

2019 Update: City of Peoria Strategic Plan



Peoria 2025 is a safe, beautiful, and growing city.

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City of Peoria

Executive Summary

The City of Peoria’s Administrative Staff, Mayor and City Council members (the Team) recognized the City’s need to conduct a critical analysis of both the City’s strategic planning and budgeting processes. So, the City has worked to shift towards a budgeting for outcomes model – achieving greater accountability, transparency, and shifting the focus of investment on achieving strategic outcomes.

In this new strategic conversation, the Team identified, evaluated, and prioritized strategies in six (6) key outcomes areas which were then used to guide the development of the 2020/2021 biennial budget. See the six outcomes below:



Once the outcome areas were defined, the process proceeded with individual interview, group discussions, clarifying top challenges and defining how we would measure improvement and success. Through these discussions we identified that the results of the process needed to: address the opportunity to improve strategic and operational measurements and communication; respond to budget and resource constraints; and clarify alignment between investments and results.

Specifically, feedback from citizens, Mayor, City Council, and City Staff identified the following issues for the City to address:

- Lack of clear, shared, City-wide strategic priorities;
- Concern that the city is not adequately addressing critical issues that impact the economic health and vitality of the City – both now and in the future;
- Effective governance has been a challenge – often due to a focus on outputs rather than outcomes;
- Yearly challenge of increasing expenses and declining revenue;
- Disconnect between strategic plan and budgeting process;
- Inadequate feedback and learning loops, due in part due to a lack of measurement in the current strategic plan and department operational plans;
- Departments feeling short staffed and under resourced to meet current demands; and
- A misalignment of service expectations and available resources.

In order to clearly and specifically address the issues above, the City of Peoria administration sought a different experience for the budgeting process. The approach was designed to ensure:

- The Team work collectively to identify and prioritize strategic outcomes;
- Directors identify strategic objectives to deliver strategic outcomes;
- Directors develop a budget to deliver the strategic objectives; and
- Mayor and City Council adopt a budget tied directly to strategic outcomes.

This project reflects the commitment of the Mayor and City Council in partnership with City staff in creating a common vision for the City of Peoria.

City of Peoria, Illinois

The City of Peoria has a population of approximately 112,883 with more than 300,000 residents in the tri-county area. Peoria is reportedly the oldest community in Illinois and it's the biggest city on the Illinois River, sitting equal distance from Chicago and St. Louis. According to a presentation by Mayor Ardis, Peoria offers the 34th lowest cost of living in the nation among all metro areas (niche.com). Peoria ranks #2 in home affordability for midsize metros (nerdwallet). OSF Healthcare, headquartered in Peoria is ranked #46 of 500 on Forbes' best employers in the country, the highest-ranking Illinois Company on the entire list. While Bradley University is ranked #6 in Regional Universities Midwest, #5 In Best Value Schools and #14 in Most

Innovative Schools. Peoria exports over \$7.3 billion dollars yearly, putting the City in the category as one of the top 50 exporters in the country.

In recent years, like other Central Illinois Cities, Peoria has experienced a shift in employers which has adversely impacted the local economy. The economic impact from local employers coupled with general population declines and increasing costs of running the City due to several factors. These changes have left the City of Peoria to figure out how to function with declining revenue and increasing expenses. The City's continues to focus to address areas such as poverty, affordable housing, infrastructure, taxation and more.

Strategic Planning

Through the Strategic Planning process, we clarify where we want to be (Vision); what we must provide (Mission); and the kinds of results we deliver (Outcomes). Below you will find the Mission, Vision and Outcomes for the City of Peoria. These strategic points are the beginning of a larger process we are working toward called, Budgeting for Outcomes (BFO). The BFO process begins with a discussion to understand the link between investment decisions and the delivery of outcomes to the Peoria Community. As you see in our Mission below, this link is critical to the administration of the City.

Mission

The mission of the City of Peoria is to provide excellent municipal services, balancing exceptional customer service with financial responsibility.

