RESOURCE REALLOCATION & MAXIMIZATION

UTILIZING THE PBB BLUEPRINT TO OPTIMIZE & MAXIMIZE RESOURCES

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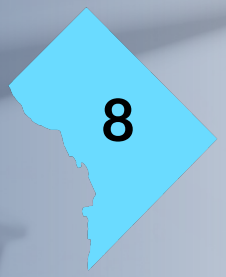
PARTICIPANT GUIDE

When you see this icon, go to that page in your Participant Guide.

ACTIVITY

WHAT'S ON YOUR CALENDAR?



- Pull up your calendar.
- Where are you spending your time this week?
- Can you describe that time programmatically?
- Can you briefly rank those programs by importance to achieving your community's priorities?
- What do you wish you could spend *more* time doing? What do you wish you could spend *less* time doing?

01

21st CENTURY BUDGTING

02

COMMUNICATE

03

OPTIMIZE RESOURCES

04

ACHIEVE RESULTS

05

COLLABORATE

06

INCORPORATE PBB

PROGRAM JOURNEY

LEARNING JOURNEY

01 In the Real World: Case Studies

02 Every Program Has a Future

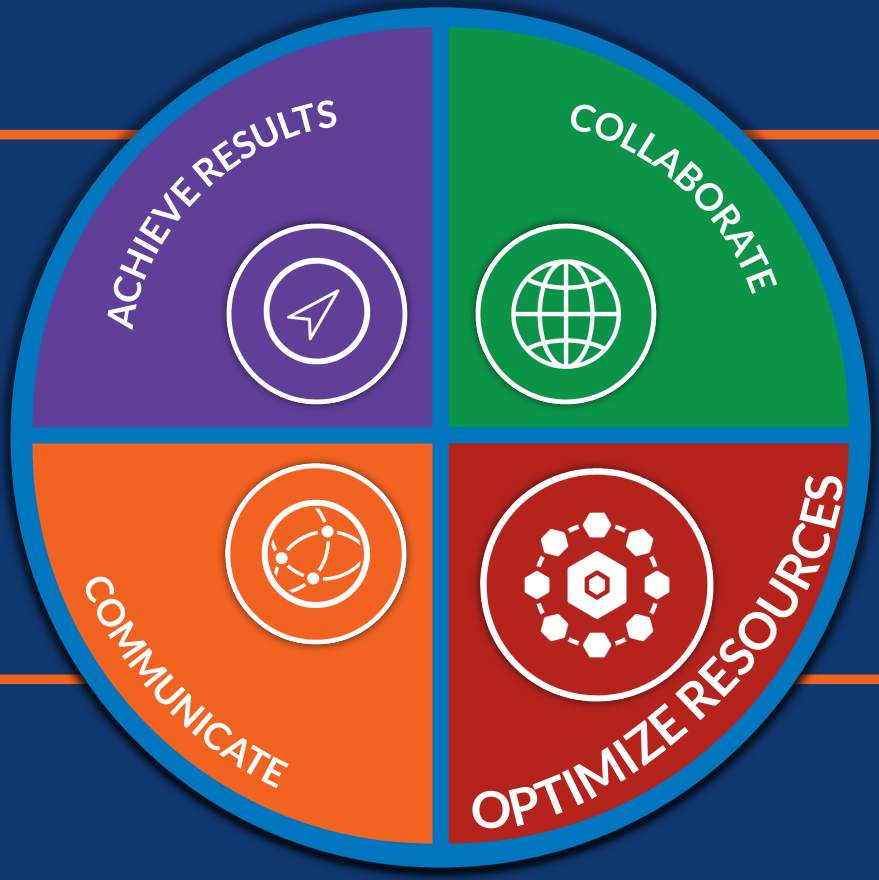
03 The Insight Workshop

04 Proficiency and Mastery

OPTIMIZE RESOURCES

UTILIZING THE PBB BLUEPRINT T OPTIMIZE & MAXIMIZE RESOURCES

Divesting resources away from less aligned programs and generating new revenue with the PBB BluePrint



DISCUSSION

THE 10% CHALLENGE

- What is one major initiative important to your community that falls into the category of “if only we had more resources”?
- How are you currently funding efforts towards this initiative (if you can allocate resources to it)?
- What is your current annual Operating Budget?
- If you could have 10% of that number, how would you more ably pursue this initiative and more?

Who cares about 10% reallocation?

