



# Priority Based Budgeting

## Project Recap, and Next Steps

Chris Fabian  
August 28<sup>th</sup> 2018

# Today's Agenda: 3 Key Points



- 1.) **Project Recap:** what you've accomplished
- 2.) **Taking Action on the Data:** "PBB Blue Print"
- 3.) **Where to Start:** "3 Programs"

# I. Project Recap

**[place holder: Live from Littleton  
Model]**

# **II. Taking Action** **on Your Data**

# PBB Blue Print

To Fund the Future

## We have new needs...

- ...to launch **new programs** to tackle emerging challenges
- ...to **enhance current programs** that need additional resources

⋮

## We have no new needs...

- Preserve, maintain current services
- Or, seek to lower tax rates or refund tax-payers

**PBB is a tool, a means to an end...**

# PBB Blue Print

To Fund the Future

## We have new needs...

- ...to launch **new programs** to tackle emerging challenges
- ...to **enhance current programs** that need additional resources

Free-up &  
Re-allocate  
Resources

Generate  
New  
Revenue

**We have 2 basic levers...**

## We have no new needs...

- Preserve, maintain current services
- Or, seek to lower tax rates or refund tax-payers

# PBB Blue Print

## To Fund the Future

### We have new needs...

- ...to launch **new programs** to tackle emerging challenges
- ...to **enhance current programs** that need additional resources

### We have no new needs...

- Preserve, maintain current services
- Or, seek to lower tax rates or refund tax-payers

#### Free-up & Re-allocate Resources

##### Sourcing

##### Efficiencies

##### Service Levels

- Can we leverage partners, or source services with public/private providers, in order to free up our resources?
- Focus on the “irreducible core”
- Can we apply technology to automate or free up human resources?
- Can we augment service delivery with volunteers?
- For programs less aligned with Results, can we reduce service levels, and free up resources? Or, can we eliminate services to free resources?

#### Generate New Revenue

##### Fees, Charges

##### In-sourcing Grant Funding

##### Taxes, Rates

- Do our fees cover the costs of providing the service?
- Can we in-source, or provide any services regionally for a fee?
- Are we reporting the true cost of services to granting agency?
- Can we recoup additional funding, or attain new grant opportunities?
- Last resort
- Do we have no options left besides raising additional revenue from tax and rate payers?



# PBB Blue Print

## To Fund the Future

### We have new needs...

- ...to launch **new programs** to tackle emerging challenges
- ...to **enhance current programs** that need additional resources

### Free-up & Re-allocate Resources

#### Sourcing

#### Efficiencies

#### Service Levels

- Can we outsource, or source services from private providers?
- Focus on the core services
- Can we apply technology to automate or reduce resources?
- Can we augment with volunteers?
- For programs less than 100 Results, can we reduce levels, and free up resources? Can we eliminate resources?

### Generate New Revenue

#### Fees, Charges

#### In-sourcing, Grant Funding

#### Taxes, Rates

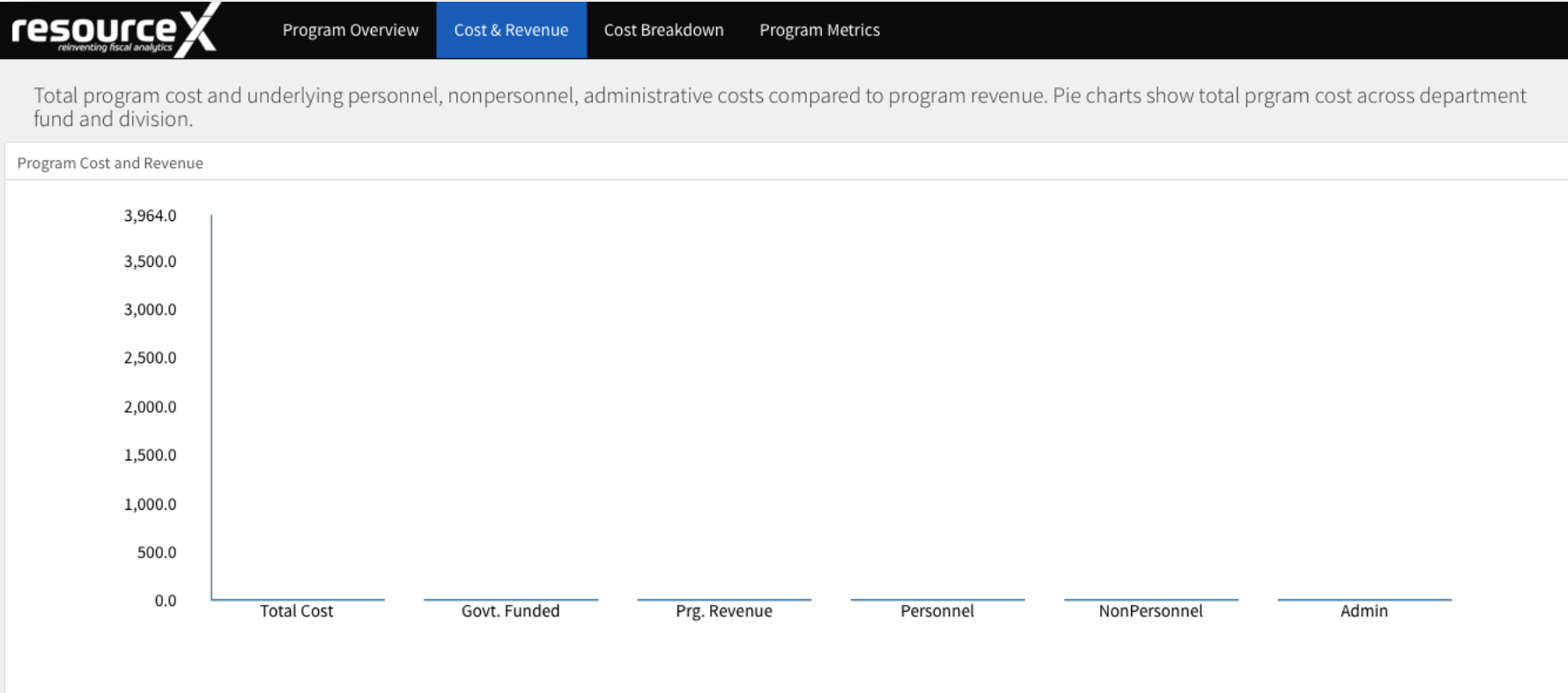
- Do our fees cover the costs of providing the service?
- Can we in-source, or provide any services regionally for a fee?
- Are we reporting all services to grant funders?
- Can we recoup costs, or attain new grants?
- Last resort: raise taxes or rates
- Do we have a plan for raising additional revenue and rates?

### We have no new needs...

- We must maintain current services
- We must not over tax rates or refund

# Fees, Charges, Cost Recovery

#	Program	Fund	Department	Division	Total Cost	Quartile,	FTE	ProgramRevenue
24	Tree Removal Requests & Inspections	General	Planning & Development	Planning	3,964	3	0.05	0



*Are you looking for opportunities to charge for the full cost of doing business?*

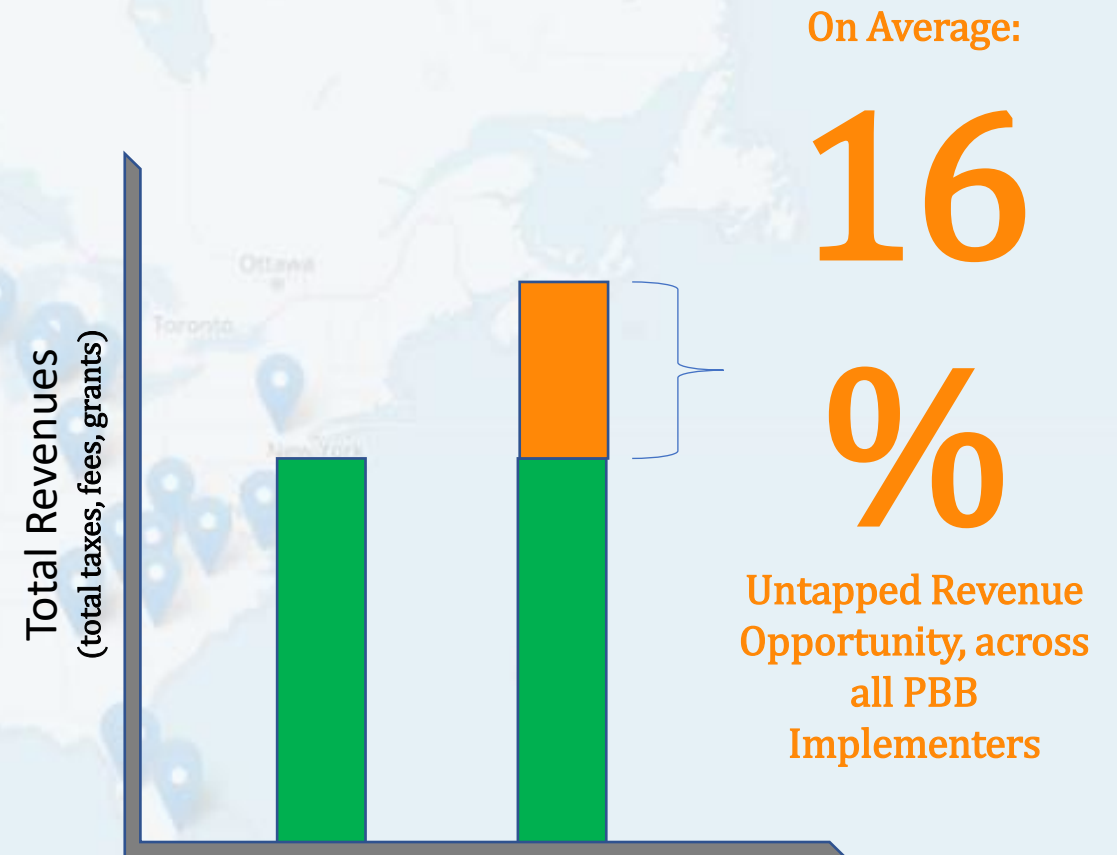
Select Options

**PBB Blue Print**  
Opportunity Area

Fees, Charges, Cost Recovery

**\$4.1  
Billion**

**Uncollected Fee  
Revenues Across  
170 Organizations  
in the PBB Data  
Mine**



*\*narrowed down list, characterized by programs that already charge a fee, and where the fees collected are less than the cost of providing the program*

# PBB Blue Print

## To Fund the Future

### We have new needs...

- ...to launch **new programs** to tackle emerging challenges
- ...to **enhance current programs** that need additional resources

### Free-up & Re-allocate Resources

#### Sourcing

#### Efficiencies

#### Service Levels

- Can we identify new public or source private providers to deliver our resources?
- Focus on the most important programs
- Can we apply technology to automate or reduce resources?
- Can we augment staff with volunteers?
- For programs less than 100 Results, can we reduce service levels, and free up resources? Can we eliminate resources?

