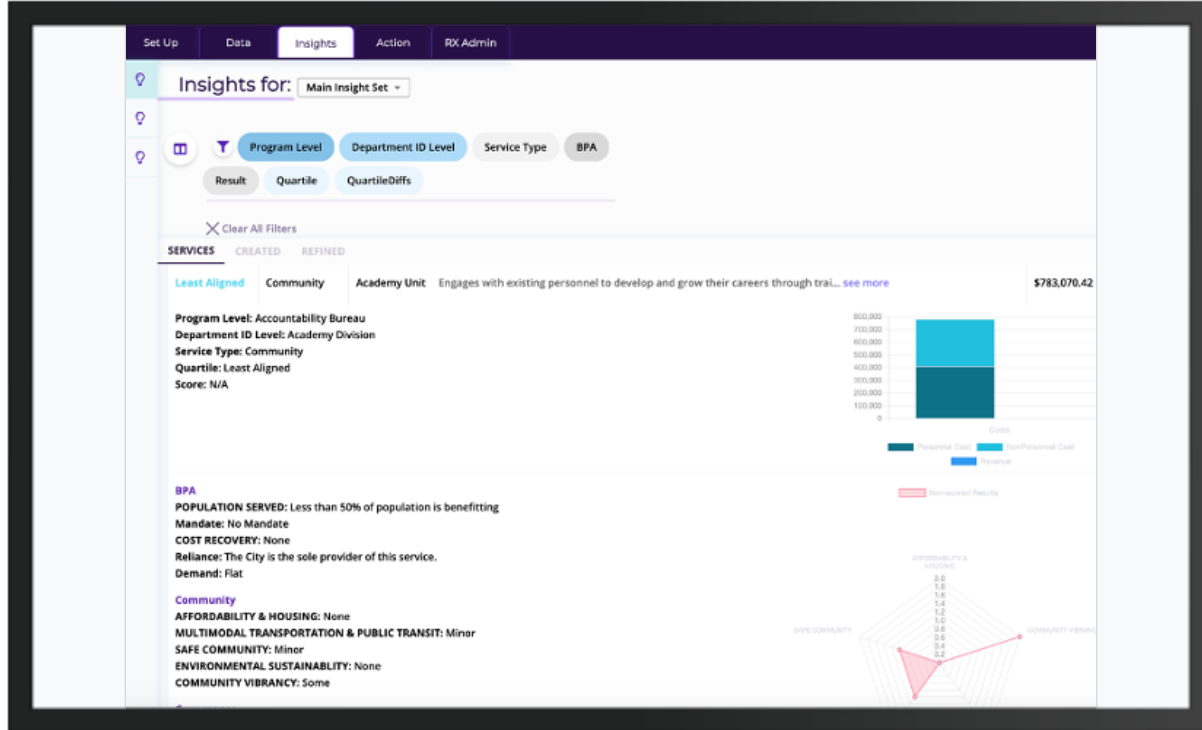
- COST RECOVERY** (COST RECOVERY)  
Scale: 3-point Edit
- Reliance** (RELIANCE)  
Scale: 2-point Edit

AI analyzes the government's strategic plan to predict how the programs will score relative to basic program attributes and the strategic plan priorities.



# Predicting the Impact of Each Program

PREDICT: IMPACT ON ORGANIZATIONAL PRIORITIES



AI analyzes the government's strategic plan to predict how the programs will score relative to basic program attributes and the strategic plan priorities.

