Priority-Based Budgeting (PBB)

Overview and Introduction to the PBB Open Data Site
What is PBB?

• Budget/Communication Tool

• New way to look at the budget
  • Program oriented

• Prioritization of programs

City of Lawrence
What is PBB Not?

• NOT a complete budgeting tool
• NOT a silver bullet
• NOT perfect
Why use PBB?

• Priority Initiative in the Strategic Plan
• Identify existing programs/services
• Identify cost of service
• Link funding decisions to priorities
• Help identify potential efficiencies
PBB Process

- Step 1: Identify Programs/Services
- Step 2: Cost Allocation
- Step 3: Department Scoring
- Step 4: Peer Review
- Step 5: Analyze
PBB Scoring

• Scored against matrix
  – Community Program (external)
    • i.e. Trash Collection, Planning, etc.
  – Governance Program (internal)
    • i.e. Staff Training, Information Technology, etc.

• Scored against Basic Program Attributes
  – Mandate, Reliance, Cost Recovery, Demand, Population Served, Equitable Access

City of Lawrence
## PBB Scoring Matrix

<table>
<thead>
<tr>
<th>Effective Governance and Professional Administration</th>
<th>Innovative Infrastructure and Asset Management</th>
<th>Safe, Healthy, and Welcoming Neighborhoods</th>
<th>Economic Growth and Security</th>
<th>Commitment to Core Services</th>
</tr>
</thead>
<tbody>
<tr>
<td>Transparency and Access to Information</td>
<td>Held Maintained, Efficient and Functional Infrastructure</td>
<td>Diverse and Unique Neighborhoods</td>
<td>Individual Property</td>
<td>Legal Mandate</td>
</tr>
<tr>
<td>Develops sustainable fiscal and operational policies and financial transparency by ensuring accountability, efficiency, equity, innovation and best practices in all operations.</td>
<td>Provides for sustainable, well planned and future-focused infrastructure that supports direct local and long-term community growth needs.</td>
<td>The diverse and unique features of our neighborhoods are enhanced by creating a stronger community as a whole.</td>
<td>The City of Lawrence thrives in an environment that provides both individuals and businesses the opportunity for economic security and empowers people's ability to live. Our community succeeds because of resource prosperity and a vibrant, sustainable local economy.</td>
<td>Core municipal services reflect local mandates and the City's commitment to meet health, safety and service needs while adapting service levels to meet evolving community expectations.</td>
</tr>
<tr>
<td>Core engagement</td>
<td>Policies and Standards</td>
<td>Safety and Affordability</td>
<td>Quality Development and Redevelopment</td>
<td>Emergency Management</td>
</tr>
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<td>Delivers responsive and customer service to both internal and external customers, while ensuring timely and effective service delivery.</td>
<td>Prioritizes the safe and maintenance of existing transportation, utilities and facilities infrastructure.</td>
<td>All people in Lawrence live in neighborhoods that provide opportunities for a healthy lifestyle through good neighborhood design with access to safe and affordable housing and other services that meet their basic needs.</td>
<td>Stimulates economic growth by encouraging investment in revitalization, redevelopment and innovative solutions that revitalize its neighborhoods, retaining its strong community image and strengthening the daily life of the community.</td>
<td>Provides and preserves a safe, planned, maintained and protected environment that’s safe for services and residents.</td>
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<td>Partnerships and Collaborations</td>
<td>Infrastructure</td>
<td>Access and Affordability</td>
<td>Accessibility Development and Redevelopment</td>
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<td>The City of Lawrence and extraordinary plans and partnerships in a transparent manner to efficiently move the community forward. We clearly communicate and prioritize programs and services to support existing and new community members.</td>
<td>Develops and implements long-term plans for sustainable economic growth and the rationalization of infrastructure assets to support existing and new community members.</td>
<td>Provides a safe and affordable housing for its residents, including affordable housing and supportive services to ensure that all residents have access to safe, affordable and quality homes.</td>
<td>Markets and promotes the economic advantages of its location, quality of life and diverse workforce, businesses and urban amenities to attract and retain international and domestic investors and clientele.</td>
<td>Ensures the availability of safe drinking water and the effective collection and disposal of wastewater to protect the community from contamination.</td>
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<td>Goals and Objectives</td>
<td>Activities</td>
<td>Affordable Housing</td>
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**City of Lawrence**
### Effective Governance and Professional Administration