Does it even matter?

CLIMATE ACTION REALLOCATION EFFORTS

Reallocation of Resources by % of General Government Spending			
5%	**10%**	**15%**	**20%**
$70,000,000	$140,000,000	$210,000,000	$280,000,000
$80,000,000	$160,000,000	$240,000,000	$320,000,000
$150,000,000	**$300,000,000**	**$450,000,000**	**$600,000,000**

Number of Years to Achieve $1T in Re-Investment			
5%	**10%**	**15%**	**20%**
6.7 Years	**3.3 Years**	2.2 Years	1.7 Years

What if this type of extraordinary re-investment was made ordinary?

IN THE REAL WORLD

CELEBRATING THE EXTRAORDINARY

First Ever Awards in Resource Optimization and Resource Maximization Bestowed at Annual Priority Based Budgeting Summit

Chris Fabian Aug 30, 2019 · 4 min read

*"There is reason to suspect that **ambition is a rather generic trait of advanced life**. Almost regardless of what it is trying to maximize, be it intelligence, longevity, knowledge, or interesting experiences, it will need resources. It therefore has an incentive to push it's technology to the ultimate limits, to **make the most of the resources it has**. After this, the only way to further improve is to **acquire more resources**."*

- Max Tegmark, Future of Life Institute, MIT, Life 3.0

During the 2019 Annual PBB Summit, severn organizations were honored as the first to receive **Resource Optimizer** and **Resource Maximizer** Awards, including: Washington County WI, City of Shawnee KS, City of South Jordan UT, City of Branson MO, Scott County MN, City of Plano TX and the City of Kalamazoo MI.

COVID RESPONSE
LITTLETON, CO

GOAL

- Identify resources to ensure critical services remain operational at current or increased services levels

PATH TO ACTION

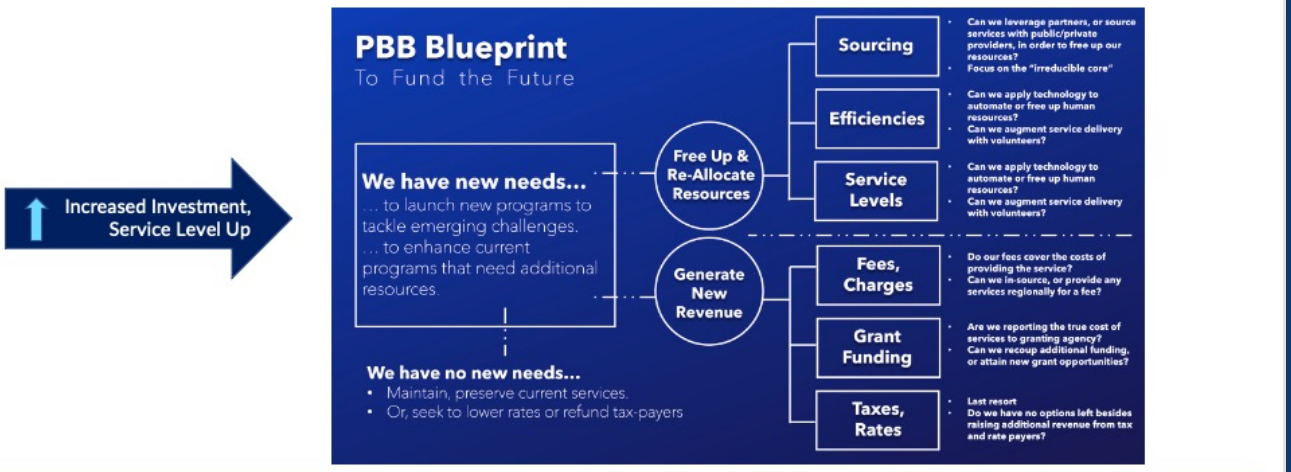
- Evaluate programs for opportunities to free up resources using PBB BluePrint
- Use PBB data such as scores, policy questions, and personnel allocations

SKILLS AND CAPACITY

- The opportunities defined in the PBB BluePrint justified budget changes and requests by departments