Vision

The 2025 vision for Peoria "is a safe, beautiful, and growing city" with four broad goals to realize the vision:

- Financially Sound - Customer focused, cost effective, and efficient municipal services
- Safe Peoria - A community focused on the safety and security of its residents
- Beautiful Peoria - Beautiful neighborhoods, beautiful streets with attractive spaces and buildings
- Grow Peoria - Businesses identifying Peoria as a desirable place to locate or expand, and residents finding Peoria as a desirable place to relocate to and live

Outcomes

Over the course of the Strategic Planning process, the following six (6) key areas emerged as the strategic outcomes that reflect the functions and responsibilities of the City:

- Arts, Culture, and Lifelong Learning
- Economic Opportunity and Neighborhood Livability
- Environmental Health
- Good Government for All
- Infrastructure and Mobility

- Public Safety

The strategic planning process centered around a process that integrates all the perspectives in the room. The strategic planning process began with individual interviews with City Council and city staff. Both, City Council and City staff, were asked to identify the top three challenges Peoria was experiencing as well as what makes Peoria a great place to live. There was a great deal of overlap in the perspectives of both groups with following top results:

Top Challenges Facing Peoria:

- **Persistent Poverty** in some areas of the city and a need to **Diminish Poverty**
- **Declining Housing Values** in most areas of the city
- High dependence on a **small number of companies** that employ a majority of the residents.
- **Can't maintain current level of service** in the face of our future financial challenges
- Recruiting, hiring & maintaining **talent** in the city and attraction of talent to the city
- **Perception of City of Peoria** less favorable than the reality
- **Lack of high-quality, affordable / attainable housing**

Top Ways Peoria is a Great Place to Live & Work:

- Low **Cost of Living**
- There are a lot of **things to do** in Peoria
- It is a **family** friendly community
- There are many **opportunities for leadership**
- **Ease of travel** in town
- Geographic **location**
- The People and **small-town** feel
- Great **parks** and walking **trails**

In addition, the following items came up in ongoing discussion and through opportunities for Community Input.

- Large and Active Community of **Giving** and **Donation**
- Strong and Vibrant **Arts Community**

The perspective of those tasked with leading the city through both - good and challenging times - is extremely important. Perspectives shapes responses and often times determines what is important which may impact the allocation of budget dollars.

Charting the Course: Budgeting for Outcomes

Defining Budgeting for Outcomes (BFO)

Budgeting for Outcomes (BFO) is a performance-based budgeting process that seeks to increase accountability and transparency in government spending and planning for spending. The Harvard Kennedy School Ash Center for Democratic Governance and Innovation sets forth the opinion that despite the challenge of such a change in the way funds are allocated in government it is a worthy effort because of the benefits possible – achieving greater accountability and transparency, and shift in focus on what you are trying to achieve with investment.¹

Why BFO is Important to the City

The traditional methodology for government budgeting is incremental in nature. The previous fiscal year budget is the starting point and the next year is established through pluses and minuses to that budget. If there is a reduction in revenue or unexpected increases in expenses all department budgets are cut. Budgeting for Outcomes (BFO) instead looks at what to keep and what to cut. What are those things that government does which are most valued by the stakeholders served? What is the value of those “keepers” to the constituency and what does providing them cost? The data required to drive the BFO process allows for redirecting resources toward the outcomes most desired.²

The previous budgeting process followed traditional budgeting for municipalities. Budget shortfalls have led to dramatic cuts in previous years. The result was significant cuts in personnel with work being reallocated among those who remain. This result challenges morale while still not meeting deficit reduction goals. The isolated process - City Council, City Manager and department directors working on a biennial budget - has been done in a traditional format for the past several budget cycles. The process this budget cycle aimed to bring together council members and department directors to discuss priorities for systematic changes in the process in order to stem a race to the bottom and be able to leverage the strengths in Peoria to achieve a greater vision.

The City of Peoria experienced repeated budget cycles of revenue shortfalls and subsequent budget cuts across the board to every department. In a May 21, 2019 communication to the Mayor and City Council, the city manager Patrick Urich reported the following:

