



City of Kenmore - 18120 68th Avenue NE - P.O. Box 82607 - Kenmore, WA 98028
Phone: 425-398-8900 - Fax: 425-481-3236 - E-mail: cityhall@kenmorewa.gov

City of Kenmore
City Council Special Meeting Agenda
5:30 p.m., Monday, April 2, 2018
Kenmore City Hall, Council Chambers
18120 68th Ave. NE, Kenmore, WA 98028

If you have any questions or to confirm agenda items prior to the meeting, or if you require special accommodations, please call the City Clerk at 425-398-8900. You may also stop by City Hall at 18120 68th Avenue NE, Kenmore. Council agendas are also available on our website at www.kenmorewa.gov.

I. 5:30 p.m. - CALL SPECIAL MEETING TO ORDER

II. EXECUTIVE SESSION

Pursuant to RCW 42.30.110(1)(i), Litigation or Potential Litigation

III. 6:30 PRESENTATION - PRIORITY BASED BUDGETING

Chris Fabian and Joanne Gregory

[Agenda Item](#)

IV. ADJOURN SPECIAL MEETING

Upcoming Meetings:

Monday, April 9, 2018 - CANCELED

Monday, April 16, 2018 - Regular Council Meeting

Monday, April 23, 2018 - Regular Council Meeting

Monday, April 30, 2018 - Special Council Meeting

Monday, May 7, 2018 - Special Council Meeting

Monday and Tuesday, May 21 & 22, 2018 - Budget Retreat - 5:00 PM - 9:00 PM

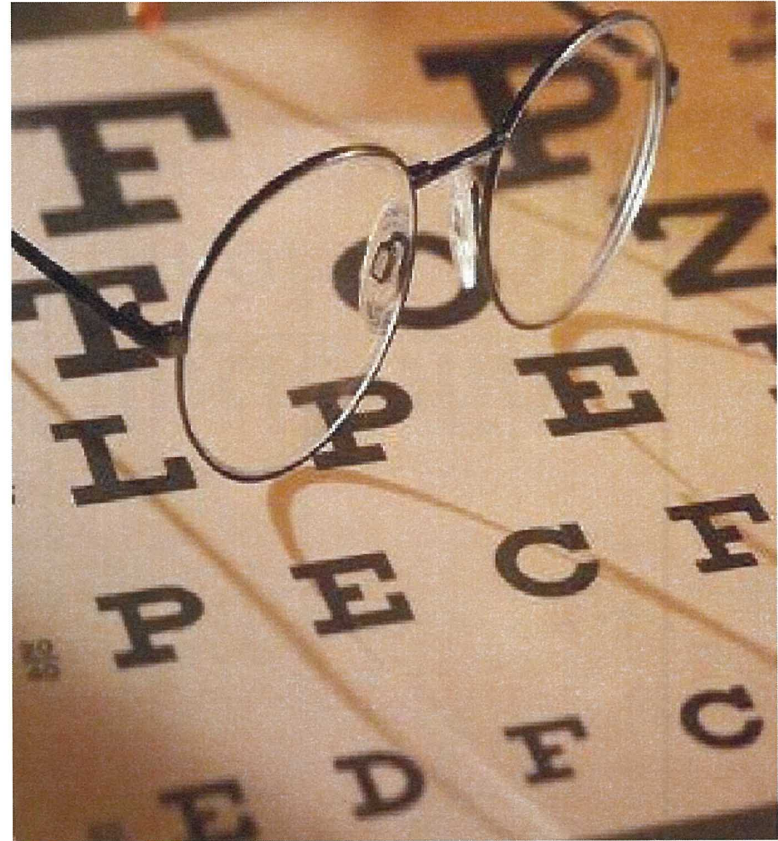
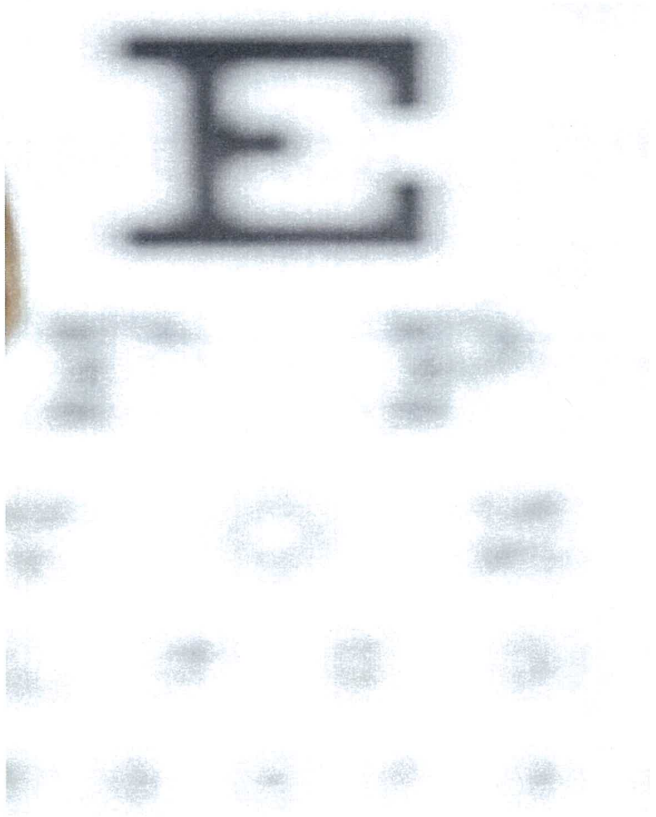


Priority Based Budgeting Presentation of “Resource Alignment Diagnostic Tool”

City of Kenmore, Washington
Jon Johnson & Chris Fabian
October 6, 2014



BRINGING VISION INTO FOCUS WITH A NEW “LENS”