COVID RESPONSE

LITTLETON, CO



New Need – Increase Investment
Service Level Increase

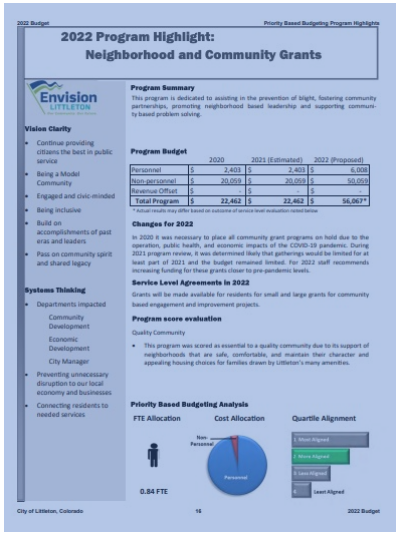
	2019 (Adopted)	2019 (Estimated)	2020 (Proposed)
Personnel	$281,628	$281,628	$292,893
Non-Personnel	$146,500	$146,500	$147,965
Total Program	**$428,128**	**$428,128**	**$440,858**

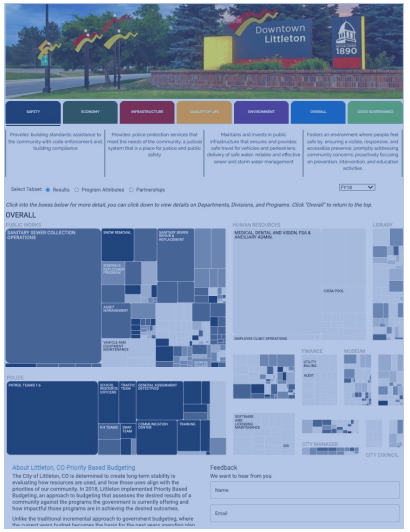
Resource Reallocation
Program Efficiency

	2019 (Adopted)	2019 (Estimated)	2020 (Proposed)
Personnel	$92,607	$75,193	$78,201
Non-Personnel	$32,737	$23,737	$26,010
Total Program	**$125,344**	**$98,930**	**$104,211**

10

GOAL: BUDGET BOOK PRESENTATION AT THE PROGRAM LEVEL





EVERY PROGRAM
HAS A FUTURE

YOU HAVE NEW NEEDS...

EFFICIENCIES

Are there programs that would benefit from an automated process, technology upgrade, or simply a reimagination of who is qualified to support the program in order to free up human resources?

FEES, CHARGES, AND GRANT FUNDING

Is it prudent to revisit the fee structure of a program, or to consider an entrepreneurial approach to the program's provision?

SOURCING

Can a partner support the provision of your program in order to free up internal resources?

SERVICES LEVELS

Is the current level at which program is being provided appropriate based on demand, mandate, or population served? Can the same outcome be achieved at a different service level?

TAXES AND RATES

Always a last resort, and a great lens through which to examine all other options: What can we do differently to avoid reliance on additional revenue from tax and rate payers?