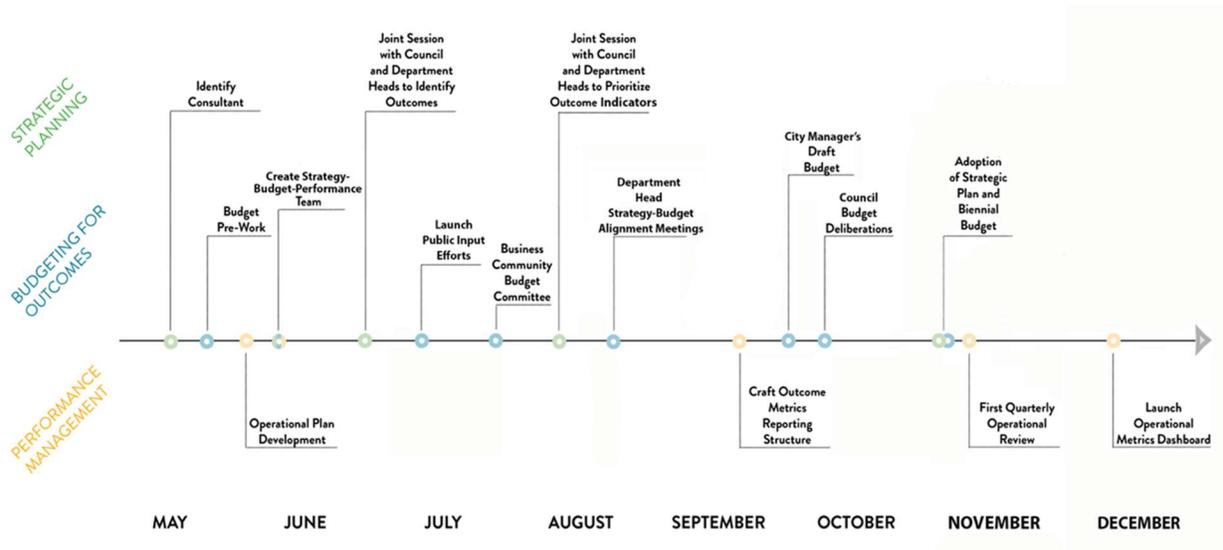
¹ <https://www.innovations.harvard.edu/opex/research/budgeting-outcomes-success-baltimore>

² <https://www.governing.com/gov-institute/voices/col-how-government-budgeting-for-outcomes-is-different.html>

“The major economic factors that drove the budget process included: reduced sales taxes due to internet sales; property tax base contraction due to population loss and weak home sales; uncertainty due to the State’s business climate; higher debt service payments; increased public safety pension costs; higher trash collection costs; and the payment of the PAAG lawsuit.”

He suggested that an outcomes-based budgeting process would be a way to know exactly how the city is doing in providing services and would involve a collaborative approach between the City Council and the City of Peoria government to define a vision for the city that incorporated an “aspirational” statement developed by the city council for “establishing and supporting” strategic outcomes for the operations of city government.

2019 Strategy-Budget-Performance Alignment Timeline



The planning process spanned several months to ensure that a broad range of voices and perspectives were taken into consideration during budgeting.

The Journey

The process of developing priority strategic targets included one on one interviews, public input, joint sessions of staff and Council and surveys / questionnaires.

Process Steps

- **Interviews (July 12, 15 & 17, 2019)** - Individual interviews were conducted with key city staff and administration as well as City Council members.
- **Business Community Budget Committee (July 17, 2019)** – Business leaders provide feedback on strategy and budget priorities.
- **Joint Session #1 (July 22 & 24, 2019)** - First joint planning session included both City of Peoria staff and City Council members. The first session was scheduled and held over 1.5 days.
- **Public Budget Meetings (August 5 & 19, 2019)** - Peoria City Manager led public meetings to review the initial 2020 budget, engage the public, and receive feedback in the six (6) key areas of performance and budget allocation.
- **City Council & City Staff Questionnaire** - The Assistant City Manager administered a survey for program ranking to City of Peoria Directors and City Council.
- **City of Peoria Director’s Session (August 7, 2019)** - The Director’s session was a full-day working session to draft and refine challenge statements.
- **Joint Session #2 (August 26, 2019)** - The second and final joint planning session included both City of Peoria staff and City Council members. The second session was scheduled for one full day to prioritize outcomes, challenge statements, and identify and prioritize indicators.
- **Strategy-Budget Alignment Working Sessions** – These were the follow up sessions that used the insight of the process above to develop an initial budget recommendation for Council.

Process Steps Explained

Individual Interviews

Over three days the city manager, numerous administrators, and ten elected City Council members were interviewed to develop a better understanding of their perceptions of Peoria’s vision, challenges, trends and hurdles. This information was helpful to gain a foundation of understanding to guide the framework for the joint sessions. Differences and frustrations were identified shared and recorded. However, through emerging themes, more commonalities were uncovered than differences. Strong values and pride in Peoria emerged throughout the conversations.

Business Community Budget Committee Meeting

This meeting was an opportunity for City and Council leadership to meet with representatives of several sectors of the business community to discuss and explore the challenges and priorities of the City’s strategy and budget.

