

Memorandum



CITY OF DALLAS

DATE January 11, 2008

TO Honorable Mayor and Members of the City Council

SUBJECT Budget Workshop #2 – Strategic Planning Session and Budgeting for Outcomes


In September 2005 the Council adopted the first service-based budget for the City of Dallas and last year we completed our second year of the Budgeting for Outcomes process. Through this approach we were able to respond to our citizens' demand for a more responsive and accountable government, as well as provide them with measurable outcomes. In FY 2008-2009 we intend to do the same by presenting our citizens with a strategic plan and budget that provides accountability and transparency and that is built around the services and outcomes the Council determined would address the needs of the City of Dallas.

Based on the best available data and research, the Key Focus Area Teams were asked to identify those key factors they felt contribute to the outcomes the Council is seeking. The teams determined those influences and have recommended strategies to achieve the Council's desired objectives. Finally, they have identified indicators that provide quantifiable measures of our progress towards achieving our desired outcomes and set targets for the City to accomplish over the next several years.

This workshop is focused on facilitating our strategic planning in order to align budget decisions with what needs to be accomplished. These presentations provide an outline of the Council's desired outcomes, indicators and targets for progress, strategy maps, and recommended purchasing strategies. After Council review and comments, these purchasing strategies and targets will also serve as the City's strategies and objectives respectively in the FY 2008-2009 Strategic Plan.

As we move forward we continue to make progress on the City's Strategic Plan by allocating resources to each of the Council's six Key Focus Areas and by providing clear performance goals and strategies that produce the results our citizens desire.

We look forward to the discussion on January 16th. Please let me know if you have any further questions or comments.


Mary K. Suhm
City Manager

C: Deborah Watkins, City Secretary
Thomas P. Perkins, Jr., City Attorney
Craig Kinton, City Auditor
Judge Jay E. Robinson
Ryan S. Evans, First Assistant City Manager
Ramon Miguez, Assistant City Manager

Jill A. Jordan, P.E., Assistant City Manager
A.C. Gonzalez, Assistant City Manager
David Brown, Interim Assistant City Manager
Dave K. Cook, Chief Financial Officer



Budget Workshop #2

Strategic Planning Session & Budgeting for Outcomes



January 16, 2008



Purpose of this Budget Workshop

To set a strategic direction for Dallas City government for FY08-09 by:

- By combining the Strategic Planning and Budgeting for Outcomes processes in order to define the goals and objectives that the City will support with its future budget decisions
- Reviewing Council's objectives established during first workshop in October 2007, and
- Reviewing and agreeing upon strategies that support Council goals and objectives based on KFA Team presentations and Council Working Group discussions



Purpose of this Approach

- Aligns future funding decisions with Council's long-term goals
- Makes clear what citizens can expect from City government
- Keeps staff focused on what is most important in day-to-day decision-making
- Brings together multiple planning efforts under one citywide strategic plan
- Positions the City to learn what is working well or to identify areas that could work better



Agenda for the Day

- Explanation and Overview
- Key Focus Area Team Presentations (Round 1)
 - Economic Vibrancy
 - Culture, Arts & Recreation
 - Educational Enhancements
 - Council Breakout Sessions and Report Out
- Lunch (Center for Performing Arts)
- Key Focus Area Team Presentations (Round 2)
 - Public Safety
 - E³ Government
 - Clean, Healthy Environment
 - Council Breakout Sessions and Report Out



What to Expect

- Very little discussion of specific programs
- Emphasis on long-term, strategic issues facing the City
- Atypical presenters (Key Focus Area Teams) in a learning environment
- Mixture of full Council discussions & Staff-Council break out groups
- Presence of facilitators & Staff to answer questions



Background

A brief review of the
Strategic Planning and
Budgeting for Outcomes
processes



Strategic Planning



Strategic Planning

Purpose

- Active management tool
 - Becomes operational through the citywide Action Plan, performance measures system, benchmarking initiative, process improvement initiative, etc.
- Continuous improvement process:
 - Provides consistent reporting and opportunities for review
 - Establishes the long-term direction for the organization based on the best available data, but
 - Provides the organization with flexibility to change course when events warrant in the short-term



