EVERY DOLLAR JUSTIFIED

A Zero-Based Budgeting Handbook for Local Governments

Restoring Fiscal Discipline and Taxpayer Accountability in Your Community

“The question is not whether your government can afford zero-based budgeting. The question is whether your taxpayers can afford anything less.”

Prepared in partnership by Florida DOGE and The James Madison Institute • 2026

Table of Contents

Executive Summary ... 4

A Letter to Local Leaders ... 5

Part I: Understanding Zero-Based Budgeting (ZBB)

Chapter 1: What Is ZBB? Core Concepts and Common Myths ... 7

Chapter 2: The Spectrum of Approaches ... 10

Chapter 3: The Benefits ... 11

Chapter 4: ZBB and Capital Projects ... 13

Chapter 5: ZBB at the State and Local Level: Georgia, Texas, and Beyond ... 14

Part II: Implementing ZBB — The Seven Phases... and Beyond

Chapter 6: Phase 1: Leadership Commitment, Communications, and ZBB Design ... 17

Chapter 7: Phase 2: Program Inventory and the Four-Tier Framework ... 20

Chapter 8: Phase 3: Decision Unit Analysis and Justification Packages ... 22

Chapter 9: Phase 4: Ranking and Prioritization ... 26

Chapter 10: Phase 5: Budget Assembly and Public Review ... 29

Chapter 11: Phase 6: Implementation and Monitoring ... 29

Chapter 12: Phase 7: Institutionalization ... 31

Chapter 13: Beyond Phase 7: Including Capital Projects in ZBB ... 33

Part III: Some Specific ZBB Applications

Chapter 14: Legal Spending: A Tricky Analysis 37
Chapter 15: Communications Activities 39
Chapter 16: Grants and Community-Based Organization Funding 40
Chapter 17: Justifying the Positions That Make Up the Organization 42
Chapter 18: Technology Modernization and the AI Opportunity 44
Chapter 19: Florida DOGE Findings in Relation to ZBB 46

Part IV: Tools and Resources

Chapter 20: Answering Five Objections 50
Chapter 21: Two Budgets, One City: What ZBB Would Change 52
Chapter 22: The Budget Health Diagnostic 53
Chapter 23: Call to Action: Three Steps to Start 54
Appendix A: Model ZBB Resolution 55
Appendix B: Decision Unit Justification Package Template 57
Appendix C: Program Scoring Rubric 58
Appendix D: Glossary of ZBB Terms 59
Appendix E: Listing of Sample ZBB Decision Topics 60
Appendix F: Sources and Further Reading 63
Appendix G: Statement on the Use of Artificial Intelligence 64

Executive Summary

Zero-based budgeting (ZBB) is widely recognized as one of the tools that enables organizations, both public and private, to reset their expenses and spending actions to better align with their organizational objectives and strategic priorities. In the private sector, zero-based budgeting is particularly recommended for organizations with burgeoning administrative overhead, those that have seen rapid growth in expenses, and those that face expected changes in their revenue or business environment. Florida's local governments fit into all of these categories, and so the Florida Department of Government Efficiency (DOGE) team, along with Florida's Chief Financial Officer Blaise Ingoglia, have encouraged local governments to adopt a zero-based budgeting approach.

Indeed, Florida's local governments stand at a crossroads. While Florida's economic growth, business friendliness, education system, and overall amenities are a beacon to all Americans, so too has the issue of affordability risen in importance to Floridians. Families, seniors, and essential workers face challenges as property values rise, pushing property tax burdens higher. In response, Governor Ron DeSantis proposed bold reforms, rooted in his understanding that property taxes are a cost lever that is fully in the control of the government to change. Reforms to the property tax system will mean a change to the soaring property tax revenues that Florida's cities and counties have relied on for practically unconstrained general fund spending.

Most local governments still use incremental budgeting. They start with last year's spending and simply add or subtract a small percentage. This approach is straightforward, but it is also flawed. It creates incentives to spend every dollar every year and tends to keep outdated programs alive. This approach also conceals inefficiencies and leads to bias in today's decisions towards perpetuating decisions made in the past.

Zero-based budgeting takes a different, more disciplined path. It does not mean zero services, nor does it require cutting police or fire protection. It means that every program, every line item, and every dollar must justify its existence — not because it was in last year's budget, but because it serves a demonstrable public purpose today.[1] Government officials must justify every dollar as if the budget starts at zero. Departments build budgets from the ground up, ranking initiatives by value and impact and assessing them in terms of current needs, measurable outcomes, alignment with strategic priorities, and their replaceability by private sector activities.

As Florida DOGE and others have expounded on the value of zero-based budgeting, one common question is: "How do we do it?" This handbook provides the framework and the tools to bring ZBB to cities, counties, and other local government entities. It is organized into six parts:

- **Understanding ZBB.** Part I explains what ZBB is, what it is not, and how modern variants differ from versions employed in the past.
- **Implementation.** Part II walks through the seven phases of ZBB implementation, from the initial leadership resolution through permanent institutionalization.
- **Operational Deep Dives.** Part III applies ZBB principles to six specific operational categories that have proven most resistant to scrutiny: legal spending, communications, personnel, grants, capital projects, and technology.
- **Making the Case.** Part IV addresses the five most common objections to ZBB and provides the evidence-based responses that answer them.
- **Tools and Resources.** Part V provides ready-to-use tools: a model resolution, justification templates, scoring rubrics, and a glossary.

The benefits of ZBB are proven and timely. Organizations adopting ZBB routinely achieve 10-20 percent sustainable cost reductions, which will help local government absorb property tax relief without sacrificing

1 Pyhrr, P.A., Zero-Base Budgeting: A Practical Management Tool for Evaluating Expenses, John Wiley & Sons, 1973.

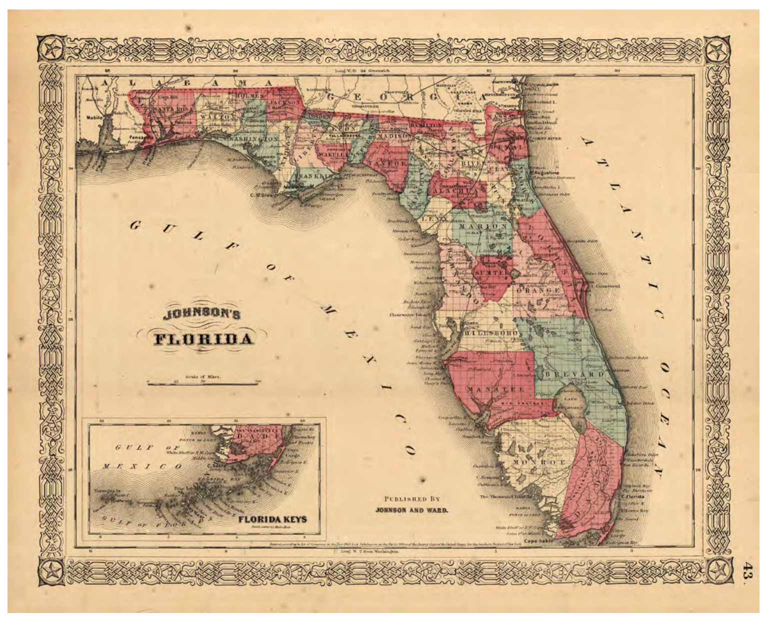
services. Specifically, it can enable local governments to focus on essential functions of public safety, emergency management, and infrastructure while streamlining costs in other areas.

Families in communities across the country build their budgets from the ground up every month. They start with what matters most: housing, transportation, food, and then they make every remaining dollar earn its place. This handbook is a practical guide to each step in ZBB implementation. It asks government to build its budget with the same discipline families do when they send their tax dollars off to city hall. The time to start from zero is now.

A Letter to Florida's Local Leaders

Imagine a family sitting at the kitchen table on a Sunday evening, building next month's budget from scratch. They do not start with what they spent last month and add a little more. They start from zero. The mortgage goes in first (along with property taxes and homeowner's insurance, opaquely embedded in their mortgage statement), because the family needs a roof over their heads. Then the car payment, utilities, groceries, and health insurance. If they are fortunate, entertainment and luxury spending follows. Each essential earns its place before a single discretionary dollar is allocated. Only after every necessity is accounted for does the family decide whether they can afford the streaming service, the gym membership, or dinner out on Friday. This is not austerity. This is how responsible Florida families build a budget.

> **THE KITCHEN TABLE TEST:** *When a family builds their budget from scratch, they start with the mortgage, then insurance, then utilities, and every other expense has to earn its place. The question is not "what did we spend last year?" It is "what do we need this year?" Your government should ask the same question.*



Now consider how local government builds its budget. It starts with last year's number. It asks: how much more? It distributes new revenue (in Florida, often generated by rising property values or higher millage rates) across existing programs with little scrutiny. Programs that were launched a decade ago continue automatically, whether or not they still serve a purpose. Spending grows, not because the community demanded it, but because unfettered growth is a feature rather than a bug. The question "Should we still be doing this?" is seldom asked by local bureaucrats.

The numbers tell the story. Between Fiscal Year 2016–17 and the present, general fund spending in Florida's ten largest cities, excluding public safety, climbed by $660 million more than if spending had grown only at the pace of population and inflation. General fund spending in the five largest counties increased 49% between Fiscal Year 2020-21 and Fiscal Year 2024-25 alone, exceeding population growth and inflation during that time period by over $1 billion. This growth far exceeded that of public safety spending, which was just 36%.[2]

2 Florida Department of Government Efficiency, Florida DOGE Report on Local Government Spending (Final), January 27, 2026.

Zero-based budgeting offers a different path. It does not mean zero services. It does not mean slashing police or closing fire stations. It means asking five simple questions of every expenditure: Is this legally required? Does it have measurable outcomes? Is it meeting them? Is there a more cost-effective alternative? And if none of the above, why are we still funding it?

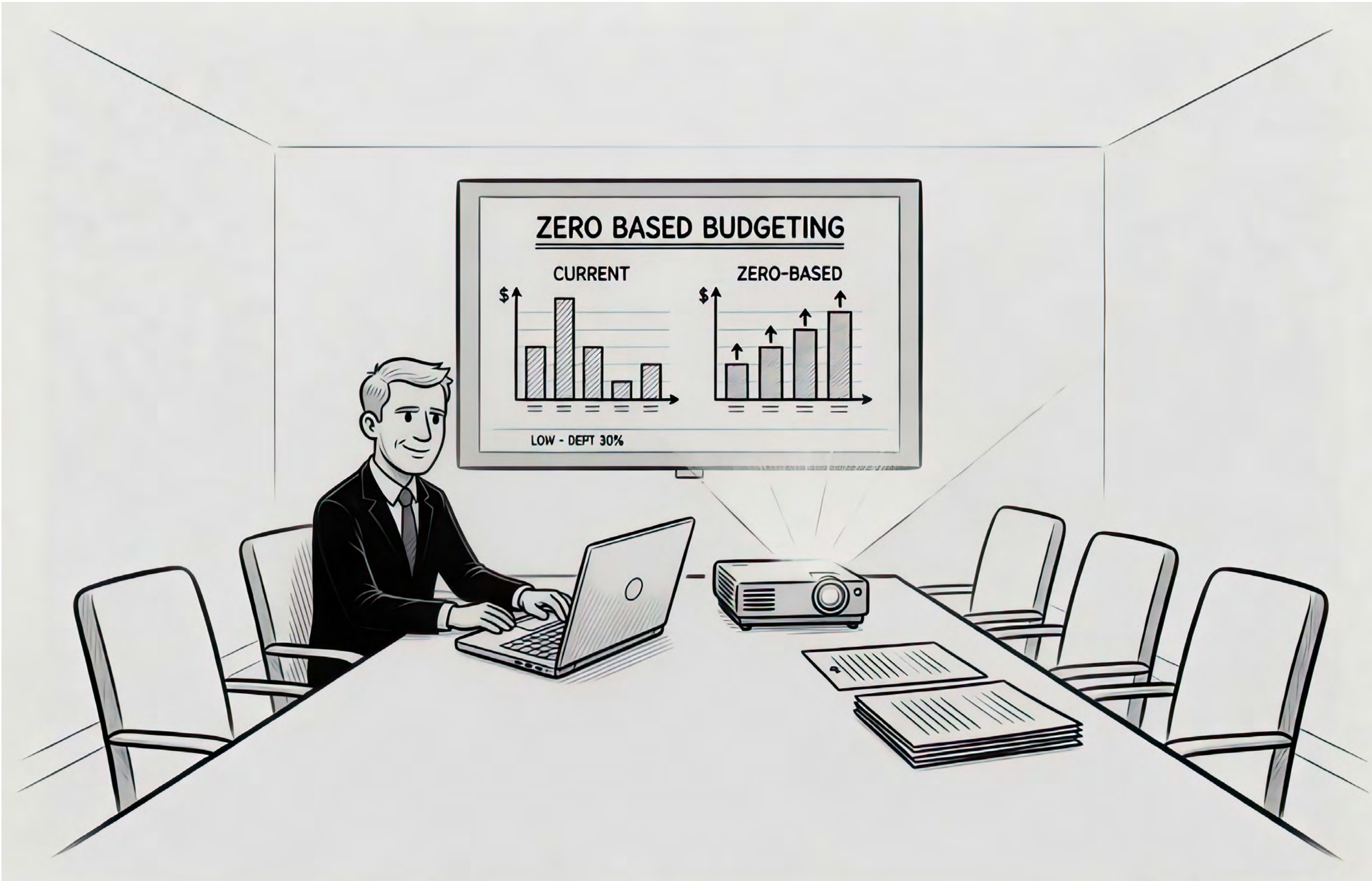
This handbook provides leaders with the framework, the tools, and the evidence to bring zero-based budgeting to your community. It draws on the experiences of Georgia, Texas, Houston, and Florida jurisdictions that have implemented ZBB in various forms. It provides model resolutions, justification templates, scoring rubrics, and a step-by-step implementation calendar. And it answers, with evidence, every objection from those who benefit from the current system.

Americans deserve a responsible government that exercises the same discipline they do over their budgets.

“This is not about spending less. It is about spending right.”

THE “GHOST PROGRAMS” — ZOMBIE SPENDING IN YOUR BUDGET

The MacIver Institute coined the term “Ghost Programs” in their analysis of Wisconsin’s state budget, which found that 16 of 58 programs across the state’s 14 largest agencies had zero assigned performance measures. These programs received nearly $20 billion in combined funding, but with no metrics and no accountability. No way to know whether they work. These are zombie programs: they should be dead, but they continue to consume resources year after year because no one is required to justify their existence. A modest five-percent reduction to those unassessed programs alone would yield approximately $1 billion in savings. How many zombie programs exist in your city or county budget?



PART I
Understanding Zero-Based Budgeting

Chapter 1: What Is ZBB? Core Concepts and Common Myths

THE CORE IDEA

Zero-based budgeting rests on one simple idea: no program gets a free pass. Instead of starting with last year's budget and asking, "How much more?" ZBB starts from a blank page and asks, "Should we fund this at all?" Every department, every program, and every activity must demonstrate its value, its alignment with legal responsibilities, and its measurable outcomes.

Peter Pyhrr first introduced the modern form of zero-based budgeting at Texas Instruments in the late 1960s. Georgia adopted it statewide in 1971, and many other states and counties soon followed. By the end of the 1970s, the federal government was engaging in zero-based budgeting but, at the federal level, with 1970s technology, implementation proved impractical. The federal implementation was discontinued in the early 1980s, not because the concept was flawed, but because the implementation was exhausting. The federal version had generated over 10,000 decision packages and overwhelmed staff charged with its execution.

Today's ZBB is more practical and reflects the learnings from that experience. Many implementations eschew evaluating every program in every department every year. The digitalization of government assists in compiling the needed information as well. Thus, in a modern approach, rotating reviews, streamlined frameworks, and modern data management technology can deliver ZBB's analytical rigor without its 1970s-era paperwork burden.

Nevertheless, the idea remains the same: instead of accepting what a program, office, or department is already spending as necessary, the officials responsible must explain the justification for all of the spending, just as if it were new.

A major component of this is understanding the tradeoff between where a goal is set and what resources are required to achieve that goal. Joseph M. Juran, an engineer and private-sector manager who became a key leader in the World War II Lend-Lease program, was the first to apply the so-called "80/20" rule broadly in the field of management and administration, observing that an outsized amount of effort goes into driving the last part of an accomplishment. In experiences in the performance of government functions, this often means that accomplishing the last 10% of a theoretically-perfect goal may require 25% or more of the cost, time, and resources. It therefore behooves leaders to consider whether to modify goals based on the potential savings imperfection, rather than perfection, can be the best value for taxpayers.

WHAT ZBB IS NOT

Opposition to ZBB is often built on misunderstandings and myths about the nature of zero-based budgeting. The following table addresses the six most common myths.