### Generate New Revenue

#### Fees, Charges

#### In-sourcing, Grant Funding

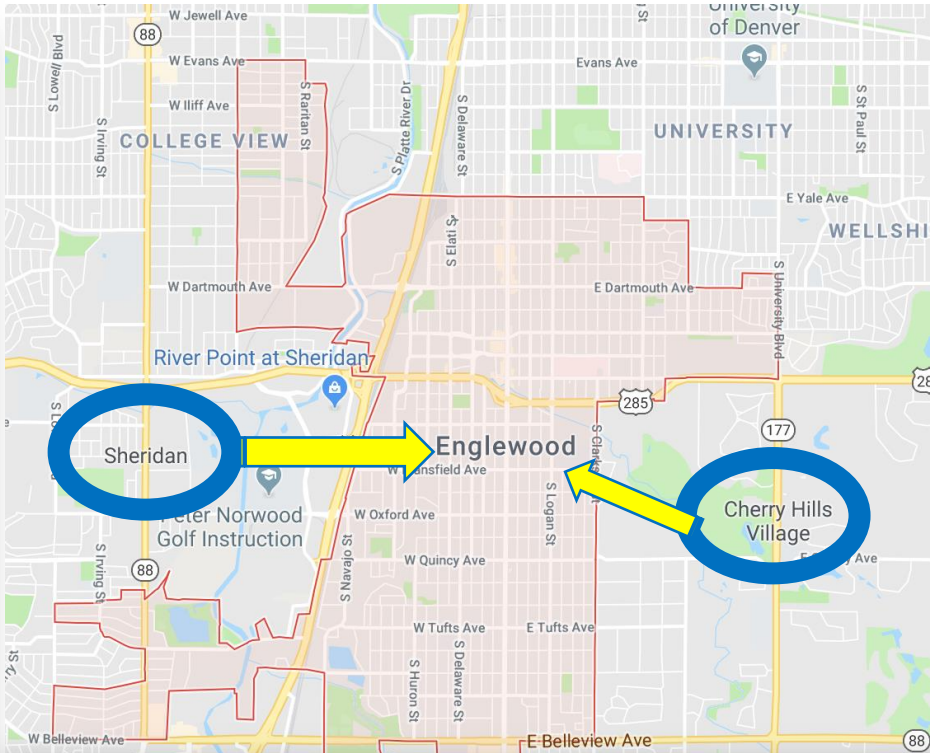
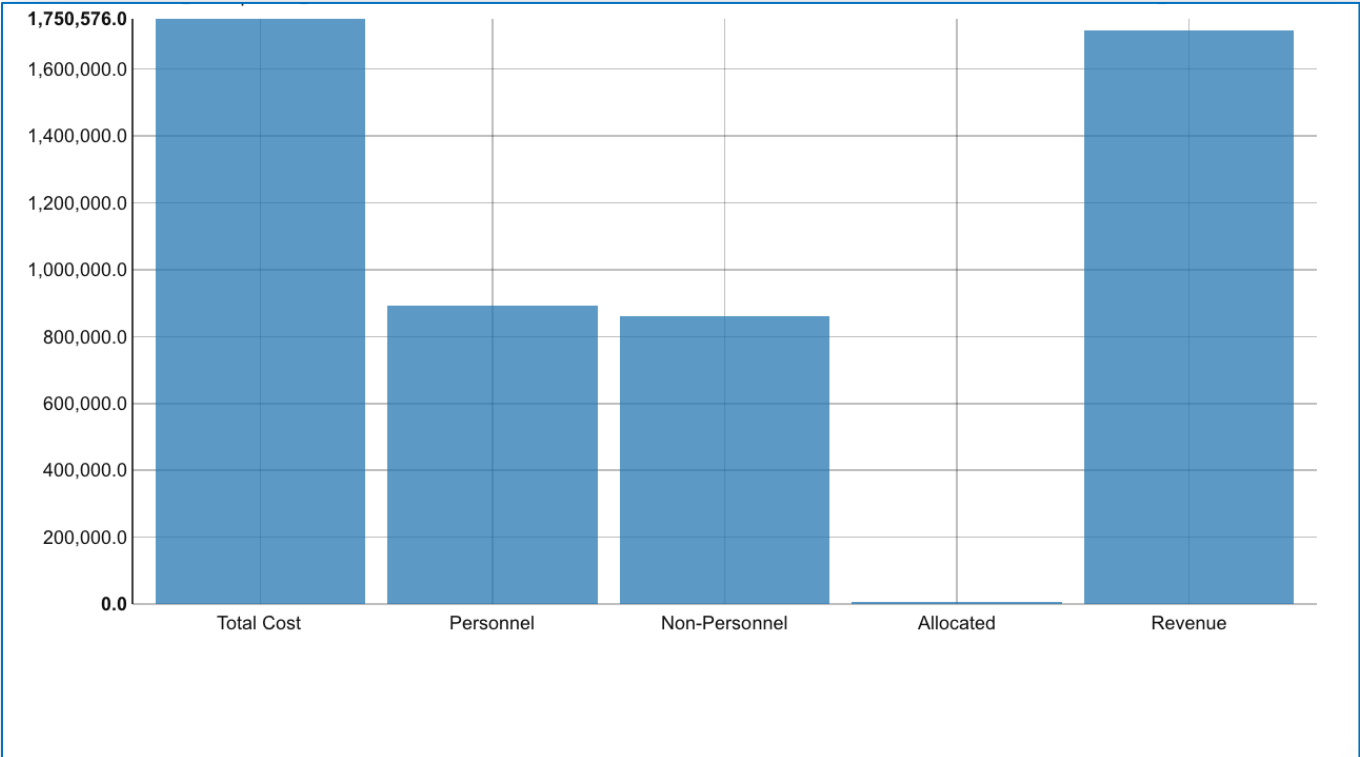
#### Taxes, Rates

- Do our fees cover the cost of providing the service?
- Can we in-source, or out-source services regionally?
- Are we reporting the true cost of services to granting agency?
- Can we recoup additional funding, or attain new grant opportunities?
- Last resort
- Do we have the authority to raise rates, or raise additional taxes and rates?

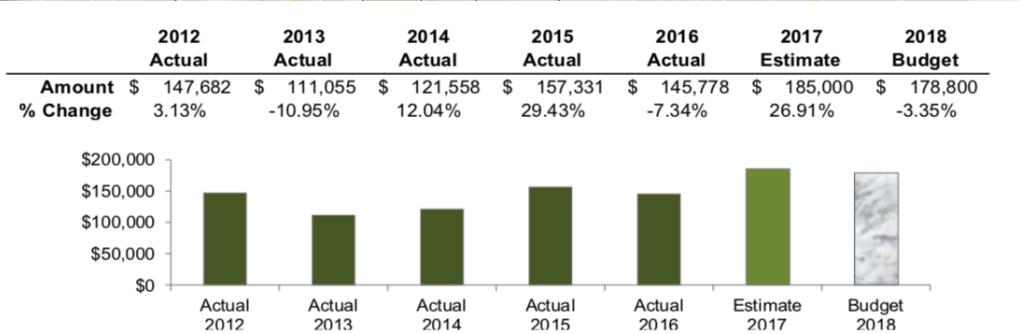
### We have no new needs...

- We must maintain current services
- We must not lower tax rates or refund

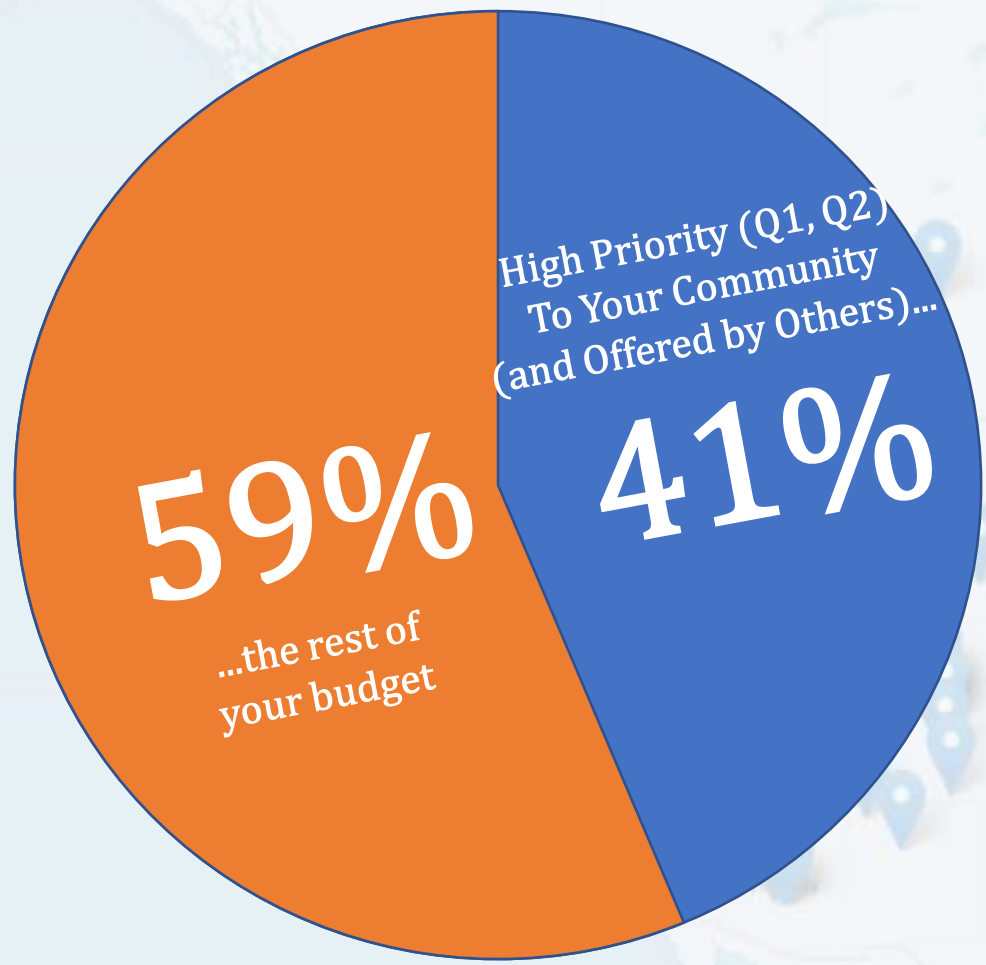
# In-Sourcing



**ServiCenter Garage** This Internal Service Fund Division performs vehicle maintenance, repair, purchase and disposal of City vehicles and equipment in an efficient and cost-effective manner. This division also manages the Central Stores operation and fuel and oil inventory accounts. Fleet maintenance services are also provided on a contract basis to Cherry Hills Village, the City of Sheridan, and Englewood Schools.