Strategic Planning

Elements

- ✓ Mission - the reason an organization exists
 - ✓ Vision - the ideal future state for an organization
 - ✓ Values - an organization's system of beliefs
 - ✓ Goals (Key Focus Areas) - long-term general outcomes an organization expects to achieve
 - ✓ Objectives - specific measures and targets an organization will pursue to achieve its goals (KFAs)
- Strategies - the preferred approach an organization selects to achieve its goals (KFAs) & objectives



City of Dallas Mission & Vision

Mission: To enhance the vitality and quality of life for all in the Dallas community

Vision: The City That Works:
Diverse, Vibrant, Progressive



City of Dallas Values

Accountability: connecting performance with consequence

Commitment: following an issue through to the end

Customer Service: striving to deliver value to the customer

Environmental Stewardship: ensuring a healthy legacy for current and future generations

Innovation: welcoming new ideas and opportunities for improvement

Integrity: taking actions, not based on expediency, but because they are the right thing to do

Leadership: anticipating, rather than reacting to changing times

Sensitivity: valuing diversity in experiences, backgrounds and points of view

Teamwork: accomplishing more together than could be achieved alone



City of Dallas KFAs & Objectives

Public Safety	4 Objectives
Economic Vibrancy	6 Objectives
Clean, Healthy Environment	5 Objectives
Culture, Arts and Recreation	7 Objectives
Efficient, Effective, Economical (E3) Government	5 Objectives
Educational Enhancements	19 Objectives



City of Dallas Strategies

The KFA Team presentations you are about to see contain a number of strategies for your consideration as an approach for achieving Council's goals and objectives. Characteristics of the Teams include:

- Composed of staff from across the city
- No department directors
- Diverse mix of subject-matter experts and good strategic thinkers
- Began their work in October
- Focused on understanding their respective KFA and proposing strategies they believe will help Dallas succeed
- Paid close attention to past and current planning efforts, such as Forward Dallas, Strategic Engagement, and Customer Service Initiative

