Priority Based Budgeting

Powered by ResourceX

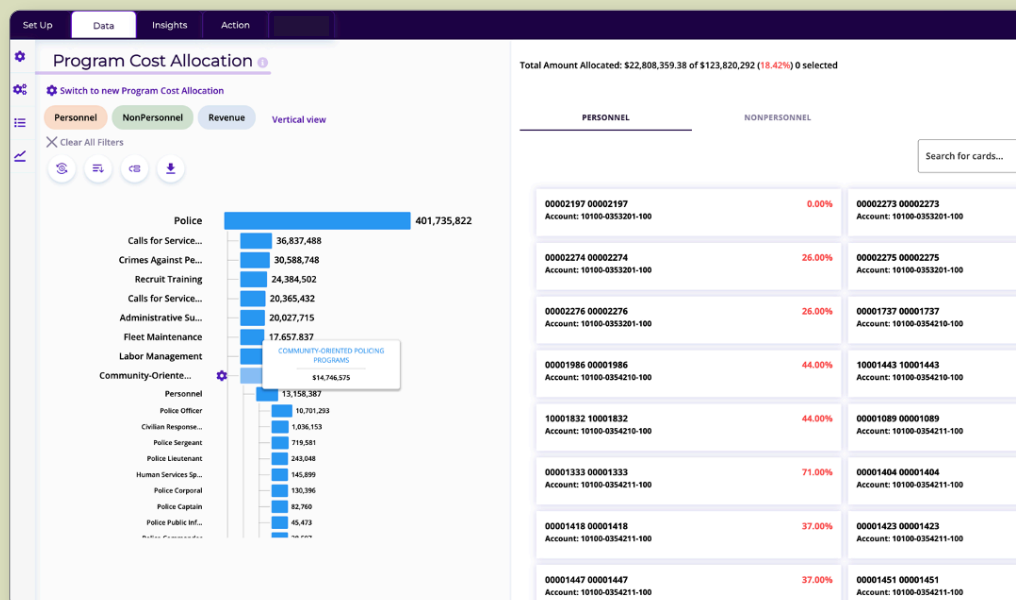**tyler** technologies

ERP
a tyler portfolio

Align Your Budget With Your Priorities

Uncover budget savings, identify revenue possibilities, better allocate funds, and create sustainable, fiscally responsible budgets with Priority Based Budgeting, powered by ResourceX. Tyler's Priority Based Budgeting leverages Artificial Intelligence (AI) and machine learning to give organizations of every size the tools they need to take a holistic approach to budgeting.

Tyler's Priority Based Budgeting solution and services are helping governments and school districts:

- Easily uncover budget savings
- Align funding to the highest priorities
- Analyze cost versus outcomes for strategic budgeting
- Identify new revenue possibilities
- Reallocate funds from specific program levels

Priority Based Budgeting, a cloud-based solution that runs on Amazon Web Services (AWS), enhances Tyler's ERP solutions and is also available as a standalone application.

Tyler Technologies' Priority Based Budgeting uses AI to analyze personnel, non-personnel, operational line items, and other existing departmental budget data to create an inventory of the programs your organization offers.

Rethinking Budgeting: What Is Priority-Based Budgeting?

Today's local governments are struggling to balance rising costs, shrinking revenue, and increased demand for programs and services to support community needs. Government decision-makers are rethinking budgeting to secure the funding they need to provide existing services and to implement new programs for a successful future.

Priority-based budgeting is a shift from — not a replacement for — line-item budgeting. It goes deeper, looking at programs and services holistically across departments to determine their broader impact.

Priority-based budgeting determines the programs most aligned with community priorities and identifies resource reallocation strategies and new revenue opportunities for programs less aligned.

By measuring each program's impact on organizational results, government leaders and decision-makers generate data for each program that illustrates alignment with community goals, such as safer communities, economic vitality, transportation and mobility, resident health and wellbeing, and other visionary objectives of the electorate as captured in strategic planning and community visioning documents.

Tyler's Priority Based Budgeting provides data for smarter decision-making

Maximize budgeting transparency and impact

Identify savings and revenue opportunities

Align resources with community priorities

> "
> *Through the priority-based budgeting process, city officials can better make data-driven decisions while meaningfully engaging citizens in the budget process. This holistic approach provides elected officials and other decision-makers a new lens to ensure our community maintains and preserves its highly valued programs and services."*
>
> **— The City of South Jordan, Utah**

How Tyler's Priority Based Budgeting Works
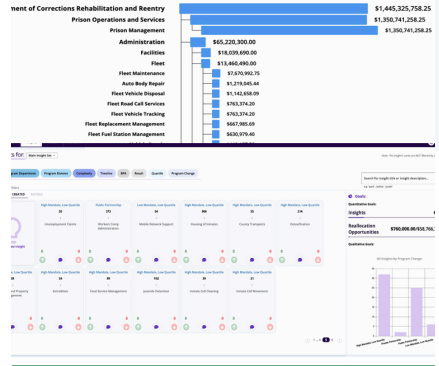
Step 1	Step 2	Step 3
Programs you offer are discoverable because they are predictable from your line-item budget data.	We apply AI and machine learning to identify programs, map your line-item budget to calculate how much you spend, and subject your programs to evaluation trends.	To enable your priority-based budgeting process, the solution provides insights into program cost and scoring, opportunities for savings and new revenue, and more.