MYTH	REALITY
"ZBB means cutting everything to zero."	ZBB means justifying everything from zero. Programs that demonstrate value are funded, often at the same or higher levels. The "zero" is a starting point for analysis, not a spending target.
"ZBB will cut police and fire."	The opposite. Public safety is the highest-priority tier under ZBB and is funded first. ZBB protects public safety by preventing discretionary spending from crowding it out. In the real county analysis, $113 million in savings was identified without reducing a single public safety position.
"ZBB is a one-year exercise."	Modern ZBB is a permanent change in budgeting culture. Georgia reviews 10–14% of programs annually on a rotating cycle. The goal is institutional discipline, not a single budget cut.
"ZBB requires massive new staff."	Georgia and Texas implemented ZBB with existing budget staff. Houston designed its ZBB system with 23 departments using current personnel. The return exceeds the cost in Year 1.
"ZBB is just across-the-board cuts with a new name."	Across-the-board cuts are the opposite of ZBB. ZBB distinguishes high-value programs from low-value ones. One jurisdiction's budget office had doubled in size based on a temporary need, then retained those positions even after the work justifying the expansion had concluded. ZBB would right-size that office based on actual workload, not cut every department equally.
"ZBB was tried in the 1970s and abandoned."	What was abandoned was the exhaustive "textbook" version that generated 10,000 decision packages. Modern ZBB uses rotating reviews, streamlined frameworks, and practical variants that every credible source confirms are workable. Georgia has operated ZBB continuously since 2012.

THE FIVE QUESTIONS

At its core, zero-based budgeting rests on five simple questions that every program, every expenditure, and every position must answer. These five questions are the analytic core of the ZBB process.

THE FIVE QUESTIONS EVERY PROGRAM MUST ANSWER

1. Is this program legally mandated by the Florida Constitution, state statute, or local charter?
2. *Does this program have clearly defined, measurable performance outcomes?*
3. *Is this program meeting those outcomes? What does the data show?*
4. *Would the need for this program be met in part or in full by someone else if we stopped providing it, or would this service be delivered more cost-effectively through an alternative provider, consolidation, or restructuring?*
5. *If this program did not already exist, would you create it today with these same dollars?*

Question 5 is the decisive one. It forces decision-makers to evaluate programs as if they were being proposed for the first time. A program that has operated for twenty years without measurable outcomes may survive Questions 1 through 4 on inertia. It will not survive Question 5, because no rational decision-maker would create it today.

HOW ZBB DIFFERS FROM INCREMENTAL BUDGETING: A CONVERSATIONAL EXAMPLE

Consider a county Cultural Affairs department that receives $14.5 million in general fund support. Under incremental budgeting, the conversation at budget time sounds like this:

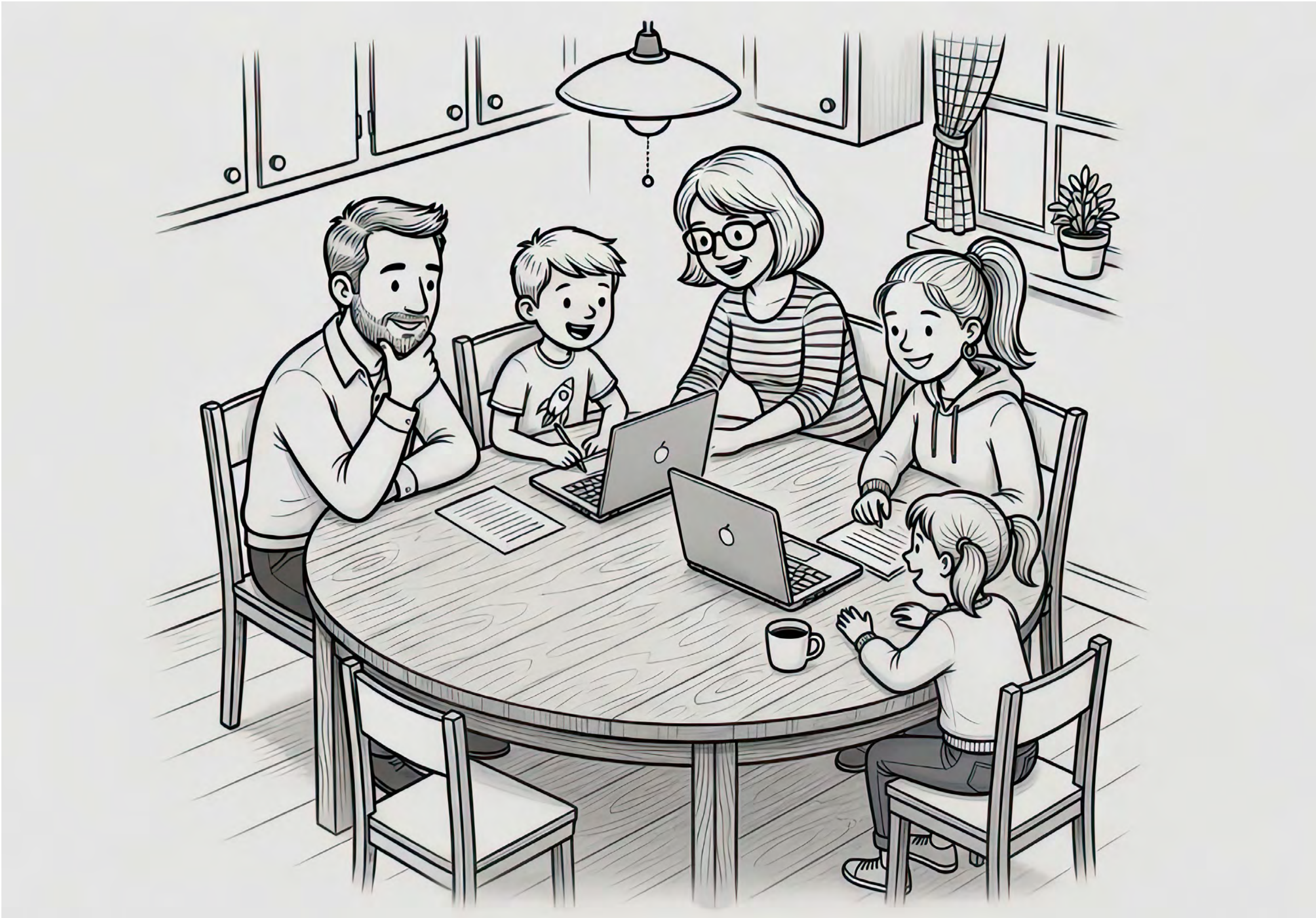
Budget analyst: “Cultural Affairs is requesting $15.2 million, a 4.8% increase. Revenue growth is projected at 3.5%. We recommend funding at $15.0 million, a 3.4% increase.” The commission votes to approve. The department grows. The question of whether any general fund support is justified is never raised.

Under ZBB, the conversation starts differently:

Budget analyst: “Cultural Affairs requests $14.5 million in general fund support. They also receive $X million from the convention development tax and tourist development tax. Question 1: Is general fund support for Cultural Affairs legally mandated? No, it is a discretionary allocation. Question 2: Are there performance measures? The department tracks event attendance but has no measures of public benefit per dollar of general fund investment. Question 4: Could cultural programming be funded entirely from tourism taxes without any general fund support? The independent review says yes. Question 5: If this general fund subsidy did not exist, would we create it today? With a $387 million shortfall and fully funded tourism tax revenue available, the answer is no.”

Result under ZBB: general fund support eliminated. Cultural Affairs continues to operate on tourism revenue. $14.5 million now becomes available for protecting public safety, for funding education, or for lowering the cost of living by never taking the money out of taxpayers’ pockets in the first place.

THE KITCHEN TABLE TEST: When building a household budget from scratch, no family starts with the streaming subscription. They start with the mortgage, then insurance, then utilities — and every other expense has to earn its place. Your local government should build its budget the same way.

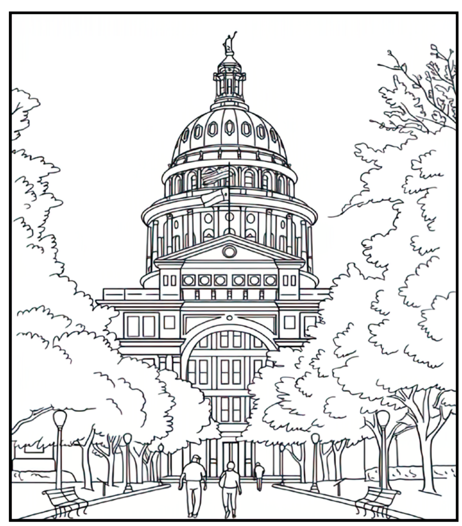


Chapter 2: The Spectrum of Approaches

ZBB is not one-size-fits-all. Jurisdictions can choose from a spectrum of approaches based on their capacity, political will, and fiscal urgency. Cities and counties can choose from a range of approaches depending on their capacity, political support, and budget pressures. The real decision isn't whether to use ZBB, but how rigorously and how quickly to put it in place.

FULL ZERO-BASED BUDGETING

Every program in every department rebuilds its budget from zero each year. This is the most comprehensive approach and the most resource intensive. It is best suited for jurisdictions facing acute fiscal crises where the entire budget must be reconsidered simultaneously. Texas used full ZBB in 2003 when facing a $10 billion revenue shortfall. The Texas Public Policy Foundation concluded that ZBB "proved its worth" by enabling targeted reductions that avoided across-the-board cuts.



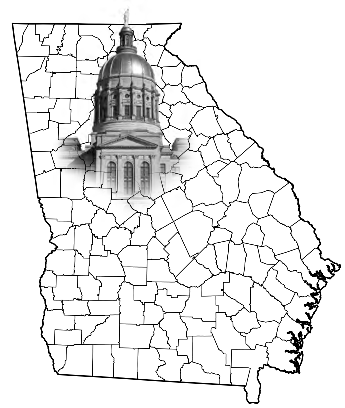
ZERO LINE-ITEM BUDGETING

Departments receive blank budget forms with zeros for each line item, not last year's figures, and rebuild from the ground up. This changes the psychology of the budget process: instead of defending marginal increases, department heads must justify total expenditures. Houston adopted this variant and found that it produced more honest conversations about baseline costs. The City of Houston's budget director noted that when department heads receive a form pre-populated with last year's numbers, they anchor to those numbers. When they receive a blank form, they think about what they actually need.

SERVICE-LEVEL BUDGETING

Departments develop decision packages at three tiers: minimum viable service, current service level, and enhanced service. Decision-makers select which packages to fund based on priority and available resources. This is the approach most commonly used by Florida jurisdictions: Hillsborough County, Manatee County, and several others have employed service-level budgeting for 20 or more years. The Government Finance Officers Association (GFOA) considers this the most practical variant for most local governments.

ROTATING REVIEW (GEORGIA MODEL)



Under the Georgia model, 10 to 25 percent of programs underwent full ZBB review each year on a rotating cycle.

Every program was reviewed at least once every four to ten years (Georgia targeted every seven years).

This approach is sustainable, institutionally manageable, and operated continuously in Georgia from 2012 to 2020 after the state codified it in statute (O.C.G.A. 45-12-75.1) in 2012.

RECOMMENDED APPROACH

Start with service-level reviews of all departments in Year 1 to establish baseline program inventories and performance measures. Then transition to rotating 20–25% deep-dive reviews annually, ensuring every program faces full ZBB scrutiny at least once every four years. This balances thoroughness with administrative feasibility. Jurisdictions facing acute fiscal crises should consider full ZBB in Year 1.

Chapter 3: The Benefits

Zero-based budgeting not only helps government entities spend tax dollars and cut costs more wisely, it also makes it possible to manage government activities more effectively. For governments confronting affordability, public confidence, revenue, or other challenges, ZBB offers a proven path to deliver improved transparency, fiscal discipline, and strategic focus. Among the benefits are these:

1. Matching strategic priorities with actual spending.

By ranking decision packages against measurable outcomes, ZBB ensures spending supports current community needs rather than historical precedent. New programs can find funding in changes to existing activities through level of effort or elimination, rather than requiring new sources of revenue.

2. Helping to identify hidden waste and outdated programs that no longer deliver value to taxpayers.

ZBB surfaces legacy costs that have outlived their usefulness. Annual reviews can expose duplicative contracts, underused software licenses, and low-impact initiatives that incremental budgets routinely overlook.

3. Making identified cost reductions sustainable.

Organizations adopting ZBB routinely achieve double-digit savings without across-the-board cuts. The structured review process identifies efficiencies in procurement, staffing, and operations, including duplication of effort among organizational units.

4. Providing better transparency for improved public accountability.

Every expenditure must be documented and justified in decision packages that elected officials and citizens can review. Beyond visibility, this provides insight into what the alternative approaches and possibilities for approaching goals may be. This openness builds trust in an era of taxpayer skepticism. Not only members of the public, but elected leaders, can gain from this insight and from better-informed public dialogue about affordability and service levels.

5. Facilitating mid-cycle budgeting when changing circumstances require it.

In a dynamic world, new developments and conditions frequently disrupt the budget cycle. ZBB makes it easier to revise assumptions and avoid the complete revision of all budgeting efforts or inefficient, across the board changes.

6. Encouraging innovation and creative problem-solving.

Annual or regular decision packages provide an automatic opportunity to propose alternative, better, and/or cheaper ways to deliver results and the opportunity to showcase the benefits. Instead of every proposed process improvement requiring its own hook to navigate administrative bureaucracy and approval, these improvements, including proposals that leverage technology, shared services, or public-private partnerships, can be rewarded as part of the routine ZBB process.

7. Shifting organizations towards data-driven decision-making.

The requirement for detailed justification packages forces departments to gather performance metrics, cost benchmarks, and outcome data. Leaders move from instinct to evidence, and leaders and managers will tend to continue to look for data and assess their performance on an ongoing basis.

8. Adding an increased performance orientation to the culture of an organization.

Employees at every level participate in building and defending budgets, shifting mindsets from "spend what we spent last year" to "prove what we deliver this year." In local governments, this cultural change attracts results-focused talent and retains staff who value mission impact over bureaucratic routine, ultimately raising overall government effectiveness. This also facilitates the ability to measure staff and managers against the metrics outlined during the budgeting process.

9. Increasing budget agility for years that fall outside of "normal."

Because budgets are rebuilt annually from zero, organizations have greater flexibility and the knowledge required to reallocate funds when revenues drop or emergencies arise. They can rely on the consolidated rankings of programs and activities, can better prioritize where services can be cut, and even have pre-determined knowledge of alternative levels of effort and their forecasted implications.

10. Yielding stronger management ability to facilitate staff's work.

Over time, bureaucracies typically become constrained by general policies and procedures adopted in the past or even external forces over which they have no direct control, and top management is often unaware of the limitations, costs, and problems that are associated and are unable to help drive change. By identifying to leadership the workloads and other costs imposed by goals, policies, procedures, legal requirements, and more, those leaders will be better positioned to identify needed actions and execute in ways that can help alleviate those burdens.

Chapter 4: ZBB and Capital Projects

Operating budgets receive the most public attention, but capital budgets are where the largest long-term fiscal commitments are made — often with less scrutiny. Announcing a brand-new city hall or agency headquarters, a new streetcar line, a swimming natatorium, a rail line, or a stadium feels like a leadership accomplishment. Subsidizing the ongoing funding of these undertakings — operating costs that persist indefinitely like staffing, debt service, maintenance, and covering losses — does not.

Elected leaders often want to build visible new projects — whether it's a city office building, a commuter rail line, or a performing arts center. That urge is made even stronger by the ready availability of dedicated revenue streams such as sales-tax surcharges, local gas taxes, federal and state grants, and convention and tourism development taxes.

While these funds can often be used to pay for some categories of operating costs, particularly physical maintenance and repair, that still leaves a substantial annual operating cost that must be funded out of a jurisdiction's operating budget. For example, while the South Florida counties of Miami-Dade, Broward, and Palm Beach have the greatest needs for transit projects in the state, recent project proposals have included a requirement of an annual operating subsidy of 3% or more, which can be $100 million of additional general revenue expense atop a $3 billion capital cost.

These downstream costs are then treated as baseline obligations, not as decisions that require fresh justification. So, a zero-based budgeting approach to capital projects requires taking into account these costs up front and asking whether the city or county will be able to afford them, and how. We call this "Tomorrow's Bill Test": before any capital project is approved, the jurisdiction must demonstrate — in writing, with identified funding sources — that it can pay the recurring bills the project will generate, not just the construction tab. If a project passes the capital budget screen but fails the operating budget screen, it should not proceed until the operating gap is closed.

RECOMMENDED APPROACH

Future operating costs should be identified as part of the planning and approval for every capital expenditure and a planned, corresponding source of revenue or expense cut should be specified. If the planned source of revenue is already existing and being used, a planned expense cut in the event that revenue does not increase should be identified.