Joint Session #1

The overarching goal of the first joint session was to start conversations between elected officials and the managers that operationalized the directions set forth by the council. Two major strategies were used to elicit meaningful discussion. The group was engaged in an activity to focus on commonalities, examine differences in process and purpose and set the tone for collaboration.

The group also set out to identify individual vision concepts for what they would like Peoria to achieve in the next 3 years. The group came up with 57 separate vision statements, and a high-level sorting was completed by the end of the day. Two major categories were *Economic Prosperity* and *Attractive Neighborhoods*.

The following Wednesday, these 57 statements were actively sorted into six different categories. After discussion about validity the 2019 FY budget allocation roughly corresponding to each was shown. This was an interesting exposition because the category with the fewest vision statements (safety) was associated with the highest number of dollars. Conversely, the category with the most (economic development) had the second lowest total budget allocation. Many of the participants were surprised by the juxtaposition of strategic priorities and allocated dollars.

Public Budget Meetings & Input

There were two meetings open to the public where the new outcomes focus was outlined and a discussion of the current budget allocations was reviewed. The Citizens present share their recommendations on how the future budget should be allocated across the outcome areas and identified specific elements for consideration. In addition, public input was solicited through two on-line tools that allowed for the submission of strategic ideas as well as priorities to resolve the current budget challenge.

City Council and City Staff Questionnaire

The Team received surveys designed to uncover the initial thinking of budgetary priorities for the six outcome areas. This request focused on where respondents would prefer increases and decreases in budget and revealed where there might be greater need for more discussion.

City of Peoria Director's Session

The working session was primarily devoted to coming up with Challenge Statements. The managers were given the directive to draft challenge statements in advance of the session and were asked to submit those for review. The consulting team evaluated the Challenge Statements as submitted and provided feedback prior to the facilitated staff session. The whole group considered the feedback and were asked to iterate on them again in small groups. Refinements by the whole group followed. The results included combining some and revising others.

Joint Session #2

The second joint session provided the opportunity to review all that had been done to date and to support the creation of a common understanding. During the second session refined outcomes and challenge statements were presented to the members of City Council for review. Council members and staff were asked to identify areas of agreement, disagreement, and identify those in need of clarification.

The second joint session between the council and staff provided the opportunity for the work of the staff to be confirmed and/or refined. In addition, through a process of point allocation the relative priority of each of the outcomes was assessed. This led to a quantitative and qualitative evaluation and prioritization of indicators.

In order to prioritize indicators, city administration identified a number of potential indicators for each of the 6 strategic outcomes. At the second joint session, the members of the City Council and city administration individually were asked to assign a value to each of the strategic outcomes with the total of all the values equaling one hundred.

They were next asked to move those values (for example, if they gave Arts, Culture, and Lifelong Learning the value of 25, and Public Safety a value of 20, etc.) to another sheet that included each of the potential indicators. In order to ensure that each of the attendees of the joint session understood the indicators, the group discussed each of the indicators and addressed any questions. In some cases, possible indicators were modified or added to some of the strategic outcomes based on feedback in the joint session.

Once there was a clearer understanding of indicators, the joint session attendees were asked to take the numerical values they individually assigned to the strategic indicator and allocate those points to the indicators for those individual strategic outcomes.

Example:

<i>Arts, Culture, and Lifelong Learning: Deliver the building blocks of a vibrant and diverse community.</i>	20
Participation Rate (Utilization of Arts, Culture and Lifelong Learning offerings)	6
Long-term viability of Arts, Culture and Lifelong Learning investments and infrastructure	2
Economic impact of Arts, Culture and Lifelong Learning investments	12

After each individual in the joint session performed this process for all 6 strategic outcomes, their results were tallied into a total group prioritization. What were the most important?

There were three clear tiers of responses as indicated by significant breaks in numerical value. Below are the indicators with their respective strategic outcome and the raw numerical score totals by the 24 participants in the second joint session:

Note: These scores are relative scores related to strategic direction and should not be construed as score of importance to the community.