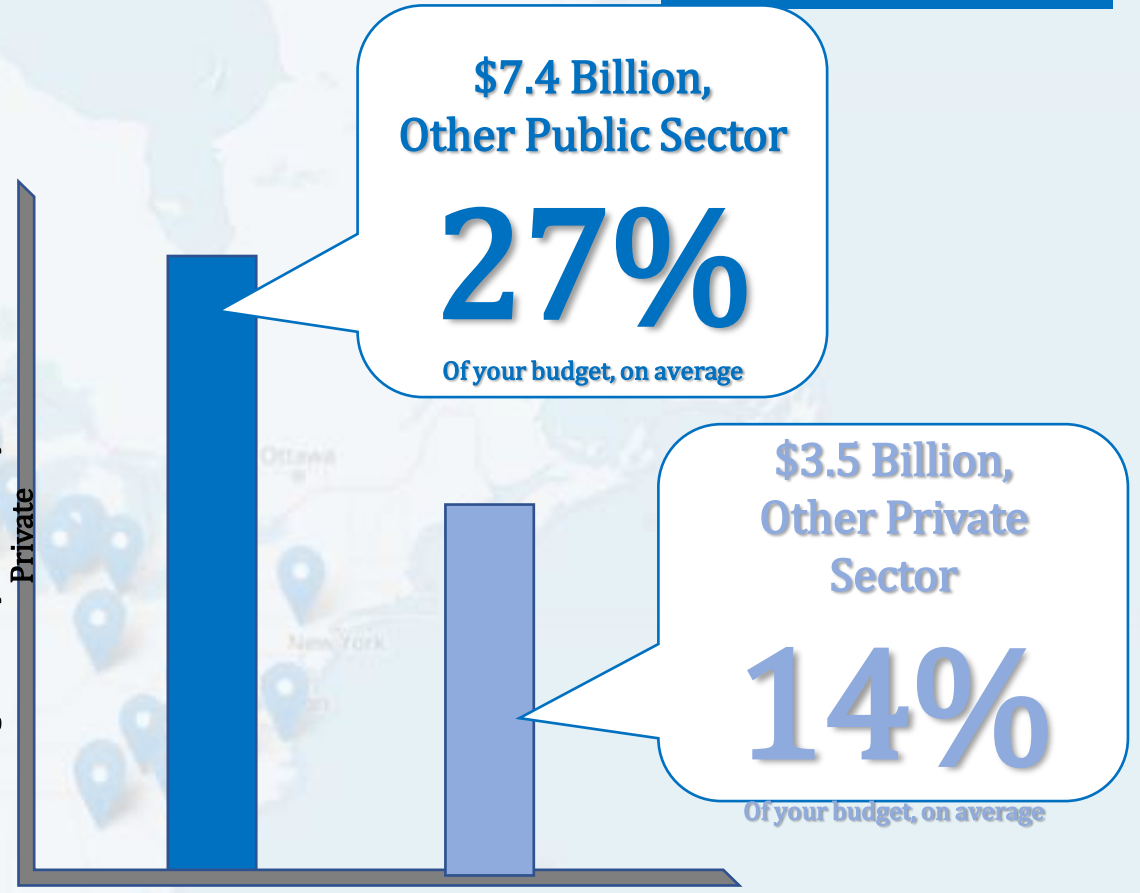


Select Options

**PBB Blue Print**  
Opportunity Area

In-Sourcing Services, Grants

Total Opportunity  
High Priority, Offered by Public or Private



*Punchline:*  
*Are you looking for opportunities to be Englewood Fleet?*

# PBB Blue Print

## To Fund the Future

### We have new needs...

- ...to launch **new programs** to tackle emerging challenges
- ...to **enhance current programs** that need additional resources

### Free-up & Re-allocate Resources

#### (Out)Sourcing

#### Efficiencies

#### Service Levels

- Can we leverage partners, or source services with public/private providers, in order to free up our resources?
- Focus on the "irreducible core"
- Can we apply technology to automate or reduce resources?
- Can we augment with volunteers?
- For programs less than 100 Results, can we reduce service levels, and free up resources? Can we eliminate resources?

### Generate New Revenue

#### Fees, Charges

#### In-sourcing, Grant Funding

#### Taxes, Rates

- Do our fees cover the cost of providing the service?
- Can we in-source, or source services regionally?
- Are we reporting on the services to grant funders?
- Can we recoup some of the costs or attain new grant funding?
- Last resort: Do we have to consider raising additional taxes, rates and rates?

### We have no new needs...

- We must maintain current services
- We must not lower tax rates or refund

# Street Sweeping

## Street Sweeping | City of Toledo

[toledo.oh.gov/services/public-service/streets-bridges-harbor/street-sweeping/](https://toledo.oh.gov/services/public-service/streets-bridges-harbor/street-sweeping/) ▼

**Street Sweeping.** City of Toledo streets are swept each year from April to October to prevent debris from clogging the sewer system and to maintain clean streets ...

## Toledo Street Sweeping Company - Road, Parking Lot - Ohio | 1-800 ...

<https://www.1800sweeper.com> › [Sweeping Service Areas](#) › [Ohio](#) ▼

Progressive Sweeping Contractors, Inc. provides contract street sweeping and parking lot sweeping for Toledo, Ohio and the surrounding metropolitan area.

## Best 7 Street Sweeper in Toledo, Ohio with Reviews - YP.com

<https://www.yellowpages.com/toledo-oh/street-sweeper> ▼

7 results - Find 7 listings related to Street Sweeper in Toledo on YP.com. See reviews, photos, directions, phone numbers and more for the best Sweepers-Power ...

resourceX

reinventing fiscal analytics

Program Overview

Cost & Revenue

Cost Breakdown

Program Metrics

PBB Quartile: 2

Program: Street Cleaning

Total Cost: 4,187,384

Program Description

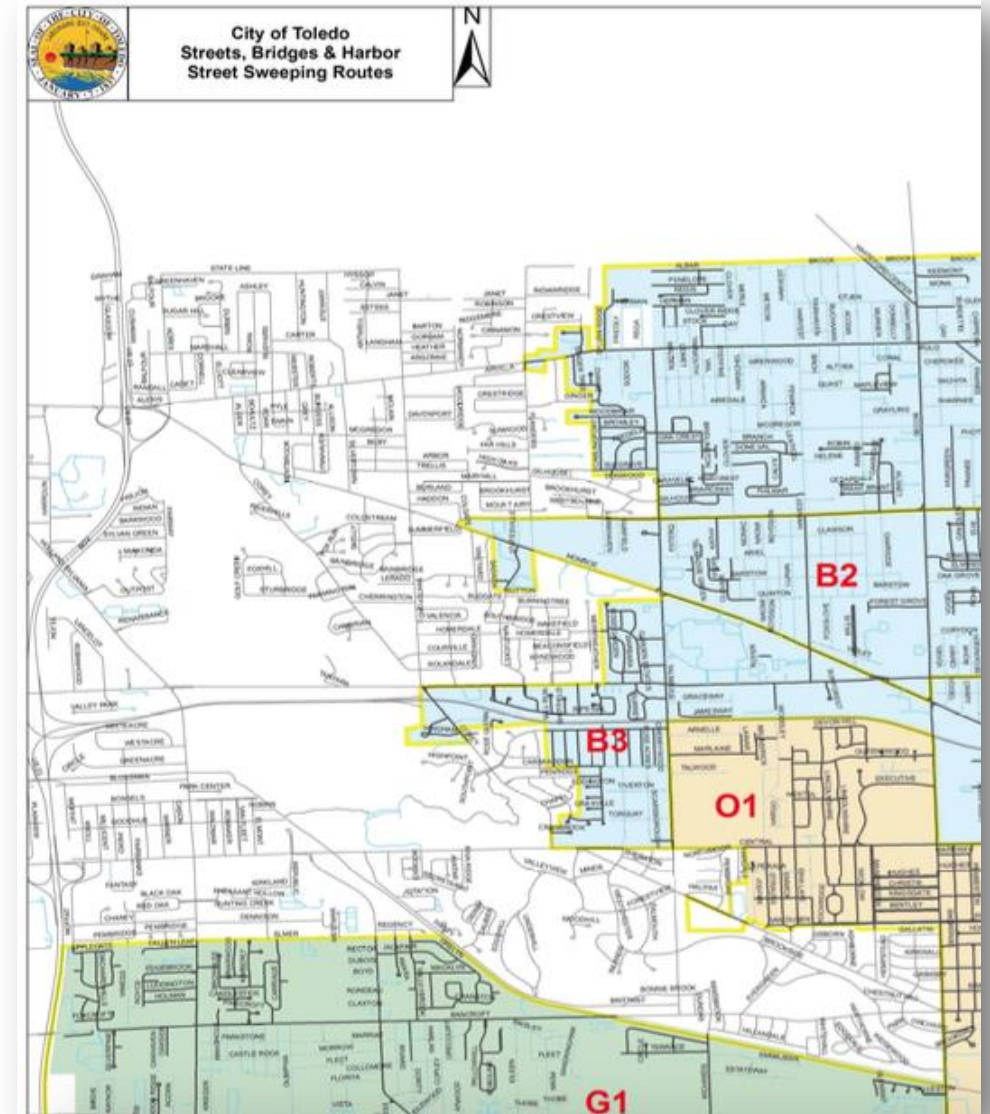
CLEANING OF STREETS WITH STREET MACHINES, MANDATE - CITY CHARTER - TITLE FIVE - CHAPTER 127.01 (A) & TOLEDO MUNICIPAL CODE CHAPTER 907.01 (A) -

Comments

Depending on the resources devoted to this programs, might consider separating it out a bit more i.e. 1) Street Cleaning - Downtown; 2) Street Cleaning - Residential; 3) Street Cleaning - Commercial

**TOLEDO**  
OHIO  
street sweeping

\$4,187,384





# Leveraging Partners

MOFFAT COUNTY  
COLORADO  
massive resource optimization

Lauren Blair  
lblair@craigdailypress.com

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## Moffat County seeks savings through local partnerships

Article   Comments (0)

Share 0   Tweet   Pin it   Share 1

A A



Some difficult changes could be in store as Moffat County looks to cut up to \$2.5 million from its budget in the next year or two, but county commissioners hoped to engage the community in their process Tuesday at a Community Resource Meeting.