IT'S 3-5 YEARS DOWN THE ROAD

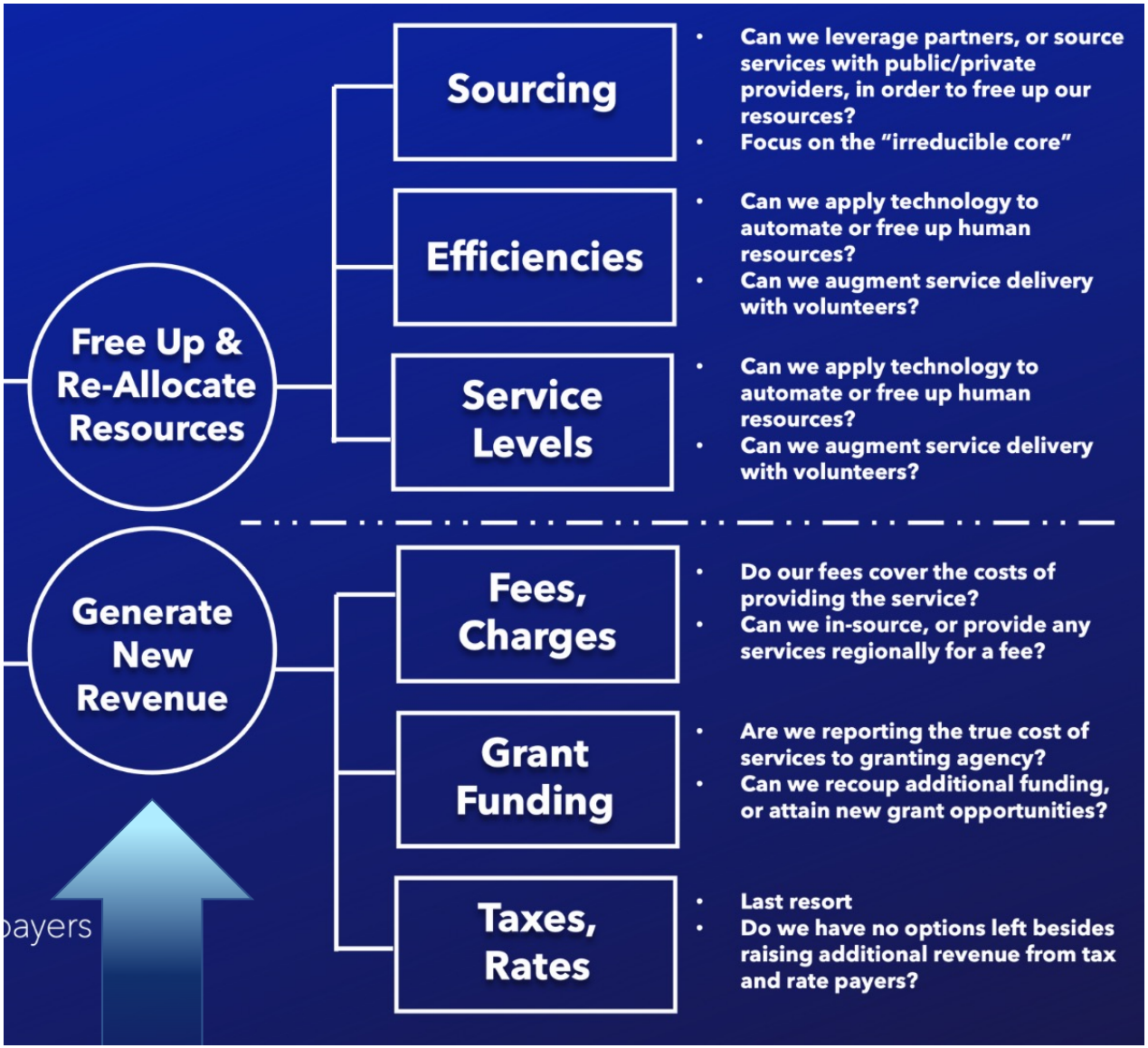
WHAT NEEDS TO GROW IN YOUR DEPARTMENT?

WHAT PROGAMS NEED TO UNDERGO SOME KIND OF TRANSFORMATION?

WHAT NEW PROGRAMS CAN YOU IMAGINE YOU WILL NEED TO LAUNCH?