# Resource Reallocation & Revenue Generation Opportunities

## CASE STUDIES & EXECUTION PLANS

I M P A C T

High Impact, Low Cost	
<p><b>High Impact, Low Cost, Low/No Mandate, High Reliance</b></p> <p>Seeking higher impact for lower cost - consider if increases would further activate impact</p> <p>48 programs</p> <p>\$ 2,819,209 Investment</p> <p>Rank 9 Category 10</p>	<p><b>High Impact, Low Cost, High Mandate, High Reliance</b></p> <p>Appear to be of high relevance for the cost, and if needed - check opportunity to offset mandates with cost recovery, grant funding</p> <p>30 programs</p> <p>\$ 1,857,011 Investment</p> <p>Rank 11 Category 10</p>
<p><b>High Impact, Low Cost, Low/No Mandate, Low Reliance</b></p> <p>High impact, low cost programs with partnership opportunity possible and modest equipment - share costs or in-source for new equipment</p> <p>5 programs</p> <p>\$ 378,371 Investment</p> <p>Rank 14 Category 9</p>	<p><b>High Impact, Low Cost, High Mandate, Low Reliance</b></p> <p>Particular to be in high impact, low cost programs with partnership opportunity possible - share costs or in-source for new equipment</p> <p>4 programs</p> <p>\$ 302,002 Investment</p> <p>Rank 15 Category 11</p>
Low/No Mandate	Highly Mandated

High Impact, High Cost	
<p><b>High Impact, Higher Cost, Low/No Mandate, High Reliance</b></p> <p>Impact single, with high price, limited equipment and materials dependent on us - is there a cost recovery opportunity?</p> <p>52 programs</p> <p>\$ 72,790,126 Investment</p> <p>Rank 1 Category 14</p>	<p><b>High Impact, Higher Cost, High Mandate, High Reliance</b></p> <p>Your utmost cost, of a cost - offers an opportunity to consider cost recovery? Study those programs are growing (check demand)</p> <p>67 programs</p> <p>\$ 80,526,825 Investment</p> <p>Rank 1 Category 18</p>
<p><b>High Impact, Higher Cost, Low/No Mandate, Low Reliance</b></p> <p>Being impact, costs are high, is there opportunity to share the costs (in-source), or in-source for 800</p> <p>6 programs</p> <p>\$ 20,481,624 Investment</p> <p>Rank 3 Category 13</p>	<p><b>High Impact, Higher Cost, High Mandate, Low Reliance</b></p> <p>Review partnerships, regulations if possible (in-source or in-fig) to share high cost of highly mandated programs with low reliance</p> <p>2 programs</p> <p>\$ 2,425,820 Investment</p> <p>Rank 10 Category 15</p>
Low/No Mandate	Highly Mandated

Low Impact, Low Cost	
<p><b>Low Impact, Low Cost, Low/No Mandate, High Reliance</b></p> <p>Providing service mainly due to reliance - is there an opportunity to split off programs into non-essential business, in-source or other activities</p> <p>70 programs</p> <p>\$ 3,728,157 Investment</p> <p>Rank 8 Category 9</p>	<p><b>Low Impact, Low Cost, High Mandate, High Reliance</b></p> <p>Write mandates, with development and low partners - can we reduce costs, or in-source or split services to load the mandate?</p> <p>20 programs</p> <p>\$ 1,074,802 Investment</p> <p>Rank 13 Category 4</p>
<p><b>Low Impact, Low Cost, Low/No Mandate, Low Reliance</b></p> <p>Any opportunity to leverage partners (in-source) and reduce investment in the team, consider in-source for services</p> <p>29 programs</p> <p>\$ 1,370,176 Investment</p> <p>Rank 12 Category 9</p>	<p><b>Low Impact, Low Cost, High Mandate, Low Reliance</b></p> <p>Unfunded mandates, other positions partner or cost recovery</p> <p>4 programs</p> <p>\$ 268,713 Investment</p> <p>Rank 16 Category 9</p>
Low/No Mandate	Highly Mandated

Low Impact, High Cost	
<p><b>Low Impact, Higher Cost, Low/No Mandate, High Reliance</b></p> <p>Low impact with high cost, and to in-source mandates efficiently, reduce service level, look for full cost recovery in split off</p> <p>31 programs</p> <p>\$ 19,721,803 Investment</p> <p>Rank 5 Category 8</p>	<p><b>Low Impact, Higher Cost, High Mandate, High Reliance</b></p> <p>Unfunded mandates with low impact and no partner - what does the mandate require (essential services needed, non-essential efforts)</p> <p>26 programs</p> <p>\$ 28,862,387 Investment</p> <p>Rank 6 Category 8</p>
<p><b>Low Impact, Higher Cost, Low/No Mandate, Low Reliance</b></p> <p>Look for full cost recovery, in-source for non-essential services, consider in-source for non-essential services, maximize efficiency if essential</p> <p>11 programs</p> <p>\$ 6,024,242 Investment</p> <p>Rank 7 Category 9</p>	<p><b>Low Impact, Higher Cost, High Mandate, Low Reliance</b></p> <p>Mandates, low impact, partner - what does mandate require? Look for full cost recovery, in-source partners, Rank 10-100</p> <p>3 programs</p> <p>\$ 6,501,757 Investment</p> <p>Rank 6 Category 7</p>
Low/No Mandate	Highly Mandated