STEPS to SUCCESS – Priority Based Budgeting

1. Determine Results

- Accurate prioritization of programs, reflecting the organization's stated objectives, depends on the comprehensive identification of the *Results* it is in business to achieve

2. Clarify Result Definitions

- Precision in prioritization depends on the articulation of the cause and effect relationship between a program and a *Result*
- Using clearly defined **"Result Maps"**, detailing the factors that influence the way *Results* are achieved, the organization can minimize subjectivity in the process of linking programs with its *Results*

3. Identify Programs and Services

- Comparing individual programs and services as opposed to comparing departments that provide those services allows for better prioritization

4. Value Programs Based on Results

- With the right *Results* that are clearly defined, the organization can more accurately "value" a program relative to its influence on achieving *Results*

5. Allocate Resources Based on Priorities

- Using **"Resource Alignment Diagnostic Tool"**



City of Kenmore's Community Results

- *Access to Quality Cultural, Recreational, Educational and Leisure Opportunities*
- *Attractive, Well-Planned, Enduring and Desirable Place to Live and Work*
- *Connected, Involved and Family-Oriented Community that Values Diversity*
- *Effective Mobility and Connected, Reliable Transportation System*
 - *Prosperous, Vibrant and Sustainable Economy*
 - *Safe and Secure Community*
- *Sustainable, Healthy Environment and the Preservation of Natural Resources*



City of Kenmore's **Good Governance Results**

- *Fosters Open, Responsive and Transparent Government by Ensuring Accountability, Efficiency, Effectiveness and Integrity in all Operations*
- *Protects, Manages, Optimizes and Invests in its Financial, Human, Physical and Technology Resources*
- *Supports Decision-Making with Timely and Accurate Short-Term and Long-Range Analysis that Enhances Vision and Planning*
 - *Provides Assurance of Regulatory and Policy Compliance*
- *Attracts, Motivates, Develops and Retains a High-Quality, Engaged and Productive Workforce*
- *Provides Responsive and Accessible Leadership, Focused Community Priorities and Facilitates Timely, Well-Utilized Two-Way Communication and Input with all Stakeholders*



City of Kenmore, Washington





City of Kenmore, Washington

ATTRACTIVE, WELL-PLANNED, ENDURING and DESIRABLE PLACE TO LIVE and WORK

Develops, maintains and consistently regulates neighborhoods that are safe, attractive and clean

Offers a variety of shopping and entertainment experiences that attract residents and visitors, and stimulates job growth

Builds a strong sense of community togetherness through partnerships and events that stimulate public involvement

Actively markets the City's assets, unique culture and image to attract visitors and community investment

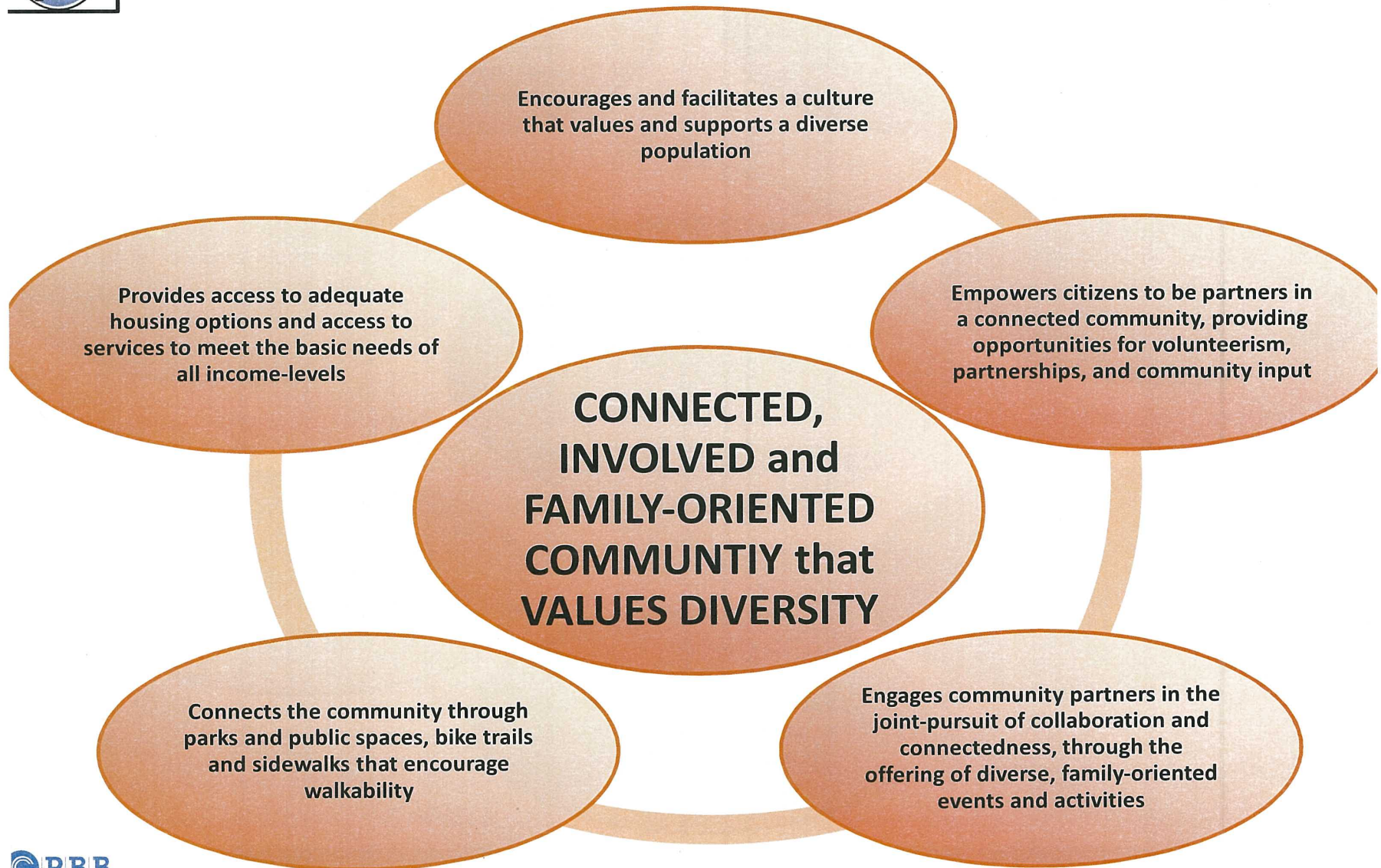
Plans strategically to encourage targeted development, supported by consistently applied design standards, and facilitated by efficient and appropriate review processes