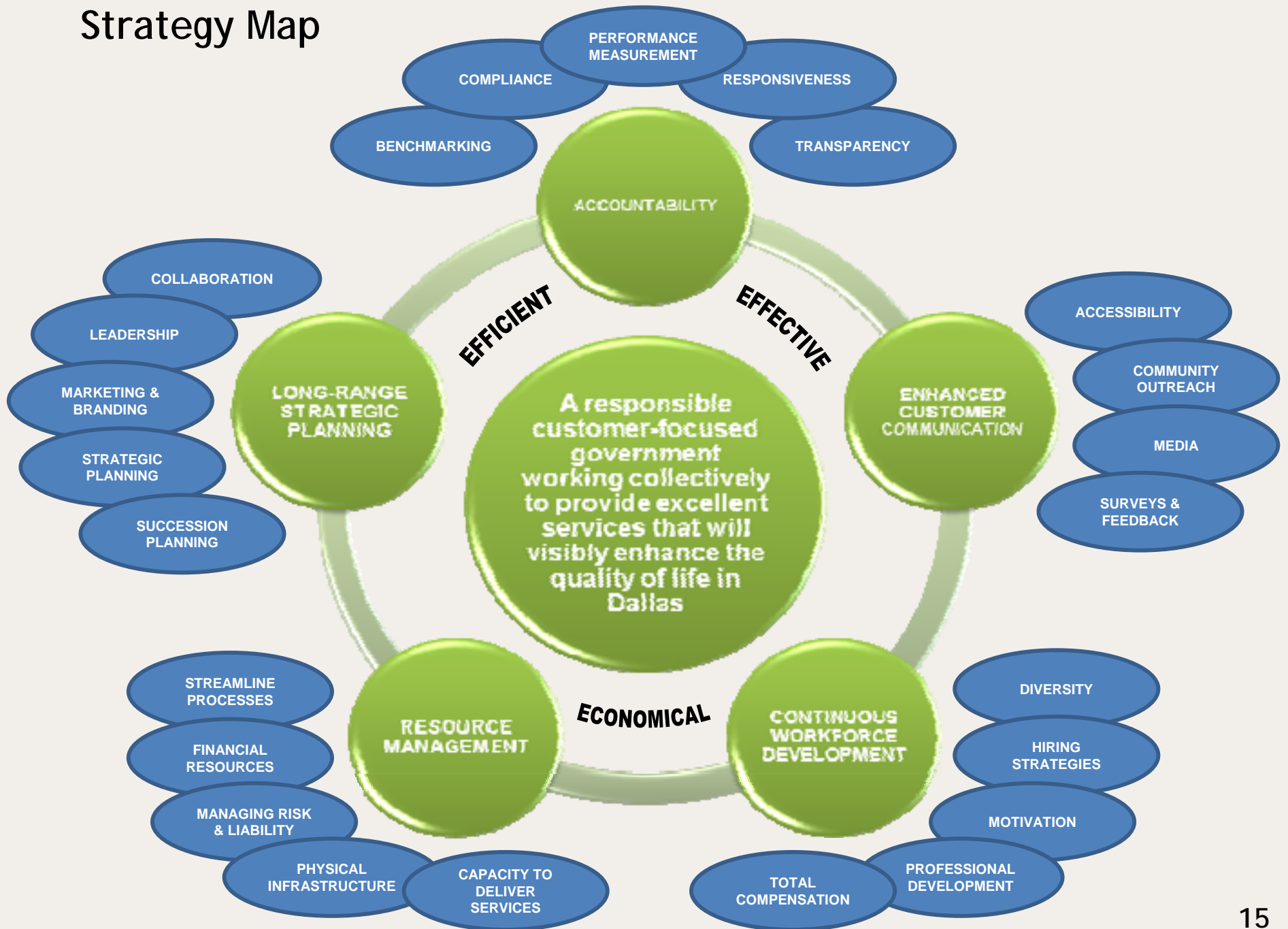


City of Dallas Strategies

What you can expect to see in each of the presentations:

- An 'envisioned future' goal statement
- A recap of the City's objectives established by Council in October 2007 with supporting data
(suggested targets will be shown in red)
- A strategy map showcasing what the Teams believe influences their KFA

FY 08-09 E³ Government Strategy Map





City of Dallas Strategies

What you can expect to see in each of the presentations:

- Key information on the City's current performance as well as external data that guided the Teams in strategy development
- Proposed strategies for advancing the Council's goals and objectives
- Linkages among the various KFAs (e.g. green buildings is one link between Clean, Healthy Environment and Economic Vibrancy)



City of Dallas Strategies

Then, we want your feedback:

- Are the proposed strategies the best ones to achieve the Council's goals and objectives?
 - Objectives and Strategies should be kept to a manageable number - are there too many in the Educational Enhancements KFA?
- Are the proposed targets appropriate to achieve the objectives?



Budgeting for Outcomes



Budgeting for Outcomes

Approach

- Sets the strategic agenda for the City (Council)
- Establishes up front the total “price” of government that residents are willing to pay (Council)
- Builds a budget around the outcomes that the Council/residents want (Staff)
- The budget starts off at zero; KFA Teams purchase ranked “offers” until money runs out (Staff)
- Focuses on strategic questions like “how do we make Dallas safer?” and “what does economic vibrancy look like?” (Council)



Budgeting for Outcomes

Steps

- ✓ Oct 17: Establish citywide goals & objectives (Council)
- Jan 16: Set strategic direction for FY08-09 (Council)
- Jan 17 - 28: KFA Teams develop "Requests for Offers" (Staff)
- Jan 29: Create "Request for Outcomes"; Invite departments to make offers (Staff)
- Feb 6: Total Compensation Review - Council Briefing
- Feb 20: Set overall "price" of Dallas government (Council)
- Feb 20: Allocate "price" to each Key Focus Area (Council)



Budgeting for Outcomes

Steps

- March 28: Offers due from departments (Staff)
- April-May: Council Committees review preliminary budget offers by KFA (Council Committees)
- April-May: Evaluate & prioritize offers in each KFA; Buy down the list of offers until the funding runs out, or “draw the line” (Staff)
- May 5-16: KFA Teams present rankings to CMO (Staff)
- May 21: Council Briefing on preliminary rankings (Staff)
- June 18: Council Briefing - City Managers’ Proposed Budget Preview (Staff)



Budgeting for Outcomes

Steps

- Aug 11: Present City Manager's proposed budget to Council (Staff)
- Aug-Sep: Review, amend, and approve final budget (Council)