At least 100 local leaders, county employees and community members packed the fairgrounds pavilion to learn how the county is working to

identify priorities and find savings through partnering with other local organizations to provide services.

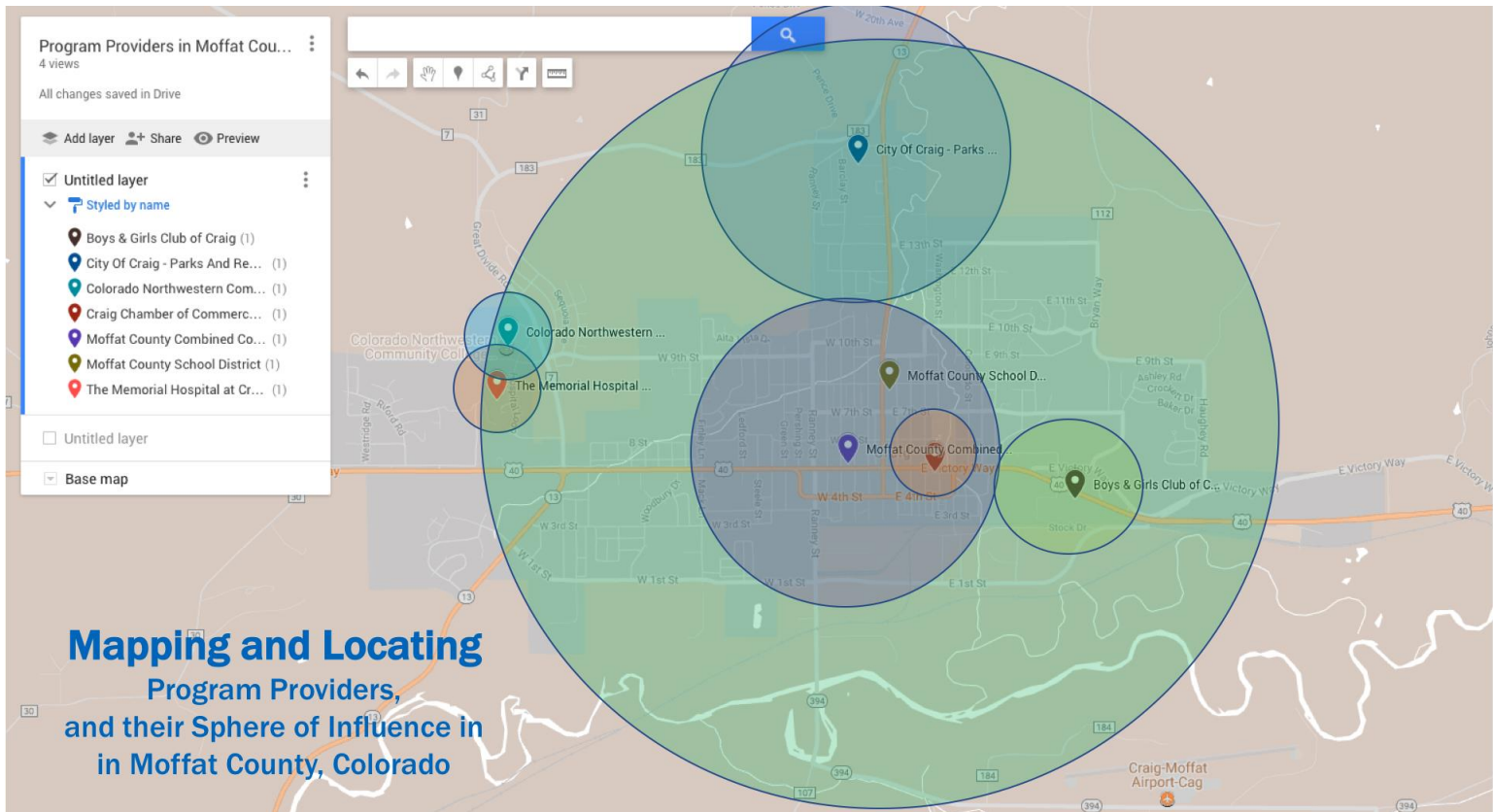
"How can we discover and partner with other organizations in our own community who are pursuing the same societal objectives we are?" Commissioner Ray Beck asked as he set the stage for the speakers who followed.

The county is looking for opportunities not only to partner, but also to consolidate or merge services with other public and private entities, Beck said.

Speaker Chris Fabian, co-founder of the Center for Priority Based Budgeting and Resource Exploration, said that he had seen similar challenges in other communities.

A third of the county's population is over 65 years old, and the county is looking for ways to provide services to this growing population.

The county is looking for opportunities not only to partner, but also to consolidate or merge services with other public and private entities.



**How can we discover and partner with other organizations in our own community who are pursuing the same societal objectives we are?" Commissioner Ray Beck asked the participating agencies. The county is looking for opportunities not only to partner, but also to consolidate or merge services with other public and private entities.**

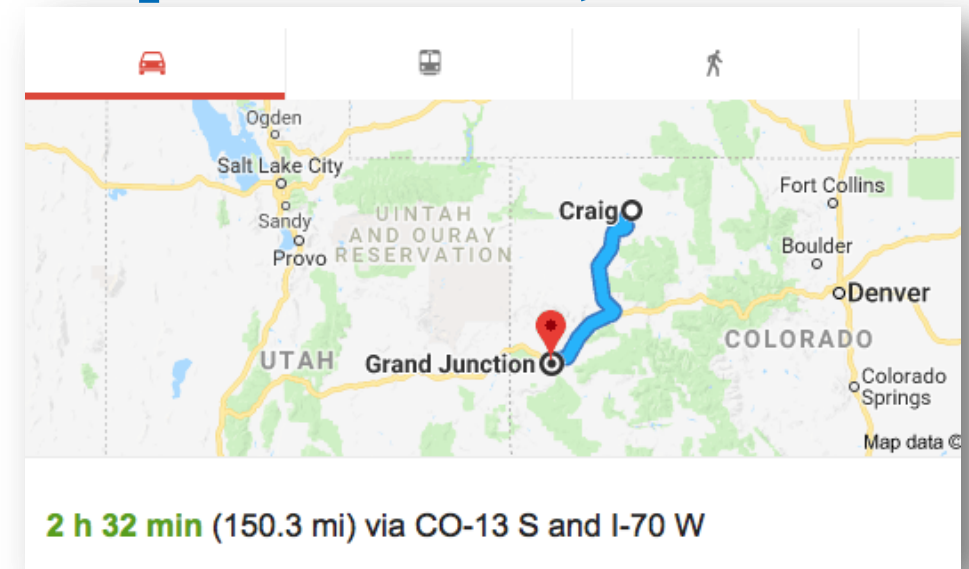
# Laundry Services

MOFFAT COUNTY  
COLORADO

laundry services



- \$45,144 to Moffat County
- 6-figures (\$100k's) to Memorial Hospital, who ships to Grand Junction



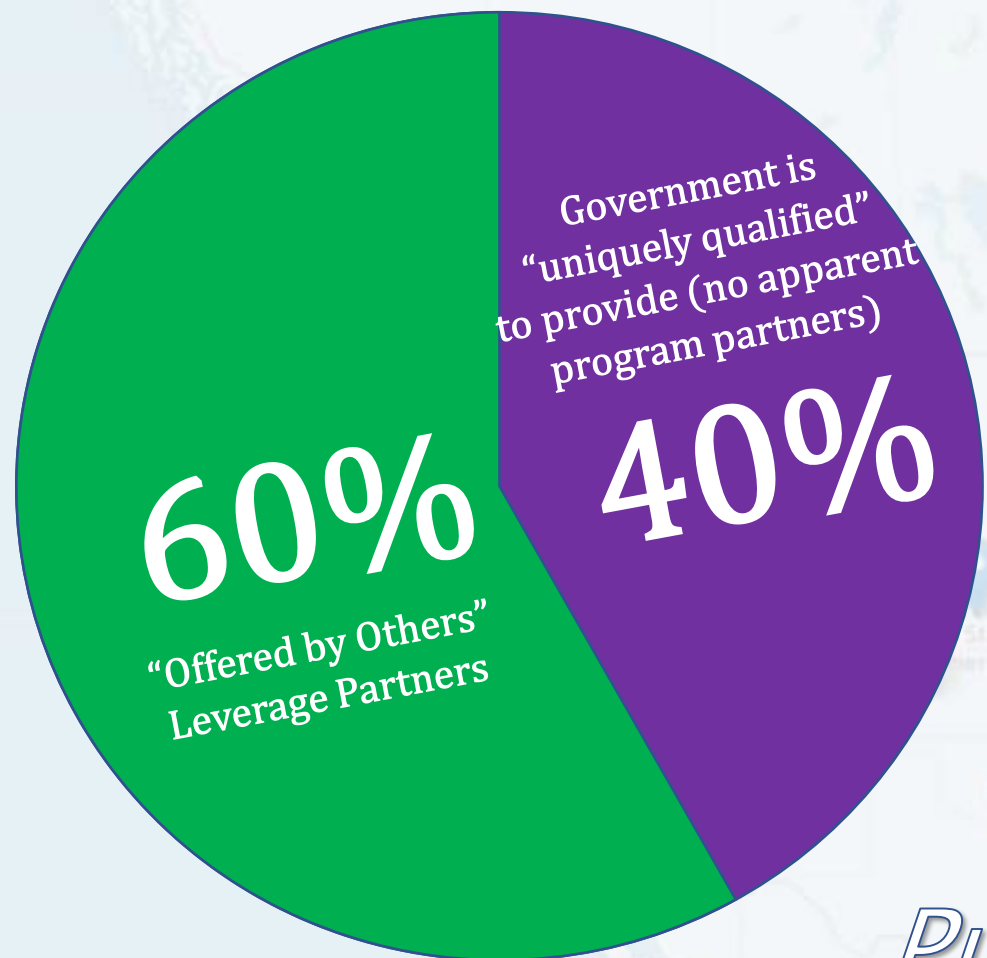
# Moffat County Perspective of Opportunity Areas



