



# City of Grand Island

Tuesday, November 16, 2010

Study Session

## Item -2

**Presentation of 2nd Year Program Prioritization Plan**

Staff Contact: Jeff Pederson

# **Council Agenda Memo**

**From:** Jeff Pederson, City Administrator

**Meeting:** November 16, 2010

**Subject:** Program Prioritization-Year Two Roadmap

**Item #'s:** 2

**Presenter(s):** Jeff Pederson, City Administrator  
Mary Lou Brown, Finance Director

## **Background**

In 2009, the City of Grand Island implemented Program Prioritization as its new budgeting process and format. Through a commitment by administration to diagnosing causes and solutions to the fiscal distress facing the City, Program Prioritization emerged as a process to bring greater discipline along with enhanced understanding and decision making to the process of allocating the City's financial resources. Subsequently, the City worked with consultants Johnson & Fabian to conduct the first year process that heavily engaged City Council, Administration, and Directors in a time-consuming effort to create the new systems required for Program Prioritization to proceed.

## **Discussion**

As a result, a strong foundation is in place to continue with the process for preparation of the 2011/2012 budget. By all measures, significant outcomes were achieved through Program Prioritization in the first year including the balancing of the General Fund budget without an increase in the property tax rate and without the drawdown of General Fund reserves.

## **Conclusion**

Benefits from the use Program Prioritization will continue to be gained, as challenges remain for achieving a balanced budget and strengthening the fiscal wellness of the City. We have, in consultation with Directors and our consultants, identified several objectives for improvement to the process for the second year, including better program definition, public input in to key components of the process, and better understanding of the meaning of the Sub-Result areas.

A detailed Plan for 2<sup>nd</sup> Year Program Prioritization will be presented by Pederson and Brown that will include process changes, activities, and timelines.

This item is presented to the City Council in a Study Session to allow for any questions to be answered and to create a greater understanding of the issue at hand.