Once the expenditure is approved, the corresponding source of revenue or funding cut, and the date it is planned to be tapped, should be included in annual reports, budget documents, and government websites.

ZBB applies the same justification standard to capital projects that it applies to operating programs. Every capital commitment must demonstrate its purpose, its measurable outcomes, its full lifecycle cost (including operating impact), and its priority relative to alternatives (again, not just on the capital expenditure side, but on the operating side). So, a decision to build a streetcar line that costs $100 million and requires $6 million in operating subsidies must compete against capital expenditures that represent alternative uses of the $100 million and operating activities that cost $6 million; or retain the option of not spending the two sets of funds at all.

Chapter 5: ZBB at the State and Local Level — Georgia, Texas, and Beyond

GEORGIA: ROTATING ZBB FROM FY 2013 TO FY 2021

Georgia's ZBB program is the most mature and best-documented state-level implementation in the United States. Established by the state in 2012 and codified in O.C.G.A. 45-12-75.1, the program requires the Governor's Office of Planning and Budget (OPB) to conduct zero-based budget reviews of selected state programs on a rotating cycle.[3]

Key features of the Georgia model included:

- **Targeted selection.** Each ZBB review selected a subset of programs, typically 10 to 14 percent of the total budget, for full analysis. The selection was based on factors including program age, spending growth, performance data availability, and legislative priority.
- **Ground-up analysis.** For each selected program, OPB analysts built the budget from zero – starting with the program's reason for being in existence. They examined the statutory authority for the program, its current and historical spending, its performance outcomes, its staffing levels, and comparable programs in other states. The result was a ZBB Analysis Report that recommended continuation, modification, consolidation, or elimination.
- **Integration with the budget cycle.** ZBB findings were presented to the Governor and the General Assembly as part of the annual budget process. This gave the analysis institutional weight, and it did not become a consulting report that sat on a shelf.
- **Statutory codification.** The statute ensured that ZBB would survive changes in gubernatorial administration, and that it would be continued during subsequent administrations. The process was thereby built to be an institutional improvement, not just a personal achievement.

Georgia's FY 2021 ZBB Final Report reviewed programs across multiple agencies and identified specific recommendations for restructuring, consolidation, and elimination. The program demonstrates that rotating ZBB is not only feasible but sustainable over a decade-long timeframe with existing state budget staff.

The Georgia statute included a sunset date of June 30, 2020, which arrived during the time when the state was responding to the COVID-19 pandemic: Georgia's General Assembly suspended its 2020 session in March, reconvening only in June for a two-week end-of-session sprint. Meanwhile, Georgia government workers, including budget staff, had faced disruptions and a shift to extensive telework, much like workers elsewhere. Renewal of zero-based budgeting received very little attention and simply expired.

In 2026, the Georgia Senate considered the Waste Reduction Act of 2026, seeking to reinstate the zero-based budgeting process in Georgia, but it did not pass.

TEXAS: FULL ZBB IN A FISCAL CRISIS

Texas's experience with ZBB is instructive for jurisdictions facing acute fiscal pressure. In 2003, Texas confronted a $10 billion revenue shortfall. Rather than resort to across-the-board cuts, the legislature adopted zero-based budgeting for the entire state budget. Every agency was required to justify its budget from zero.

3 O.C.G.A. 45-12-75.1; Georgia Governor's Office of Planning and Budget, FY 2021 Zero-Based Budget Analysis: Final Report, 2020.

The Texas Public Policy Foundation's assessment concluded that ZBB "proved its worth as a budgetary tool" by enabling targeted reductions that protected high-priority services while eliminating or restructuring low-value programs. The key lesson from Texas is that full ZBB is viable when the alternative is across-the-board cuts that would damage some core services unnecessarily. Depending on their degree of fiscal responsibility, some Florida counties facing the consequences of property tax reform may be faced with this circumstance.[4]

Texas's ZBB process involved three key elements. First, every agency was required to identify its core mission and the minimum resources needed to fulfill statutory obligations. Second, agencies had to present decision packages showing what services would be provided at various funding levels — not just the current level, but also at reduced and enhanced levels. Third, the legislature used these packages to make explicit trade-offs: funding one agency's enhanced package meant reducing another's. This forced transparency about priorities that incremental budgeting had obscured.

The key lesson from Texas is that full ZBB is viable when the circumstances provide sufficient urgency. The Texas experience demonstrated a core insight of zero-based budgeting: across-the-board percentage cuts treat every program as equally valuable, while ZBB reveals which programs deserve reductions and which deserve more resources. When Florida's Miami-Dade County announced in 2025 that it faced a $387 million shortfall, ZBB could have helped the county avoid or narrow that gap.

HOUSTON: ZERO LINE-ITEM AT THE CITY LEVEL

Houston's experience is particularly relevant to Florida's local governments because it was implemented at the city level, not the state level. Houston adopted a zero line-item approach for 23 departments, requiring each to rebuild its budget from blank forms rather than starting with last year's numbers.

The city's experience revealed an important structural insight: most local governments budget by organizational unit (department, division) rather than by program or service. This means that mapping spending to services requires substantial work in Year 1. Houston invested in that effort and found that the program inventory itself produced the most valuable analytical insights. That's right: Houston learned a great deal from the simple act of cataloging what the city actually does and what it costs. Many departments discovered programs and activities that no one had been tracking.

Today, Florida DOGE's work with pioneering AI-based software partners demonstrates that automation can transform what was, in the past, a difficult manual task of inventorying programs and spending into a streamlined activity that can deliver immediate insights useful not only for zero-based budgeting, but for routine management tasks as well as internal oversight functions.

FLORIDA: EXISTING ZBB EXPERIENCE

ZBB is not unknown in Florida. Several jurisdictions have operated service-level budgeting variants for two decades or more. Manatee County is one of those examples, and its example helps demonstrate that ZBB-adjacent processes are compatible with Florida's TRIM requirements, Sunshine Law obligations, and October 1 fiscal year calendar.

Notably, Florida DOGE's on-site review of Manatee County found the jurisdiction to have "done a better job than many Florida jurisdictions" and deserving of "credit for . . . millage rate cuts and operating spending growth well below ad valorem growth." Between FY 2016-17 and FY 2024-25, Manatee County's ZBB approach helped the county restrain general fund spending growth to 62%, a rate comparable to the combination of the 26% population

4 Texas Public Policy Foundation, Assessment of Zero-Based Budgeting in Texas, Austin, TX, 2003.

growth in the county and the rate of inflation during that time period. This approach contrasted with the initiation of several major capital expenditures that took place outside of long-term and strategic planning.

OTHER JURISDICTIONS

Similarly, the San Diego Independent Budget Analyst's (IBA) 2016 report on ZBB provides a useful template for how a city budget office can evaluate ZBB approaches and recommend implementation. The IBA concluded that a hybrid approach, combining service-level packages with rotating deep-dive reviews, was the most practical path for a large city. That recommendation aligns with the approach this handbook advocates.[5]

Separately, synthesized research by the Government Financial Officers Association (GFOA), the most comprehensive academic assessment of modern ZBB, highlighted that ZBB can succeed at the local government level. Key findings include governments with strong executive commitment reporting "minimal problems with budgetary game-playing," the administrative burden of ZBB being "rarely cited as an important problem in practice," and the most common reason for abandoning ZBB being not that it failed, but that leadership commitment wavered. Montgomery County, Pennsylvania confirmed that sustained leadership engagement was the single most important success factor.[6]

KEY TAKEAWAYS FROM STATE AND LOCAL EXPERIENCE

LESSON	SOURCE
Rotating ZBB is sustainable over 10+ years with existing staff	Georgia (2012–present)
Full ZBB works in acute fiscal crises when across-the-board cuts are the alternative	Texas (2003)
The program inventory itself produces the most valuable Year 1 insights	Houston
Leadership commitment is the #1 success factor; administrative burden is rarely cited	GFOA (Kavanagh, 2011); Montgomery County, PA
ZBB is compatible with Florida's TRIM process, Sunshine Law, and fiscal calendar	Hillsborough County, FL; Manatee County, FL

5 Office of the Independent Budget Analyst, City of San Diego, Zero-Base Budgeting Concepts and Examples, IBA Report 16-16, May 13, 2016.

6 Kavanagh, S.C., Zero-Base Budgeting: Modern Experiences and Current Perspectives, Government Finance Officers Association, 2011.

PART II
Implementing ZBB: The Seven Phases

Chapter 6: Phase 1 — Leadership Commitment, Communications, and ZBB Design (Months 1–2)

Zero-based budgeting begins with a political commitment, not a technical exercise. The city commission, county board, or council must formally adopt a public resolution or similar action that endorses and establishes the process and sets its scope, timeline, and governance structure. Without visible, sustained leadership commitment, ZBB will be undermined by inertia, misaligned incentives and, in some cases, outright resistance.

From the outset, ZBB developer Peter A. Pyhrr placed leadership commitment and support from top management first among the three non-negotiable requirements he identified for successful ZBB implementation. The reason is simple: managers at lower levels experience the problems of implementation and worry about the consequences before the project is complete. They therefore need the safety provided by leadership backing to have confidence in the ZBB process.

Research by the GFOA similarly found that governments with strong executive commitment reported “minimal problems with budgetary game-playing.” Two examples of ZBB success particularly pointed to leadership commitment as a critical success factor: Montgomery County, PA and Georgia. In Georgia, commitment to ZBB went beyond just verbal commitments to outright adoption into law. There, its codification in statute signaled that the commitment would be an enduring one,.

Beyond codification, the important roles that top management can play are twofold. First, those leaders, particularly the chief executive, should communicate actively and regularly the importance of, and support for, the ZBB process. And second, the chief executive should be visibly engaged in the ranking and funding decisions described in Phase 4 — not just a figurehead taking part in name only.

KEY ACTIONS

- **Pass a formal resolution.** Place a ZBB resolution on the next available commission or council agenda. A model resolution is provided in Appendix A of this handbook. The resolution should commit the jurisdiction to ZBB, define the scope (full budget or targeted departments), establish the timeline, and create a ZBB Task Force.
- **Appoint a ZBB Task Force.** The Task Force should be chaired by the chief executive (mayor, city manager, or county administrator) or a designee with clear authority to direct staff. Membership should include the budget director, at least two department heads from large departments, and at least two independent members. This could include outside experts, retired local government officials with budget expertise, or citizen members appointed by the governing body. A representative from an entity providing oversight may also be useful, noting that an external auditor or the like may be limited in their ability to weigh in because of the need to maintain audit independence.

  Because ZBB is a management process, not a form-filling exercise, the task force is central. Undertaking ZBB requires active coordination, quality control, timeline management, and dispute resolution throughout the cycle. Thus, this task force is a process management team and not merely an oversight body.
- **Define the scope.** Jurisdictions with the capacity and fiscal urgency may review the entire budget in Year 1 (the Texas model). Others should target the highest-discretionary spending categories: grants to nonprofits, communications offices, cultural affairs, information technology spending, and any program that has never been required to demonstrate measurable outcomes.
- **Establish the calendar.** ZBB must be synchronized with the jurisdiction’s fiscal calendar. For Florida governments operating with an October 1 fiscal year start date, the ZBB process should begin no later than February of the preceding year to allow adequate time for program inventory, analysis, ranking, and integration with the TRIM process.
- **Communicate purpose to staff.** The most effective way to undermine ZBB is to characterize it as a punishment. Department heads and employees must understand that ZBB is about justification, not elimination. Programs that demonstrate value will be funded. The goal is to free up resources currently dedicated to low-value activities, which can then be redirected to higher-value activities or put back in the pockets of taxpayers to generate savings, investment, and a positive economic trajectory.

COMMUNICATING ABOUT ZBB

As the above makes clear, effective communication is an essential element of succeeding with zero-based budgeting. These communications have several important purposes.

Reassuring managers. Managers need clear reassurance that ZBB is not a punishment. The process demands open, detailed scrutiny of every function. As Peter Pyhrr put it, ZBB “takes away the blanket or security from managers who have learned to survive by keeping low profiles.” This fear is more common and more pronounced in government than in industry, and more common in poorly-managed organizations than in well-managed ones. The antidote is consistent communication to managers that ZBB is not a punishment, but a tool that allows every manager to make the case for their programs. Managers who run effective programs have nothing to fear; managers who cannot justify their programs should be running something else that can be justified.

Expanding understanding. ZBB involves more managers at more levels than traditional budgeting processes. This means that technicians and program specialists who may never have participated in budget preparation will be playing important roles. In a local government context, this could mean parks supervisors, code enforcement managers, IT leads, and grant coordinators who will be preparing justification packages. So not only are the packages a newly-introduced idea, the preparers are new players. The ZBB Task Force must invest in clear, practical training before the process begins. A brief manual with jurisdiction-specific examples is essential, which can be built from templates used elsewhere.

Reconciling planning assumptions. If top management does not provide formalized planning assumptions before decision packages are developed, three problems may result. First, managers make their own differing assumptions, creating internal conflicts. Second, coordination among related activities breaks down. Third, managers default to "business as usual" analysis because they lack the direction to consider genuine alternatives. The planning assumptions issued in Phase 1 must include: projected revenue levels, anticipated service demand changes, wage and benefit cost adjustments, planned organizational changes, and general expenditure guidelines.

Making the ZBB process a priority. The first ZBB cycle will take longer than traditional budgeting. This is unavoidable and should be planned for. However, the learning curve flattens dramatically. At Texas Instruments, the second year took approximately half the calendar time of the first year. Thus, local government staff should be reassured that the increased burden is a startup feature, not an ongoing time drain. Time savings come from three sources: reduced administrative confusion as managers become familiar with the process; managers learning to analyze operations on a continuing basis rather than only at budget time; and improved planning assumptions from top management based on the prior year's analysis.

PRACTICAL DESIGN CHECKLIST FOR LOCAL GOVERNMENTS

Before launching zero-based budgeting, every jurisdiction must make several important design decisions. The checklist below draws on proven ZBB principles and real-world experience to help local governments get those choices right:

- Decision package level: For each department, determine whether packages will be developed at the department, division, program, or activity level. Use the four-factor test: size of operation, availability of alternatives, level at which meaningful decisions can be made, and available analytical capacity.
- Minimum effort level guidance: Issue clear guidance that minimum levels should typically represent 50 to 70 percent of current operating levels, with exceptions for start-up programs and legally mandated service floors.
- Consolidation hierarchy: Define the levels at which rankings will be consolidated (e.g., division to department to budget office to commission). Limit consolidation to three or four levels to prevent volume overload.
- Cutoff percentages: If the jurisdiction generates more than 100 decision packages, establish cutoff expenditure levels at each consolidation level to focus analytical effort on discretionary and marginal activities.
- Ranking mechanism: Determine whether rankings at the commission or council level will use single-scale voting, multi-criteria scoring, or a combination approach.
- Planning assumptions package: Before any department begins preparing decision packages, issue formalized planning assumptions covering revenue projections, service demand changes, wage and benefit adjustments, and general expenditure guidelines.
- Training plan: Schedule briefings for all managers who will prepare packages. Use jurisdiction-specific examples, not generic templates. Include a sample completed package for a readily understood local activity.
- Timeline with buffer: Add two to four weeks to the standard budget calendar for Year 1 to accommodate the ZBB learning curve. Plan to compress the timeline by 25 to 50 percent in Year 2.

- Post-cycle critique: Schedule a formal review session within 30 days of budget adoption to document lessons learned and improvements for the next cycle.

Chapter 7: Phase 2 — Program Inventory and the Four-Tier Framework (Months 2–3)

Before you can justify every dollar, you must know where every dollar goes. Most local governments organize their budgets by department or division rather than by the actual programs and services they deliver. Houston's ZBB implementation revealed that this structural gap required substantial manual work to map spending to services. The first analytical step is to build a comprehensive program inventory and classify each program into one of four priority tiers.

Artificial intelligence can significantly accelerate this inventory process. AI-powered tools can analyze budget documents, contracts, and organizational charts to identify programs, map spending to services, flag duplicative functions across departments, and automate initial tier classification — reducing what might otherwise require months of manual work. In Florida DOGE's work, local governments have consistently lauded the visibility that AI-based tools can give into their operations and their ability to spot patterns, duplication, and commonalities across disparate areas of the organization.

KEY ACTIONS

- Catalog every program, activity, and service across all departments.
- Map each program to its funding sources, staffing, and current budget.
- Classify each program into the Four-Tier Priority Framework (see below).
- Identify programs with no assigned performance measures. These are zombie programs that continue to consume resources without demonstrating they are still functioning or delivering value.
- Document the statutory or legal authority for each program.
- Flag all positions added in the last three fiscal years and require departments to demonstrate that those positions are still necessary.
- Leverage artificial intelligence and data analytics tools to accelerate program identification, flag duplicative services across departments, and automate the initial classification of expenditures into priority tiers.