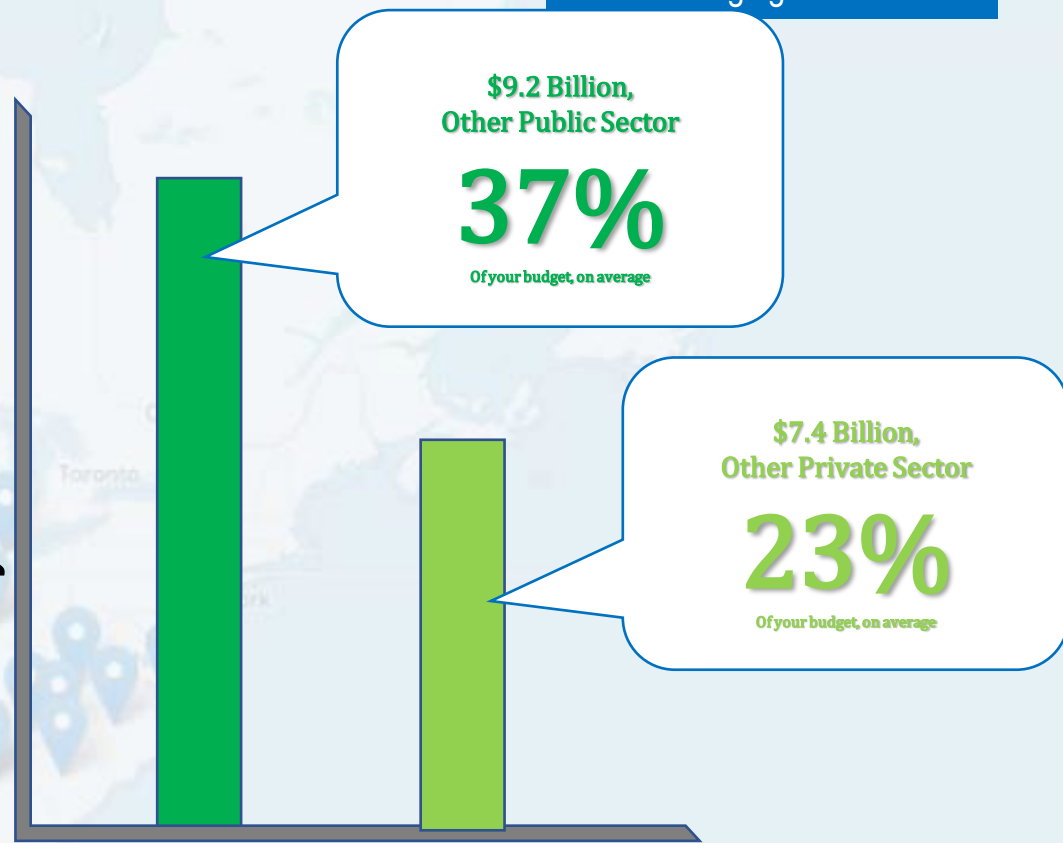
Agencies Matched with County	Total Number of Programs	Total Value of Opportunity	Percent of Moffat County PBB Budget
3	50	\$ 1,043,448	59%
2	105	\$ 2,395,563	
1	406	\$ 14,697,857	
0	510	\$ 12,709,714	41%
TOTALS	1071	\$ 30,846,582	100%

County is uniquely qualified to provide





Total Opportunity Offered by Public or Private



Select Options

PBB Blue Print  
Opportunity Area

Out-Sourcing Services,  
Leveraging Partners

# Punchline:

As Government seeks to fund the plethora of “new” programs uniquely unto government to provide, it leverages partner providers, seeking the “irreducible core”

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- ...to **enhance current programs** that need additional resources

### Free-up & Re-allocate Resources

(Out)Sourcing

Efficiencies

Service Levels

- Can we outsource or in-source services to private providers? Can we leverage resources?
- Focus on the
- Can we apply technology to automate or free up human resources?
- Can we augment service delivery with volunteers?
- For programs less than 100 results, can we reduce service levels, and free up resources? For programs with more than 100 results, can we eliminate services?

### Generate New Revenue

Fees, Charges

In-sourcing, Grant Funding

Taxes, Rates

- Do our fees cover the cost of providing the service?
- Can we in-source, out-source services regionally?
- Are we reporting all services to grant funders?
- Can we recoup costs through grants or attain new grant funding?
- Last resort
- Do we have a plan for raising additional revenue and rates?

### We have no new needs...

- We must maintain current services
- We must not lower tax rates or refund

# Program Efficiency

## "Knocker-Ups"



132,035 likes

historyphotographed Before alarm clocks were affordable, 'knocker-ups' were used to wake people early in the morning. UK, around 1900

## "Lamp Lighters"



The most magical job in Britain:  
Enchanting story of our last gas  
street lights, and the five men who  
keep them burning just as they  
did in Dickens' day

By Laura Freeman for the Daily Mail  
17:49 EDT 24 Nov 2014, updated 04:04 EDT 25 Nov 2014



## What Will Be 2030's "Knocker-Ups?"

- Intergalactic Space Port
- Ygnacio Valley Road Cone Program
- Parking
- Traffic Patrol
- Parking Meter Reading
- Water Meter Reading (Utilities)
- Priority Based Budgeting Implementers



# Program Benchmarking

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- **Program Costs, Fees for Service, Level of Mandate, FTE, etc.**
  - how much are other jurisdictions paying for each service?
  - do they charge a fee?
  - do they use automation, or labor?
  - is it mandated, or regulated?
  - filter by population, geography, budget size, city/county, etc.

# Benchmarking: “Meter Reading” *(automated or manual)*

resourceX PresentPBB

PBB MAP Login | PRIORITY BASED BUDGETING PBB Overview | RESOURCE ALIGNMENT Analysis ToolPack | DOWNLOAD PresentPBB PDF | ?

Select Org, Model Year, Map Options

SearchPBB

Programs Results

☒ USA ☒ CANADA State: All States Org: All Orgs

Department: All Departments

Program(s): Meter Reading Meter Reading - Supply Meter Reading Meter Reading, Repair & Maintenance Water Meter Reading Water Meters and Services Water Taps/Meters Meter Maintenance

Download

Show 100 entries Search: meter

Org	Department	Program	Description
Asheville, NC	Water Resources	Meter Reading	Process Mostly Radio Reads & Some Manual Reads, Download Reads, Re-read Meter for Accuracy
Chandler, AZ	Municipal Utilities	Meter Reading	none
Douglas County, NV	Utilities - Water and Wastewater	Meter Reading - Supply	Monthly water supply state regulatory reads
East Point City,	Water and	Meter Reading	Installations, leak repairs, etc.

Showing 1 to 22 of 22 entries Previous 1 Next



Population	Department	Program	Total Organization's Budget	Fees and Charges	Program Cost
29,637	Utilities	Meter Reading	\$ 3,436,670	\$ -	\$ 30,127
31,516	Utilities	Water Metering - Meter Reading	\$ 83,842,460	\$ -	\$ 139,881
47,036	Utilities - Water and Wastewater	Meter Reading	\$ 67,355,197	\$ 152,750	\$ 90,032
51,848	Water	Drive-By & Fixed Network Meter Reading	\$ 96,088,570	\$ -	\$ 295,804
52,298	Water	Meter Reading	\$ 75,414,147	\$ -	\$ 484,648
72,864	Public Works - Water Distribution (5120)	Meter Reading	\$ 84,641,917	\$ 32,227	\$ 39,135
87,236	Water Resources	Meter Reading	\$ 159,168,505	\$ -	\$ 660,261
91,956	Utilities	Water Meter Reading	\$ 88,586,901	\$ -	\$ 464,760
101,190	Utilities - Water Works	Meter Reading	\$ 166,557,963	\$ 156,312	\$ 178,877



# Match Up: example “Permitting”

**CLEAR CREEK COUNTY**  
COLORADO  
Internal program match up

Clear Creek County, Colorado							
[Enter the Name of Your Department Here...]							
#	Type	Department	Division	Program	Total Cost	#ofFTE	Description
33	Community	Public Works	Administration	Rights-of-Way Permits - Inspection and Adminis	20,781	0.160	Final permit data entry, coordination and management of re
43	Community	Community Development	Mapping	GIS Maintenance - Community Development D	2,894	0.020	processing Initial permit and contractor coordination, coord
54	Community	Community Development	Mapping	Map Reproductions	159	0.000	traffic control plan review and approvals, compliance inspect
60	Community	Health and Human Services	Environmental Health	Permit Processing	9,709	0.150	improvement/3rd party projects
61	Community	Health and Human Services	Environmental Health	Records Management	7,088	0.100	Maintenance and upkeep of community development relate
71	Community	Health and Human Services	Environmental Health	Land Use Commercial Plan Review	4,466	0.050	to zoning, l
72	Community	Health and Human Services	Environmental Health	Land Use Residential Plan Review	4,466	0.050	We provide
73	Community	Health and Human Services	Environmental Health	On-site Wastewater Treatment System Use Perm	4,478	0.075	The proces
74	Community	Health and Human Services	Environmental Health	On-site Wastewater Treatment System Construc	42,366	0.550	Treatment
76	Community	Health and Human Services	Environmental Health	On-site Wastewater Treatment System Inspectio	4,466	0.050	Managing t
77	Community	Health and Human Services	Environmental Health	On-site Wastewater Treatment System Operatin	7,100	0.125	including p
79	Community	Health and Human Services	Environmental Health	On-site Wastewater Treatment System Variance	1,330	0.010	Reviewing

Sort

Ascending

Descending

By color: None

Filter

By color: None

Choose One

☒ (Select All Search Results)
 ☒ Background Checks - Specia
 ☒ Building Division Public Inqui
 ☒ Building PermitsExamine buil
 ☒ Burn Ordinance Administratic
 ☒ Code Enforcement Expired Pr
 ☒ Code Enforcement-Building F
 ☒ Commercial and Residential E

Clear Filter

# PBB Blue Print

## To Fund the Future

### We have new needs...

- ...to launch **new programs** to tackle emerging challenges
- ...to **enhance current programs** that need additional resources

### Free-up & Re-allocate Resources

(Out)Sourcing

Efficiencies

Service Levels

### Generate New Revenue

Fees, Charges

In-sourcing, Grant Funding

Taxes, Rates

- Can we outsource or source services from private providers to free up resources?
- Focus on the core services
- Can we apply technology to automate or free up resources?
- Can we augment with volunteers?
- For programs less aligned with Results, can we reduce service levels, and free up resources? Or, can we eliminate services to free resources?