Leveraging Experience to Optimize the Process and Provide Insights

In an era where data is the new gold, local governments are at the forefront of an exciting transformation. The meticulous tracking, monitoring, and budgeting of finances at the line-item level within general ledgers and ERP systems has always been a hallmark of effective governance.

With the innovative application of AI, these detailed datasets are being used to revolutionize local government budgeting through Tyler's Priority Based Budgeting.

Leveraging a decade of experience, Priority Based Budgeting has created a vast data mine of public financial information from work with more than 300 local governments. This data mine is the key to unlocking patterns and insights previously hidden in the granular details of raw line-item data, and position and strategic plan information.

By applying AI and machine learning to this data, Priority Based Budgeting has developed predictive capabilities to help local governments understand and manage their budgets. Our predictive data model, which uses our proprietary large language model, ushers in rapid data creation of priority-based budgets and resource optimization recommendations.

Optimizing Efficiency and Insight With AI

While local governments want the benefits of priority-based budgeting, they often lack the resources to undertake the process. In recognition of this challenge, Tyler's Priority Based Budgeting uses AI modeling technology to reduce the program budgeting lift significantly.

Priority Based Budgeting's AI modeling can analyze massive data sets to make logical connections and discover patterns in the data to make logical connections, enabling powerful insights and predictions in the following areas:

Program Inventory

Our AI-driven solution analyzes personnel, non-personnel, operational line items, and other existing departmental budget data to create an inventory of an organization's programs.

Program Costs

AI modeling predicts how much of the strategic budget is applied to a specific program. This knowledge provides insight into the actual costs of a service, which helps decision-makers create more accurate comparisons and allocate funds to the highest-priority programs.

Scoring

AI modeling helps decision-makers evaluate each program in the inventory against five attributes:

- Demand
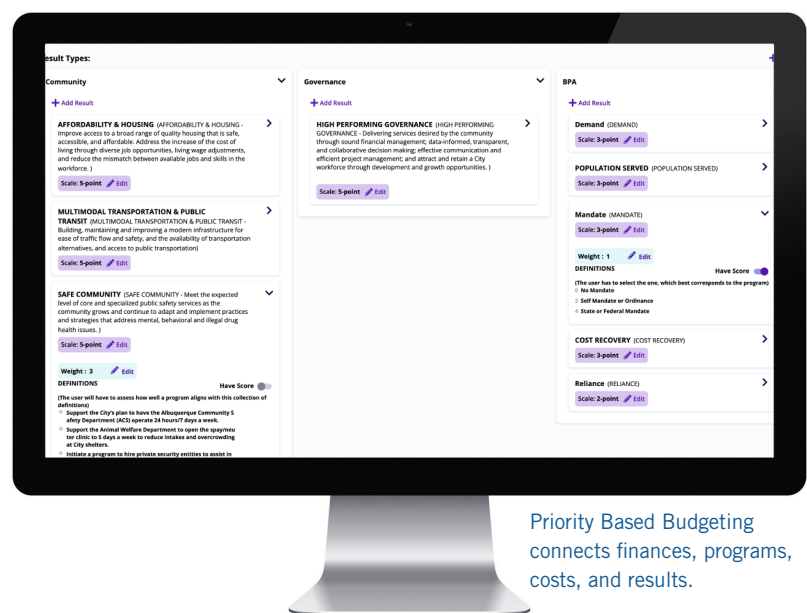- Mandate
- Population served
- Recovery cost
- Reliance

The programs are then prioritized against the investments and outcomes that will most impact an individual community. These scores provide decision-makers with data-backed evidence that they are spending money on the "right" programs.

Return on Investment (ROI) Report

Priority Based Budgeting creates a printable ROI report that serves as a comprehensive playbook, providing various options for local governments to save money, reallocate resources, generate new resources, and implement proven solutions from other priority-based budgeting communities.

To create the report, AI identifies patterns among similarly scored and categorized programs from other local governments to suggest program-specific resource reallocation and revenue generation recommendations.

AI then cites specific examples of programs that have been successful elsewhere to offer guidance as to how the current client can use these techniques in its programs.

Priority Based Budgeting connects finances, programs, costs, and results.

The Foundation of a Better Budget Process

Tyler's Priority Based Budgeting unlocks benefits throughout the budget process. Our solution is helping local governments with the following:

Budget Development

Priority Based Budgeting provides a program budget template that links departmental budget requests to defined program outcomes. Each request includes detailed information on how the proposed funding will contribute to optimal outcomes.