HOW TO BUILD THE PROGRAM INVENTORY

Most local governments do not have a clean list of their programs. Their budgets are organized by department, division, and line item, not by program or service. Houston's experience confirmed that mapping spending to services requires substantial manual work in Year 1 but produces the most valuable analytical insights.

Begin with a department-by-department survey. Ask each department head to list every distinct program, service, or activity their department provides. For each entry, require: a one-paragraph description of the program's purpose; the annual cost (personnel, operating, capital) drawn from the adopted budget; the number of full-time equivalents (FTEs) dedicated to the program; the legal authority (if any) that mandates the program; and the performance measures currently in use (if any). Programs that cannot be described in one paragraph are often programs that have drifted from their original purpose.

The inventory will inevitably reveal surprises. Houston found programs that no one had been tracking. In one Florida example, the inventory revealed that a local government had staff in over two dozen separate offices assigned responsibilities for communicating over social media, often engaged in similar work to generate content. These findings emerged only because the inventory required each function to be explicitly identified and justified.

THE FOUR-TIER PRIORITY FRAMEWORK

Every program in the inventory must be classified into one of four tiers. This classification determines funding priority and the level of justification required.

TIER	CATEGORY	EXAMPLES
Tier 1	Core Functions of Government and Constitutional /Statutory Mandates	Law enforcement, fire/rescue, courts, jails, property appraisal, elections. This is not a department analysis, but a functional one: the spokesperson for the corrections department is conducting a communications function, not a public safety function.
Tier 2	Key Community Services	Parks & recreation, libraries, water/sewer utilities, road maintenance, public transit (operational, not expansion)
Tier 3	Discretionary Programs	Grants to nonprofits, cultural subsidies, communications offices, special events, economic development initiatives, consulting contracts
Tier 4	Administrative Overhead	Legal departments (beyond mandated functions), excessive executive staffing, duplicative divisions, programs without performance measures

THE PRIORITY STACK

Visualize your budget as a stack of building blocks. Tier 1 (public safety, courts, statutory mandates) forms the foundation: it goes in first and is never removed. Tier 2 (core community services) sits on top of the foundation. Tiers 3 and 4 (discretionary programs, administrative overhead) sit at the very top. If you must remove blocks to balance the budget, you always remove from the top: never from the bottom. This makes it structurally impossible to cut a police officer to preserve an art grant. ZBB does not threaten public safety; it protects public safety by ensuring it is always funded first.

Chapter 8: Phase 3 — Decision Unit Analysis and Justification Packages (Months 3–4)

This is where ZBB transforms from an idea into an analytical discipline. Every program identified in Phase 2 must now be understood in light of its purpose. Department heads prepare justification packages for each decision unit, which is a program, service, or activity that can be meaningfully evaluated on its own.

But a justification package is not a one-page essay. It has three tiers of analytical depth:

- **Tier 1** — Decision Unit: The Five Questions answered, three funding scenarios presented. This is the face of the package, the part on which elected officials vote and taxpayers see.
- **Tier 2** — Cost Elements: The decomposition beneath each scenario, breaking expenses into component categories: personnel (by job classification), contracts (individually), materials, capital, and internal charges. This is the evidence base that makes the scenarios credible.
- **Tier 3** — Supporting Schedules: The workpapers, including position listings, contract documents, workload data, and performance metrics that prove the numbers.

The three scenarios are defined at Tier 1 but constructed by manipulating Tier 2 components. "Minimum" means specific positions stated and their functions described, and specific positions left unfilled if vacated. It means specific contracts are needed, and others are unneeded. This is where a contrast from traditional budgeting emerges: a "minimum" scenario is not a vague 10% haircut, based on the idea of saving money. Here, the "minimum" scenario comprises the functions that absolutely have to be performed and the resources required to complete that, alongside a recognition of whether there are functions that are currently performed that will go undone. If a department cannot show which positions and which contracts change between scenarios, the scenarios are fiction.

Each justification package must answer the Five Questions and present three funding scenarios: (a) Minimum — the legal minimum or bare operational floor; (b) Current — the current level of service; (c) Optimized — the recommended level based on performance data and community need. The gap between Minimum and Current is the cost of discretion. The gap between Current and Optimized is the cost of improvement. Both must be justified.

A note on scope: Larger jurisdictions will likely determine that it is impractical to run the entire budget through a zero-based budgeting process in Year One. Take the largest 10–15 decision units, typically 70–80% of total spending, through the full three-tier process. Rotate remaining units over a 3–5 year cycle. Pre-populate templates from existing human resources information systems (HRIS), enterprise resource planning (ERP), and procurement systems, so department heads spend their time analyzing, not transcribing. As noted above, AI tools can assist with this task. ZBB should be rigorous and analytical, not tedious and crippling.

KEY ACTIONS

- Require each program to produce a written justification package addressing the Five Questions. Each package should include a one-page program summary covering mission, funding history, staffing levels, performance data, and a clear statement of the program's public purpose.
- Present three funding levels for each program: Minimum, Current, and Optimized. This forces departments to distinguish between what is legally required and absolutely necessary, what is currently provided, and what is justified by evidence.

- Apply “The Taxpayer Test” to every justification package. If a budget analyst cannot stand before a room of taxpayers and defend this expenditure, the program has not earned its place in the budget.
- Identify programs that cannot answer the Five Questions. These are the strongest candidates for elimination or fundamental restructuring. A program that cannot articulate its legal authority, measurable outcomes, or cost-effectiveness has no business consuming taxpayer dollars.
- Flag all programs that have been operated for 3+ years without performance measures as immediate review priorities. These are zombie programs, most likely consuming resources without delivering value.
- Require every grant recipient to demonstrate measurable outcomes or face immediate defunding. Taxpayer dollars should not be renewed on faith. Instead, every grant must show what it accomplished and what would be lost if funding stopped.
- For multi-function contracts (enterprise IT, fleet maintenance, liability insurance), allocate costs to each decision unit by a defensible cost driver but also subject the contract itself to a standalone review. A $3 million IT contract spread across twelve departments gets scrutinized by none of them unless someone owns it as a whole.

KNOW YOUR PEOPLE COSTS (OR YOU KNOW NOTHING)

Personnel is the single largest expenditure in every general fund department. Yet most budget documents show “Personnel Services” as one fat line. That is useless for ZBB. Each decision unit must include a personnel schedule showing, for every job classification: FTE count (authorized vs. filled), average base salary, and the fully loaded cost per position. The loaded-cost formula:

Base Salary + Overtime + Special Pay + FICA + Pension (by class) + Health Insurance + Fringe Benefits + Workers’ Comp + OPEB Accrual + Overhead Allocation

Why does this matter? Because a data analyst who costs $65,000 in salary may cost $100,000–$125,000 fully loaded. A sworn police officer in the Florida Retirement System (FRS) Special Risk Class carries a pension contribution rate roughly double that of a Regular Class employee. Without loaded costs, you cannot meaningfully compare hiring versus contracting, identify classification mismatches (sworn officers doing civilian work, engineers doing data entry), evaluate supervision ratios, or construct credible funding scenarios. “Reduce by 5 FTEs” is no more than a talking point and provides little to go on regarding what FTEs can be cut and the programs and services that can be conducted with or without. “Eliminate two vacant Maintenance Worker II positions ($142,000 loaded), one vacant Code Enforcement Officer ($118,000 loaded), and defund two unfilled Planner I lines ($226,000 loaded),” and plan to conduct 40 fewer maintenance evolutions, is a budget decision.

THE TAXPAYER TEST

Before any program is approved for continued funding, apply this simple standard: Could a budget analyst stand before a room of taxpayers, explain this program and its cost, and receive a nod of approval? If the answer is no — if the program would provoke confusion, anger, or laughter — it has not earned its place in the budget. Could you justify $9 million for art at a detention center? $500,000 for a “Country Fest”? $1 million in grants to organizations that sue the state? If not, ZBB would have caught it.

THE JUSTIFICATION GAUNTLET

Every program must pass through this decision tree before receiving continued funding.
The Gauntlet makes ZBB feel rational and step-by-step, not political or arbitrary.

The Justification Gauntlet

(Should the Government do this at all?)

START: *[Program Under Review]*

Q1: Is this program legally mandated?
- **YES** → Classify as Tier 1. Fund at required level.
- **NO** → Continue to Q2.

Q2: Does this program have measurable performance outcomes?
- **NO** → FLAG: Require measures within 90 days or eliminate.
- **YES** → Continue to Q3.

Q3: Is this program meeting its performance targets?
- **NO** → Restructure, reduce, or eliminate.
- **YES** → Continue to Q4.

Q4: Could this service be delivered more cost-effectively?
- **YES** → Pursue the alternative. Reallocate savings.
- **NO** → Continue to Q5.

Q5: If this program did not exist, would you create it today?
- **YES** → FUND. Program has earned its place.
- **NO** → ELIMINATE or fundamentally redesign.

The Kitchen Table Test: A family doesn't build its budget by starting with last month's dining-out total and adding 10%. They start with the mortgage, then insurance, then groceries. Restaurants only make the budget after every essential is covered. That is the difference between incremental budgeting and ZBB.

ASSIGNING ORGANIZATIONAL RESPONSIBILITIES FOR ZBB

The organizational structure of the ZBB process is as important as the analytical content of the packages themselves. This includes decisions such as where decision packages are developed, how rankings are consolidated, and where funding decisions are made. Poor organizational design produces either unmanageable volume or insufficient analytical depth.

Where to Develop Decision Packages

Decision packages should be formulated at the organizational level where managers have detailed operational knowledge and direct responsibility for the activities being analyzed. In a local government context, this typically means:

- Division or program level for large departments (e.g., within Public Works: road maintenance, fleet management, stormwater, facilities maintenance as separate decision units).
- Department level for small departments where the entire operation functions as a single unit (e.g., a small planning department with fewer than ten employees).

- Service or activity level for functions that cross departmental boundaries (e.g. emergency response, cybersecurity).

Four factors determine the right level: (1) the size of the operation, because small units cannot meaningfully be subdivided; (2) the availability of genuine alternatives at that level; (3) the organizational level at which meaningful funding decisions can actually be made; and (4) available time and analytical capacity, particularly in Year 1.

ADDRESSING COMMON PROBLEMS IN DECISION PACKAGE FORMULATION

Six common problems arise during package formulation. Each has a practical solution:

- Determining which activities warrant separate packages. This is a judgment call that depends on the size and complexity of each operation. Small units (five or fewer employees) may warrant a single package for the entire function. Larger units should be broken into discrete sub-functions, each with its own package. The key tests: can higher management make meaningful funding decisions at this level of detail, and can the activity be described in terms of meaningful output at this level?
- Setting the minimum level of effort. For a variety of reasons, managers will resist identifying a minimum below their current operating level. However, unless workloads have increased significantly and recently, claims that the minimum level cannot be below the current level are generally not credible. This is particularly true for any function that has implemented new automation technologies or added new staff in recent years. In the experience of ZBB innovator Peter Pyhrr, the minimum level was typically set at 50 to 70 percent of the current operating level. More recent experience in government ZBB settings has found that functions should either be discontinued, consolidated, or set at 65%-80% as a minimum operating level. This does not mean the minimum will be funded. Rather, management needs to see what a reduced-but-functional operation looks like in order to make informed trade-offs.
- Protecting headcount at the expense of effectiveness. Managers naturally protect their people. But a minimum level that keeps all personnel while cutting operating expenses often produces a worse outcome. For example, a maintenance worker without adequate materials and supplies loses effectiveness. The minimum should reflect the optimal mix of people and operating resources, not simply the current headcount minus dollars.
- Identifying meaningful performance measures. For many government activities, meaningful work measures are difficult to identify, and historical data metrics are often missing. The absence of work measures on any package should be treated as an automatic red flag. The identification of meaningful measures during ZBB should initiate the development of performance tracking that persists beyond the budget cycle.
- Cost overestimation. There is a definite tendency for managers to overestimate costs to allow leeway. Any overcosting promotes loose budgets and reduces the number of packages that can be approved within expenditure guidelines. The ZBB Task Force should establish cost validation procedures and audit a sample of packages for cost accuracy.
- Neglecting cost reduction opportunities within high-priority activities. High-priority programs still have opportunities for efficiency gains. The search for these reductions must be explicitly required: managers should not assume that a high ranking exempts their program from efficiency analysis. For example, one jurisdiction reviewed by Florida DOGE provided taxpayer-funded SUVs not only to law enforcement officers, but to all civilian staff whose responsibilities included, in any part, visits to crime scenes. This included public affairs personnel, some of whom used the vehicles for official visits only 4-6 times per month: an expensive use case, and one far removed from the core law enforcement function.

Chapter 9: Phase 4 — Ranking and Prioritization (Months 4–5)

With justification packages in hand, the governing body must now rank programs in order of priority. This is the step that transforms analysis into decision-making. A standardized scoring rubric ensures that ranking is based on objective criteria, not political relationships or bureaucratic momentum.

THE SCORING RUBRIC

Every program is scored across five dimensions. Each dimension is weighted to reflect its importance in relation to the jurisdiction's priorities. The rubric provided in Appendix C can be customized, but the five dimensions should remain constant.

DIMENSION	WEIGHT	WHAT IT MEASURES
Necessity	25%	Is this a core government function and/or is it required in its current form by one of the following: the state constitution, state statute, local charter, or federal law?
Community Impact	25%	How many residents does this program serve, and how directly? Public safety scores highest.
Performance Results	20%	Is this program meeting its measurable outcomes? Programs with no measures score zero.
Cost-Effectiveness	15%	What is the cost per unit of outcome? How does it compare to alternatives or peer jurisdictions?
Strategic Alignment	15%	Does this program align with the governing body's adopted priorities and the community's stated needs?

KEY ACTIONS

- Apply the standardized scoring rubric to every decision unit.
- Present the ranked list to the governing body in a public session.
- Identify the funding line: programs above the line are funded; programs below must make the case for restoration or be eliminated.
- Use the Priority Stack framework to ensure Tier 1 services are funded before any Tier 3 or 4 programs.

THE CONSOLIDATION HIERARCHY

Once decision packages are developed at the operating level, they must be ranked and consolidated upward through the organization until a final consolidated ranking reaches the governing body. The consolidation hierarchy should generally follow the existing organizational structure: department heads consolidate their division rankings, the budget office consolidates department rankings, and the chief executive presents the consolidated ranking to the commission or council.

However, cross-organizational rankings can be valuable when similar functions exist across multiple departments. At Texas Instruments, computer operations packages from all divisions were ranked together to establish corporate-wide IT priorities. In a local government, this principle applies to functions like communications staff scattered across departments, IT systems maintained by individual agencies, or grant programs administered by multiple offices. The operational deep dives in Part IV of this handbook into areas such as legal spending, communications, and grants help illustrate areas where cross-organizational ranking adds the most value.

MANAGING VOLUME: THE CUTOFF METHOD

Large jurisdictions will generate hundreds or thousands of decision packages. Reviewing and ranking every package at every consolidation level is neither feasible nor necessary. Pyhrr developed the "cutoff expenditure level" method to solve this problem, and it remains the most practical approach for large organizations:

- At the lowest budgeted unit: managers rank ALL of their packages.
- At each successive consolidation level: a cutoff percentage is established (for example, 70 percent of the current budget level – this can also be set in absolute budget terms). Importantly, the cutoff level should generally not be expressed as a specific number of decision packages because of the uncertainty of how large each package is – something that can vary widely. Packages that fall within the cutoff are listed and briefly reviewed but not individually re-ranked. Only packages below the cutoff, which are the discretionary and marginal activities, need to be actively ranked and evaluated at the consolidation level.

  It is important that the packages that are within the cutoff be listed and included to give management a sense of the entire body of work and operations of the organization, as well as to satisfy all stakeholders that the ZBB includes a review of all meaningful alternatives, cost reduction opportunities, and possibilities for improving effectiveness and efficiency. A high-level review of these packages, however, takes much less time in management review than a full-scale ranking process.

  Note that the number of packages to be reviewed will increase at each successively higher organization level. So, the cutoff expenditure levels will likely need to increase at each higher level as well.
- At the top level: the governing body reviews consolidated rankings and establishes the funding cutoff for each major organizational unit. Packages above the line are funded; packages below it are not.

This method ensures that top management's time is spent on the decisions that matter most. These discretionary trade-offs at the margin are where time and energy are best spent, not on reconfirming that police and fire services should be funded. It also prevents the common failure mode where elected officials become overwhelmed by volume and default to incremental decision-making.

One important lesson from Georgia's experience with zero-based budgeting: cutoff levels must not be confused with minimum effort levels. A 70 percent cutoff at the consolidation level means that packages within 70 percent of the current budget are not re-ranked at that level. It does not mean that every activity must identify a minimum at 70 percent or below. Conflating these two concepts caused significant confusion in Georgia's first year.