Provides for convenient modes of mobility, through safe, well-marked and well-maintained roads with the capacity to minimize congestion, and paths, trails and sidewalks to promote a walkable community

Provides, maintains and invests in well-planned public infrastructure, focusing on a transportation network and public facilities that accommodate the long-range growth needs of the community

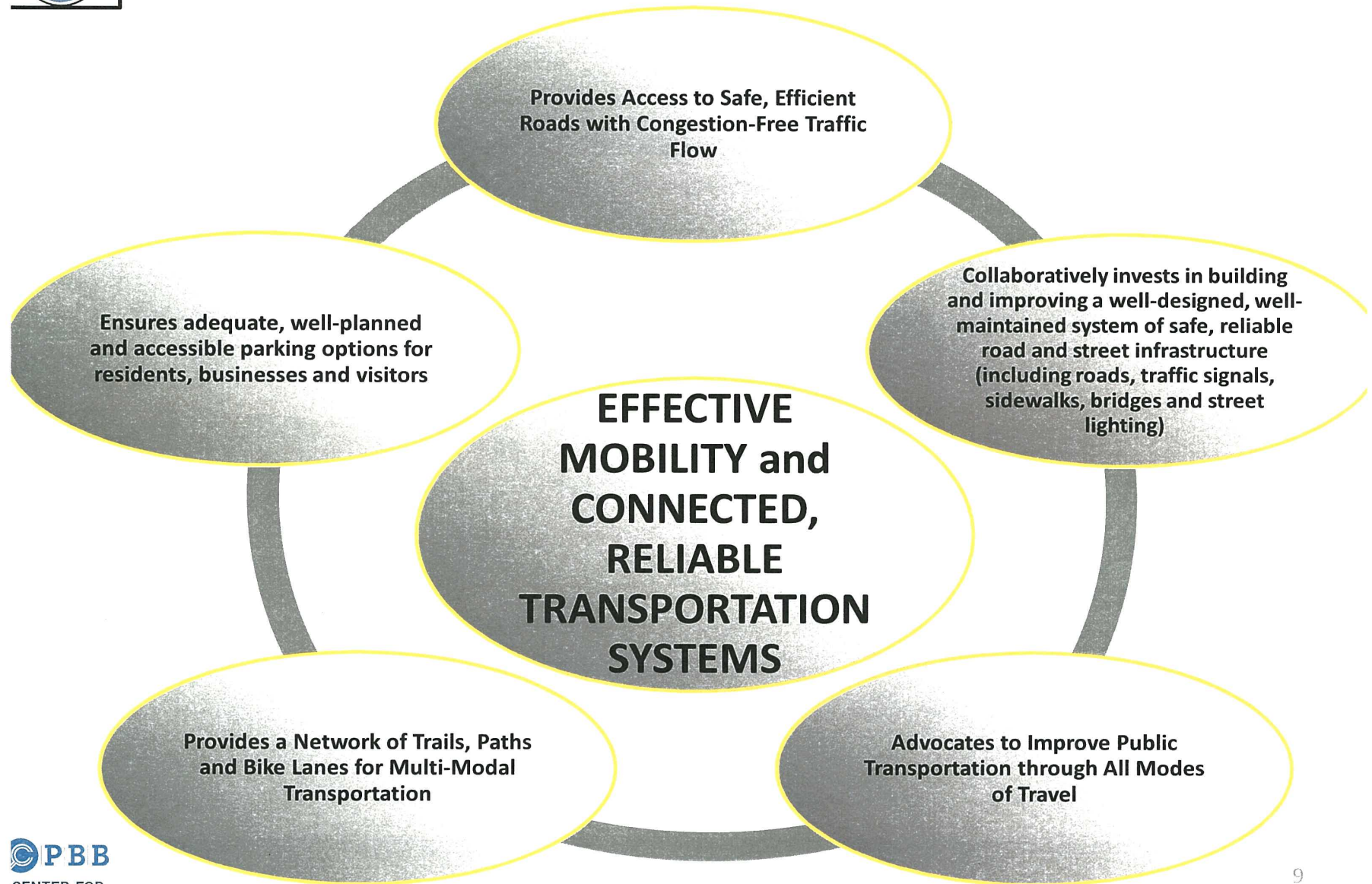


City of Kenmore, Washington





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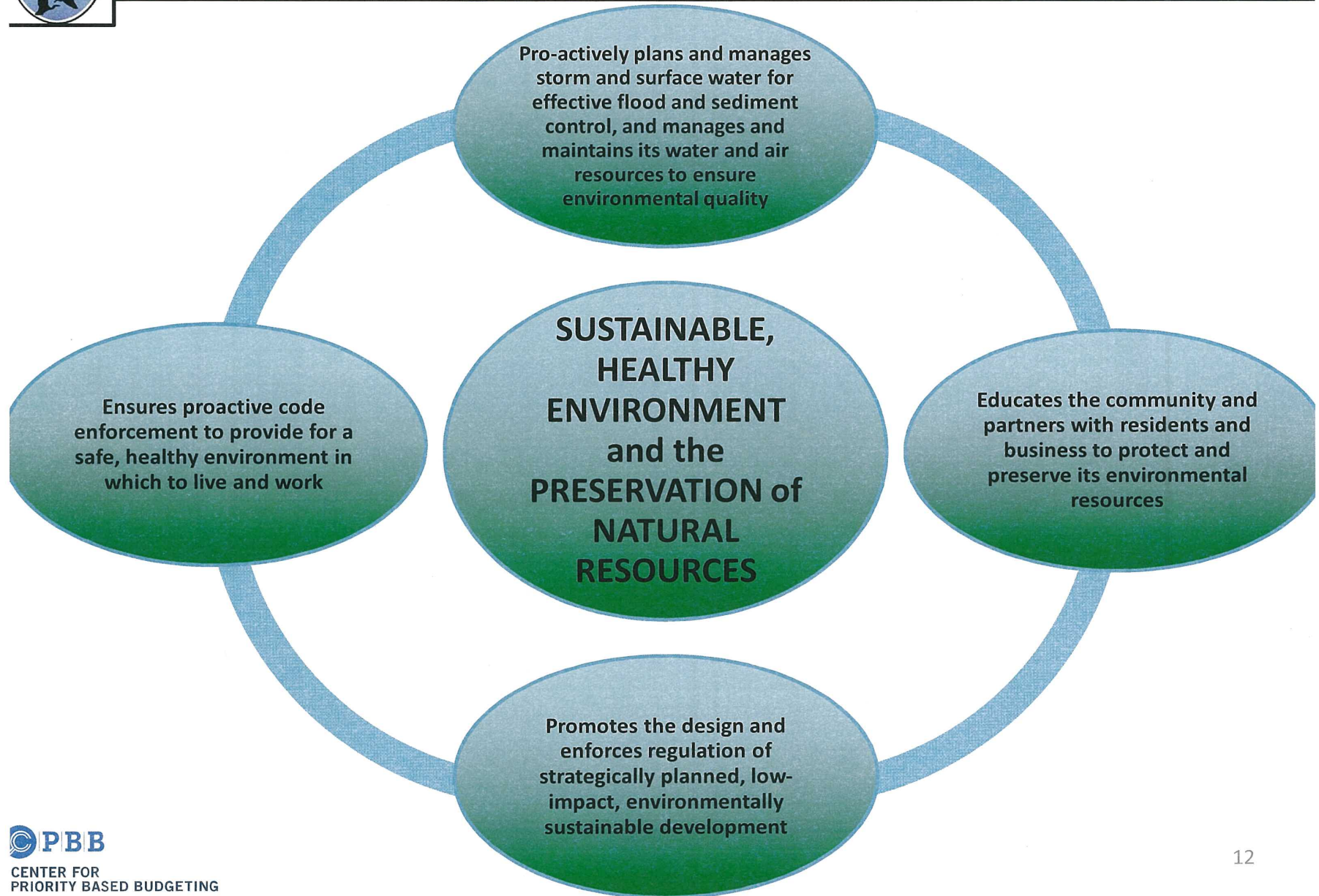