C O S T

# Resource Reallocation & Revenue Generation Opportunities

## CASE STUDIES & EXECUTION PLANS



### Category 5: Low Impact, High Cost, Low Mandate, Low Reliance

High-cost services with low impact and minimal mandate fall into this category, presenting a prime opportunity for cost recovery and efficiency improvements. In-sourcing for revenue generation or partnering with external entities can reduce the financial strain. Reducing or eliminating non-essential services while maximizing operational efficiency ensures that resources are utilized where they can create the most significant benefit.

#### 1. Health Department - Health Dept Lab Program

- **Department:** Health Department
- **Program Name:** Health Dept Lab Program
- **Program Description:** Provides support to prenatal, family planning, STD, Prep (HIV prophylaxis), and TB clinics. Offers direct access to lab testing at reduced costs and in-house identification of infections for same-appointment treatment.
- **Program Cost:** \$315,990.28
- **Program Revenue:** \$0

#### Insights:

- **Insight 1:** Partner with local healthcare providers and hospitals to subsidize the lab services. These partners could promote their services in exchange for financial support, increasing patient referrals to their facilities.
  - **Case Study:** The City of Baltimore's health department partnered with local hospitals to subsidize lab services, reducing operational costs and improving access to healthcare for the community.
- **Insight 2:** Introduce a sliding scale fee model for lab services based on patients' income levels. This could generate revenue while ensuring affordability for low-income individuals.
  - **Case Study:** The City of Denver's public health lab implemented a sliding scale fee model, which helped offset costs and expanded access to essential lab services for underserved populations.

**Opportunity:** \$157,995 - \$315,990

#### 2. Health Department - Health Dept Maternal & Child Health Fees

- **Department:** Health Department
- **Program Name:** Health Dept Maternal & Child Health Fees

49



transportation services but also provides seniors with opportunities for social engagement, contributing to their overall well-being.

**Opportunity:** \$10,046 - \$20,093

#### 2. Aging - Senior Citizen Lifeline Program

- **Department:** Aging
- **Program Name:** Senior Citizen Lifeline Program
- **Program Description:** Mill Levy funded medical alert for seniors
- **Program Cost:** \$5,680
- **Program Revenue:** \$0

#### Insights:

- **Insight 1:** Introduce a subscription-based model for the Lifeline service. Seniors or their families could pay a monthly fee for the service, which would provide a reliable source of revenue. This model could also include different subscription tiers, offering additional features such as emergency response services or health monitoring.
  - **Case Study:** Miami-Dade County introduced a subscription model for their senior alert system, which provided a steady stream of revenue while maintaining service quality. The subscription model also allowed for the inclusion of various service levels, catering to different needs and budgets.
- **Insight 2:** Partner with local businesses and health insurance companies to sponsor the Lifeline program. In exchange for their sponsorship, these entities could receive advertising opportunities, such as being featured on the Lifeline devices or in promotional materials. This would not only offset costs but also enhance the visibility and credibility of the sponsors within the senior community.
  - **Case Study:** Chicago's senior alert program partnered with local pharmacies and insurance companies for sponsorship. These partnerships provided significant financial support, allowing the program to expand its reach and improve service delivery. The sponsors benefited from increased brand recognition and positive community engagement.

