Written by MARK JAEGER
Wednesday, 25 January 2012 19:21

UW-Extension to help officials set strategic priorities, assume performance-based outlook on spending

With municipal tax dollars destined to remain in short supply for the foreseeable future, Village of Saukville officials have decided to tackle budget planning from a new direction.

In anticipation of adopting performance-based budgeting in the upcoming budget cycle, the Village Board last week approved setting up working sessions with University of Wisconsin-Extension Community Development Educator Nicole Sidoff.

The planning assistance is being offered at no cost to the village.

The sessions, which will be held after the April election, will draw officials into the process of strategic priority setting.

It is an approach that intrigues Village President Barb Dickmann, who has often said budget work is her favorite part of serving in public office.

“This will be the first step in the village’s approach to performance-based budgeting. We are in a time where tax dollars are going to continue to be tight, and we need to come to a consensus on how to best address that,” Dickmann said.

“I am not aware of any other community in our area that is following this approach, but I have never been afraid of trying something new, especially if it helps us do our job better.”

Dickmann said she became interested in priority-based budgeting after discussions with Appleton Mayor Tim Hanna, whom she knew through her involvement with the Wisconsin League of Municipalities.

Hanna reported the process has been effective in directing municipal spending in Appleton, a city with a population of about 71,000.

“Performance-based budgeting is the practice of developing budgets based on the relationship between program funding levels and expected results from that program,” Dickmann said.

“The performance-based budgeting process is a tool that the Village Board can use to manage more cost-efficient and effective budgeting outlays.”

To set the new budgeting process in motion, Dickmann said the board will first need to determine the village’s mission and strategic plan.

“It is hard to believe, but the village doesn’t even have a mission statement,” she said.

Dickmann said performance-based budgeting is a way to ensure the board's top priorities are the areas that get funded first.

"It is a way to allocate resources to achieve specific objectives based on program goals and measured results. The key to understanding performance-based budgeting lies with the word 'result,'" she said.

"In this method, the entire planning and budgeting framework is result oriented. There are objectives and activities to achieve them and these form the foundation of the overall evaluation."

Dickmann explained that performance budgeting is comprised of three elements: the result (final outcome), the strategy (different ways to achieve the final outcome) and activity/outputs (what is actually done to achieve the final outcome).

The board will meet with Sidoff on April 23 to begin forming a strategic plan and mission statement.

Prior to that session, board members and department heads will complete surveys to identify their priorities for spending.

In a summary of the priority-setting process, Sidoff explained that the surveys will be used "to determine strengths and opportunities that may assist or hinder the board in achieving a shared vision of the village's future."

UW-Extension will compile the results of those surveys prior to the board session.