City of Kenmore, Washington



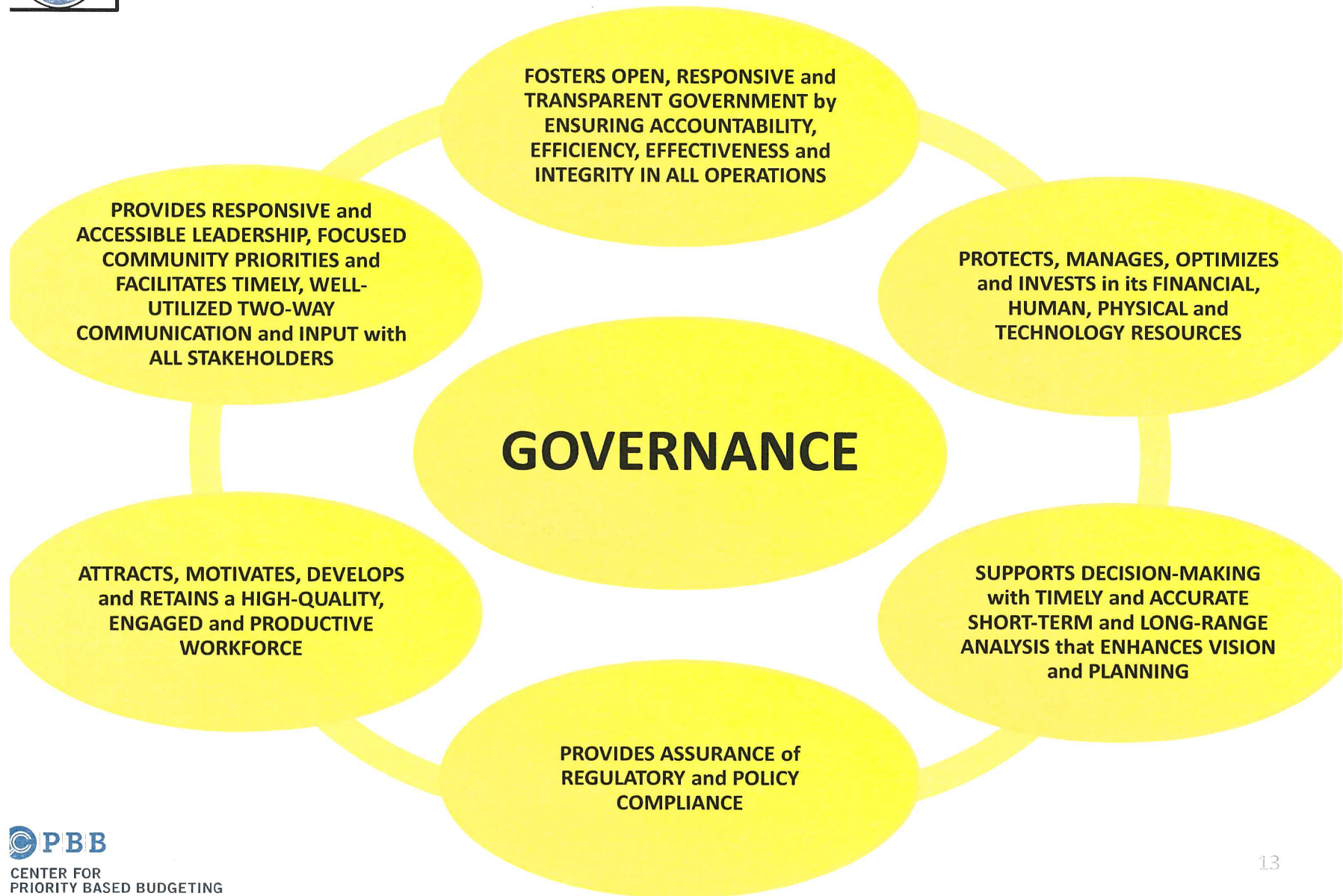


City of Kenmore, Washington





City of Kenmore, Washington





Identifying Programs & Program Costs

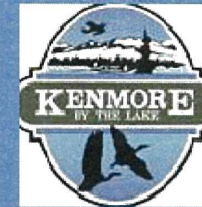
“Inventorying all of a government’s services into a list of programs is the most difficult part of the process, but for many, it is the most illuminating. By costing out and rethinking the budget in terms of what specific services a government provides, decision-makers gain valuable information about what they actually do and how much each unit costs to produce.”

- **400 Citywide Programs - \$13,503,106**
 - 24 Department Administration Programs
 - 1 Fixed Cost Program
- **307 Community Programs - \$12,024,255**
 - 89.05% of ongoing City budget
- **93 Governance Programs - \$1,478,851**
 - 10.95% of ongoing City budget



Program Inventories (and Costs) Developed by City

City of Kenmore, Washington
Department Program Inventory Worksheet
June, 2014



DIRECTIONS: Comprehensively identify "what you do" in your department by developing a list of programs/services you offer. Please provide a program name that clearly identifies what the program "does" and provide a brief description, if needed to clarify that programs function. PLEASE AVOID ABBREVIATIONS, ACRONYMS or TERMINOLOGY THAT WOULD BE UNFAMILIAR TO SOMEONE OUTSIDE YOUR DEPARTMENT

Accounting Fund Name	DEPARTMENT NAME	DIVISION NAME	PROGRAM NAME	PROGRAM NUMBER	PROGRAM DESCRIPTION
General	Public Safety	District Court	Civil Filings (up to \$75K)	198	
General	Public Safety	District Court	District Court Call Center	199	
General	Public Safety	District Court	DV and anti Harassment Orders	200	
General	Public Safety	District Court	Hearings-Civil Infraction Hearings	201	
General	Public Safety	District Court	Hearings-Misdemeanor	202	Provide district court judges and the facility to preside over misdemeanor cases; provide over civil infraction hearings; provide court security; conduct small claim hearing, issue protection orders
General	Public Safety	District Court	Interpreters, Jury and Witness Management	203	

“Value” of Programs based on their influence on Results and Basic Program Attributes



**CENTER FOR
PRIORITY BASED BUDGETING**

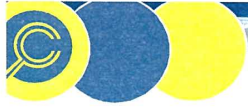


Basic Program Attributes



Basic Program Attributes: **Mandated to Provide Program**

- *Programs that are mandated by another level of government (i.e. federal, state or county) will receive a higher score for this attribute compared to programs that are mandated solely by the City or have no mandate whatsoever.*
- The grading criterion established to score programs, on a 0 to 4 scale is as follows:
 - **4** = Required by Federal, State or County legislation
 - **3** = Required by Charter or incorporation documents **OR** to comply with regulatory agency standards
 - **2** = Required by Code, ordinance, resolution or policy **OR** to fulfill executed franchise or contractual agreement
 - **1** = Recommended by national professional organization to meet published standards, other best practice
 - **0** = No requirement or mandate exists



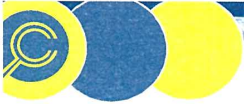
Basic Program Attributes: **Reliance on City to Provide Program**

- *Programs for which residents, businesses and visitors can look only to the City to obtain the service will receive a higher score for this attribute compared to programs that may be similarly obtained from another intergovernmental agency or a private business.*
- The grading criterion established to score programs, on a 0 to 4 scale is as follows:
 - **4** = City is the sole provider of the program and there are **no** other public or private entities that provide this type of service
 - **3** = City is currently the sole provider of the program but there are other public or private entities that could be contracted to provide a similar service
 - **2** = Program is only offered by another governmental, non-profit or civic agency
 - **1** = Program is offered by other private businesses but none are located within the City limits
 - **0** = Program is offered by other private businesses located within the City limits



Basic Program Attributes: Change in Demand for Program

- *Programs demonstrating an increase in demand or utilization will receive a higher score for this attribute compared to programs that show no growth in demand for the program. Programs demonstrating a decrease in demand or utilization will actually receive a negative score for this attribute.*
- The grading criterion established to score programs, on a -4 to 4 scale is as follows:
 - **4** = Program experiencing a ***SUBSTANTIAL*** increase in demand of 25% or more
 - **3** = Program experiencing a ***SIGNIFICANT*** increase in demand of 15% to 24%
 - **2** = Program experiencing a ***MODEST*** increase in demand of 5% to 14%
 - **1** = Program experiencing a ***MINIMAL*** increase in demand of 1% to 4%
 - **0** = Program experiencing ***NO*** change in demand
 - **-1** = Program experiencing a ***MINIMAL*** decrease in demand of 1% to 4%
 - **-2** = Program experiencing a ***MODEST*** decrease in demand of 5% to 14%
 - **-3** = Program experiencing a ***SIGNIFICANT*** decrease in demand of 15% to 24%
 - **-4** = Program experiencing a ***SUBSTANTIAL*** decrease in demand of 25% or more