THE RANKING COMMITTEE

At higher consolidation levels, rankings should be performed by a committee rather than an individual, because the expertise required to evaluate diverse packages is best obtained from multiple perspectives. Pyhrr documented three voting mechanisms that have been used successfully:

- Single-scale voting. Each committee member assigns a priority score (e.g., 1 to 6) to each package. Scores are summed to produce the ranking. This is the simplest method and works well for subjective overhead and service activities. Practical tip: use an even-numbered scale (6 or 10 points) rather than odd. Why? Odd scales allow committee members to avoid decisions by voting for the middle number on most packages.

- Multi-criteria voting. Each member scores packages on several weighted criteria — for example: legal or operating requirement (weight: 40%), impact or leverage (weight: 30%), risk of not funding (weight: 30%). This method produces more defensible rankings for politically sensitive decisions.
- Combination approach. Use single-scale voting for initial ranking of all packages, then apply multi-criteria analysis to packages in the "decision zone" around the anticipated funding cutoff. This focuses analytical effort where it matters most.

In the early application of ZBB at Texas Instruments, the final ranking committee reviewed approximately 300 packages over two days. Members received ranking materials in advance. Each department was allotted presentation time proportional to its number of packages. After all presentations, a consolidated ranking was produced based on total votes, then the committee reconvened to review the results, discuss disagreements, and finalize the ranking. This same procedure of: 1) advanced preparation; 2) structured presentations; 3) voting; 4) consolidation; and 5) review session; is directly applicable to a county commission or city council ZBB process.

- Use the Priority Stack framework to ensure Tier 1 services are funded before any Tier 3 or Tier 4 programs.

THE IMPORTANCE OF DESIGN

Peter Pyhrr identified "effective design of the system" as one of the three critical make-or-break elements to succeeding with ZBB, and subsequent experience bears out this insight. Here, this means designing the system to meet the needs of the local government, rather than taking a one-size-fits-all approach. The depth of analysis, the number of consolidation levels, and the mechanics of ranking should all be tailored to the jurisdiction's size and organizational structure. Of equal import is to make the decision package format one that matches with your local government's management capacity. If decisions are presented in a way that prevents answers from being made – or seems to require a consultant or outside expert to make them – the complexity likely needs to be simplified.

SIMPLIFYING THE RANKING PROCESS

The ranking process is where ZBB encounters the most psychological resistance. Managers accustomed to incremental budgeting have never been asked to explicitly prioritize their activities against each other. Two practical principles reduce this friction:

- Do not waste resources in ranking high-priority packages. Packages that are clearly essential and well within expenditure guidelines need not be agonized over. The analytical effort should concentrate on discretionary functions and on the levels of effort where genuine trade-offs exist.
- Do not over-refine adjacent rankings. It is not important whether package 4 is ranked above or below package 5. What matters is that packages 4 and 5 are both ranked above package 15, and package 15 is above package 25. Broad ordering is more important than precise sequencing.

EVALUATING DIVERGENT PROGRAMS AND ACTIVITIES

Senior-level managers and executives often worry at the outset that it will be difficult to compare and rank dissimilar functions, particularly when those determinations seem to be subjective. However, those who have engaged in zero-based budgeting have found that their comfort level quickly grows after reviewing a set of decision packages. When decision-makers become familiar with the specific trade-offs and accept that ranking and making trade-offs among priorities is a necessity, most find that the process becomes straightforward, even natural.

Chapter 10: Phase 5 — Budget Assembly and Public Review (Months 5–6)

The ranked program list now becomes the basis for the proposed budget. This is the phase where ZBB results are integrated with the annual budget process and presented to the public.

KEY ACTIONS

- Assemble the proposed budget using ZBB rankings as the primary allocation framework.
- Prepare a side-by-side comparison: the ZBB-informed budget versus what the budget would look like under incremental assumptions.
- Highlight key opportunities that ZBB has surfaced.
  - Where lowering goals can lead to outsized savings.
  - Where current costs depend heavily on the ineffectiveness or inefficiency of current activities.
  - Where programs can be eliminated altogether to permit the funding of new activities that constituents highly desire, or to permit the return of funds to their proper owners, the taxpayers.
  - Where new goals can be achieved efficiently through extensions of current programs.
  - Where programs are failing to achieve their goals and additional effort cannot reasonably be expected to change this result.
- Publish ZBB results, including program rankings, justification summaries, and recommended eliminations, 30 days before budget adoption to allow public review.
- Consider allowing public comments online and using AI tools to analyze, summarize, and consolidate those comments for both management and public review.
- Hold at least one dedicated public hearing on ZBB findings, separate from the TRIM hearings.
- Present the millage rate implications of ZBB findings at the TRIM hearing.

Chapter 11: Phase 6 — Implementation and Monitoring (Ongoing)

Adopting a ZBB-informed budget is not the finish line; it is the starting line. Without ongoing monitoring, programs that were restructured or reduced will drift back toward their pre-ZBB spending levels. Monitoring must be systematic, public, and consequential.

KEY ACTIONS

- Establish quarterly performance reporting for all programs reviewed under ZBB.
- Conduct a mid-year checkpoint comparing actual spending to ZBB-approved levels.
- Create a public "Savings Dashboard" on the jurisdiction's website showing ZBB results: programs eliminated, programs restructured, dollars saved, and millage impact.
- Require department heads to explain any variance greater than 5% from ZBB-approved levels.
- Report on ZBB outcomes to the governing body in public session at least twice per year.
- Track all reorganizations and require post-reorganization FTE reductions within 12 months. The goal should be to avoid reorganizations that increase headcount, or derail organizations from their activities without corresponding efficiency benefits.

DYNAMIC PROCESS MANAGEMENT: ADAPTING ZBB TO CHANGE

A budget is a plan, and plans change. One of ZBB's most significant advantages over incremental budgeting is its built-in capacity to adapt to changing circumstances without recycling the entire budget. ZBB experts have identified four specific capabilities:

- Decision packages can be modified or deleted without upsetting other packages or rankings.
- New packages for emerging programs or activities can be added at any time and slotted into their appropriate position in the ranking.
- Rankings can be revised with changing priorities without rebuilding the entire analysis.
- Top management can revise funding levels either up or down by moving the cutoff line on the ranking without recycling budget inputs from every department.

This last capability is particularly valuable for local governments in Florida (and elsewhere), which face revenue volatility from property values, tourism taxes, and state shared revenues. If mid-year revenues fall short, the ranked list provides an immediate, pre-analyzed guide to which activities should be reduced first. If revenues exceed projections, the ranked list identifies which unfunded packages should be restored first. This eliminates the "across-the-board cut," which may be the easiest form of fiscal management, but is also often the most destructive.

Rebudgeting During the Operating Year

Major changes in operating conditions during the fiscal year may require formal rebudgeting. These are events such as a hurricane, a revenue shortfall, or a federal funding change. Under ZBB, the rebudgeting procedure is straightforward: revise the planning assumptions, identify which decision packages are affected, prepare revised or new packages as needed, and re-rank the affected packages within the existing ranking framework. This is faster and more targeted than traditional budget amendments because the analytical foundation already exists.

Variable Budgeting Integration

For activities where costs vary directly with workload (e.g., building inspections, permit processing, utility billing), ZBB decision packages can incorporate variable budgeting formulas. The package identifies the cost-per-unit relationship, and actual budgets adjust as workload changes. This integration allows the jurisdiction to maintain budgetary control without constantly revising fixed budget allocations for demand-driven services.

Impact on Performance Accountability

Each approved decision package constitutes a commitment by the responsible manager to deliver specific results at a specific cost. This creates a natural foundation for performance accountability that extends beyond the budget cycle. Managers can be measured against the goals, performance standards, and resource commitments they identified in their own packages. The quarterly performance reporting established in Phase 6 should reference the specific commitments made in each department's approved decision packages.

Impact on Operational Auditing

ZBB enhances operational auditing by providing a documented baseline of what each activity is committed to accomplish and at what cost. At many companies utilizing ZBB, operational reviews begin with a review of approved packages, then proceed with status reports on actual results versus commitments, problems encountered, corrective actions taken, new programs initiated, and unanticipated environmental changes. This approach of auditing against specific commitments rather than against arbitrary benchmarks produces more actionable findings and stronger accountability.

Chapter 12: Phase 7 — Institutionalization (Year 2 and Beyond)

The ultimate goal of ZBB is not just a single year of reform; it is a permanent change in institutional culture. ZBB must be embedded in the jurisdiction's governance framework so thoroughly that it survives changes in elected leadership and staff turnover.

KEY ACTIONS

- Transition to rotating reviews: 20–25% of all programs undergo full ZBB review each year, ensuring complete coverage every four years.
- Adopt sunset clauses for all new discretionary programs: every new program authorized after ZBB adoption must include a three-year expiration date requiring full ZBB justification for renewal.
- Publish an annual ZBB Report Card, grading each department on its justification quality, performance measurement, and cost-effectiveness.
- Codify ZBB requirements in local ordinance to ensure permanence beyond any single elected official's tenure.
- Train incoming elected officials and new department heads on ZBB methodology during orientation.
- Require voter approval for any new dedicated funding mandates (such as Art in Public Places set-asides) that bypass ZBB review.

THE SUNSET CLOCK

Every discretionary program should carry a visible "Sunset Clock: a green/yellow/red indicator showing when its authorization expires.

GREEN	YELLOW	RED
YEAR 1 & YEAR 2	YEAR 3	YEAR 4
• Program recently justified. • Operating within approved parameters.	• Review approaching. • Department should monitor metrics and prepare justification package.	• Full ZBB review required before reauthorization. • Program funding lapses if not rejustified.

The Kitchen Table Test: Every homeowner knows there comes a time when you must stop coating over old paint. Twenty layers of cracking, peeling paint do not need another coat, but to be stripped to bare wood and properly refinished. That is what ZBB does for your budget.

INTEGRATING ZBB INTO THE TOTAL MANAGEMENT PROCESS

ZBB is more than a budgeting technique. Properly implemented, it becomes an operating tool that affects staffing, organizational structure, performance management, and institutional accountability. Pyhrr described this as ZBB's capacity to "go beyond the limited boundaries of budgeting to provide management with an operating tool to adjust the organization to meet the needs and demands of its environment."

Impact on Organizational Structure

The ZBB process requires management to evaluate its organizational structure and identify interrelationships among activities and organizational units. It readily identifies overhead costs and operating problems associated with excessively broad or deep organizational structures. In practice, ZBB often leads to organizational streamlining, not because the process mandates it, but because the evaluation of administrative overhead costs versus direct service delivery costs makes structural inefficiency visible.

Impact on Staffing

Staffing needs under ZBB are determined by the summation of approved decision packages, not by historical headcount. Each package identifies the type and number of people required and their general duties. This provides the personnel function with a rigorous basis for determining hiring needs, establishing manpower inventories, and maintaining accurate job descriptions. More importantly, packages for current operations that are ranked below the funding cutoff signal positions that should be eliminated through attrition or redeployment, while packages for new high-priority activities that are ranked above the cutoff signal positions that must be filled. The ZBB ranking is, in effect, a workforce plan.

Impact on Performance Management and Institutional Accountability

ZBB enhances accountability, as departments must demonstrate how proposed expenditures contribute to key performance indicators, efficiency gains, or innovation. Traditional input- or activity-based measures such as hours worked or dollars spent may need to be replaced or supplemented by more rigorous and results-oriented measures that may change year-to-year based on the program justifications and priorities. New measures and scoring systems may need to be created.

ZBB facilitates better resource allocation to high-impact activities, eliminating waste and promoting a results-oriented culture. Performance management benefits from tighter integration with budgeting, enabling more objective evaluations and data-driven decisions. This may require changing processes for reviewing performance, using quarterly timelines instead of annual or semi-annual, and focusing reviews on outcome-oriented deliverables.

THE YEAR-OVER-YEAR LEARNING CURVE

Every organization that has implemented ZBB reports significant improvement in the quality and efficiency of the process from Year 1 to Year 2. This improvement is not automatic: it requires a deliberate post-implementation review. After the first ZBB cycle is complete, the Task Force should conduct a formal critique addressing:

- Were planning assumptions adequate and timely? If not, what specific assumptions were missing or inaccurate?
- Did decision packages accurately reflect the choices available? Were the minimum levels realistic? Were alternatives genuinely evaluated or treated as a formality?
- Did the ranking process produce defensible results? Were the right people involved? Did volume overwhelm the process?
- Were the final funding decisions informed by the analysis, or did the process degenerate into political negotiation despite the analytical framework?
- What specific improvements should be made to forms, procedures, training, and timeline for Year 2?

Georgia's formal critique after its first year of ZBB identified specific improvements in every area — from package format to computer systems to the review process by senior officials. The state's recommendation was to maintain the basic ZBB structure with targeted refinements, not to abandon or fundamentally redesign the process. This is the expected pattern. Year 1 will be imperfect. The goal is a foundation that improves with each cycle, not immediate perfection.

Chapter 13: Beyond Phase 7 - Including Capital Projects in ZBB

Not only is capital spending among the most significant portion of local government budgets, but many capital projects create ongoing requirements to hire personnel, subsidize operations, license IT systems, engage in maintenance, supply security services, and other recurring costs. Once the decision to incur the capital expense is made, these downstream costs become treated as baseline obligations, not as decisions that require fresh justification. So, a zero-based budgeting approach to capital projects requires taking into account these costs and asking whether the city or county will be able to afford them, and how. We call this "Tomorrow's Bill Test": before any capital project is approved, the jurisdiction must demonstrate – in writing, with identified funding sources – that it can pay the recurring bills the project will generate, not just the construction tab. If a project passes the capital budget screen but fails the operating budget screen, it should not proceed until the operating gap is closed.

How does this work?

THE AFFORDABILITY GATE

Before a capital project advances to detailed design and decision-packaging, it must first pass a threshold fiscal test. The local government unit should calculate the project's total annual carrying cost – debt service, operations, maintenance, and replacement reserves –and express it as a percentage of the jurisdiction's unrestricted general revenue, as well as the annual cost of the program or function for which it is being adopted. The local government should then adopt a tolerance threshold, such that any project with an annual carrying cost exceeding that level, should require additional procedures for public discussion and/or approval.

As a general rule of thumb, a total annual carrying cost that exceeds 1% of unrestricted general revenue, total capital-driven carrying costs above 10% of general revenue, or 25% of the annual cost of a program or function (for example, a new park complex whose costs would exceed 25% of the existing annual park costs), can be a starting point for establishing thresholds. Enhanced procedures could include higher voting requirements (such as a super-majority) for governing-body approval and a fiscal impact statement published prior to public debate demonstrating how the costs will be absorbed without degrading existing services. Such tests are not prohibitions, but are intended to ensure large commitments receive careful scrutiny before detailed planning dollars are spent and before jurisdictions are committed to enlarged baseline budget burdens in perpetuity.

Step 1: In Designing The Capital Project, Estimate Full Lifecycle Costs, Including Operating Costs

Start by clearly outlining the project's scope, objectives, and alignment with statutory responsibilities or community needs, and identify the activities that are expected to take place. Include as an objective a stated annual cost burden that is consistent with the available budget, with an identified source for those annual expenses under a range of revenue scenarios. Cost calculations should include all of the following.

Initial Capital Outlays: One-time expenses like design, construction, and equipment acquisition.

Debt Service: If the project is financed, the full cost of borrowing must be stated alongside the capital figure. For example, a $100 million project financed over 25 years at 5% will cost approximately $160 million in total debt service. The debt service figure, not the sticker price, is the relevant number for fiscal planning purposes.

Ongoing O&M Costs: Recurring expenses post-completion, such as personnel salaries, utilities, maintenance, contracts, insurance, supplies, and support for any one-time activities or events that the facility will enable. Estimate these over a multi-year horizon (e.g., 5-10 years) using historical data and unit costs (e.g., cost per square foot for facility maintenance). Make sure inflation is accounted for in these costs.

Replacement and Major Repair Reserve: Capital assets deteriorate. The lifecycle cost estimate should include an annual reserve contribution sufficient to fund major component replacement (roofing, HVAC systems, paving, fleet replacement) without requiring a future capital appropriation that has not been planned for. A common benchmark is 1.5-2.5% of replacement value annually, adjusted for asset type and expected useful life.

Revenue Projections: Assess if the project will generate revenues. This can include rental fees or ticket sales, user fees, advertising sales, etc. The difference between such revenues and the ongoing costs will define the operating subsidies the project will require.

Step 2: Develop Decision Packages That Establish Future Operating Subsidies As A Key Decision Criterion

As with other ZBB activities, organize the project into "decision units" for aspects of the project's scope and design (e.g., whether a new park should include pickleball courts) and create decision packages – discrete bundles of activities, costs, and outcomes. Each package must justify the entire expense from zero, including operating subsidies and other ongoing expenses.