**Opportunity:** \$3,340 - \$6,680

#### 3. Community Programs - Downtown Shareholders Contribution

- **Department:** Community Programs
- **Program Name:** Downtown Shareholders Contribution

15



## EXECUTION PLAN

# Priority Based Budgeting **Blueprint for Funding the Future**

## **We Have New Needs**

WE WANT TO:

Launch new programs to tackle emerging challenges

Enhance current programs that need more resources

## **We Don't Have New Needs**

WE WANT TO:

Maintain/preserve current services

Seek to lower tax rates or refund tax-payers

HOW TO REACH THE ABOVE GOALS

**FREE UP & REALLOCATE RESOURCES**

+

**GENERATE NEW REVENUE**



**SOURCING**



**EFFICIENCIES**



**SERVICE  
LEVELS**



**FEES &  
CHARGES**



**GRANT  
FUNDING**



**TAXES/  
RATES**



# Insights With Savings and Reallocation Recommendations

DISCOVER: COST SAVINGS AND REVENUE OPPORTUNITIES

## Community and Human Services Division- Mental Health and Substance Abuse Medical Services

- **Program Description:** Contract between Florida County and Center for mental health and substance abuse services, pursuant to Florida Statute, Section 394.76(9)(a) and (b).
- **Program Cost:** \$1,530,700
- **Program Revenue:** \$0

**Insight 1:** Pursue state and federal grants specifically targeted at mental health and substance abuse programs to offset operational costs.

- **Case Study Example:** Los Angeles County secured millions in federal grants for mental health services under the Mental Health Services Act (MHSA), reducing local funding needs.

**Insight 2:** Implement a sliding fee scale for services based on clients' ability to pay, ensuring those who can contribute financially do so.

- **Case Study Example:** The Mental Health Center of Denver employs a sliding fee scale for its services, ensuring cost recovery while maintaining accessibility.

**Ideally, strive for:** \$765,400 - \$1,530,700 in cost offset.

AI identifies patterns among similarly scored and categorized programs from other municipalities to suggest program-specific resource reallocation and revenue generation recommendations.



# Case Studies and Guidance for Success

DISCOVER: COST SAVINGS AND REVENUE OPPORTUNITIES

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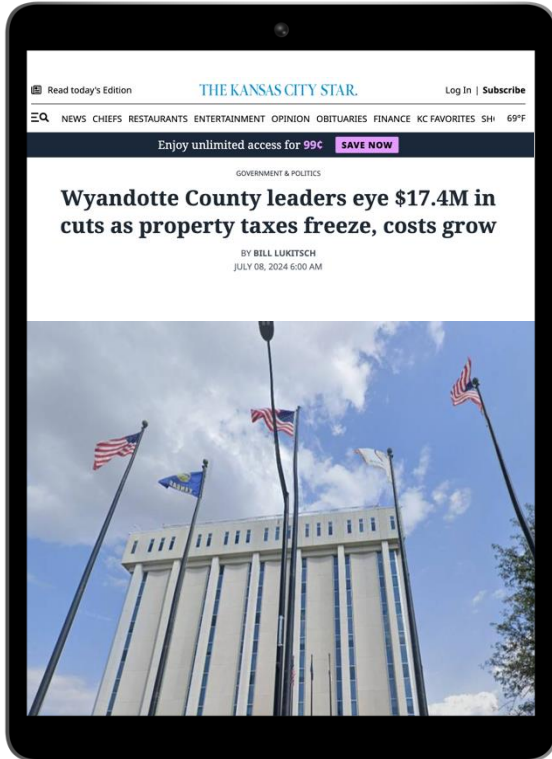
- **Case Study Example:** The Mental Health Center of Denver employs a sliding fee scale for its services, ensuring cost recovery while maintaining accessibility.

**Ideally, strive for:** \$765,400 - \$1,530,700 in cost offset.

AI then cites specific examples of programs that have been successful elsewhere to offer guidance as to how the current client might utilize these techniques in their own programs.