Prioritization of Indicators for Improvement

Indicator Title	Score
Transportation asset conditions (Infrastructure and Mobility)	165.5
Property values (Economic Opportunity and Neighborhood Livability)	165
Per Capita income (Economic Opportunity and Neighborhood Livability)	160
Primary (Head of Household) jobs (Economic Opportunity and Neighborhood Livability)	150
Crime Index (Public Safety)	149
Access to multi-modal transportation infrastructure (streets, sidewalks, bike lanes, bus stops, etc.) (Infrastructure and Mobility)	105.5
Balanced budget (status of budget and mandated reserves) (Good Government for All)	99
Transportation infrastructure capital costs (Infrastructure and Mobility)	99
Water quality condition (Environmental Health)	93
Housing Conditions (Economic Opportunity and Neighborhood Livability)	92
Crimes cleared (percentage of) (Public Safety)	91.5
Transportation safety (Infrastructure and Mobility)	82
Economic impact of Arts, Culture and Lifelong Learning investments (Arts, Culture and Lifelong Learning)	77
Percentage of minority employees on the Police and Fire Departments (Public Safety)	72
Call processing time for emergency calls (Public Safety)	70.5
Environmental asset (trees, plants, and other green infrastructure elements) condition (Environmental Health)	69
Attraction and retention of employees (Good Government for All)	68.5
Attraction and retention of leadership employees (Good Government for All)	65.5
Participation Rate (Utilization of Arts, Culture and Lifelong Learning offerings) (Arts, Culture and Lifelong Learning)	64
Environmental maintenance program performance (Environmental Health)	64

The Destination - Outcomes, Challenge Statements, and Indicators

In the following sections we summarize the strategic outcome of the function and describe it, identify the top challenges faced by the City of Peoria in Challenge Statements and the Indicators of success – how should we evaluate improvement in those challenges.

Arts, Culture and Lifelong Learning

Strategic outcome: Deliver the building blocks of a vibrant and diverse community.

Arts, culture and lifelong learning make up the critical supportive foundation for a healthy community. It impacts our ability to work together and to understand the world around us and the impact it will have long into the future. Supporting artistic expression, understanding of cultural histories of groups in the community and enhancing lifelong learning opportunities will provide this healthy foundation

Challenges we face:

- How might the city continue to expand opportunities in the arts to increase economic and community engagement for all city residents?
- How might we use our resources efficiently and effectively to make the greatest impact today and tomorrow?
- How might we leverage partnerships to expand the presence of art and culture into all areas of the city?

Indicators of success:

- Economic impact of Arts, Culture and Lifelong Learning investments
- Participation Rate (Utilization of Arts, Culture and Lifelong Learning offerings)

Economic Opportunity and Neighborhood Livability

Strategic outcome: Foster a climate of economic opportunity for all and support strong, diverse neighborhoods with a focus on success in the long term.

Economic opportunity and neighborhood livability focus on reducing economic disparities by understanding and addressing causes, leveraging public-private partnerships and supporting residents. It supports the development of a business climate that encourages private investment and private employment. These strategies will support development and maintenance of affordable suitable housing, aligning worker skills with employee needs, developing an inclusive workforce and supporting the business community with programs and supports that lead to success.

Challenges we face:

- How might we support the creation of primary jobs and businesses?
- How might we support equitable access to financial services?
- How might we increase the attractiveness of our city for residents, businesses and visitors?
- How might we ensure high quality housing options for everyone?
- How might we focus planning and implementation resources on adopted strategic goals?
- How might we increase the capacity and effectiveness of community- based organizations?

Indicators:

- Property values
- Per Capita income
- Primary (Head of Household) jobs
- Housing Conditions

Environmental Health

Strategic outcome: Maintain, protect and enhance a healthy and sustainable environment.

Environmental health means providing the way for all members of the community to live a full and healthy life because of a healthy environment. Key to successful strategies will be addressing disparities in the community in areas of healthy food, quality health care and facilities for recreation. Strong community connections will support the development of strategies to protect the people and environment to create a healthier and more resilient community.

Challenges we face:

- How might we further develop and sufficiently fund the maintenance program of the city's green infrastructure?
- How might we maximize social and economic benefits on CSO projects?
- How might we economically provide solid waste collection and disposal services including recycling to all residents

Indicators:

- Water quality condition
- Environmental asset (trees, plants, and other green infrastructure elements) condition
- Environmental maintenance program performance

Good Government for All

Strategic outcome: Develop effective and efficient city government focused on equitable results, while retaining a high-quality workforce.

Strategies for the Good Government for All outcome focuses on improving the experience of all community members when interfacing with government through increasing efficiencies and innovation. Strong investments in employees, infrastructure, facilities and technology will support the desired outcomes. Success will be measured by the development of a more inclusive, better performing and more strategic organization that builds trust with everyone in our community.