Proper planning for a capital project like this involves adjusting requirements, designs, and capabilities not only to minimize capital costs, but to fit future operating budgets. Calculate the net subsidy required from general revenue by subtracting projected revenues from total lifecycle costs.

Package Structure:

Base Level: Minimum viable operations. A facility designed to provide the bare essentials to meet the purpose of the project as well as legal and safety mandates. This would focus on compliance and basic functionality, with few add-ons such as extended hours or aesthetic upgrades. For example, an office building might fund only core administrative spaces for required departments, plan to operate only during business hours, and be designed for basic comfort standards.

Standard Operations Level: A facility designed to maintain the status quo and provide reliable, everyday functionality. This might include additional public spaces for meetings, capacity for future expansions, or advanced energy features that meet policy objectives but incur ongoing maintenance or other operating costs. For example, an office building might include space for community meetings after hours, likely adding to security and energy costs but creating additional community benefits.

Enhanced Level: Expanded features that may require higher subsidies and therefore strong justification. This might include extras such as aesthetically pleasing or architect-driven designs, street-level retail, and integrated electric generation capacity to enable usage as a shelter in the event of a power outage or hurricane. Such features may add both costs and potential revenues (or offset costs elsewhere), making rigorous assessment and scenario evaluation a necessity.

In the ZBB framework, each of these decision packages will need to detail not only the extent of ongoing costs but also how they will be funded. If new revenues, or other dedicated sources such as tourist development taxes fall short, justifications need to quantify the general revenue subsidy that will be needed and identify the programs that will go unfunded if overall revenues remain flat.

Step 3: Analyze Alternatives And Rank Packages

Before evaluating the decision packages, establish a "Do Nothing" baseline. What happens if the project is not built at all? In some cases, the Do-Nothing option carries real costs – deferred maintenance that compounds, safety risks, or lost revenue from an aging facility. In other cases, the Do-Nothing option is perfectly viable, and the capital project is discretionary. Either way, making the Do-Nothing baseline explicit forces a jurisdiction to articulate why spending is preferable to not spending, which is the foundational question ZBB exists to ask.

Ensure Consideration of Best Alternatives in Each Package: Before a decision is made, the packages should be evaluated for efficiency, necessity, and to consider alternatives that could improve the choices being made. This includes options such as:

- Public-private operating partnerships that reduce the operating burden
- Energy-efficient designs that trade higher upfront capital costs for reduced utility costs
- Leasing or renovating existing facilities rather than building new
- Contracting for services that would otherwise require new permanent staff

Alternative Delivery Analysis: Where a project involves ongoing service delivery (not just a physical asset), the analysis should compare delivery models – direct public operation, contracted operation, public-private partnership, or lease arrangement – and select the model with the lowest verified lifecycle costs, not merely the lowest construction cost.

Risk Assessment: Consider uncertainties like rising energy costs or revenue shortfalls, and model scenarios. At minimum, three scenarios should be evaluated: a baseline projection using conservative assumptions, an optimistic scenario, and a stress scenario reflecting a 15-20% decline in projected revenues. The stress scenario is particularly important because capital commitments are difficult to reverse once made, and the operating obligations they create will persist through economic downturns.

Ranking Process: The more that significant operating subsidies are anticipated as a possibility, the greater the need for wider input into the decision-making process. This may involve organization-wide rankings that assess the potential impacts on other activities of future subsidies. Where a project requires ongoing general revenue subsidy, the ranking submission should name the specific existing programs or positions that will be reduced or eliminated to fund that subsidy if revenues remain flat. Vague references to "efficiency gains" or "anticipated growth" are not acceptable substitutes for identified offsets. High-value and high-subsidy projects should be determined by executive review and with public input, with the potential tradeoffs and revenue needs clearly set forth. ZBB also emphasizes transparency in the alignment of projects and rankings with strategic plans and other jurisdictional priorities.

Step 4: Overall Budget Integration And Monitoring

Budget Integration: Although many smaller capital projects are approved as part of the annual budget cycle, major projects may be approved out-of-cycle. Regardless, expected future operating subsidies should be integrated into the budget immediately by designating and noting which current expenditures will be reduced or discontinued to provide for the expected future subsidies. This creates ongoing awareness of the tradeoffs and a warning that current spending priorities will be shifted in accordance with the priorities set to support capital programs.

Monitoring: Post-completion, track actual vs. projected performance metrics, including operating subsidies. Annual reporting on the performance of all such projects will assist future forecasting and decision-making. As with other performance measures, these should have meaning for a city's residents: "Twelve new businesses opened within a four-block radius" is a measurable outcome for aesthetic improvements to the downtown business district. "Increased sense of civic pride" is not.

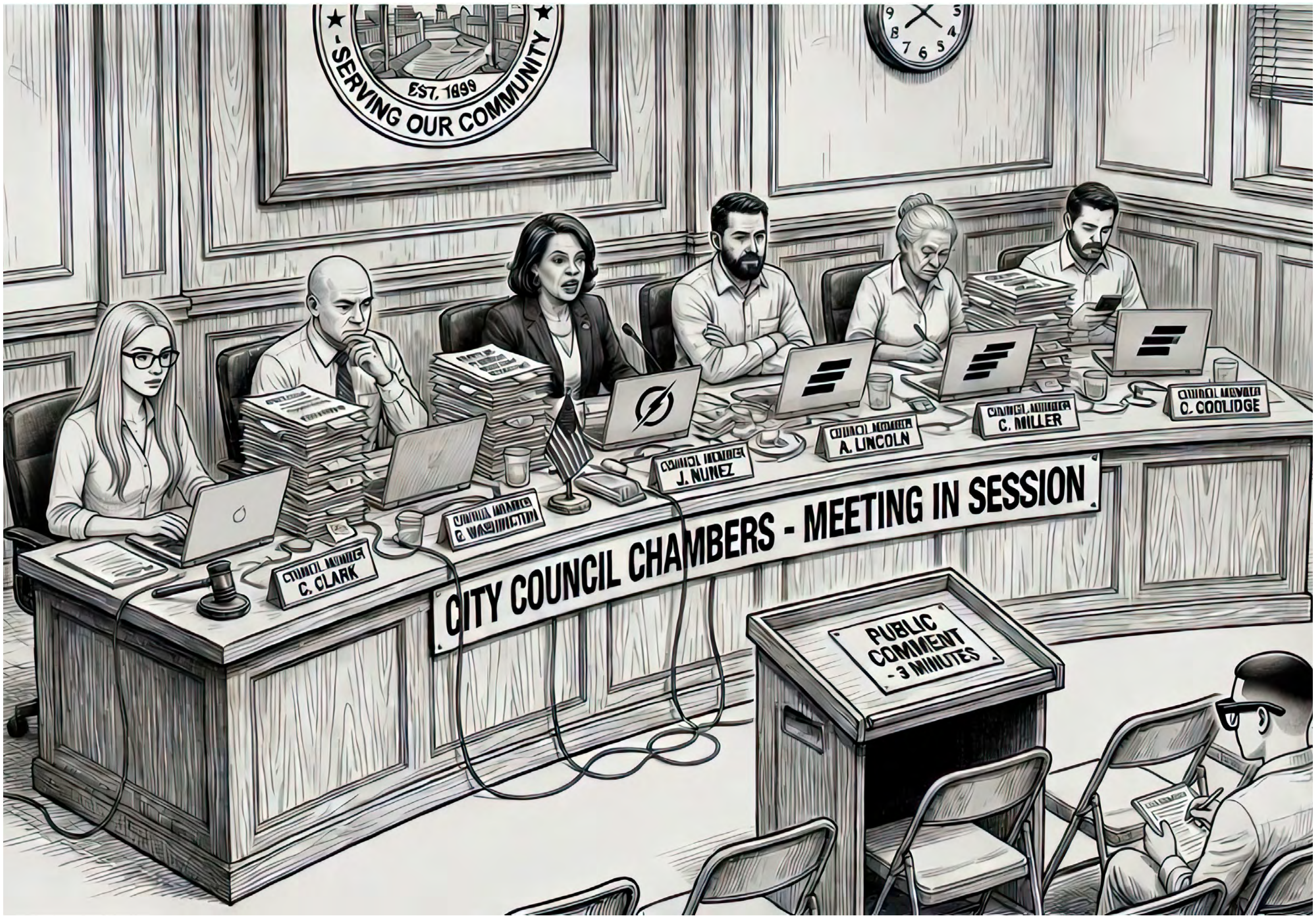
THE COST OVERRUN RE-JUSTIFICATION RULE

Responsible decision making is not the end for multi-year projects. Capital projects frequently exceed their approved budgets. When they do, the additional spending is typically treated as an incremental decision – “we have already spent X, so we must spend the additional Y to finish.” This is a textbook sunk-cost fallacy, and it is precisely the kind of reasoning ZBB is designed to interrupt.

Any capital project that exceeds its approved total project cost by 15% or more should be required to undergo a re-justification review before additional funds are appropriated. The review should answer four questions:

1. Would this project be approved today at the revised cost, against the current set of competing priorities?
2. Do the revised lifecycle operating costs still pass the Affordability Gate?
3. Can the project be descoped to a lower decision package level that fits within or closer to the original budget?
4. Is termination or suspension less costly than completion, setting aside money already spent?

The point is not that overrun projects must always be cancelled. It is that the decision to continue must be made with the same rigor as the original decision to begin, rather than treated as a foregone conclusion simply because money has already been spent.



PART III
SOME SPECIFIC ZERO-BASED BUDGETING APPLICATIONS

Chapter 14: Legal Spending — A Tricky Analysis

Most local governments employ a mix of means to tackle their legal needs: lawyers assigned to individual departments, an office for a general counsel or similar central legal entity, and then outside counsel. Top executives and elected officials alike are reluctant to question legal spending, because if reduced legal staffing will increase litigation exposure, the effect is personal: public officials who may be named as defendants in lawsuits are not inclined to elevate that risk. This dynamic gives legal departments budget protection that no other department enjoys.

Florida DOGE's review of local government legal spending identified several key considerations for use in zero-based budgeting. As foreshadowed above, one is fragmentation: legal expertise that is housed separately in central offices and agency-embedded lawyers sometimes is not leveraged efficiently, and can lead to an excessive amount of retention of outside counsel. Another is the complete substitution of outside attorney expertise for in-house counsel. Although it can be painful for a city manager or county administrator to hire an in-house attorney at a salary eclipsing his own, if outside counsel expenses are running multiples of an FTE cost on a regular basis, that reliance may be in error. And while the absence of hourly billing is a key attraction of government legal practice, it is important to have performance measures for government counsel in order to be able to make wise decisions about what the legal needs of a government really are. The table below shows possible performance measures.

ZBB LEGAL PERFORMANCE MEASURES

MEASURE	WHAT IT TRACKS	BENCHMARK
Cost per legal matter	Total legal spend ÷ number of active matters	Peer Florida counties by population
Outside counsel cost per engagement	Total outside fees ÷ number of engagements	Market rates; peer jurisdictions
Settlement-to-exposure ratio	Actual settlements ÷ pre-litigation estimates	5-year internal trend; insurer benchmarks
Average time to resolution	Days from opening to disposition	State court processing reports
In-house vs. outside cost ratio	% of work done in-house vs. outsourced	Target: 70–80% in-house for routine
Attorney utilization	Productive hours ÷ available hours	Industry standard: 1,700–1,900 hours/year
Litigation avoidance	Matters resolved pre-litigation ÷ total	Internal trend; risk management data
Cost per FTE	Total legal spend ÷ legal FTEs	Peer county comparison

THE ZBB PROCESS FOR LEGAL SPENDING

- **Step 1: Legal Spending Inventory.** Assemble all legal costs: in-house staff, outside counsel by firm, settlements, insurance, and legal technology. Include all positions added in the last three fiscal years, with the justification for each.
- **Step 2: Performance Measures.** Establish the eight performance measures above. A legal department needs to be able to demonstrate its performance to forecast its needs and explain its spending to taxpayers.
- **Step 3: Justification Gauntlet.** Run each category through the Five Questions. Every attorney position and every legal service contract should earn its place. Outside counsel engagements should be planned for in the budget, but when they occur, should be treated like capital expenses.
- **Step 4: Legal Spending Report Card.** Annually present total legal spending, performance against all eight measures, peer comparison, and risk trend assessment in a public session.

DETAILED WALKTHROUGH

The legal spending inventory must capture costs scattered across the budget. Begin by consolidating all the following into a single analysis:

- County/City Attorney's office personnel costs (salaries, benefits, overtime), including all positions added in the last three fiscal years, with the justification for each addition
- Outside counsel fees by engagement, matter type, law firm, and total spend per firm over the last three years. Flag any firm receiving more than double the average cost of an internal legal FTE annually.
- Settlement and judgment payments: current year total, five-year trend, and the ten largest individual settlements. Identify the categories that generate recurring claims (employment, slip-and-fall, code enforcement, use-of-force).
- Legal technology subscriptions (Westlaw, LexisNexis, case management). Conduct a utilization audit: how many licensed users actually log in?
- Risk management and insurance premiums. Request the insurer's assessment of the jurisdiction's risk profile trend.
- Legal costs buried in other departments, such as attorneys and legal advisors employed outside the county attorney's office.

Apply the Gauntlet to each category.

In-house positions: What is the ongoing workload? Under ZBB, every position starts unjustified and must earn its place through demonstrated caseload and outcome measures.

Outside counsel: Was each engagement competitively procured? Is the hourly rate benchmarked? Is there a cap on total fees? Was there an evaluation of whether the procurement was the necessary and efficient way to go?

Settlements: What is the five-year trend? Can recurring claim types be addressed at the policy level to better manage risk?

Chapter 15: Communications Activities

What was once a single public information officer has grown into large multi-staff departments with social media teams, video production units, graphic designers, and brand strategists. The question ZBB asks is not whether communication matters, but whether the current investment is justified by measurable outcomes.

One private-sector ZBB assessment identified four different sub-organizations, each focused primarily on "brand and social media," and executives concluded they were redundant categories that should be consolidated with reduced headcounts and spending.

Florida DOGE's review identified three categories of common communications expenses, which can be ranked for ZBB purposes.

THE THREE-TIER CLASSIFICATION

- **Tier 1 — Mandatory:** Emergency call centers, emergency alerts, legally-required notices, public information law/sunshine compliance (agendas, minutes, public records), ADA-required materials. Funded at the required level.
- **Tier 2 — Core Informational:** The jurisdiction's website, utility billing communications, permit information, citizen contact centers, and meeting broadcasts. Must justify service level against cost per resident reached and response times.

- **Tier 3 — Promotional:** Social media campaigns, ceremonial events, video production beyond meetings, brand strategy, consultant-developed messaging. Last to be funded, first to be cut. Requires full ZBB justification every cycle.

COMMUNICATIONS PERFORMANCE MEASURES

MEASURE	STANDARD
Cost per resident reached	Total communications spend ÷ population. Compare to peer jurisdictions.
Channel effectiveness	Engagement metrics relative to cost per platform. A $150K/year social media account reaching 2,000 people costs $75/impression.
Mandatory vs. discretionary ratio	% of spending in Tier 1 vs. Tier 3. If Tier 3 exceeds Tier 1, priorities are inverted.
Consultant ROI	Deliverable, measurable outcome, competitive procurement status for every contract. Flag any renewed 3+ years without rebid.
Staff-to-population ratio	Total communications FTEs per 100,000 residents. Compare to peer jurisdictions.
Duplication audit	How many departments maintain their own communications staff? Can they be consolidated?

THE ZBB PROCESS FOR COMMUNICATIONS

As with legal spending, communications costs are distributed across the budget in ways that obscure their true scale. A complete inventory must capture the following:

- Central communications/public affairs office staff and operating costs.
- Departmental communications staff: public spokespeople, social media coordinators, and content creators embedded in individual departments outside the central office.
- External communications consultants and public relations firms. In some jurisdictions, Florida DOGE found these to be high-priced spending items.
- Video production and graphic design contracts.
- Social media management tools and platform subscriptions.
- Printing, mailing, and physical distribution costs.
- Community engagement events classified as “communications” rather than service delivery, such as events that serve the government’s message rather than the public’s need.
- Brand development, logo redesign, style guide creation, and related consulting.

Chapter 16: Grants and Community-Based Organization Funding

Many local governments find grants to community-based organizations (CBOs) to be difficult to cut. Every grant has a constituency. Every funded organization will appear at public hearings to advocate for continued funding. Many grants are justified by the claim that “if we don’t provide this grant, the government will have to take on the responsibility.” These dynamics mean that grants, once established, often tend to be budgeted from the established baseline, with the only possibility an increase (except, occasionally, in times of budgetary crisis or across-the-board cuts). ZBB demands that they be questioned on a number of dimensions: will this activity truly perish without government funding? Is this grant producing measurable results, or just the illusion of action?