# Identifying Cost Savings and Revenue Opportunities

A CASE STUDY, WYANDOTTE COUNTY, KANSAS



Category	Description	Opportunities	Potential Savings/Opportunities
1	Low Impact, Low Cost, Low Mandate, Low Reliance	Optimize low-impact services through partnerships and efficient resource reallocation.	\$0.6M to \$1.3M
2	Low Impact, Low Cost, Low Mandate, High Reliance	Spin off programs to non-profits or private businesses to maintain service levels and reduce government burden.	\$1.1M to \$1.8M
3	Low Impact, Low Cost, High Mandate, Low Reliance	Meet minimum compliance with mandates while exploring cost recovery options.	\$0.1M to \$0.2M
4	Low Impact, Low Cost, High Mandate, High Reliance	Balance mandate requirements and community expectations through cost recovery and efficiency.	\$0.5M to \$1M
5	Low Impact, High Cost, Low Mandate, Low Reliance	Focus on cost recovery and efficiency improvements through in-sourcing and partnerships.	\$3M to \$4.2M
6	Low Impact, High Cost, Low Mandate, High Reliance	Evaluate service necessity and explore partnerships to manage high costs.	\$9.8M to \$13.8M
7	Low Impact, High Cost, High Mandate, Low Reliance	Efficiently meet mandate requirements through strategic adjustments and partnerships.	\$3.2M to \$3.9M
8	Low Impact, High Cost, High Mandate, High Reliance	Manage high-cost mandated services through cost recovery and efficiency improvements.	\$14.3M to \$17.1M
9	High Impact, Low Cost, Low Mandate, Low Reliance	Enhance significant impact programs at low cost through targeted investments and partnerships.	\$0M to \$0.1M
10	High Impact, Low Cost, Low Mandate, High Reliance	Increase the effectiveness of high-impact, low-cost programs through partnerships and additional funding.	\$0.5M to \$1.1M
11	High Impact, Low Cost, High Mandate, Low Reliance	Maximize community impact while ensuring compliance with mandates.	\$0M to \$0.1M
12	High Impact, Low Cost, High Mandate, High Reliance	Maintain and enhance critical high-impact, low-cost services to meet community needs and mandate requirements.	\$0.3M to \$0.7M
13	High Impact, High Cost, Low Mandate, Low Reliance	Manage high-cost impactful services through cost-sharing partnerships and cost recovery mechanisms.	\$2.9M to \$4.4M
14	High Impact, High Cost, Low Mandate, High Reliance	Focus on cost management and sustainability for high-cost, high-impact services with high community reliance.	\$3.6M to \$7.2M
15	High Impact, High Cost, High Mandate, Low Reliance	Strategically manage high-cost mandated services through partnerships and cost-saving opportunities.	\$0.1M to \$0.2M
16	High Impact, High Cost, High Mandate, High Reliance	Ensure the sustainability of critical high-cost, high-impact services through cost recovery, efficiency improvements, and strategic investments.	\$4M to \$8M

The sum total of the potential savings ranges from \$44.7M to \$65.8M

The initial, potential savings for the County range from approximately **\$44.7 million to \$65.8 million**. The breakdown of opportunities across various categories provides a clear pathway to achieving these savings through a combination of partnerships, cost recovery, and strategic adjustments.



# The Budget Process with Priority Based Budgeting

A CASE STUDY: A CITY IN ARIZONA



# The Budget Process with Priority Based Budgeting

A CASE STUDY: A CITY IN ARIZONA

## Key Community Priorities



### 05-Community Development

Below is a summary of programs and their total requested amount and potential new total cost.

Quartile	Program	Total Cost	Requested Amount	Proposed Total Cost
4	CD Personnel	\$23,591	\$4,000	\$27,591
2	Inspections	\$1,488,475	\$200	\$1,488,675
1	Planning Discretionary Review	\$231,757	\$512	\$232,268
2	Code Compliance	\$376,883	\$1,252	\$378,135
1	Regional Plan Update and Management	\$112,080	\$202,716	\$314,796
2	Neighborhood & Specific Plans	\$137,007	\$512	\$137,519
1	Zoning and Subdivision Code Management	\$126,370	\$810	\$127,179
2	Affordable Housing Unit Creation	\$177,282	\$110,000	\$287,282
1	Community Development Block Grant Management	\$1,407,201	\$325,000	\$1,732,201
4	Intra-divisional Engineering Assistance and Support	\$39,288	\$35,000	\$74,288
1	Traffic Systems Management	\$224,176	\$73,900	\$298,076
3	Direct Rental Assistance	\$4,863,450	\$1,636,550	\$6,500,000
2	Engineering Plan/Permit Review	\$405,868	\$22,000	\$427,868
2	Section 8 Client Management	\$145,443	\$50,750	\$196,193
1	Public Housing; Residential Property Maintenance	\$1,732,136	\$20,500	\$1,752,636
2	Housing Community Information and Referrals	\$39,800	\$10,000	\$49,800
2	Plan / Permit / Project Review	\$1,058,857	\$1,250	\$1,060,107
	<b>Total</b>	<b>\$12,589,669</b>	<b>\$2,494,950</b>	<b>\$15,084,619</b>

Below is a detailed outline of the impact every request has on program listed above.