Challenges we face:

- How might we become an employer of choice with priority emphasis on attracting and retaining employees?
- How might we become an employer of choice with priority emphasis on attracting and retaining employees in positions of leadership?
- How might the city support departments and show their value to their citizens, council, city manager and city staff?
- How might we utilize limited resources efficiently and effectively to make the greatest impact?
- How might we foster a culture of continuous improvement and efficiency while improving our ability to serve?
- How might we plan for anticipated FOIA requests that impact department work schedules?
- How might we plan for unanticipated requests that impact department work schedules?

Indicators:

- Balanced budget (status of budget and mandated reserves)
- Attraction and retention of employees
- Attraction and retention of leadership employees

Infrastructure and Mobility

Strategic outcome: Provide a reliable, equitable and safe transportation infrastructure.

To develop strategies for the Infrastructure and Mobility outcome we consider all facets of transportation including the condition and efficiencies of the streets and walkways, opportunities for public transportation, transportation for the disabled, and integration of transportation systems across all jurisdictions affecting the area,

Challenges we face:

- How might we improve and multi-modal transportation and asset conditions?
- How might we position ourselves to take advantage of emerging technology in transportation?
- How might we maximize the utility of our grants external funding, etc available from partner organizations to create new opportunities to improve transportation infrastructure and mobility in Peoria?
- How might we ensure safe, convenient and affordable transportation is available to all residents and visitors to Peoria regardless of abilities and needs?

Indicators:

- Transportation asset conditions
- Access to multi-modal transportation infrastructure (streets, sidewalks, bike lanes, bus stops, etc.)
- Transportation infrastructure capital costs
- Transportation safety

Public Safety

Strategic outcome: Being safe at home, at work, at play and in your community.

To develop strategies for the Public Safety outcome we will seek input from the community and other stakeholders to determine what actions will provide the highest level of return. Based upon the results of the gathering of input strategies to support prevention, building relationships between city staff and the community with mindfulness toward working with diverse and vulnerable communities. This will be accomplished through an evidence-based approach applied across the whole system.

Challenges we face:

- How might we reduce non-emergency calls that currently engage emergency responders?
- How might we improve our community Risk Reduction programs to improve safety and survivability? i.e. smoke detectors in emergency situations
- How might we improve emergency call processing time?
- How might we improve community & police relations that foster trust and cooperation?
- How might we make Peoria a safer community by reducing violent crime?
- How might we create a workforce that mirrors our community

Indicators:

- Crime Index
- Crimes cleared (percentage of)
- Percentage of minority employees on the Police and Fire Departments
- Call processing time for emergency calls

Across the Outcomes

Two values that span across all *strategic outcomes* were identified during input gathering for the strategic planning process – equity and innovation.

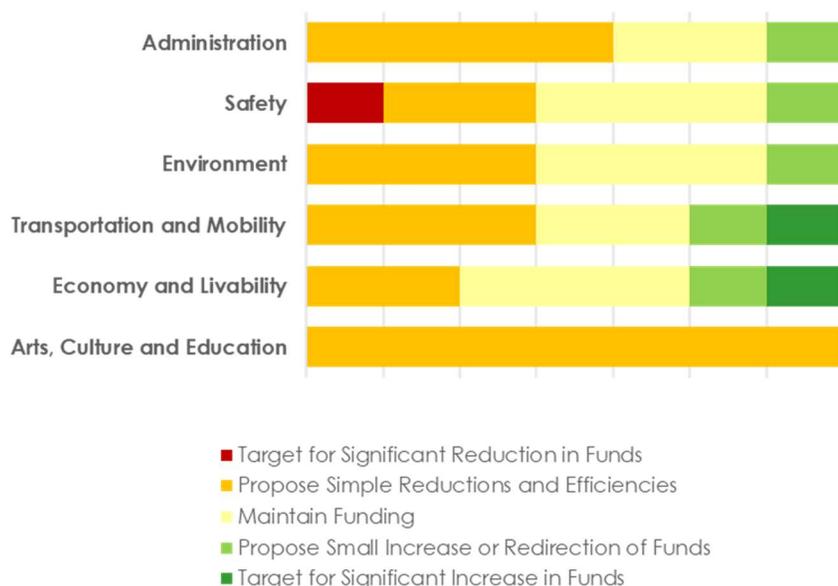
Equity - Equity is a condition when every member of the community, regardless of identify, has a fair opportunity to live a healthy, productive life. Race and socioeconomic status are ke predictors of outcomes and the City has a responsibility to advance equitable outcomes for all of Peoria’s citizens. As the City endeavors to align strategy, budget and performance in an effort to achieve improved outcomes for the community, embedding equity into all policies, practices and processes will be paramount to long-term success.