THE ZBB GRANT STANDARD

Every grant must pass through the Justification Gauntlet. For each grant, the inventory must document: recipient name and mission, amount and duration of funding, what percentage of the organization's total revenue the grant represents, whether performance measures exist, executive compensation at the organization, and whether the grant was competitively awarded.

Minimum performance requirements:

- Number of individuals or households served
- Cost per person or household served
- Measurable outcome (not output): not "we held 12 workshops" but "85% of participants demonstrated improved [specific skill/condition]"
- Independent verification for grants exceeding $100,000

Any organization that cannot demonstrate measurable outcomes after receiving taxpayer funds for multiple years should not be a continued grant recipient. Whatever your jurisdiction thinks of grants to faith-based institutions, it should frown on faith-based grant renewals.

APPLYING THE GAUNTLET TO GRANTS

Each of the Five Questions applies specifically to grant spending:

- **Q1 — Legal mandate?** Is this organization's work legally mandated? If yes (e.g., Legal Aid funding required by statute), fund at the mandated level.
- **Q2 — Would you create it today?** If this grant did not exist, would you create it today? Many grants are to organizations that receive a great deal of funding from non-government sources – or would receive such funding if the public spigot were turned off. Likewise, many grants fund activities that made sense when created but no longer align with community needs. A grant addressing a problem that has been solved, or that was never solved despite years of funding, has not earned renewal.
- **Q3 — Performance measures?** Does this grant have performance measures? If no, issue a 90-day directive: establish measures or lose funding. And then, are those metrics being maintained and audited?
- **Q4 — Meeting targets?** Is the organization meeting its targets? If not, reduce or eliminate. No multi-year continuation of demonstrated non-performance.
- **Q5 — Cost-effective delivery?** Could the same outcome be achieved at lower cost through a different provider, consolidation, or direct government delivery? If the county funds three organizations providing job training in overlapping geographies, could one organization with a larger grant deliver better results?

THE REAL-WORLD LESSON

One county distributed $35 million annually to CBOs and nonprofits. Applying the standards described above, Florida DOGE's review recommended a 74% reduction, reducing this by more than $26 million. The review did not recommend eliminating all grants. It recommended eliminating grants without performance measures, serving narrow constituencies, or serving political rather than public purposes. Under ZBB, this analysis would occur every budget cycle, not once in a decade.

Chapter 17: Justifying the positions that make up an organization.

Personnel compensation makes up a large percentage of government agency spending. ZBB treats personnel costs like every other expenditure: what are the functions being performed, are they necessary, how many personnel are required to carry them out, and how much do those people cost?

THE POSITION JUSTIFICATION FRAMEWORK

CRITERION	WHAT MUST BE DEMONSTRATED
1. Mission Necessity	Is this position tied to a program that passed the Justification Gauntlet? If the program is eliminated, the position cannot be justified.
2. Workload Justification	Is the workload sufficient for this position at its current classification? What is the measurable output per FTE?
3. Compensation Benchmark	Is total compensation at, above, or below market for peer FL jurisdictions, the private sector, and state government? A 9% projected increase requires specific market data, not automatic approval.
4. Automation Potential	Could this position's functions be performed by technology, consolidated with another position, or outsourced at lower cost?

STAFFING RATIOS FOR BENCHMARKING

RATIO	PURPOSE
Total FTEs per 1,000 residents	Overall staffing relative to population
Sworn officers per 1,000 residents	Public safety staffing adequacy
Administrative FTEs per 1,000	Administrative overhead relative to population
Admin-to-frontline ratio	Proportion in admin/support vs. direct service
Average compensation per FTE	Total personnel cost ÷ total FTEs
Compensation growth rate vs. population + inflation	Whether per-employee costs outpace justified growth
Vacancy rate by department	Chronic vacancies may indicate unnecessary positions

THE HEADCOUNT REVIEW PROCESS

Step 1: Staffing Inventory (Month 1)

Build a comprehensive position inventory that goes beyond the HR system's organizational chart. The goal is to understand not just how many people are employed, but why each position exists and what it produces.

- Every authorized position (filled and vacant) by department, program, classification, and total compensation, including benefits.
- Vacancy duration for unfilled positions. Positions vacant for 12+ months are strong candidates for elimination. If the work has been getting done without the position, the position may not be necessary.
- Positions funded by grants or special revenue. When the revenue source expires, will the position be eliminated or shifted to the general fund?
- Overtime spending by department and position type.
- Contract and temporary staffing costs, which form a "hidden headcount."
- All positions added in the last three fiscal years, with the original justification and an assessment of whether that justification still holds.

Step 2: Ratio Analysis (Month 2)

Apply each staffing ratio in the table above and compare to 1) the organization's comparable ratios of the past: 3, 5, and 10 years ago; and 2) available ratios for peer cities or counties. A ratio that is significantly above peers, or above what was managed in the past, demands explanation. If a city has 25% more administrative FTEs per 1,000 residents than it did 10 years ago, that's a good sign that a hard look is needed to understand, and if necessary, justify the increase.

Step 3: Compensation Benchmarking (Month 2)

For each position classification, compare total compensation (salary + benefits) to available comparators, such as:

- Peer jurisdictions by population and budget size.
- Private sector equivalents, adjusted for benefits differential.
- State government equivalents, *i.e.*, positions performing similar functions at the state level, where total compensation data is publicly available.

EXECUTIVE COMPENSATION

Executive compensation sets the ceiling for the entire organization. In recent years, salaries for local government executives have increased by 50%, 60%, and even 70%. Under ZBB, every executive compensation package should be benchmarked against peer jurisdictions and private sector equivalents.

Private-sector benchmarking exercises often go awry, however, producing inflated salary comparisons. This happens when they overlook the asymmetries in risk, accountability, and economic incentives between corporate leaders and government leaders. Where compensation can be directly tied to generating profits or driving shareholder value, failure carries immediate personal and professional consequences.

Florida DOGE observed that local governments frequently commissioned external benchmarking efforts for public salaries, and these reviews often recommended that compensation be raised to the median level found in comparators. Notably, this tended to be a one-way recommendation: that salaries and benefits be raised for positions that fell below the median, but not that freezes or reductions be enacted where a local jurisdiction already paid above the median. Everywhere cannot be Lake Wobegon, and everyone cannot be paid at or above the average: this is a recipe for ever-escalating personnel expenses.

To be sure, local governments may wish to consider non-financial elements in their hiring and retention policies, rather than seeking to lower costs. For example, a city manager or other executive who has long-time roots in a community and plans to continue living locally is likely to bring benefits in terms of vision, perspective, and investment that is unavailable from someone from outside on a "career ladder" that will soon take him on to a larger, better-paying, or more prestigious job elsewhere. Even if there is increased cost – directly, or in the supporting services required – there is real value in having local governments that are managed by people who are neighbors, not just professionals.

THE FRONTLINE-FIRST PRINCIPLE

ZBB's Priority Stack applies to personnel. Frontline positions such as police officers, firefighters, utility workers, and road crews are the personnel equivalent of Tier 1. Administrative and support positions are Tiers 3 and 4. When headcount reductions are necessary, they come from the top of the organizational chart, not the bottom.

THE $270 MILLION QUESTION

A county with a $2.993 billion salary base projects a $270 million increase (9%) while facing a $387 million shortfall. Under incremental budgeting, these increases are treated as baseline assumptions. Under ZBB, they are treated as decisions requiring justification. The question is not "can we afford the raises?" The question is "can we justify the raises to taxpayers whose own incomes did not increase 9% this year?"

Chapter 18: Technology Modernization and the AI Opportunity

IT spending across Florida's nine largest cities grew at three times the rate of inflation without consistent evidence of value delivered. ZBB treats technology the same as any other category but with an important twist: technology is also the most powerful tool for reducing costs in every other category.

ZBB FOR IT SPENDING

- Complete software/systems inventory: every license, subscription, and cloud service by department, cost, and active users.
- Utilization audit: flag any system where fewer than 70% of licenses are actively used
- Vendor contract review: was it competitively procured within 3 years? Is the escalation clause justified? Is there a lock-in risk?
- Shadow IT audit: departments purchasing tools outside central procurement.

THE AI OPPORTUNITY

AI tools available today can perform tasks that currently consume significant staff time and budget resources. For ZBB, the key insight is that AI automates the routine, repetitive, and data-intensive work, freeing personnel for tasks requiring human judgment.[7]

FUNCTION	AI APPLICATION	ESTIMATED IMPACT	COMPLEXITY
Constituent Services & 311 Calls	AI chatbots for routine inquiries	40–60% reduction in routine call volume	Low
Document Review & Legal Research	AI document analysis; automated redaction	50–70% reduction in staff hours	Medium
Permitting & Code Enforcement	AI-assisted plan review; predictive inspection	30–50% reduction in review time	Medium
Budget Analysis & Forecasting	AI revenue forecasting; anomaly detection	More accurate forecasts; earlier variance detection	Low–Med
Human Resources	AI recruitment screening; payroll anomaly detection	30–40% reduction in HR processing time	Medium
Public Records Requests	AI search, retrieval, and redaction	60–80% reduction in staff hours per request	Low–Med
Fleet & Facilities	Predictive maintenance; route optimization	15–25% reduction in maintenance costs	Medium
Financial Auditing	AI anomaly detection; grant compliance	Continuous monitoring vs. periodic audits	Medium
Communications & Translations	AI content drafting; real-time translation	40–50% reduction in content production	Low
Meeting & Record Management	AI transcription and summarization	70–80% reduction in minutes prep time	Low

IMPLEMENTATION FRAMEWORK

- **Phase 1.** Month 1: Identify automation candidates using high-volume, rule-based criteria.
- **Phase 2.** Months 2–6: Pilot 1–2 applications (recommended: 311 chatbot + public records automation). Define baselines, set targets, 90-day checkpoint.
- **Phase 3.** Months 6–12: Scale successes. Redirect freed staff to frontline roles. Allow natural attrition where AI reduces the workload permanently.
- **Phase 4.** Year 2+: Annual ZBB review of all AI systems. It's time for the Sunset Clock: no automatic renewal without performance review.

7 National Association of State Chief Information Officers, State CIO Survey: AI Adoption in Government IT, 2025. See also: Deloitte Center for Government Insights, AI-Augmented Government: Using Cognitive Technologies to Redesign Public Sector Work, 2024.

POTENTIAL AI TRAINING OPPORTUNITIES

President Trump's National Policy Framework for Artificial Intelligence seeks to have American workers benefit from AI-driven growth, and not just the outputs of AI development. This applies equally to local government workers, who can acquire AI skills rather than relying on outsourcing the implementation of AI in the organization. This may include:

- AI literacy training for all employees: teaching staff to use AI tools for document drafting, data analysis, constituent communications, and routine task automation.
- Advanced AI training for IT, finance, and HR staff: building internal capacity to deploy, manage, and evaluate AI systems without ongoing consultant dependency.
- Process redesign workshops: training department leaders to identify automation candidates and measure the efficiency gains from AI deployment.
- Data governance and AI ethics training: ensuring AI systems are deployed responsibly with proper oversight, transparency, and accountability.

Chapter 19: Florida DOGE Findings in Relation to ZBB

In 2025, Florida DOGE carried out reviews of the budgets and spending of cities and counties across the state, highlighting specific examples where spending priorities need to be reconsidered and amended to remove wasteful spending. Many of the categories of spending identified by Florida DOGE as luxury activities could have been limited, downsized, or eliminated through the timely application of ZBB. For example:

Nonprofit Organization Grants

One of the places to which taxpayer funding has flowed increasingly over recent years has been to non-profit organizations, also known as NGOs. While this can sometimes be justified (for example, in some circumstances, an external nonprofit can provide the same services that taxpayers request from their government, but cheaper and more efficiently), this is rarely the case. Rather, non-profit spending often represents a way to evade transparency requirements and facilitate activities that would be undesirable, or even unlawful, for government to do directly, including discriminatory activities such as DEI. And non-profit spending rarely comes with performance measures that track whether the results are worth the cost.

More troublingly, nonprofits frequently channel a substantial portion of their funds into grants to other nonprofits, forming large networks of unaccountable funding that frequently work to subvert public ends or engage in political purposes. Studies have shown the amount of funding that is re-granted in this way can range from 15% to 40% of a non-profit's total funds. And because money is fungible, it can be very difficult to restrict the extent to which a government grant ultimately creates re-grantable funds.

In addition, there is a real difficulty in conducting oversight. State auditors reviewing one county's grants and procurement files found that "standard practices and disciplines were lacking or non-existent." Invoices did not show what services had been rendered. Procurement documents were missing. Even sitting at the same computer as the county staff, the auditors, and the grant coordinators together could not locate the missing records that both expected to exist.

Subsidized Cultural Institutions

Arts and culture are luxury items for which many taxpayers are willing to personally foot the bill. Public support is often justified by two factors: (1) a suggestion that "equity" requires that the government take charge of funding facilities and programs lest prices rise to levels that only the wealthy can afford; and (2) the contributions of cultural programming to tourism revenue. Most jurisdictions in Florida have specific tax levies: the tourism development tax (TDT) and convention development tax (CDT) to address the latter. There is little evidence to support the former, and indeed, economic studies show that often government subsidies simply push up the overall price, as has occurred with private higher education over the last few decades.

Zero-based budgeting is unlikely to place the addition of general fund revenue atop CDT and TDT revenues for cultural programming atop other needs, or even atop property tax rebates.

"Green" Activities

Many local governments have engaged in various "sustainability initiatives" and other environmental programs that embrace the ideology of climate alarmism and waste taxpayer funds. As described in Florida's DOGE report, many of these programs are little more than "feel-good" initiatives with no demonstrable relationship to their proposed purpose – and they divert funds both from genuine public needs and, regardless of whether the objective is worthy, from private efforts to accomplish the same objectives.

While Florida has recently prohibited so-called "net zero" policies and carbon targets, thoughtful zero-based budgeting initiatives will want to scrutinize these expenditures carefully wherever they are – and evaluate tradeoffs in "green" programming across a local government so that expenditures can be prioritized and spent on activities that deliver the most bang for the buck.

Duplicative Communications Functions

In the digital age, social media and online branding have become extensive focuses of local governments. In a representative democracy, communications are of course important – indeed, this zero-based budgeting guide even recommends it. But communications functions have proliferated haphazardly across departments in an inefficient and duplicative fashion. Public information officers, social media specialists, graphic designers, and website managers often operate independently in silos ranging from police departments and public works to parks, libraries, and human resources. Each unit may handle press releases, community updates, crisis messaging, and digital outreach, resulting in parallel efforts that produce similar content without coordination. Besides adding to the expense, this may also generate inconsistent branding and messaging that confuses residents.

Because these functions are embedded within individual departments, traditional budgeting approaches often do not identify the overlapping functions in newsletter-writing, social media communications, and internal dissemination of information, let alone contracts for overlapping and unintegrated communications platforms and tools.

Organizations that apply a zero-based budgeting approach frequently add discipline to this category of expenditures, by eliminating some communications functions and folding others together to eliminate redundant roles, combining fragmented teams under unified leadership for consistent messaging, or streamlining operations through shared platforms and cross-departmental protocols.

"Vanity Spending"

There are just some things government should not be spending money on. Every year, we see sensationalized media headlines detailing expenditures related to public corruption: What if the spending is just unnecessary? Often, these are pet projects favored by local mayors. However, they may be county or city-approved spending that causes the average taxpayer to pick their jaw up off the floor. Examples have been listed in other sources that detail these expenditures further.

At the individual and even the familial level, spending overruns and busted budgets often arise from an innate human desire to seek more material possessions. In plain terms, "people want cool stuff." Far too often, this impulse is not checked at the county commission office, or at city hall. Bureaucrats and local elected officials alike pursue projects based on their own whims, quickly forgetting their fiduciary responsibility to local taxpayers. This is damaging not only to fiscal security, but also to the social contract more generally.

Endless Planning

Politicians often treat an announcement of planning, or the release of a plan, as a policy success, regardless of whether the plan is ever enacted. Concurrently, consulting firms in every field find planning assignments to be lucrative, particularly if a plan is not adopted and instead bequeaths another planning exercise. Billing can be at outrageous hourly rates – even for work done remotely – and payable immediately. A zero-based budgeting process should carefully examine whether any given planning activity is necessary, and if it is, test the options of carrying it out in-house vs. contracting.

Government-Funded Art Projects

In the 1960s, public policy re-embraced a policy from the past: support for public art, originally conceived as a Depression-era relief program. The 1960s transformed this temporary concept into a set of permanent programs and ongoing policy tied to urban renewal. At a time when modern architecture trended towards dreary and Brutalist concrete structures, public support blossomed for a requirement that these eyesores be offset by art in public places. Many local city and county governments adopted such programs.