Program and Request Description	Requested Total	Decision Status
<b>CD Personnel</b>		
Certified Public Manager	\$4,000	Approved
<b>Inspections</b>		
Inspection supplies and equipment	\$200	Approved
<b>Planning Discretionary Review</b>		
Additional Regional Plan Advertising	\$512	Approved
<b>Code Compliance</b>		
Additional Regional Plan Advertising	\$1,252	Approved
<b>Regional Plan Update and Management</b>		
Software to support Scenario Planning and Hybrid Public Engagement	\$0	Approved
Additional Printing Costs for the Regional Plan Update	\$1,800	Approved
Writer/editor for the Regional Plan Update	\$20,000	Approved

### Regional Plan Update and Management

#### Program Description

An update to the Regional Plan is required every 10 ten years which must be sent to the voters for ratification. The Regional Plan is the General Plan for the City. The General Plan is a comprehensive long-range plan for the development of the City and includes statement of community goals and policies, maps, concept plans, and strategies. It covers a wide variety of topics including housing, business, recreation, open space, natural resources, and public facilities. Once a plan is approved annual reports are prepared on the statistical data that supports the Regional Plan. Prepare, process and coordinate amendments to the Regional Plan.

#### Program Budget

	Total Cost	Requested Amount	Proposed Total Cost
Personnel	\$98,274	\$0	\$98,274
NonPersonnel	\$13,806	\$1,800	\$15,606
Revenue	\$0	\$0	\$0
<b>Total</b>	<b>\$112,080</b>	<b>\$1,800</b>	<b>\$113,880</b>

#### Budget Request Description

Additional Printing Costs for the Regional Plan Update

#### Box Choices

How does this request impact the program service level? Maintains service level

Is this request Recurring or One-time? (select one): One-time

Is this a new funding request or a base budget reallocation request? New Funding Request

#### Priority Based Budgeting Analysis

Cost Allocations



Quartile Alignment



BPA Section

**MANDATED TO PROVIDE PROGRAM** - Federal/state mandate  
**RELIANCE ON CITY TO PROVIDE PROGRAM** - City is sole provider of service (including contracting out services)  
**CHANGE IN DEMAND for the PROGRAM** - Increasing Demand  
**CAPACITY to SERVE** - The program has the capacity to serve more than 50% of the intended population  
**COST RECOVERY of PROGRAM** - 1% - 50% cost recovery

# Priority Based Budgeting Redefines the Finance Function



Our AI-powered **Priority Based Budgeting platform and framework** enables governments and school districts to easily and quickly uncover budget savings, identify revenue possibilities, better allocate funds, and create sustainable, fiscally responsible budgets.



P R I O R I T Y   B A S E D   B U D G E T I N G

**How is it complemented within Tyler?**



# Tyler's Priority Based Budgeting

## A SaaS Solution with Managed Services

Tyler's Priority Based Budgeting is a cloud-native software solution coupled with managed services that enable an organization to create a priority-based budget.

## A Standalone Software Solution

It is offered as a standalone solution to enhance any ERP, budget development application, or process.

# AI & Machine Learning Technology



Artificial intelligence (AI) and machine learning (ML) facilitate rapidly creating program and priority-based budgets and resource optimization recommendations.

**A typical project takes 3-5 months.**

# Technology Transformation Management



## **Priority Based Budgeting Director**

(supplemental offering)

The embedded Priority Based Budgeting Director directly engages with key decision-makers and departmental staff as they evaluate their budgets using the Priority Based Budget lens.

## **Intuitive with minimal skills required**

It assists with organizational change management, technology integration, and workforce capacity constraints.

# Priority-Based Budgeting



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