Innovation - Innovation can be defined as an original idea, or implementation and modification of an existing idea or ideas, that is new in the local context, adds value and becomes institutionalized. As fundamental shifts unfold globally and locally, the need to build a culture of innovation and continuous improvement continues to grow. Using a human-centered approach that questions assumptions and uses data on needs, behaviors and experiences to inform decision-making will help shape the future state of Peoria.

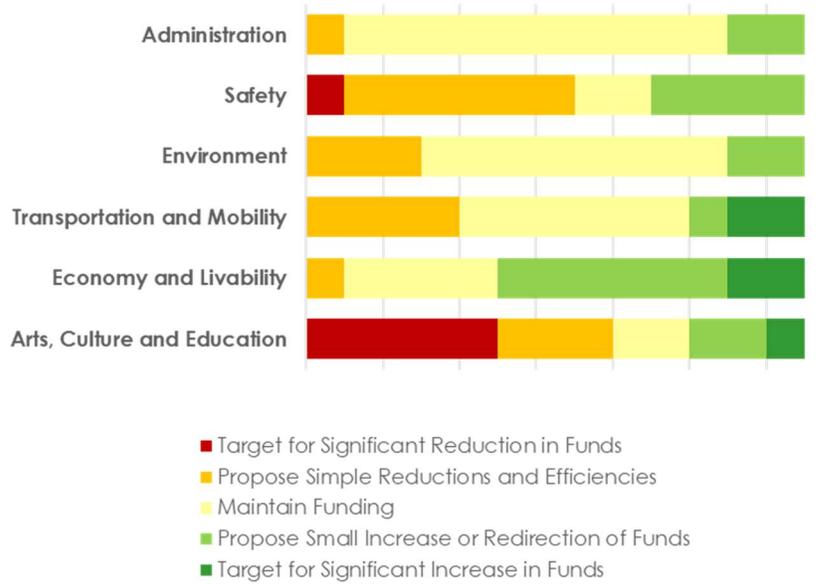
Going Forward

The survey conducted by the Assistant City Manager enabled a comparison of priorities between the City Council and staff. The survey results show areas of discrepancy in funding priorities and creates a starting point for priorities, programming and key outcomes. It is important to note that going forward, the discussion should be centered around what should be funded, not what should be cut.

Council Input on Funding Levels



Staff Input on Funding Levels



Recommendations for the next two years

The magnitude of the change from traditional budgeting to Budgeting for Outcomes must not be underestimated. The process followed in this budget cycle should be considered phase one in moving to full use of the BFO approach. Clear goals for progress toward full use of the new methodology will support continued success. The following recommendations are an initial set of actions that may evolve as we work through the transition to BFO over the next two years.

Vision:

- Continue to build a relationship between elected officials and city staff in a way that supports continuous improvement.
- Continue to align budget with the evolving priorities and strategic goals of the city.
- Identify clearly defined and measurable outcomes.
- Increase communication, internally and externally, by using all platforms to share priorities and changes to process.

Milestones:

- Establish benchmark data and data collection methods to measure outcomes and return on investment of methods incorporated to impact city.
- Build an internal and external campaign to continually communicate the results over the next two years.
- Provide training and professional development opportunities to city employees.
- Evaluate progress and impact of diversity and inclusion efforts.

Tools & Techniques:

- Host quarterly mini-retreats for City of Peoria directors and key personnel with the goal of collaborating and focusing on priority outcome statements only.
- Invite City Council members to attend the quarterly strategy update meetings.
- Develop a clear and accessible process for City Council, and other external constituents, interested in making suggestions and submitting requests that impact organizational resources.

General Observations & Recommendations

Cross cutting issues (Diversity)

Diversity and inclusion were topics brought up as an overarching ethic to be addressed in each of the six priorities. Each area will need a plan developed through collaboration. A careful eye will be needed to remove hurdles for minority groups traditionally affected by systemic bias. Tactics to do this will require open communication among elected officials, department directors, and community members, followed by education and policy modifications as appropriate. Peoria is fortunate to already have a Diversity Officer on which to build processes and develop thoughtful processes.