- Do our fees cover the cost of providing the service?
- Can we in-source, or out-source services regionally?

- Are we reporting on services to grant funders?
- Can we recoup costs through grants or attain new grant funding?

- Last resort: raising rates
- Do we have the capacity for raising additional taxes and rates?

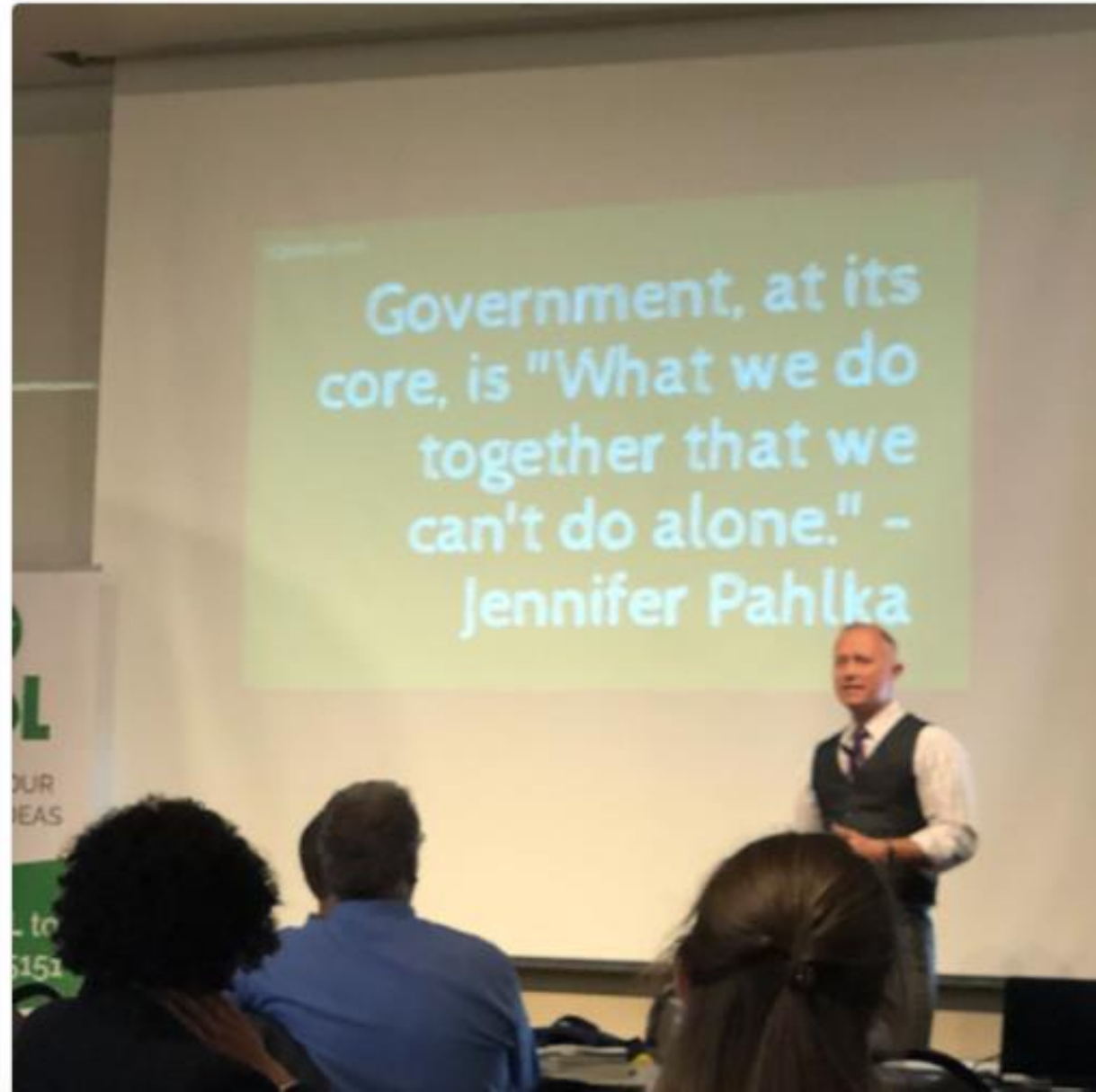
### We have no new needs...

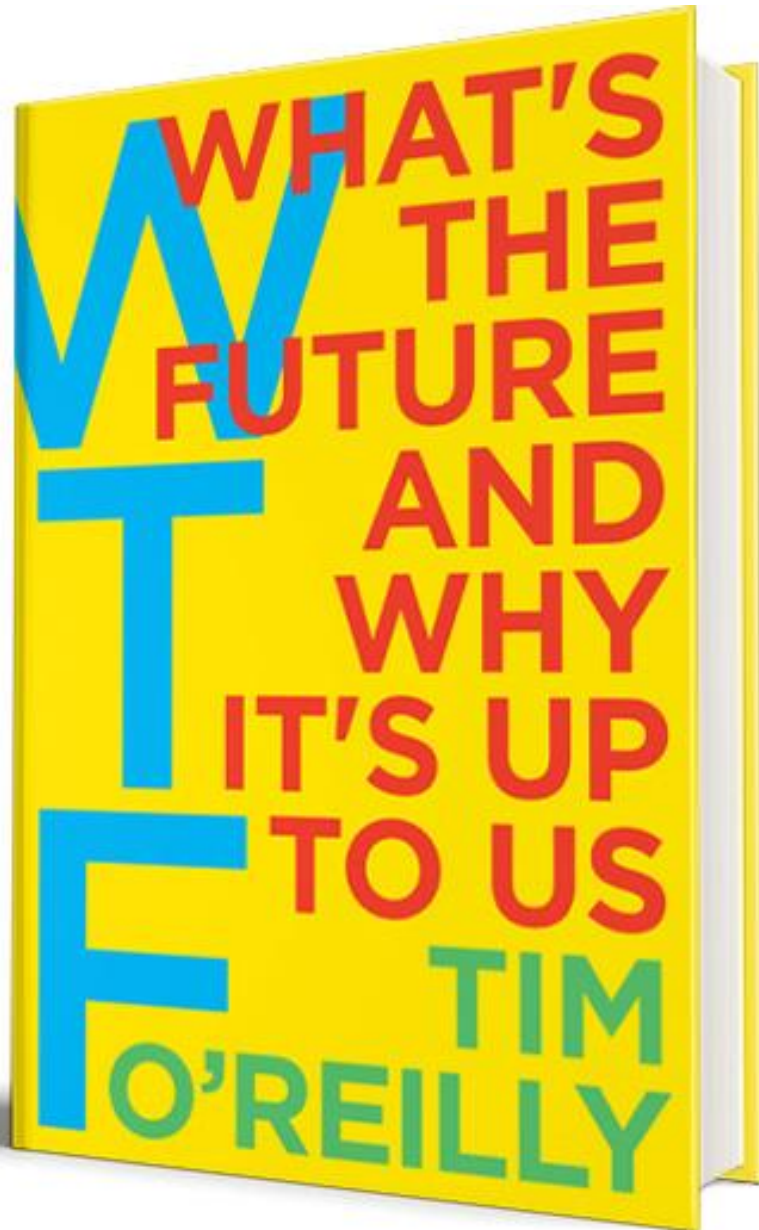
- How do we maintain current services?
- Do we have the capacity for tax rates or refund rates?



**Chris Fabian** @chrisfabianPBB · 53m

Government at its core is: "what we do together that we can't do alone." Jay Anderson channeling his hero Jen Pahlka @pahlkadot ! Compelling! @ELGL50 @Cartegraph