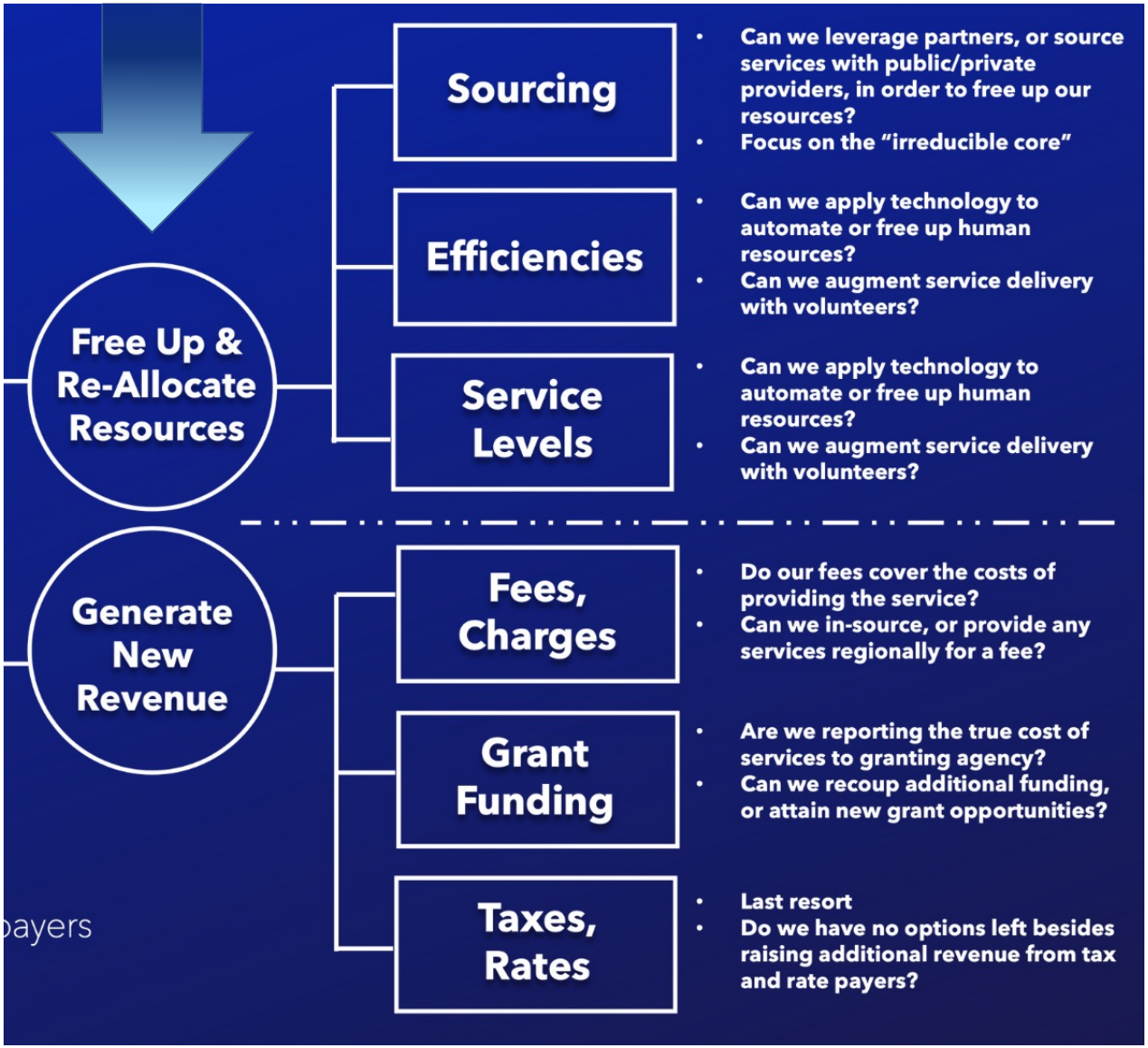
ENTREPRENEURIAL OPPORTUNITY:

REVENUE GROWTH



OPPORTUNISTIC OPPORTUNITY:

FREE UP AND REPURPOSE



PBB Blueprint

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...

- Maintain, preserve current services.
- Or, seek to lower rates or refund tax-payers

Free Up & Re-Allocate Resources

- **Sourcing**
  - Can we leverage partners, or source services with public/private providers, in order to free up our resources?
  - Focus on the "irreducible core"
- **Efficiencies**
  - Can we apply technology to automate or free up human resources?
  - Can we augment service delivery with volunteers?
- **Service Levels**
  - Can we apply technology to automate or free up human resources?
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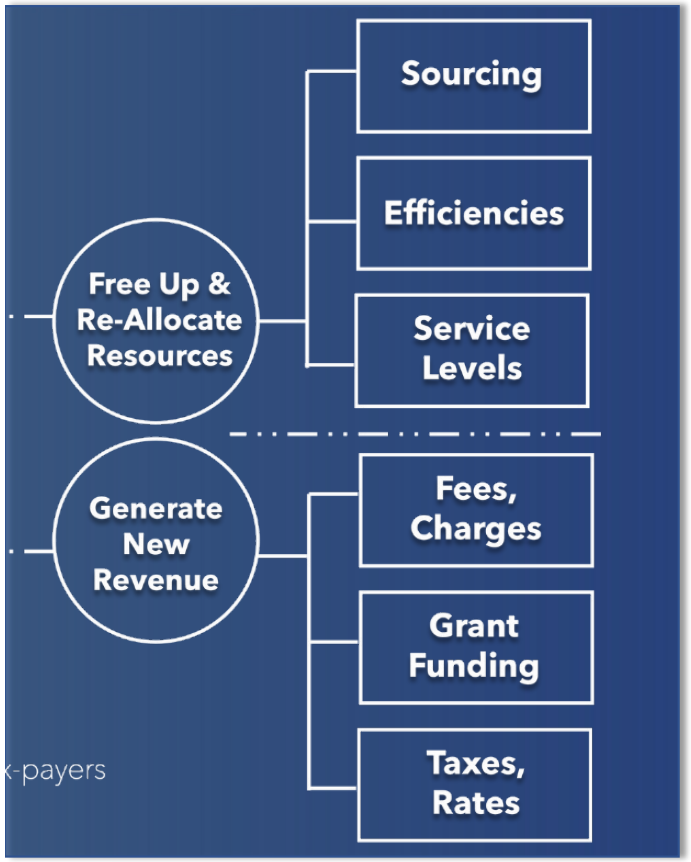
Generate New Revenue

