Resource Allocation

Julie Brenman
Adjunct Instructor, UNC
Consultant, Fountainworks



Presentation is drawn primarily from Durham Budget process

Contact Information

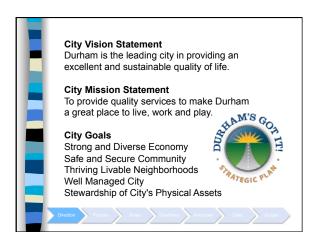
- Julie Brenman:
 - jbrenman@sog.unc.edu
- City of Durham Budget office: (919) 560-4111

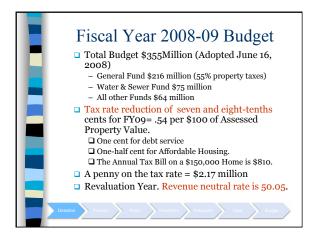
www.durhamnc.gov/departments/bms

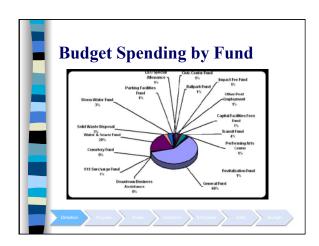
Operating Budget

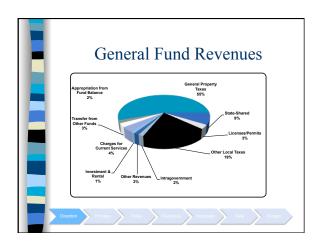
- Expresses Policy of the City Council
- Management and Planning Tool
- Communication Tool
- Foundation for Proper Accounting

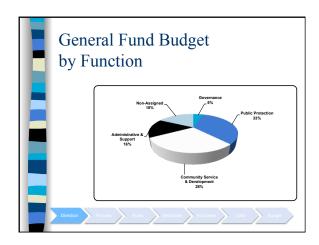


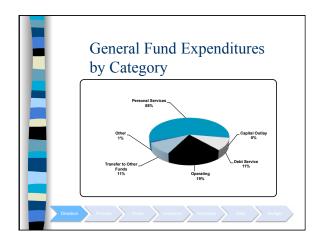


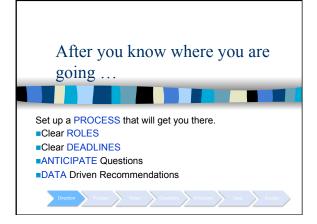


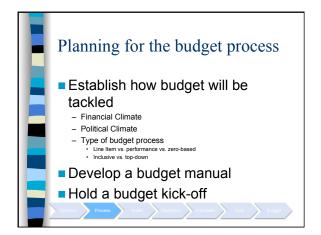












The Budget Process: Board Role Council Retreat – Set Goals, identify Financial/Service Issues (Jan/Feb) Conduct Public Hearings (Feb, June) Coffees With Council (Feb/Mar) City Council Budget Hearings (May) Adopt Balanced Budget (June)

The Budget Process: Citizen Role • Attend Public Meetings – Public Hearings, Coffees with Council and "Citizen Engagement Forum" • Write and Call - to staff, elected officials, newspaper editors, blogs • Request Services - Follow regular request procedures to demonstrate demand for services • Work with Interest Groups - organized groups have a stronger voice • Respond to Surveys

The Budget Process: Department Staff Roles Prepare a budget to submit to the Budget Office Keep employees informed Identify priority areas for investment Identify opportunities for savings or enhanced revenues Present departmental budget to City Manager and often to City Council

The Budget Process: Budget Staff Role Project revenues Identify priority areas for investment Identify opportunities for savings or enhanced revenues Work with each department to develop budget Manager Recommends Balanced Budget Presents detail of budget to Board (assists Manager & Department)