Basic Program Attributes: **Cost Recovery of Program**

- *Programs that demonstrate the ability to “pay for themselves” through user fees, intergovernmental grants or other user-based charges for services will receive a higher score for this attribute compared to programs that generate limited or no funding to cover their cost.*
- The grading criterion established to score programs, on a 0 to 4 scale is as follows:
 - **4** = Fees generated cover 75% to 100% of the cost to provide the program
 - **3** = Fees generated cover 50% to 74% of the cost to provide the program
 - **2** = Fees generated cover 25% to 49% of the cost to provide the program
 - **1** = Fees generated cover 1% to 24% of the cost to provide the program
 - **0** = No fees are generated that cover the cost to provide the program



Basic Program Attributes: **Portion of Community Served by Program**

- *Programs that benefit or serve a larger segment of the City's residents, businesses and/or visitors will receive a higher score for this attribute compared to programs that benefit or serve only a small segment of these populations.*
- The grading criterion established to score programs, on a **0 to 4** scale is as follows:
 - **4** = Program benefits/serves the **ENTIRE** community (100%)
 - **3** = Program benefits/serves a **SUBSTANTIAL** portion of the community (at least 75%)
 - **2** = Program benefits/serves a **SIGNIFICANT** portion of the community (at least 50%)
 - **1** = Program benefits/serves **SOME** portion of the community (at least 10%)
 - **0** = Program benefits/serves only a **SMALL** portion of the community (less than 10%)



Peer Review Process (Quality Control)

©

CITY of KENMORE, WASHINGTON

Priority Based Budgeting

Peer Review of Departmental Program Scoring - September, 2014

Communit Safe & Secure Community



The department has scored its programs against both the Priority Results and the Basic Attributes. Based on these scores, programs were assigned a score between "3" and "4". Peer review serves as a "quality control" step in the scoring process. The Peer Review team is asked to review the scores assigned by the department for each program relative to the Priority Results and Basic Attributes. Specifically, each team is asked to:

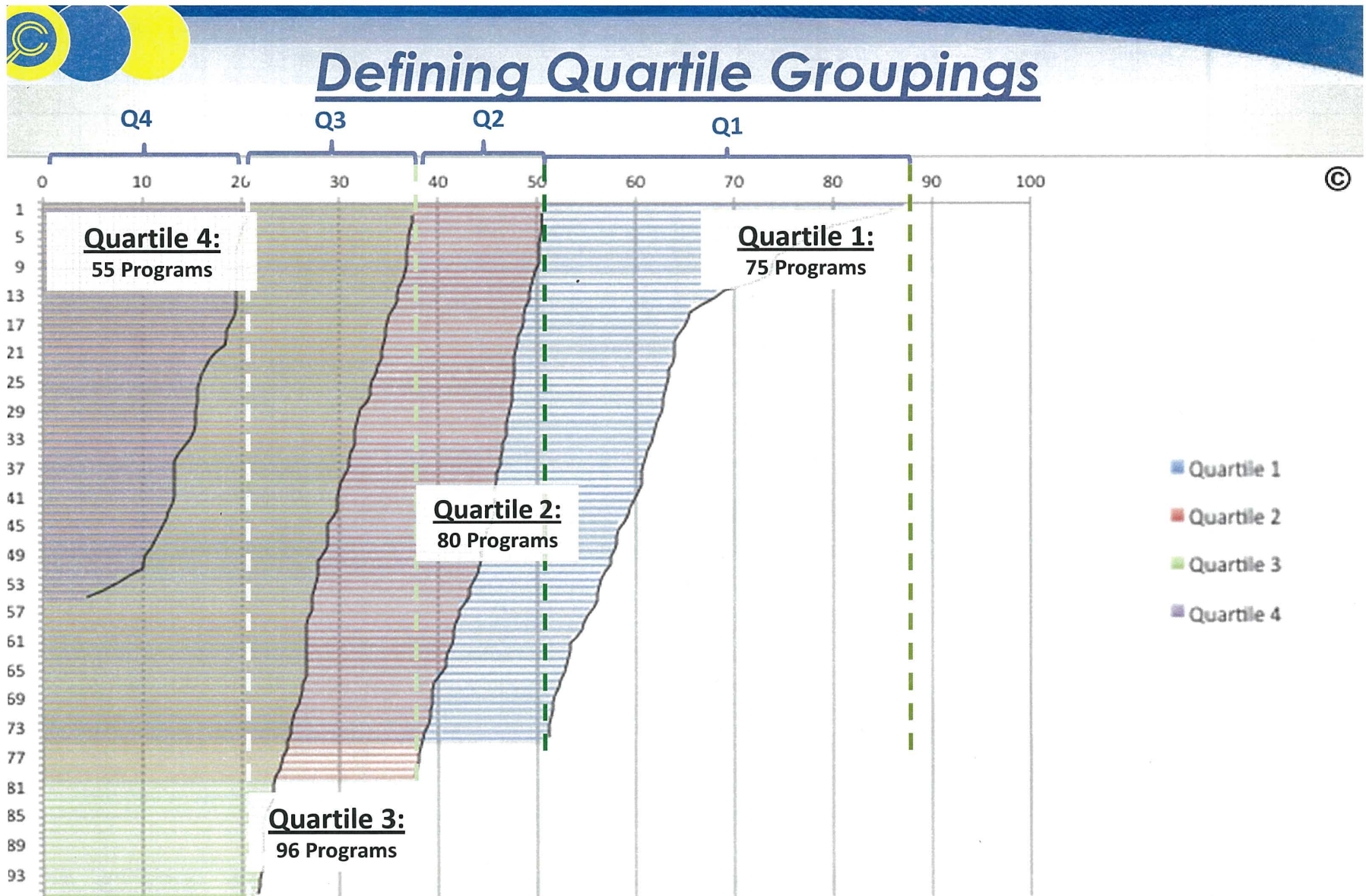
- 1) determine whether the team agrees with the departmental score based on how well the program aligns with the Priority Results or meets the scoring criteria for the Basic Attributes (i.e. does the program achieve the Priority Results and to what extent? Or doesn't meet the scoring criteria of the Basic Attributes);
- 2) request additional information about the program to gain a better understanding of the departmental score, if necessary;
- 3) Based on any additional information and based on the team's discussion, recommend the final score for the program (either higher, lower or the same as the original score.)

