



City of Bloomington Common Council

Budget Advance Meeting - Materials

Wednesday, 24 April 2024 at 6:30 pm

RESOLUTION 2024-xx

RESOLUTION ON BUDGETING EXCELLENCE AND STRATEGIC TRANSFORMATION

WHEREAS, the City of Bloomington is committed to advancing the efficiency, transparency, and responsiveness of its budgeting process to better serve the community's needs; and

WHEREAS, traditional budgeting processes typically adopted by the city result in incremental shifts in financial allocations based on how money was spent in the prior year, rather than on the collective goals of the city government as a whole; and

WHEREAS, Bloomington's Mayor has appropriately emphasized the need for more transparency and creating a more accessible city government that works for the residents of Bloomington; and

WHEREAS, advocates for the budgeting for outcomes process claim that it can lead to more informed decision-making, better alignment with community priorities, increased transparency and enhanced public trust in government operations when implemented in ways reflective of local context¹; and

WHEREAS, outcome-based budgeting, has been adopted by cities of all sizes across the United States such as Fort Collins, Colorado²; Bend, Oregon³; Redmond, Washington⁴; and Palo Alto, California⁵; and

WHEREAS, the method may be effective in aligning municipal resources with community priorities⁶, which if adopted could enhance Bloomington's fiscal strategy and transparency;

NOW, THEREFORE, BE IT HEREBY RESOLVED BY THE COMMON COUNCIL OF THE CITY OF BLOOMINGTON, MONROE COUNTY, INDIANA, THAT:

SECTION 1: The Mayor is asked to establish a Committee on the Budgeting Process, consisting of council members and city staff. This committee will be tasked with exploring and recommending improvements to Bloomington's budgeting processes, ensuring that the city employs the most effective, transparent, and community-aligned budgeting practices available.

SECTION 2: The Controller is asked to work with the council and the Mayor to develop a framework for implementing the recommendations of the Committee on the Budgeting Process, including the possibility of implementing outcome-based budgeting or a hybrid approach within the City of Bloomington by FY2026. This framework should outline the process for transitioning to this budgeting model, including feasibility, timelines, necessary changes to municipal code, stakeholder engagement strategies, and needed resources.

SECTION 3: All departments of the Bloomington City government are encouraged to initiate pilot projects for specific community outcomes in FY2026. These pilots will serve as a test and refinement phase for the outcome-based budgeting process, providing valuable insights for broader implementation.

¹ Hoque, Zahirul, ed. *Public Sector Reform and Performance Management in Developed Economies: Outcomes-Based Approaches in Practice*. Routledge, 2021.

² "Budgeting for Outcomes" City of Fort Collins <https://www.fcgov.com/bfo/>

³ "How the Budget Works" City of Bend Oregon

<https://www.bendoregon.gov/government/departments/finance/budget>

⁴ "Budgeting Priorities" City of Redmond Washington <https://www.redmond.gov/988/Budget-Priorities>

⁵ "City Budget" City of Palo Alto <https://www.cityofpaloalto.org/Departments/Administrative-Services/City-Budget>

⁶ See Mauro, Sara Giovanna, Lino Cinquini, and Giuseppe Grossi. "Insights into performance-based budgeting in the public sector: a literature review and a research agenda." *Public Budgeting in Search for an Identity* (2020): 7-27 and Blazely, Andrew. *OECD Best Practices for Performance Budgeting*. Working paper GOV/PGC/SBO (2018) 7, Working Party of Senior Government Officials, Organisation for Economic Co-operation and Development, Paris, France. [https://one.oecd.org/document/GOV/PGC/SBO\(2018\)7/en/pdf](https://one.oecd.org/document/GOV/PGC/SBO(2018)7/en/pdf), 2018.

SECTION 4: The Mayor and Controller are encouraged to ensure city staff and officials receive training on strategic budgeting practices including outcome based budgeting.

SECTION 5: The Mayor and Controller should engage with cities that have successfully adopted outcome-based budgeting, such as Palo Alto, Redmond, Fort Collins, Bend, and Boulder. Learning from their experiences and adopted best practices will inform and enhance Bloomington's potential implementation strategy.

PASSED AND ADOPTED by the Common Council of the City of Bloomington, Monroe County, Indiana, upon this _____ day of _____, 2024.

ISABEL PIEDMONT-SMITH, President
Bloomington Common Council

ATTEST:

NICOLE BOLDEN, Clerk
City of Bloomington

PRESENTED by me to the Mayor of the City of Bloomington, Monroe County, Indiana upon this _____ day of _____, 2024.

NICOLE BOLDEN, Clerk
City of Bloomington

SIGNED and APPROVED by me upon this _____ day of _____, 2024.

KERRY THOMSON, Mayor
City of Bloomington

SYNOPSIS

This resolution is sponsored by Councilmembers Asare [and others?]. It encourages the Mayor and Controller to commit to improving the city's budgeting process by working towards incorporating a budgeting framework more reflective of a budgeting for outcomes model. This approach should include strategic practices focused on community engagement, clear prioritization of goals, and evidence-based allocation of resources based on those goals. Instead of starting from last year's spending and adjusting allocations, the new model should start with what results the city government would like to prioritize.