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FINANCE

THE CITY OF COLLEGE STATION, TEXAS

Creating a Collaborative Budget Process

BY DARRELL BANKS

Not long ago, the budget process for the City of College Station, Texas, was what Director of Fiscal Services

Mary Ellen Leonard describes as a “kind of cloak-and-dagger” affair.

Departments would receive their projected budgets and then turn in sheets with their budget requests to the budget team. A group consisting of the city manager, the assistant city manager, the director of fiscal services, and the budget manager would then sift through and prioritize the requests in a closed-door meeting. The group would leave the meeting with the completed budget that

had been divined by what people thought was “some kind of magic behind the scenes,” Leonard said.

As a result, some departments would go directly to the city council with budget requests that had not been granted, causing unexpected changes to the budget.

“It was uncomfortable for me. It went against how I was taught in the private sector about how things needed to happen,” Leonard explained. “It was really kind of odd to me that we would just go into a room, and I would come out saying, ‘Go do this.’”

When a newly appointed city manager tasked Leonard with improving the city’s FY 2020 budget

process, these frustrations were top of mind for Leonard and her team.

he request was simple. “He basically said he wanted me to figure out how to make the process collaborative,” Leonard said.

Leonard, in partnership with Erik Walker, city budget manager, took this directive and developed a process that Walker describes as “breaking the mold of what they’ve done before.”

They call their new process the Budget Congress.

“We would take a little bit of what had been done, but then make that secret room meeting wide open,” Leonard said. “And that secret room meeting is what became the Budget Congress.”

Leonard explained how the new process works. The directors submit their priorities, and then the budget team sets aside some days for each department to explain their requests in greater detail and why they matter to the city manager group. At that point, the other directors can listen. “They don’t have to be there, but all do show up now, and they listen to what has happened with the other departments and what their needs are,” she said. After that meeting, the group puts together a survey form listing the departmental requests and asks the directors to rank the requests and tell the group what they think the city needs.

At this point, some of the directors take what they’ve learned in the meetings and confer with their departmental leadership to reprioritize their needs before submitting their survey responses.

“Once I heard the requests of the other departments, I took that information back to leaders in my department, and we looked at those requests and

weighed them against our own needs. We prioritized what we thought would be best for the city overall,” Director of Public Works Emily Fisher said.

The budget team takes those rankings into the Budget Congress, attended only by the directors, Leonard said. The directors look at what everybody thought their priorities were and decide if the group agrees. Not only has this process led to departments being willing to accept receiving less than 100 percent of their requests but being actively involved in advocating for the needs of other departments over their own in the interest of the community.

For example, Police Chief Billy Couch came to the Budget Congress this year with a request for a “Canine Sustainability Plan” (or as Leonard lovingly calls it, the “Paw Patrol”). The canine unit received the highest ranking from all the departments going into the Budget Congress, but during further discussions, Couch changed his mind, realizing that

there was a problem area that needed to take precedence. At this point, the directors packaged all the numerous requests for that area. “Everyone came to realize that this issue was more important than they’d realized, and the budget requests were reprioritized accordingly,” she explained.

“The Budget Congress gives me an opportunity to hear other departments’ needs that I wouldn’t have been familiar with at all,” Couch shared. “Having them come forward and talk through their priorities and what they are encountering that they need budgetary help with is important because I wouldn’t get that information any other way. It’s important for me not just to be able to sell my needs to others, but to also sell others’ needs to my department. My team has buy-in with the requests that go forward, knowing that we didn’t get our canine sustainability plan this year because it was too expensive, and it offset the important needs of other departments.”

In addition to being a tool to cultivate buy-in, the open communication the Budget Congress has fostered has also opened the door for other creative solutions.

“The fleet is a commodity we rely on heavily, and nowadays, everything with the cars is so technical that the IT departments are pretty integral into the field, to make sure those things stay up and running,” Couch said. “It’s not mechanical anymore. It’s more technology.”

Couch detailed some of the struggles his department has had with a backlog of tickets for fleet service. “This year, we created a position for a field tech who would serve the Police Department in addressing these issues in our fleet. The IT Department would need to credential [the position] the way that they do their employees—but they’re going to be assigned to the Police Department to address the demands of the fleet, so the sense of urgency needed for public safety concerns doesn’t interfere with all the other city’s IT emergencies. They will just focus on keeping these cars up and





running. And without this meeting, we wouldn't have had the level of collaboration needed to talk through this solution."

After three years of operations, the results are easy to see, although the team admits that success did not come overnight. It took time.

"I would say it's definitely evolved over time," Walker shared. "The departments hesitated at first just because it was new, and they weren't quite sure how this information was being used." Some wondered how honest they should be in an open forum.

Walker vividly remembers the struggles the first Budget Congress meeting faced because "there wasn't necessarily an inflection point, where a decision would be made on how to proceed." He recalled that after a long period of discussion, one of the department directors stood up and moved the conversation along.

"The first year was really painful," Leonard agreed, adding that "we in Fiscal Services didn't want to be the ones stepping out there, trying to get people to talk. We didn't have the clout. Then the second year was COVID, and it was all via Zoom. That was also interesting, because some people had their cameras on, some people didn't, and you couldn't get a lot of the

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nonverbal communication feedback. It has taken some time to be able to overcome communication challenges and build the necessary trust." "True trust doesn't happen overnight."

With that in mind, the team shared their advice for other governments that want to try implementing a similar budgeting process.

"It's important to really get down into the weeds of understanding the other departments. It starts with just trust in the directors, and when they make the presentations, take good notes,

listen, and bring that back home to my department," Couch said.

"You can't just drop a new process on a team and say, 'This is what we're going to do now,'" Fisher added. "Change management, explaining the process, and cultivating buy-in are all very important."

Walker agreed. "No department is an island," he said. "Even if you don't see the immediate impact of what another department is requesting, there's going to be second, third, fourth order effects down the line. We might not see it in year one or year two, but an improvement that another department is asking for will have an impact on the city at-large, and it will affect how your department operates."

"I would say to a budget director of another city that didn't have this that transparency can be scary, but you're going to be better off if you take that leap," Leonard concluded. "You can lead your city to a more open place if you do it by example. The most critical process is the development of the budget, and if you want a more transparent, open, and collaborative city, take that first step." ■

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