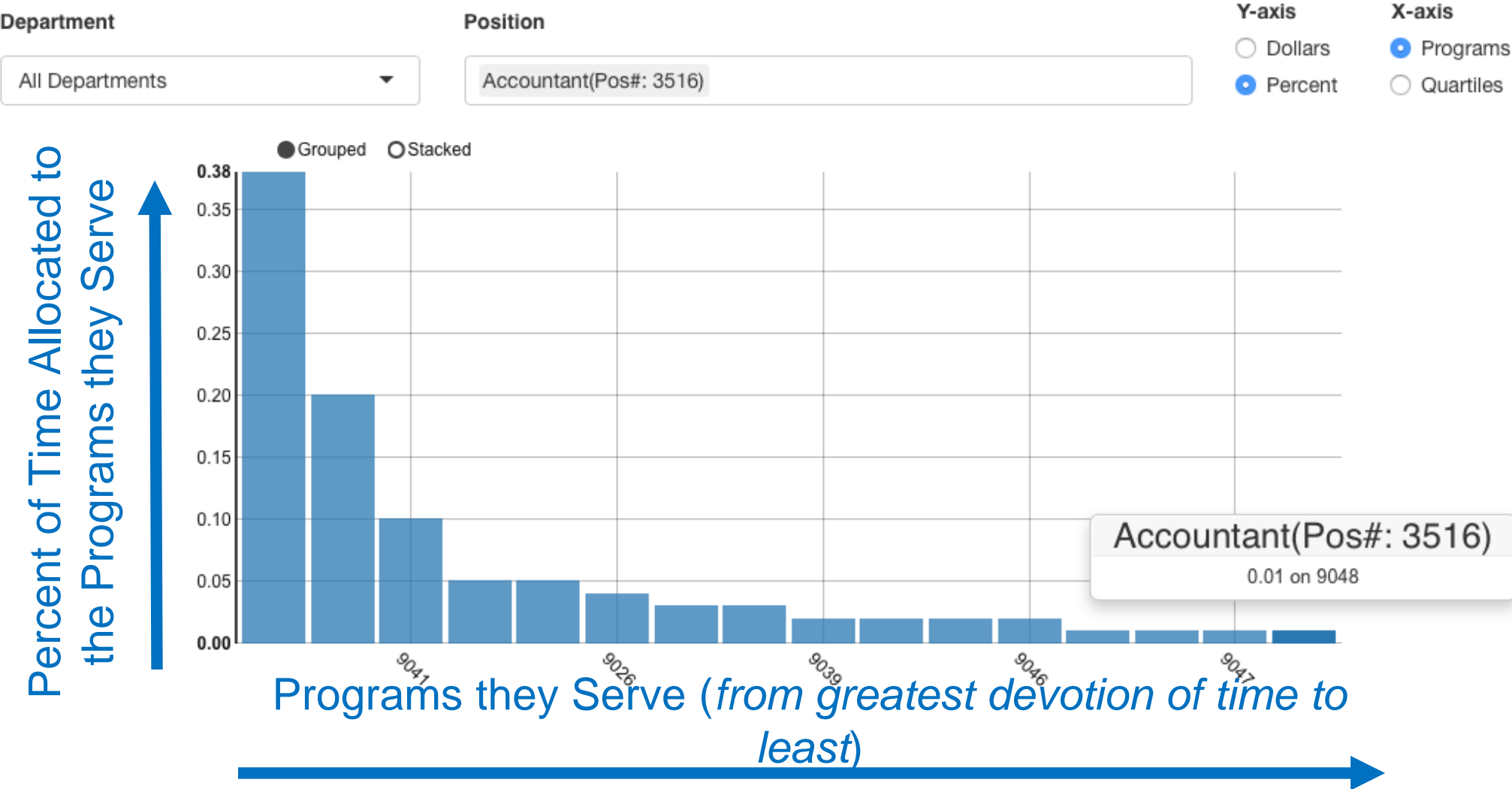
# Government as a Platform

**“We should concentrate on the irreducible core. Government should only do what only government can do.”**

To be clear, government as a platform most emphatically does not mean outsourcing government programs to the private sector. It does mean strategically identifying what building blocks are essential for government to provide, and providing those services, but not so many that they crowd out opportunity for the marketplace participants.

**- Tim O'Reilly, “What's the Future”**

# Workload Analysis





# (Human) Resource Re-allocation

A2 The Daily News, Friday, April 28, 2017

LOCAL

www.grahnday.com

Presented by: Modern Woodmen

**40 under 40**

Party of Washington County's top influencers under the age of forty

**We're growing. You can too.**

Call about career opportunities.

**Danny Frey • 262-338-1006**

## MAKING ALL THE RIGHT CONNECTIONS

Who you know may help you find the job you love

By RALPH CHAPCOO  
rchapcoo@grahnday.com  
202-366-6399

Megan Buehler, the 4-H youth development educator and volunteer coordinator for Washington County, counts herself as lucky. She managed to find a job that is nearly as close to her heart as her career and education.

She is from the area, born in Milwaukee, then moved to Colfax at 7 years old with her parents and siblings.

The family lived in a small house, filled with cats and a small garden. Megan lived in a park, a location that served as a central gathering place for many aspects of her life, including social activities for children and adults — and eventually coming to a social network that engaged with her.

"It was a unique neighborhood to grow up in that we had a big sense of community within that neighborhood," Buehler said. "We had the kids from an investment club, and then the women had an investment club, and there were golf outings, and there were dinner clubs where the adults would get together and their kids would be hanging out and they would do that every couple of months."

The sense of community gathered to enjoy each other's company and shared their lives.

Megan Buehler poses for a portrait in the UW-Extension office Monday in West Bend. Buehler serves as the 4-H youth development program and volunteer coordinator.

**40 UNDER 40**  
**MEGAN BUEHLER**

of decisions for the state.

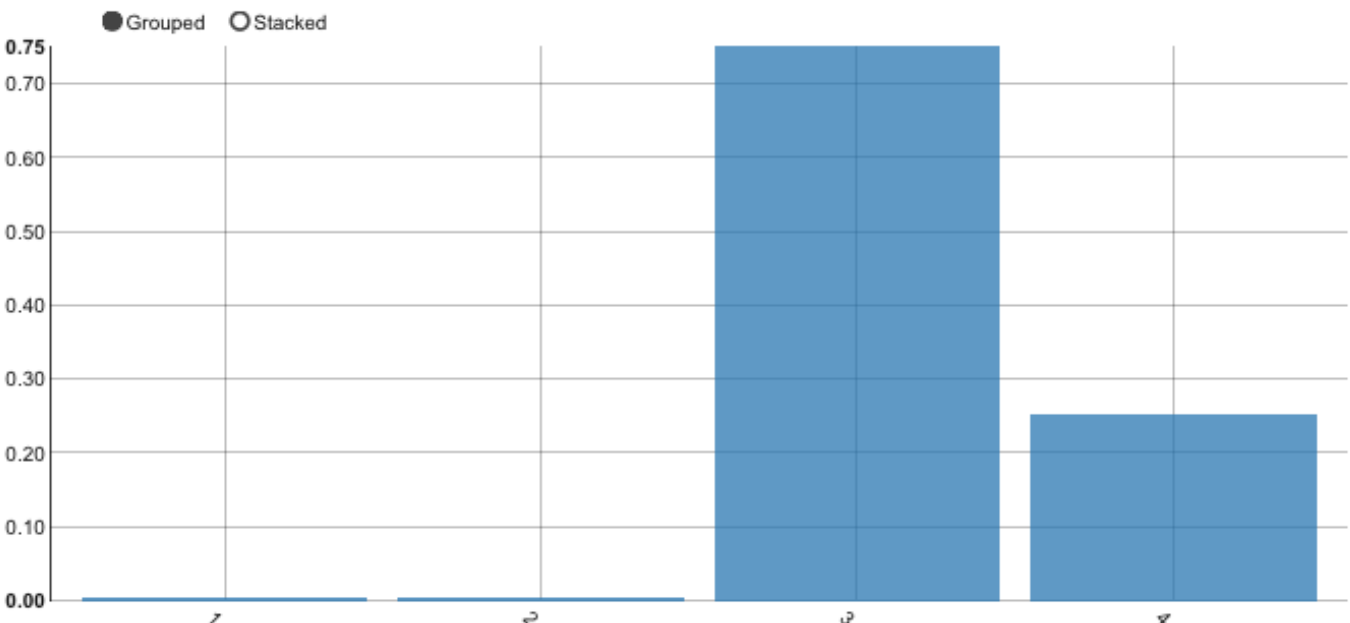
She grew up in a small town, allowing her to make connections and build her resume to the industry but she secured her first position during a study abroad trip to London during her final semester at school.

"We had gone to see Mary Higgins Clark and were working 'back'," Buehler said. "One of the people I was with was from Stoughton and was talking about what she does. Her uncle owned a facility at the Time Leadership Center. They have a farm of the century dairy farm that was renovated and has indoor high ropes challenges and an outdoor ropes course, and they had a new building and leadership development."

Afterward, because of a connection she made with the American Camp Association, she learned of an opportunity with Girl Scouts in the northeastern Wisconsin area. She worked there for four years as an area program manager supervising staff who managed events. She also received short-term assignments for supervising activities at the location.

This opportunity developed into a career responsibility for Buehler as it has been the connection.

"I was at a point where I was ready for a change and a



**Pollution:** a “valuable resource” out of place (in the wrong place)

# Plan to Fill the High-Priority Programs (not necessarily the position)

Department

All Departments

Position

Accountant(Pos#: 3516)

Y-axis

☐ Dollars

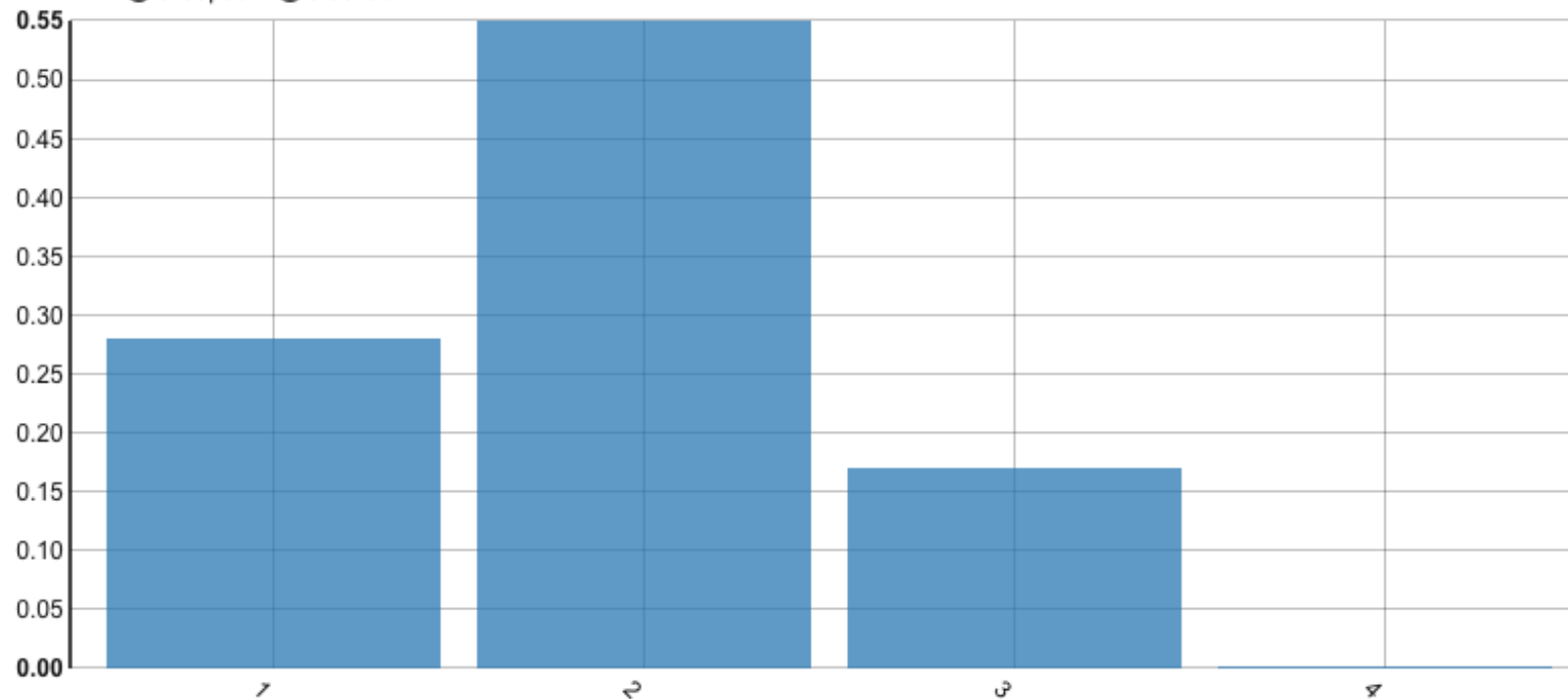
☒ Percent

X-axis

☐ Programs

☒ Quartiles

☒ Grouped ☐ Stacked



# Applying PBB to Workforce Analysis

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## **Succession Planning and Vacancies**