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<tr>
<th>Transparency and Access to Information</th>
<th>Effective Communication and Engagement</th>
<th>Services</th>
<th>Legal, Financial, and Internal Audits</th>
</tr>
</thead>
<tbody>
<tr>
<td>Develops sustainable fiscal and operating policies and procedures to ensure efficiency, integrity, and transparency.</td>
<td>Enhances public participation through effective communication and engagement strategies.</td>
<td>Provides legal, financial, and internal audit services to support decision-making.</td>
<td>Maintains financial and internal control systems to ensure compliance with laws and regulations.</td>
</tr>
</tbody>
</table>

### Public Safety

<table>
<thead>
<tr>
<th>Street Safety</th>
<th>Fire Protection</th>
<th>Emergency Management</th>
</tr>
</thead>
<tbody>
<tr>
<td>Provides safe and efficient transportation, including roads and sidewalks.</td>
<td>Ensures the timely and effective delivery of emergency services.</td>
<td>Coordinates emergency responses to protect public safety.</td>
</tr>
</tbody>
</table>

### Community Development

<table>
<thead>
<tr>
<th>Housing and Community Development</th>
<th>Economic Development</th>
<th>Infrastructure and Transportation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Improves the quality of housing and communities through sustainable development.</td>
<td>Promotes economic growth and job creation.</td>
<td>Enhances accessibility and mobility through infrastructure projects.</td>
</tr>
</tbody>
</table>

### Environmental Protection

<table>
<thead>
<tr>
<th>Environmental Protection</th>
<th>Natural Resource Management</th>
<th>Waste Management</th>
</tr>
</thead>
<tbody>
<tr>
<td>Protects and preserves natural resources for current and future generations.</td>
<td>Manages natural resources to support sustainable development.</td>
<td>Manages waste to ensure proper disposal and recycling.</td>
</tr>
</tbody>
</table>

### Public Health

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<th>Public Health</th>
<th>Public Well-Being</th>
</tr>
</thead>
<tbody>
<tr>
<td>Promotes health and well-being through public health initiatives.</td>
<td>Supports community health by providing access to health services and resources.</td>
</tr>
</tbody>
</table>

### Economic Development

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<th>Business Services</th>
</tr>
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<td>Supports local businesses and the economic vitality of the community.</td>
<td>Provides services and resources to help businesses succeed.</td>
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</table>

### Transportation

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<th>Mobility and Access</th>
<th>Public Transportation</th>
</tr>
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<tr>
<td>Enhances mobility and access to public transportation.</td>
<td>Improves public transportation systems to meet community needs.</td>
</tr>
</tbody>
</table>

### Infrastructure

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<th>Infrastructure and Services</th>
<th>Public Facilities</th>
</tr>
</thead>
<tbody>
<tr>
<td>Maintains and improves public facilities and infrastructure.</td>
<td>Supports the effective operation and maintenance of public facilities.</td>
</tr>
</tbody>
</table>

### Technology and Innovation

<table>
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<th>Information Technology</th>
</tr>
</thead>
<tbody>
<tr>
<td>Enhances efficiency and effectiveness through the use of technology.</td>
<td>Supports the integration of technology into public services.</td>
</tr>
</tbody>
</table>

### Water and Wastewater

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<thead>
<tr>
<th>Water and Wastewater</th>
<th>Water Management</th>
</tr>
</thead>
<tbody>
<tr>
<td>Manages water resources to support the community's needs.</td>
<td>Ensures the quality and safety of water and wastewater services.</td>
</tr>
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</table>

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**City of Lawrence**
### PBB Scoring Matrix