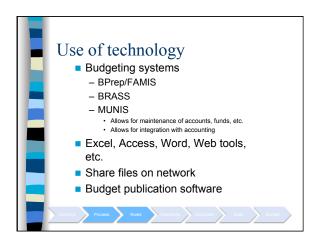
Revenue forecasting • Look at trends • Be aware of Federal/State/Local environment • Get information from outside experts • Be conservative, but not too conservative

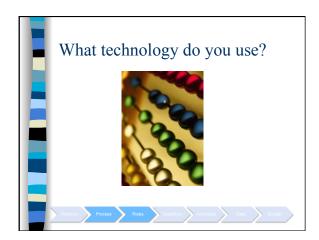


Getting the budget together Departments submit budget Budget Staff analyze, help prioritize Present to Manager Budget Staff analyze, help prioritize Present to Council Budget Staff analyze, help prioritize

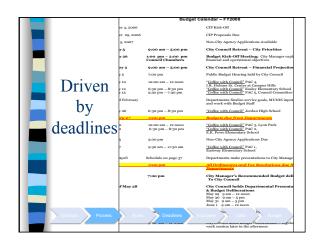
Working with departments Train departments Forms Systems Understand their operations Assist them with preparation Ask lots of questions Learn their tricks & hiding places Peer – need cooperation, but no authority

Budget Process Advice to departments Understand Rules Expect Change (new philosophies, styles, services); Imagine scenarios Set Up Working Files; know your budget numbers Examine History/Trends Ask Questions Meet With Everyone Involved Ask for Exactly What You Want Pay Attention to Environment Benchmark and Know Comparables



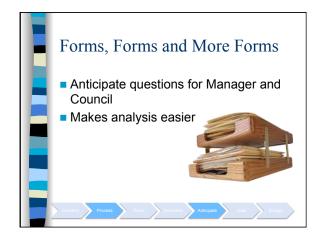






Date	Goal	Who	Location in Budget Bo	
5/6	Final Changes to Dept., Fund and Func. Sum. Page	All		
5/6	City Priorities, Intro, Supplemental	Gayzelle	First Pages, Section II ar XII	
5/8	Final Changes to CIP Book	Bertha		
5/8	Debt Pages Due from Finance	Julie	Section X	
5/8	Preliminary Summary Multi-Year Projection Pages	Dan	Section III	
5/8	Prelim.Budget Summary Multi-Year Projection Pages	Julie/Buf	Section IV, Page 1-9	
5/9	Property Tax Base Information		Section IV, Page 10-11	
5/9	Fund Balance Authorized Positions	Dan	Section IV, Page 12	
5/9	Authorized Positions	1	Section IV, Page 13-14	
5/10	Review of Fund Summary and Budget Summary Pages	All		
5/11	Final Changes to Summary Pages	All		
5/11	Transmittal Letter	Julie	Section I	
5/11	Final Review Preliminary CIP Budget	All		
5/11	Grant Project Ordinances Prepared	Assigned	XI	
	Prepare List of motions for Council's adoption of			
5/11	ordinances, resolutions and grants.	Robin		
5/11	All Final Changes to Prelim Budget Completed	All		
	Add white papers			
	Add pre-council work			
	Ad. For budget ord, placed in newspaper			
5/12 5/13	Final Review Draft of Preliminary Operating Budget	All		
5/13	Start Printing Operating and CIP Budget	Gayzelle Gayzelle		
5/15	All Printing Completed Add Pr- Lim Placed on WEB and CIP on WEB 7:00 pm	Gayzelle		
D/1D	Present Preliminary Budget Book and CIP Book to City	Gayzelle		
5/15	Council	Manager		
5/16	Agenda Item in On Base for Budget Adoption	Robin		
DETO	City Council Presentations finalized and sent to BMS	Assigned	Week earlier?	