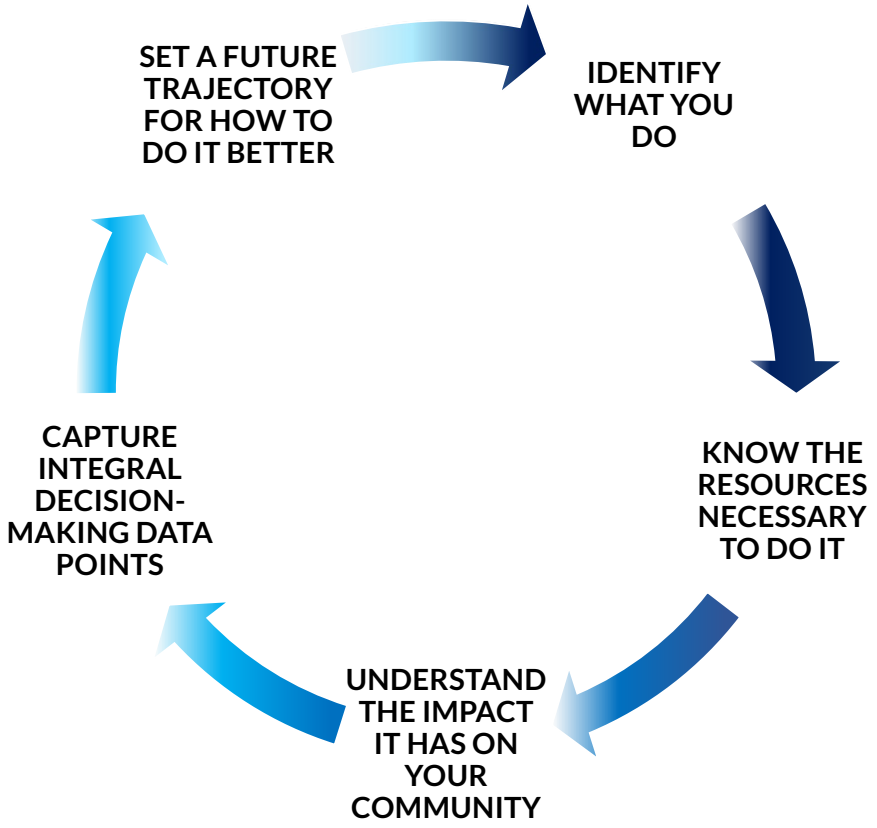
- **Fees, Charges**
  - Do our fees cover the costs of providing the service?
  - Can we in-source, or provide any services regionally for a fee?
- **Grant Funding**
  - Are we reporting the true cost of services to granting agency?
  - Can we recoup additional funding, or attain new grant opportunities?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

WHAT IS AN INSIGHT?

INSIGHTS facilitate communication and collaboration that helps organizations take action on their programs and services

THE PROMISE OF THE PROCESS





THE INSIGHT WORKSHOP

APPLYING INSIGHTS TO PROGRAM DATA

ResourceX OnlinePBB Tools

CREATE A PROGRAM INVENTORY

This initial and invaluable step creates the backbone of all future data layers and is the platform on which you can apply Insights to take action.

ASSOCIATE THE FINANCIAL IMPACT

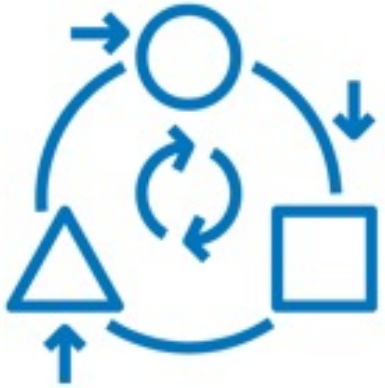
Each Insight created can be further described by adding the OnGoing and One-Time Revenue and Expense impacts.

EVERY PROGRAM HAS A FUTURE

Tag each program with an opportunity that aids in the achievement of your set goals and priorities.