Strategic Budgeting Transparency

Priority Based Budgeting establishes a transparent budget development process by aligning funding decisions with strategic priorities.

Value-Driven Allocation

Unlike traditional budgeting, where across-the-board cuts might be implemented during deficits, Priority Based Budgeting assigns a value to programs. This approach to government budget analysis ensures that essential and high-value programs receive continued funding while lower-value programs are considered for reduction, divestment, or elimination.

Program and Allocation Budgeting Clarity

Without clearly allocated resourcing, governments that use traditional budgeting methods fail to adequately report, assess, and make informed decisions about their funding allocations.

Help Navigating the Process

In response to common priority-based budgeting pain points, such as organizational change management and workforce capacity constraints, Tyler offers Priority Based Budgeting Director as a supplemental service that helps organizations navigate the budgeting process.

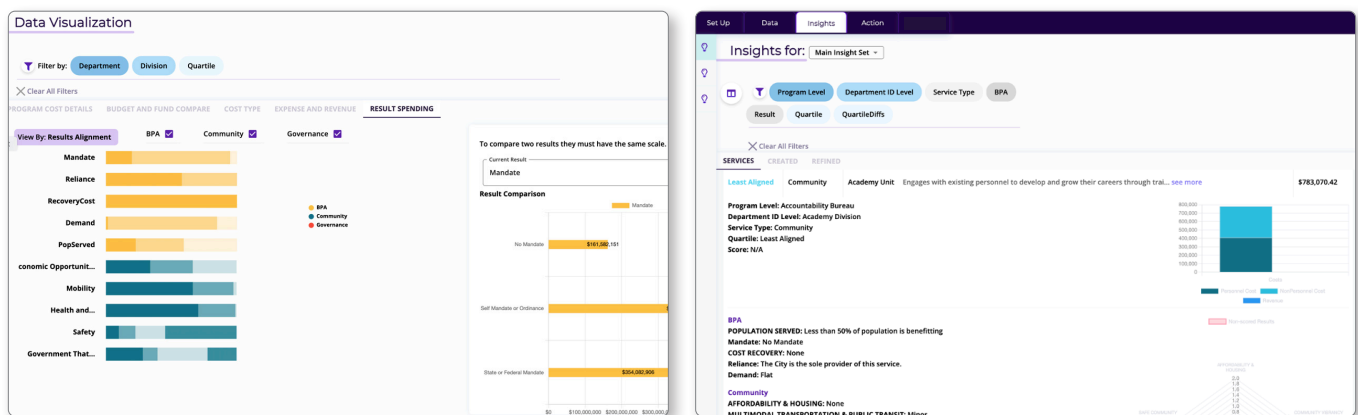Priority Based Budgeting Director provides an expert who:

- Is embedded in your priority-based budgeting leadership team
- Engages with department staff during budget development, data creation, and evaluation phases
- Works with key decision-makers as they evaluate their budget through the priority lens

What Priority Based Budgeting Is Doing for Local Government

Most community stakeholders don't speak "budget." Presenting budgetary information in terms of topics (like street light replacement and police patrols) instead of line items (like salaries and postage) provides insight into how local government resources are being allocated in a language everyone understands.

This is the foundation of priority-based budgeting — defining the programs and services a local government provides using language that means something to staff, residents, and decision-makers and then allocating funds to those programs with clear visibility into the cost of providing each program.

Tyler's Priority Based Budgeting gives organizations of every size the tools they need to analyze spending, identify opportunities for reallocation, direct funds to the resources the community values most, and build for the future with the right programs in place.

Visualize your budget from a results-first perspective.

> "*Priority Based Budgeting has been a game-changer for our city. With an imbalanced budget and a comprehensive land use plan in place, aligning citizen priorities with our services was an ongoing struggle before Priority Based Budgeting. It has helped us identify the many services we offer, the resources required to provide those services, and the alignment of those services with the priorities of our city. Priority Based Budgeting has been an invaluable process that has empowered us to make informed decisions during changing and challenging times.*""
>
> — **The City** of **Duluth, Minnesota**

To learn more about Priority Based Budgeting:

PHONE
1.833.895.3783

EMAIL
info@tylertech.com

VISIT
tylertech.com

About Tyler Technologies, Inc.

Tyler Technologies (NYSE: TYL) is a leading provider of integrated software and technology services for the public sector. Tyler's end-to-end solutions empower local, state, and federal government entities to operate efficiently and transparently with residents and each other. By connecting data and processes across disparate systems, Tyler's solutions transform how clients turn actionable insights into opportunities and solutions for their communities. Tyler has more than 44,000 successful installations across 13,000 locations, with clients in all 50 states, Canada, the Caribbean, Australia, and other international locations. Tyler has been recognized numerous times for growth and innovation, including on Government Technology's GovTech 100 list. More information about Tyler Technologies, an S&P 500 company headquartered in Plano, Texas, can be found at tylertech.com.

info@tylertech.com | 1.833.895.3783 | tylertech.com

tyler technologies

Empowering people who serve the public®