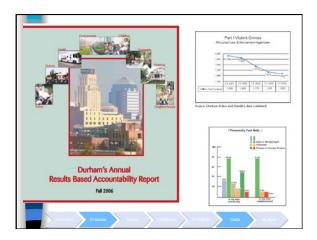
Budget Manual Contents Budget Kickoff Memorandum
■ Budget Calendar
 Budget Staff Directory Checklist for Budget Submission
Organization Chart Instructions
Computer Equipment, Software, Pager & Cell Phone Cost Estimates
Form A: New Vehicle Request/Change of Use Form (Fleet)
 Form B: 3% Reduction Planning – Small Departments Form C: 5% Reduction Planning – Large Departments
Form D: Other Operating Costs Detail
Form E: Travel & Training Costs Detail
Form F: Contractual Services Costs Detail
 Form G: Overtime, Part-Time & Contractual Personal Services Detail Form H: Specialized Department Supplies Detail
Form I: Unfunded or Under Funded Issues
Form J: New Initiative Planning Worksheet
 Form K: Department Wide Prioritization Unfunded, Under Funded and New Initiative Items
Estimating New Personnel Costs
City Manager/Department Budget Meeting Schedule
Dendon Process Rises Dendones Anticycle Data Budget



Working with Manager – Process Budget Staff prepares analysis of all department budgets Departments provide standardized presentations to Manager Manager identifies priority areas Balance need for new services with available revenue Citywide view; political and practical perspective

I	Working with Manager - Challenges
	Getting him/her to focus
	Challenge of competing priorities
	Staff needs
Н	 Council priorities
-	Citizen priorities
	■ Decision making
	– Who is the bad guy?
	Direction Process Rides Deadlines Articipate Data Budget

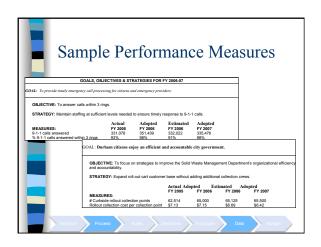


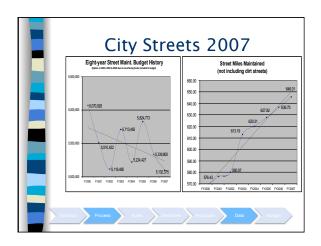




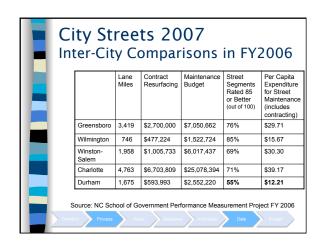




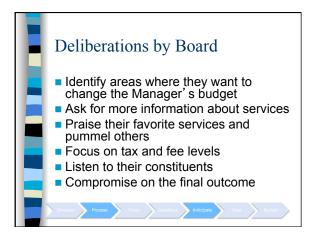




	City Streets 2007 Contract Resurfacing vs. Street Miles						
	Rate of Funding	Number of Years to Resurface Entire City					
	\$1,000,000	100.1 Years					
	\$1,500,000	66.7 Years					
	\$2,000,000	50.0 Years					
_	\$2,500,000	41.0 Years					
	\$3,000,000	33.4 Years					
	\$5,000,000	20.0 Years					
Direction	Process Roles Deadline	s Anticipate Data Budget					