Programs are Listed in Order of Score, From High to Low, Relative to this Result or Attribute

ACCOUNTING FUND	DEPARTMENT	DIVISION	PROGRAM NAME	PROGRAM DESCRIPTION	PROGRAM NUMBER	DEPT. SCORE	Agree with Dept. Score?	Need More Information?	NOTES	PEER REVIEW FINAL SCORE
							(Yes/No)	(Yes/No)		
Central	Community Development	General	City Emergency Operating Center (EOC) Planning		41	4	Yes			4
Central	Community Development	Policy and Long Range Planning	Critical Area Regulations Updates and Implementation	Prepare updates and assist with implementation of Critical Area Regulations	62	4	Yes			3
Central	Community Development	Policy and Long Range Planning	Transportation Planning	Coordinate with outside agencies on transit planning	74	4	Yes			4
	Public Works	Administration	Citizen Action Request - General	Receive new requests, enter into Cityworks, route to staff, input responses, close requests, and communicate and updates	77	4	Yes			4
Parks/Trail Use	PUBLIC WORKS	ADP	Parks Construction/Design Review	Review design plans for new park projects	93	4	Yes			3
Parks/Trail Use	PUBLIC WORKS	ADP	Park Irrigations and Maintenance	Review water irrigation plans by contractor, surface inspections, cleaning and maintenance	96	4	Yes			4
Parks/Trail Use	Public Works	ADP	Playground Maintenance	Perform monthly inspection of all playground equipment, make necessary repairs, provide playground inspection certification taking to staff along with routine maintenance of structures and equipment on	97	4	Yes			4
Parks/Trail Use	Public Works	ADP	Seasonal Park Worker Program	Develop report on employee salaries and time	99	4	Yes			1
Streets	Public Works	ADP	Franchise Utility Permit Application Review	Review and review all franchise utility permit applications	101	4	Yes			2
Streets	Public Works	ADP	Debris Hauling	Debris clean up, removal of all street debris and maintenance	103	4	Yes			2



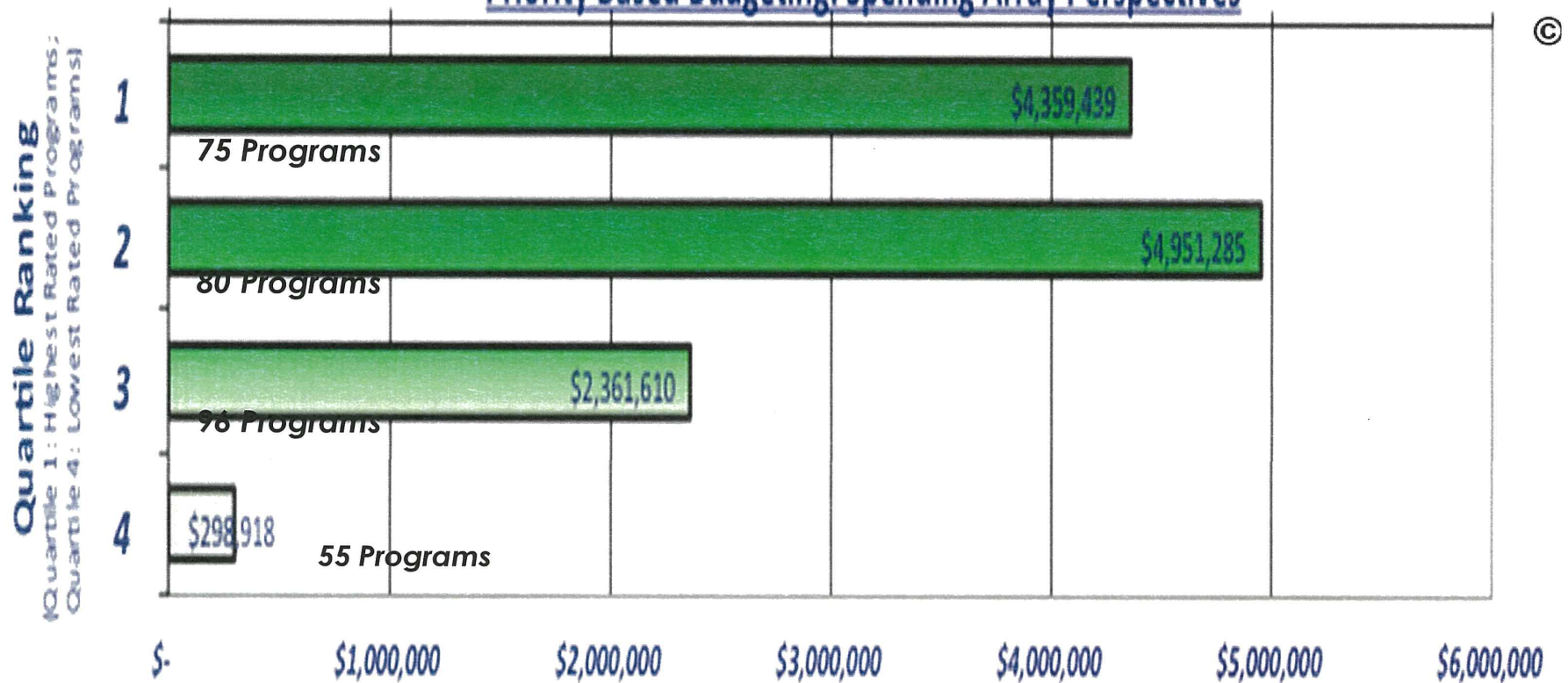
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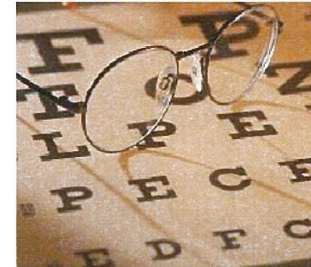
Allocate Resources Based on Prioritization