- Recommendation from interviews was to provide training to city employees and City Council in the area of diversity and inclusion. While, on the opposing side, in a time of tight budget constraints, there was some inquiry about costs associated with a Diversity & Inclusion position.
- There was some discussion about the disparities and disconnections in income and employability along ethnic lines. This, in part, has created a loss of a sense of community.

Communication

Much was gained in the area of communication between the elected City Council members and staff during this process. The relationships developed and strengthened are needed to successfully move the city along to more complete use of BFO. Regular communication and conversation about the BFO processes will support development of a culture of collaboration across all parties to the process. This communication should be ongoing in nature and not reserved for the formal traditional budget process a few months before ratification of a budget is needed.

- While there are limited resources, the city would be served well to provide additional support to marketing and communication to tell the changing story of Peoria.
- There is room for improvement in communication between city leadership and City Council. Host open discussion meetings with focused agenda items, similar to joint sessions held by this BFO and Strategic Planning process.
- It was reported by a number of individuals that council members inquire directly about special projects and have specific requests of directors and city employees throughout the week. Without better governance, this behavior will choke progress with an already reduced staff. Maintaining the flow of information to/from council through the City Manager and Mayor is strongly recommended.
- There is a desire to work together, pooling differing perspectives, for the common goal of a better Peoria. There will need to be some facilitation and communication to continue to create a leadership of One Peoria.
- According to one of the interviews, “staff are not used to engaging in the open with honest dialogue.” As a consulting team, we experienced a different level of engagement and conversation with staff from the beginning of the process through the final meeting. The recommendation would be to ensure that staff have the opportunity to interact with colleagues internal and external to the organization, given the appropriate parameters as defined by immediate supervisors and the organizational structure.

Further Refinement of the BFO Process

One of the biggest challenges of implementing the budget process is that innovation is going to be required, and not every project is going to be successful. In any municipality there are unique features that make planning for the future a challenge. There are not “best practices” that can be applied to an ever-changing future, but the process needs to encourage an innovative and entrepreneurial mindset within government. City officials are encouraged to try new things and not fear mid-course corrections if indicators they have established are not showing that improvements are being made. In fact, mid-course corrections should be anticipated and even accounted for in the budget as the BFO process becomes normalized. A dashboard of project indicators is a good way to make the goals and progress transparent.

Employee Morale

During interviews there was a general sentiment that staff continue to experience burn-out. City-wide staffing is at a 25-year low. With increasing work and decreasing staff, there is more work to go around and fewer people to deliver. Additionally, the organizational chart is very flat, which causes both workflow issues and a lack of growth opportunities for employees. There was some discussion around cross-training in other areas to support employees continued growth and development, however, this will take planning and allocated resources to accomplish.

The way the City operates can and must continue to evolve. The change in budgeting and strategic planning creates:

- an opportunity to impact the perception of Peoria,
- the ability to reframe the story, and
- a new level of transparency while focusing investment on the most important strategic outcomes.

The primary way positive community impact is achieved is through open collaboration and clear focus. The path forward must include both.

Glossary

Budgeting for Outcomes

Budgeting for Outcomes (BFO) is a performance-based budgeting process that seeks to increase accountability and transparency in government spending and planning for spending.

Challenge Statements

Synopses of critical issues facing Peoria around each outcome.

City Council and Staff Questionnaire

City of Peoria staff created an online questionnaire following the first joint session to help support the process of prioritizing budget allocation. The results were shared in the second joint session.

City of Peoria Directors' Session

This comprehensive meeting of all department leaders was used to workshop challenge statements and lay the foundation for connecting indicators to strategic outcomes.

Consultation Model

In the process consultation model the consultant does not tell the client what to do but facilitates the client discovering what is needed on their own. The steps along the journey were inquiry based.

Cross-cutting Issues

These are issues which are present across all of the major strategic outcome areas. Addressing these will impact the whole system.

Indicators

Measurements meant to determine the effectiveness of each strategic outcome.

Interviews

The interviews conducted at the beginning of the project were semi-structured in that a set of questions was developed and used to open each interview. However, follow-up questions were organic and depend on the initial questions.

Joint Session

The joint sessions included members of the City Council and members of all aspects of city government. The sessions were facilitated in a manner to maximize input from participants and minimize consultant input. The overall goal was to create an environment for the two groups to interact constructively thereby building relationships for work into the future.

Strategic Outcomes

Desired outcomes for the City of Peoria, intended to focus work and support the direction of the allocation of funding.