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<th>Innovative Infrastructure and Asset Management</th>
<th>Leadership and Shared Values</th>
<th>Effective Governance and Professional Administration</th>
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**City of Lawrence**
Quartile Spending Summary

• Programs are placed in a quartile based on the overall program score

Note: This is a representation and not based on the actual data
## Quartile Spending Summary

<table>
<thead>
<tr>
<th>Quartile</th>
<th>Budgeted Costs</th>
<th>Number of Programs</th>
</tr>
</thead>
<tbody>
<tr>
<td>Quartile 1</td>
<td>$78,258,617</td>
<td>42</td>
</tr>
<tr>
<td>Quartile 2</td>
<td>$59,484,225</td>
<td>96</td>
</tr>
<tr>
<td>Quartile 3</td>
<td>$41,275,538</td>
<td>81</td>
</tr>
<tr>
<td>Quartile 4</td>
<td>$8,835,692</td>
<td>50</td>
</tr>
</tbody>
</table>
4 Levels of PBB Mastery

4 Levels of PBB Mastery

1. RATIONAL TOOL TO STABILIZE BUDGET
   - Fiscal Health Analysis
   - Long-term Financial Planning
   - Scenario Planning ("What If")

2. REALLOCATE RESOURCES
   - 5 Policy Questions
   - (Human) Resource Reallocation
   - Cost Recovery for all Programs, Rates, Fees, Grants

3. FUEL RESOURCES TOWARDS RESULTS OF TOMORROW
   - Identify Results of the Future
   - Define Indicators of Success
   - Establish Program Performance Metrics
   - Determine New Programs Relevant for the Future
   - Reallocate to Fund New Programs
   - Measure Program Success

4. LEVERAGE ALL OF COMMUNITY’S RESOURCES
   - Identify other Service Providing Agencies
   - Share Data
   - "Program Match Up"
   - In-source, Out-Source, Partner
   - Managed Competition

City of Lawrence
PBB Open Data Site - Results

City of Lawrence

Link: https://openpbbdata.net/Lawrence/
How to use the PBB Open Data Site-Results

• Tabs:
  • These are the priorities of the community as outlined in the strategic plan.
How to use the PBB Open Data Site - Results

• Tabs:
  • Click on a tab to view the definitions of that priority.

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City of Lawrence
How to use the PBB Open Data Site-Results

• Key Definitions:
  • Plot: Represents the service/program
  • Size: Represents the budget
    • Large area = Large budget
  • Shade: Indicates how closely the program aligns with the selected tab
    • Dark shade = Close alignment with selected tab

City of Lawrence
How to use the PBB Open Data Site-Results

Plot size indicates budget size: this does not change even if a different tab is selected

Shade: indicates how closely each program aligns with the selected tab, this will change depending on which priority area is selected

Hover: hover over plots to see additional data (i.e. score, cost, FTE)

Drill down: click on the box to view more information (i.e. description, costs, FTEs)
How to use the PBB Open Data Site-Results

• Drill Down:
  – First drill down will show the division that each program is housed within

City of Lawrence
How to use the PBB Open Data Site-Results

• Drill Down:
  – If you click in the program again, you will find any sub-categories of the division and then additional information.
• **Drill Down:**
  – If you click in the program again, you will find any sub-categories of the division and then additional information
How to use the PBB Open Data Site-Results

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  – If you click in the program again, you will find any sub-categories of the division and then additional information
How to use the PBB Open Data Site-Results

- Tree Plot
- Table

City of Lawrence
How to use the PBB Open Data Site-Results

• Search Function:
  – Go to table display
  – Search box will appear
How to use the PBB Open Data Site

• Sets of Data:
  – Results
  – Basic Program Attributes
  – Policy Questions
Next Steps

• Get comfortable with the PBB Open Data Site
• April 9: Review discussion questions
  – Are we over-providing to high mandate programs with low alignment to our priorities?
  – Are we over-providing to self-mandated or no-mandate programs with low alignment to our priorities?
  – Are there others in the community who can provide this service?
  – What is the impact of this program?
Questions?