Priority Based Budgeting: Spending Array Perspectives

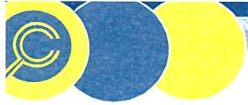




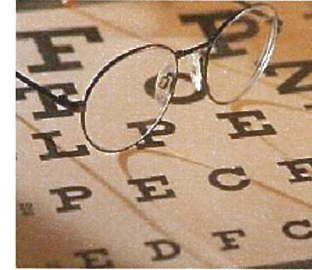
“Looking Through the “New Lens”



- Which programs are of the highest priority in terms of achieving what is expected by the community?
 - *And which are of lesser importance?*
- Which programs are truly mandated for us to provide
 - *And how much does it cost to provide them?*
- Which programs are offered because they are “self-imposed” ?
- Which programs are offered for which there are no other service providers?
- Are there programs might lend themselves to public/private partnerships?



“Looking Through the “New Lens”



- Who in the private sector is offering programs that are similar in nature?
 - *And should we consider” getting out of that business”?*
- Which programs are experiencing an increasing level of demand from the community?
 - *And which are experiencing a decreasing need?*
- Are there programs offered that are not helping us achieve our intended “Results”?
- What are we spending to achieve our “Results”?



"Resource Alignment Diagnostic Tool"

City of Kenmore, Washington

©



City of Kenmore, Washington "Resource Alignment Diagnostic Tool"



October, 2014

Program Type:

(All Programs, Governance, Community-oriented)

Fund Perspective:
(All or Individual Funds)

Department / Division Perspective:

Department

Division

Funding Perspective:

(Revenue Source; Direct/Indirect Costs)

Community-Oriented Programs

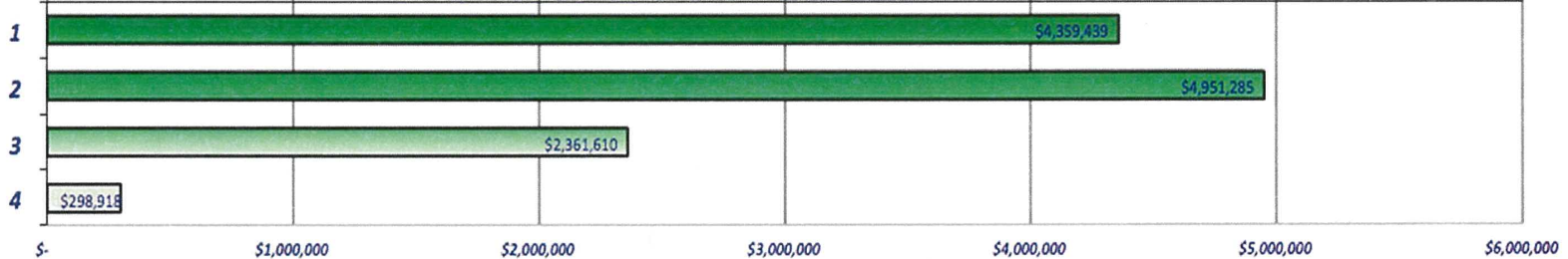
City-wide

All Departments

Total Estimated Budget

Priority Based Budgeting: Spending Array Perspectives

Quantile Ranking
(Quantile 1: Highest Rated Programs;
Quantile 4: Lowest Rated Programs)



Quantile Ranking	Prior Year Budget	2014 Budget	Increase (Reduce) %	Impact	2015 Target Budget	# of Programs
Qrt 1	\$0	\$4,359,439	0.00%	\$0	\$4,359,439	75
Qrt 2	\$0	\$4,951,285	0.00%	\$0	\$4,951,285	80
Qrt 3	\$0	\$2,361,610	0.00%	\$0	\$2,361,610	96
Qrt 4	\$0	\$298,918	0.00%	\$0	\$298,918	55
Fixed Costs	\$0	\$53,003	0.00%	\$0	\$53,003	1
Allocated Costs	\$0	\$0	0.00%	\$0	\$0	0
TOTALS	\$0	\$12,024,255	0.00%	\$0	\$12,024,255	307

Generate List of Programs

Total City Budget	% Of Total City Budget	% of Total Programs	Total Programs
\$ 13,503,108	89.05%	72.41%	424



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PRIORITY BASED BUDGETING



Thank You !



CENTER FOR PRIORITY BASED BUDGETING

Using a Unique Lens to Focus Community Resources on Results

Jon Johnson, Co-Founder

jjohnson@pbbcenter.org

Chris Fabian, Co-Founder

cfabian@pbbcenter.org

www.pbbcenter.org

Phone: 720-361-3710

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QUESTIONS?