- We don't have to replace the person, just replace the "high priority" (Q1 and Q2) time left vacant
- Take advantage of natural attrition

## **Talent Management**

- Identify talented staff who are currently serving "lesser aligned" programs (Q3 and Q4), and reassign their time
- Fill vacancies left open in high priority programs



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#### Free-up & Re-allocate Resources

##### Sourcing

##### Efficiencies

##### Service Levels

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##### Fees, Charges

##### In-sourcing Grant Funding

##### Taxes, Rates

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- Last resort
- Do we have no options left besides raising additional revenue from tax and rate payers?

# Approaches to Drive More Action

# **Start with Needs**

(What do we need to start, enhance?)

# PBB Blue Print

To Fund the Future

## We have new needs...

- ...to launch **new programs** to tackle emerging challenges
- ...to **enhance current programs** that need additional resources

⋮

## We have no new needs...

- Preserve, maintain current services
- Or, seek to lower tax rates or refund tax-payers

Start here...

1.) What are the programs we need to be doing more of?

2.) What are the programs we need to launch (if only we had the money, or workforce to start)?

# The Lesson of Step Aerobics

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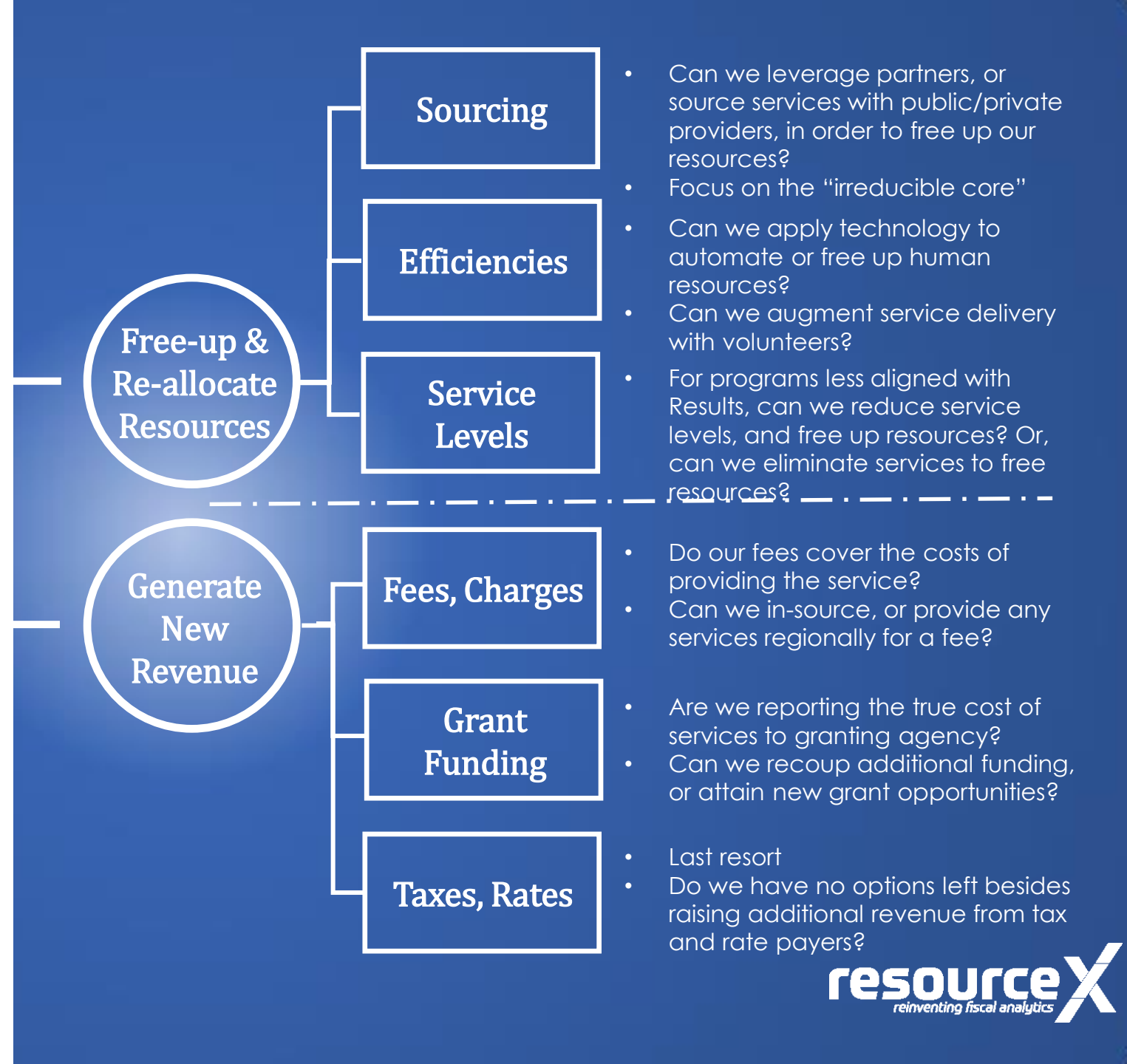
**Quartile 4 Program: “Step  
Aerobics”** in the Recreation  
Center



“Absent a compelling (*high priority, Q1*) new program to start (for which resources are needed), there is almost no motivation to stop doing any service offered today (even Step Aerobics)”

Once we've established future needs, we approach our options for resource reallocation, and revenue generation...

AKA: Applying PBB Data



# Program Reviews

**How to Drive Action:** Frame your Fiscal Future



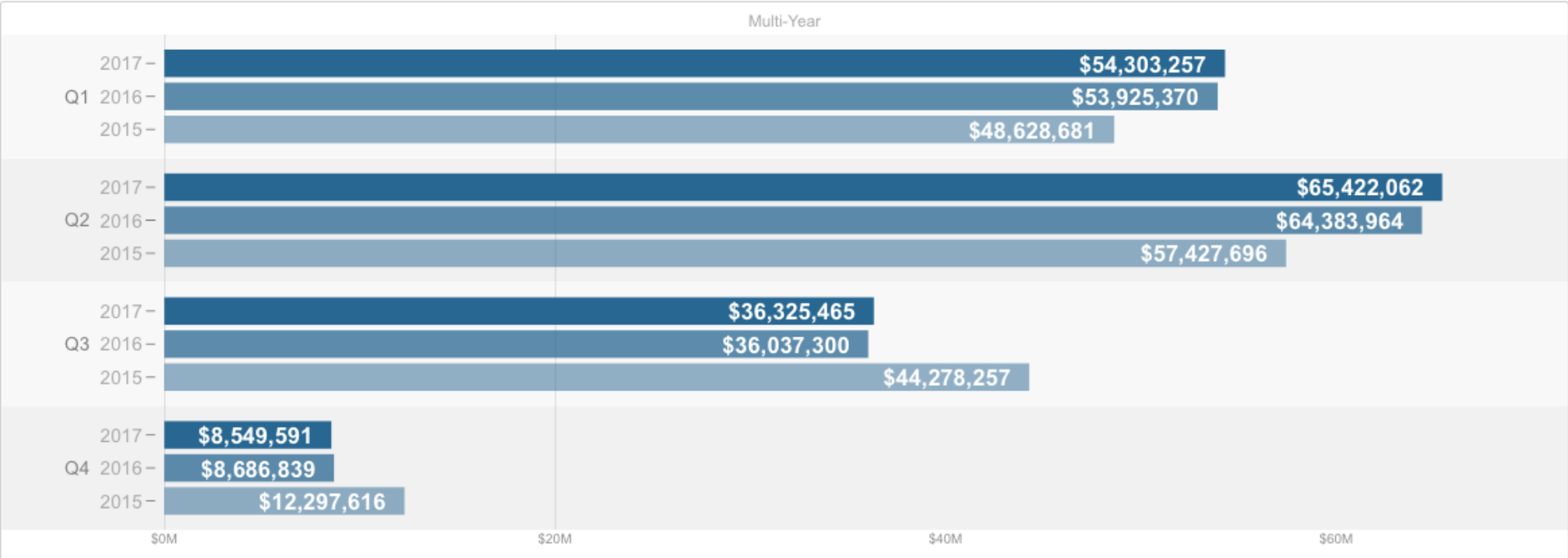
# PBB: a tool to free up, and re-direct resources

Resource Alignment +				
Department	Line Item Budget	Program Cost + Fixed Costs	Program Cost	Fixed Cost
All Departments	161,132,483	164,941,903	164,600,375	341,528

DrillDown Multi-Year Costs & Revenue Percentage Pies Table

Summarize over Years by:

☒ Quartiles ☐ Programs



# **III. Where to Start**

**[place holder: Live from Littleton  
Model]**

# PBB: Council Opportunities

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- Influence program prioritization by adopting the Envision Littleton Vision
- Influence program prioritization by setting goals at the 2019 Council Retreat
- Quarterly reports from staff on progress of program evaluations
- Potential requests for policy direction (as opportunities are identified)
- Support for new requests in the 2020 budget