DETERMINE COMPLEXITY OF TAKING ACTION

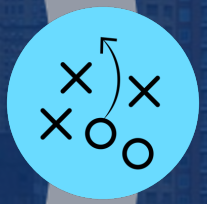
Knowing an opportunity exists is an important piece of data, and outlining the steps required to take action on that opportunity is crucial. Identify level of complexity and timeline to create a richer data set of Insights.



CLIMATE & EQUITY
PITTSBURGH, PA

GOAL

- Identify opportunities at the program level
- Include subject matter experts throughout the organization to contribute ideas



PATH TO ACTION

- Create a program inventory with associated PBB data
- Utilize the PBB BluePrint to scrutinize current state and consider future state
- Gather feedback from organizational stakeholders

SKILLS AND CAPACITY

- Make data-driven program level recommendations

CLIMATE & EQUITY
PITTSBURGH, PA

A PITTSBURGH STORY...
BY THE NUMBERS

OCTOBER 2021

3 MONTHS TO IMPLEMENT PRIORITY BASED BUDGETING

249 PROGRAMS IDENTIFIED

23 DEPARTMENTS PARTICIPATED

186 INSIGHTS GENERATED

$41M IDENTIFIED FOR POTENTIAL REPURPOSING FOR CLIMATE AND EQUITY

215 BUDGET REQUESTS SUBMITTED

4 WITH CLEAR IMPACT ON CLIMATE ACTION

37 WITH SOME IMPACT ON CLIMATE ACTION

2 APPROVED FOR THE 2022 BUDGET

2 NEW ORDINANCES PASSED TIED TO INSIGHTS INCREASING SUSTAINABILITY AND SOCIAL RESPONSIBILITY

OCTOBER 2022

WHAT'S YOUR PLAN?

PLANNING PROGRAMMATICALLY FOR FUTURE NEEDS

First, imagine that your organization has a CYBER SECURITY program….

- What resources were needed to achieve success in providing CYBER SECURITY prior to 2020?
- How high would you have ranked CYBER SECURITY in the priorities of your program inventory prior to 2020?

Now, consider today's climate and needs…

- Would you increase or decrease the service level of this program?
- Are there technologies or efficiencies to improve the provision of this program?
- Does this program serve more or less of your organization's population now?
- What existing resources within your organization can be utilized, repurposed, or trained to meet these needs?
- Can you support any other organizations with your internal expertise to generate new revenue?

PROGRAM FUTURES

"Lamp Lighters"

"Alarm Clocks"

What Will Be 2030's "Lamp Lighter?"

- In-house software development
- Parking
- Traffic Patrol
- Water Meter Reading (Utilities)

- Priority Based Budgeting Implementers

MAXIMIZING YOUR RESOURCES

USING THE PBB BLUEPRINT TO MAP YOUR COURSE

BREAKING INTO TWO GROUPS, take 4 minutes with each slide found in your Participant Guide to identify a program and a future based on the BluePrint action highlighted. Be prepared to share what you discussed.

Consider these questions as you review each action:

1. Is there a program that you currently offer that you know you should be charging more for? Is there a program you currently offer that you think you could or should charge a fee for?
2. What about an entrepreneurial approach? Can you think of a program that a neighboring municipality might pay you to provide for them?
3. Is there something that you think you might benefit from contracting out?
4. What technologies exist today to improve the way you provide a program?
5. Is there a program that your community needs you to be doing more of? What about something that you could be doing less of?

PBB BluePrint

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**
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- **Efficiencies**
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- **Service Levels**
  - 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

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PBB BluePrint

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Free-up & Re-allocate Resources

3 (Out)Sourcing

- Can we leverage partners, or source services with public/private providers, in order to free up our resources?
- Focus on the "irreducible core"

4 Efficiencies

- Can we apply technology to automate or free up human resources?
- Can we augment service delivery with volunteers?

5 Service Levels

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Taxes, Rates

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DEBRIEF:
WHAT'S YOUR PROGRAM'S FUTURE?