511,179	City Council's Items Flagged fo		2.31	peach)	56 340	31.340
(520.436)	Council additions to budget	=	1,170,770	Code enforcement activities -	00,340	31,340
Departm		Change	Recommendation	abatement/demolition	124 500	
ent						
Ottv				Code enforcement software upgrades	24,650	
Council	Council Travel (retain 05-06 amounts)	(3.800)		DATA Bus Stop Cleaning	*sw*(74,000)	
City	Council Travel (MPT+\$5,000; CC+\$1700; Gas			Ballfield Maintenance (could fund partial?)	203,605	100,000
Council	+\$107(mo)	(12)	-	Rec. Center Specialist for Centers	73,176	
City	Council Travel (MPT+\$5,000; CC+\$2700; Gas			Center extended hours. (Can do subset of	820,604	17,380
Council	+\$107/mo)	1,188	1,188	After-school programs.	75.000	45,618
City	Council travel as noted above, CC=\$2500 but reduce			Old Farm/River Forest basketball court.	40.000	26.000
Council	operating costs to cover it. CC=\$2500			Stormwater clerical position	*sw*35.000	
Clerk	Clerk additional personnel - use interns instead/mentor (for Council assistance)	38.515		Utility locator	*ws*37.000	*ws* 37.000
Jierx	Additional half position: ex-offender re-entry	38,515				
DEED	orogram	12.480	12.480	Pay Adjustment for Engineering original	80,000	40,000
UEED	program	12,400	12,400	Pay Adjustment for Engineering GF	15,429	
DEED	creation of neighborhood revitalization fund	1.624.281	812.141	Pay Adjustment for Engineering stormwater	*sw* 14,153	*sw* 14,15
DEED	WHOA (note dollar amount changed)	59.960		sewer	*ws* 10 143	*ws* 10 14
DEED	Joh I ink free rent/ half year	44 000	11 500	CE III with increased fees		add fee and expen-
	\$\$ for neighborhood proposals (\$250K not	1.1/440	17,000	22 new FTEs in Street Maint (can fund		add fee and expens
DEED	limiting factor)	500.000		nartial?)	1.000.000	
	Private or non-profit partners to support					
DEED	special events CCB plaza	?Reduction	(10.000)	Street resurfacing prep work	650,000	
	NCA: Scrap Exchange (orig 25,676; revision			DATA Regional Coordination	875,000	50,000
NCA	15,360)	(11,316)		DATA Fare Increase (nor revenue; lost		
NCA	NCA: Clean Water for NC - cut	(5,000)	(5,000)		(505,982)	-
NCA	NCA: American Red Cross - cut	(5,000)	(5,000)	Engineering Intern Program	48,000	
NCA	NGA: Read Seed - cut NGA: Crimestoppers (restore to last year's	(7,500)	(7,500)	12 Telecommunicators	517.200	35.234
NCA	NUA: Unmestoppers (restore to last year's \$27503)	1 375	4.075	2 additional officers to work with gang unit		
NCA	NCA: John Avery Boys & Girls Club - cut	(15,000)	(15,000)	(note doller amount changed)	127.459	
NCA	NCA: Durham Community Penalties - cut	(20.282)	[10,000]	P2C software	23.395	
NCA	NCA: Find A Kid Jr. Golf Club - cut	(5,000)	(5.000)	Off-site data protection	5 200	
NCA	NCA: Durbam Art Guild - out	(5,000)	(5.000)	Data security assessment	15.000	
NCA	NCA: Spanish Dance Arts Co cut	(5.000)	(5.000)	Civic Center Plaza sign		
NCA	NCA: New Horizons - cut	(62.079)	-	Civic Center Plaza sign	30,000	
NCA	NCA: New Horizons - restore to last year	20,693		Comm. Relations Coordinator postion	53.068	
NCA	Rites of passage	5,000		Secretary	36 389	
	Partners for youth (eligible for money next			council contingency (leaves \$25k)	00,000	
NCA	year)	(5,000)	(5,000)	Budget Magic		
	urban ministries (eligible for money next			Buoget Magic		
NCA	year)	(7,000)	(7,000)			
NCA	Durham Crisis Response Center (restore to	2,292			6,658,848	1,170,770
	Environmental planning long term plans/UDO city only 6 mos hire	114 520		1,624,281	4.10	
		114.520	32 630			0.72
Planning		_		edlines Anticinate Data	- ·	
	Direction Process	7 80	ies Dea	Dalla Dalla	E110	giat

Challenges Quality of information Very public process Not meeting everyone's needs Personalities Long Process Balancing need for high-level executive reporting vs. detailed information to justify costs Election cycles

The Joys of Budgeting Become knowledgeable about an organization Work with directors, manager, council and public Combine policy and financial analytical work Opportunity to make improvements in operations Money is power Knowing your work makes a difference in the community