Let's hear from a few groups about their BluePrint…

Questions to consider:

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RESOURCE REALLOCATION & MAXIMIZATION

DEMONSTRATE EXPENSE REDUCTION (FOR REPURPOSING)

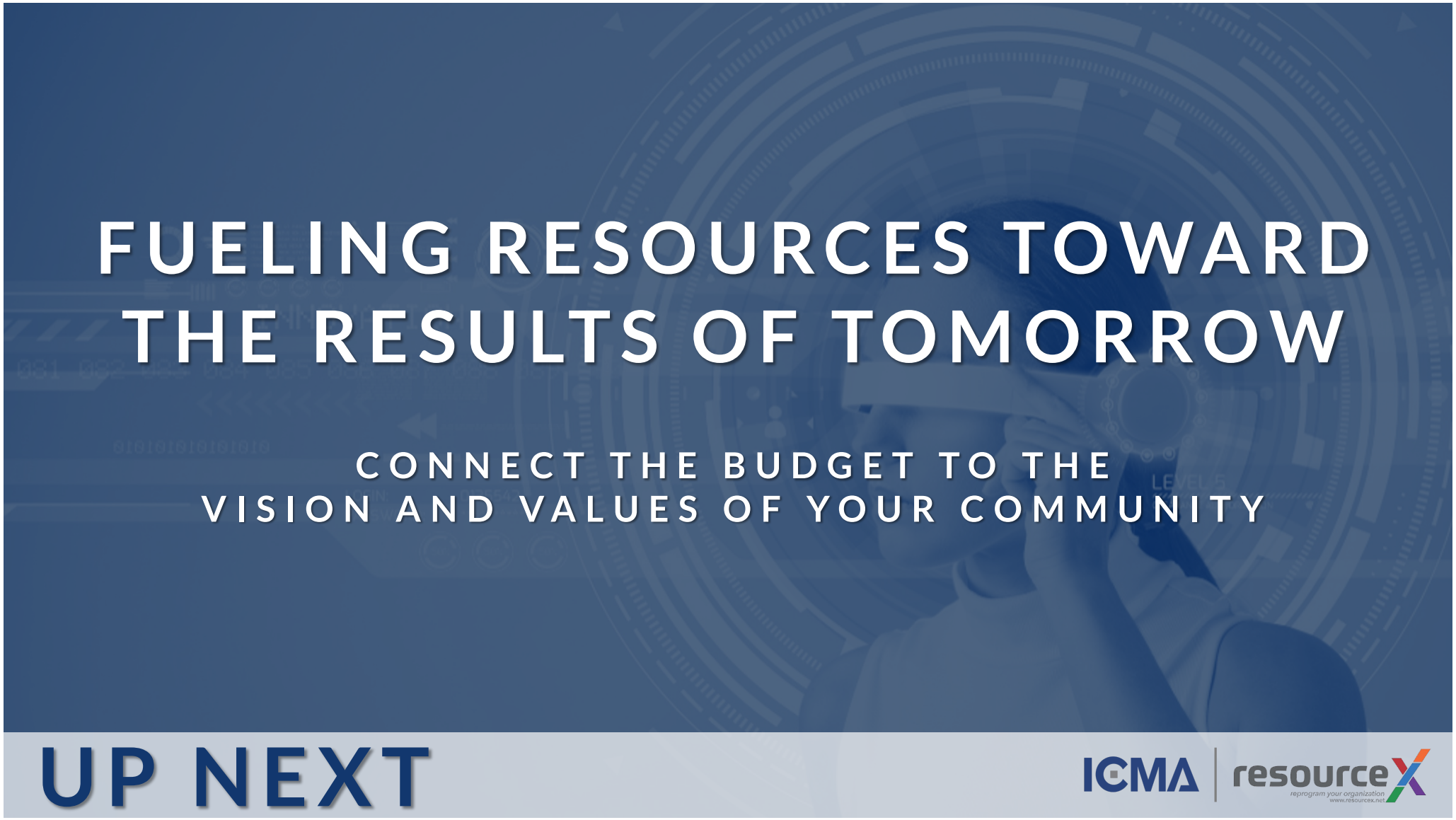
- Program efficiency
  - Providing the same level of service for less
- Opportunistically sourcing a program differently:
  - Providing it with a partner organization or outsourcing it entirely
- Reduction of service level
  - Program sunset

DEMONSTRATE REVENUE GENERATION

- Rate, fee increasing
  - Correlated to recovering the true cost of doing business
  - Entrepreneurially insourcing services to increase revenue

DEMONSTRATE REALLOCATION OF RESOURCES TO NEW ENDEAVORS

- Enhance service levels with clear intent on outcomes
- Launch new programs with clear intent on outcomes


FUELING RESOURCES TOWARD
THE RESULTS OF TOMORROW
CONNECT THE BUDGET TO THE
VISION AND VALUES OF YOUR COMMUNITY
UP NEXT
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