After a half-century of such art, the public art collections of many cities are extensive, and this inventory, as well as the flourishing of new architectural forms, has rendered the need less acute. In many cases, however, the funding mechanisms are perpetual, even as the costs to clean, maintain, and restore the older elements of these art collections have grown over time. Thus, new public art may hit taxpayers twice – once in the form of a set-aside on public construction projects that increases their cost, and once in the form of an ongoing operating cost burden, sometimes paid out of general funds.

Adopting a zero-based budgeting approach could lead to redirecting these funds to more productive purposes or back into taxpayers' pockets, and to assessing the complete cost of newly funded art and the wisdom of expanding public art collections vis-à-vis maintaining and promoting existing installations.

Programs Without Results

Sometimes municipalities conduct operations and programs with aims that never materialize. If a county or city spends millions each year on homeless programs, only for the homeless population to increase, how can that be a success? After several years of failure, these programs should be reevaluated, not funded to the gills with more taxpayer dollars.

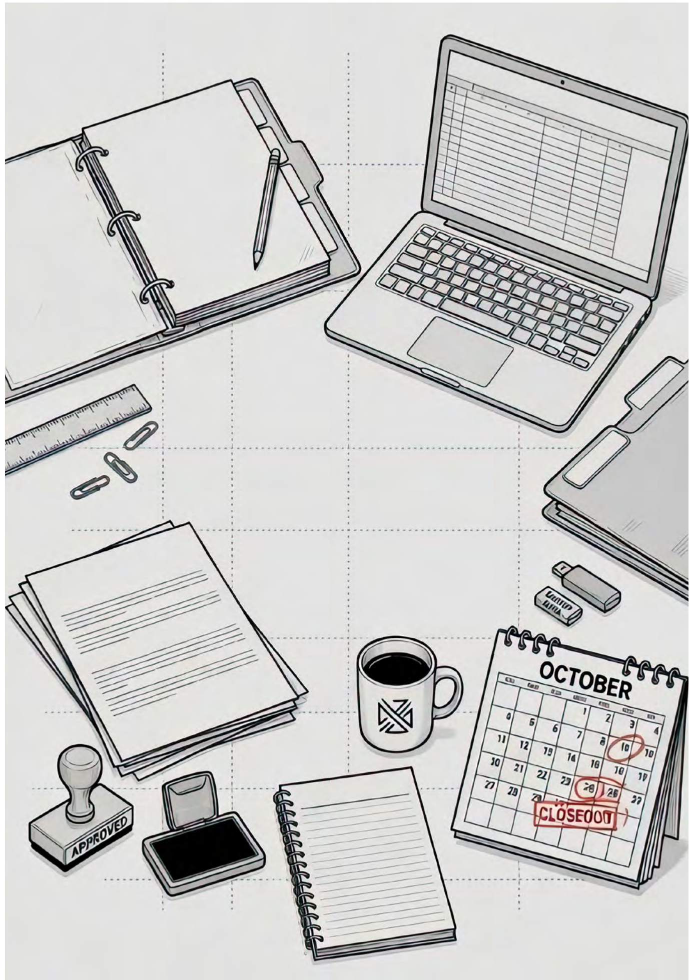
Emergency assistance programs are often the worst culprits. Due to the funding structure of local governments, supervisors encourage the reckless disbursement of funds since they are not able to be rolled into the next budgeting cycle. This leads programs doling out cash to anyone and everyone, disregarding means testing at best and providing large opportunities for fraud at worst.

The Kitchen Table Test: If your spouse kept paying for contractors to give estimates and plan out work around your home, and never acted on it, what would you call that? Extensive planning and action, or a waste of everyone's time and resources?

“Temporary” Activities That Have Outlived Their Purpose

Many programs are simply not needed anymore. COVID-era taskforces that were used to deal with the firehose of federal funds being distributed should be disbanded, not actively hiring. Often, programs suffer from the same kind of mission creep we see in other areas, where goals are achieved and issues resolved, and workforces are allowed to maintain their roles instead of transitioning their activities, all while requesting more in additional budgeting periods.

This can occur in many departments, even constitutional officers at the local level. Employees and FTEs that are introduced as being “transitional” somehow seem to constantly stick around in future budget periods, with little to no accountability for how these programs will ever end (they usually don’t).



PART IV
TOOLS AND RESOURCES

Chapter 20: Answering Six Objections

Every budget reform encounters resistance. The following are the five most common objections to ZBB, and the evidence-based responses that answer them.

OBJECTION 1: “THIS VIOLATES HOME RULE.”

Zero-based budgeting is not a state mandate on local policy priorities. It is a budgeting methodology: a way of building a budget that local governments adopt voluntarily. It prescribes how you build your budget (starting from zero, requiring justification) but not what you fund. The governing body retains full authority over every spending decision.

In fact, ZBB is home rule exercised well: it ensures that elected leaders are making active, deliberate choices about every dollar rather than passively inheriting last year’s spending. A disciplined budget process will not threaten home rule, particularly in comparison to a process so undisciplined that the state feels compelled to intervene. Georgia's ZBB program was adopted voluntarily at the state level and has enhanced, not diminished, the governor's fiscal authority.

OBJECTION 2: "YOU'LL CUT POLICE AND FIRE."

The data proves the opposite. Under the current incremental system, public safety spending has grown more slowly than total spending in every major Florida jurisdiction studied. In Palm Beach County, the Sheriff's Office budget grew below the population-plus-inflation benchmark even as total county spending exceeded it. Public safety is being crowded out by discretionary spending. It is certainly not being protected by it.

In the real county analysis, $113 million in specific savings were identified without reducing a single police officer, firefighter, or corrections position. The savings came entirely from Tier 3 and Tier 4 spending: cultural subsidies, CBO grants, communications offices, and administrative overhead. Under ZBB, public safety is classified as Tier 1 and funded first. The Priority Stack makes it structurally impossible to cut a police officer to preserve an art grant.[8]

OBJECTION 3: "WE ALREADY CUT. THERE'S NOTHING LEFT."

Across-the-board cuts are not ZBB. Cutting every department by 3% is the laziest form of fiscal management. It punishes high-performing programs and protects low-value ones equally.

In the real county analysis, a jurisdiction facing hundreds of millions in shortfall had simultaneously approved 37% salary increases since 2019, grown its County Attorney's office by dozens of FTEs, maintained nearly 60 positions after their work had concluded, and continued millions for frivolous art allowances. The problem is not that there is "nothing left to cut." The problem is that incremental budgeting has never required anyone to justify what is there. ZBB ensures you cut the right things.

OBJECTION 4: "WE DON'T HAVE THE STAFF."

Georgia conducts ZBB reviews with existing Office of Planning and Budget staff. Texas implemented full ZBB with existing personnel. Houston designed its ZBB system for 23 departments with current budget office employees. GFOA's case study governments "rarely cited paperwork as an important problem in practice."

The initial investment in staff time is real but modest, and the financial return exceeds the cost in Year 1. One county's budget office retained 59 positions that could be reduced to 30 under ZBB, saving $2.5 million annually. In many cases, the staff you need for ZBB already exists, they are simply doing work that is no longer necessary.

OBJECTION 5: "OUR BUDGET IS ALREADY TRANSPARENT."

Transparency without accountability is theater. Publishing a 500-page budget document on a website does not mean every program has been justified. It means the information is available, not that anyone has been required to defend it or explain it.

In several of the local governments reviewed by Florida DOGE, the budget documents were publicly available and nevertheless contained major, unexplained increases in areas like contractual services. In many places, budgets described reorganizations that promised decreased headcount, but led to increased headcount. In many local governments, office staffing grew even as workloads or results were declining. All of this was "transparent," but not necessarily justified. ZBB does not question your transparency; it questions whether transparency has led to accountability.

8 Independent Budget Analysis, Proposed Budget for XYZ County, FY 2025-2026: Alternative Budget Recommendations, 2025.

OBJECTION 6: “WE HAVE TOO MANY MANDATORY EXPENSES FOR ZERO-BASED BUDGETING TO BE USEFUL.”

Many organizations have found that zero-based budgeting excludes major parts of the total budget. For several reasons, that doesn’t undermine its utility.

First is that many, supposedly “mandatory” expenses actually afford flexibility: in the manner that the function is performed, in the service level provided, or in whether resources can be deployed to innovate and alter the landscape in which the function is required.

Second is that many of the other activities that are not mandatory are often difficult to plan and control, and yet provide a substantial lever to decrease costs.

Third is that understanding service and support functions is important for addressing future budgetary pressures, where the alternative may be arbitrary cost reductions without recognition of the increased problems – and potential increased costs – that could be created.

Finally, organizations plagued with mandatory expenses from past decisions would do well to begin applying zero-based budgeting to the present decisions that may drive future costs, such as capital expenditures and labor negotiations.

Chapter 21: Two Budgets, One City — What ZBB Would Change

The following comparison is based on comparisons of a composite of Florida jurisdictions reviewed by FL DOGE. Across seven categories of spending analyzed, the composite jurisdiction could likely have identified $35M+ in lower spending vs. the baseline incremental budget – nearly enough to fund the $40M increased budget being sought for public safety programs without needing to collect additional revenues.

BUDGET CATEGORY	INCREMENTAL BUDGET	ZBB-INFORMED BUDGET
Public Safety (Police, Fire, Corrections)	+$40M	+$40M (growth necessary; protected as Tier 1)
Personnel (COLA + Merit)	+$20M (8% merit and automatic)	+$2 to +$6M (justified positions only)
Cultural Projects	+$0	-$2.5M (-30%) (fund only unique cultural programs that do not attract outside funding)
CBO / Nonprofit Grants	+$1.5M (10%)	-$7M (50% cut; performance req.)
Communications & Branding	+$200K	-$1.5M (25% reduction; consolidate)

Information Technology	+$1.8M (10%)	-$500K (duplicate licenses discontinued, major project decision package rejected)
Legal	+$6M (annual trajectory)	+$2M (reflecting internal hiring and outside counsel reduction)

Chapter 22: The Budget Health Diagnostic

Before you begin, take an honest assessment. Answer the following ten questions about your jurisdiction's current budget practices. Score one point for each "Yes" answer. Self-discovered conclusions are more persuasive than externally imposed ones.

#	QUESTION
1	Can you list every program your government funds and its annual cost?
2	Does every program have assigned, measurable performance outcomes?
3	Have you eliminated or restructured a program in the last three years based on performance data?
4	Do department heads justify their entire budget from zero each cycle, or do they start from last year's number?
5	Can you identify which programs are legally mandated and which are discretionary?
6	Has your general fund spending growth stayed at or below the rate of population growth plus inflation?
7	Do you publish program-level performance data for public review before budget adoption?
8	Have your personnel costs grown slower than your revenue growth since FY 2019?
9	Has your governing body voted to eliminate a specific grant, contract, or program in the last two years?
10	Could you present every budget line item to a room of taxpayers and receive a nod of approval?

8–10:	*Strong fiscal discipline. ZBB will refine your process.*
5–7:	*Room for improvement. ZBB will close significant gaps.*
2–4:	*Serious accountability deficits. ZBB should be an immediate priority.*
0–1:	*Your taxpayers deserve better. Start today.*

Chapter 23: Call to Action — Three Steps to Start

You do not need to wait for the state to act. You do not need a consultant. You do not need a new software system. You need a decision. Here are three steps you can take this month:

Step 1: Pass a Resolution. Place a ZBB resolution on the next available agenda. A model resolution is provided in Appendix A. The resolution commits the governing body to the ZBB process, establishes a timeline, and creates the task force. This is a public statement of fiscal discipline that tells your taxpayers that you take their money seriously.

Step 2: Appoint the Task Force. Include budget staff who understand the numbers, department heads who understand the operations, and citizen members who bring the taxpayer perspective. The task force should be chaired by the chief executive or a designee with clear authority to drive the process.

Step 3: Pick Your Scope. You do not have to review everything in Year 1. Start with the areas of highest discretionary spending: grants to nonprofits, consulting contracts, communications offices, cultural affairs subsidies, and any program that has never been required to demonstrate measurable outcomes. The real county analysis demonstrated that these categories alone yielded over a hundred million in identified savings.

Families that budget well do so by starting with the requirements: their mortgage, utilities, transportation, and groceries. They make every remaining dollar earn its place. Only then do they factor in their wish list: shopping in boutiques rather than at Walmart, vacationing in hotels rather than in campgrounds. It's their money that funds our budgets, and it's time to get started building the government that budgets with the same discipline.

Appendix A: Model ZBB Resolution

RESOLUTION NO. ____

A RESOLUTION OF THE [BOARD OF COUNTY COMMISSIONERS / CITY COMMISSION] OF [JURISDICTION NAME], FLORIDA, ESTABLISHING A ZERO-BASED BUDGETING FRAMEWORK FOR THE PREPARATION OF THE ANNUAL BUDGET; CREATING A ZERO-BASED BUDGETING TASK FORCE; ESTABLISHING SCOPE, TIMELINE, AND REPORTING REQUIREMENTS; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the [Board/Commission] is responsible for the prudent stewardship of public funds and the preparation of an annual budget that serves the residents of [Jurisdiction Name]; and

WHEREAS, the current incremental budgeting methodology, which builds each year's budget upon the prior year's appropriations, does not require systematic justification of existing programs and expenditures; and

WHEREAS, general fund spending in [Jurisdiction Name] has grown by [XX] percent since Fiscal Year [20XX], while population growth and inflation together would justify an increase of approximately [XX] percent; and

WHEREAS, zero-based budgeting is a methodology that requires every program, activity, and expenditure to justify its existence from a base of zero each budget cycle, ensuring that public resources are allocated based on demonstrated need and measurable performance; and

WHEREAS, zero-based budgeting has been successfully implemented at the state level by Georgia (since 2012), by Texas (2003), and at the local level by Houston, Hillsborough County, Florida, and other jurisdictions; and

WHEREAS, the [Board/Commission] desires to adopt a zero-based budgeting framework that ensures every dollar of taxpayer money is justified, every program is held accountable for measurable results, and public safety remains the highest funding priority.

NOW, THEREFORE, BE IT RESOLVED BY THE [BOARD/COMMISSION]:

Section 1. Zero-Based Budgeting Adoption. The [Board/Commission] hereby adopts zero-based budgeting as the framework for the preparation of the annual operating budget, beginning with Fiscal Year [20XX-XX]. Under this framework, no program or expenditure shall be included in the proposed budget solely because it was funded in the prior fiscal year. Every program shall be required to justify its existence and funding level based on legal mandate, measurable performance outcomes, cost-effectiveness, and alignment with adopted community priorities.

Section 2. ZBB Task Force. There is hereby created a Zero-Based Budgeting Task Force consisting of the [Mayor/County Administrator] or designee as chair; the Budget Director; the heads of [two named departments]; a representative of the [Auditor/Inspector General]; and two citizen members appointed by the [Board/Commission]. The Task Force shall oversee the ZBB process, review justification packages, and present findings to the [Board/Commission] in public session.

Section 3. Scope. In Year 1, the ZBB review shall encompass [all departments / the following targeted categories: grants and CBO funding, communications, cultural affairs, consulting contracts, and administrative overhead]. Beginning in Year 2, the jurisdiction shall transition to a rotating review cycle in which 20 to 25 percent of all programs undergo full ZBB review each year.

Section 4. Four-Tier Priority Framework. All programs shall be classified into four priority tiers: Tier 1 (Constitutional and Statutory Mandates), Tier 2 (Core Community Services), Tier 3 (Discretionary Programs), and Tier 4 (Administrative Overhead). When budgetary reductions are necessary, they shall be applied from Tier 4 downward, ensuring that Tier 1 public safety services are funded first.

Section 5. Timeline. The ZBB process shall commence no later than [Month, Year] and shall be integrated with the TRIM (Truth in Millage) timeline. ZBB findings shall be published for public review at least thirty (30) days before the adoption of the annual budget.

Section 6. Sunset Clauses. All new discretionary programs authorized after the effective date of this resolution shall include a three-year sunset clause requiring full ZBB justification for renewal.

Section 7. Reporting. The Task Force shall present a ZBB Report Card to the [Board/Commission] in public session no less than twice per year, including program rankings, identified savings, and millage impact analysis.

Section 8. Effective Date. This resolution shall take effect immediately upon adoption.

PASSED AND ADOPTED this ____ day of ___________, 20____.

____

[Name], [Mayor/Chair]

ATTEST:

____

[Name], [Clerk]

Appendix B: Decision Unit Justification Package Template

Complete one package for each decision unit (program, service, or activity). All fields are required.

Department:	[Department Name]
Decision Unit Name:	[Program/Service/Activity Name]
Decision Unit Manager:	[Name and Title]
Four-Tier Classification:	[Tier 1 / Tier 2 / Tier 3 / Tier 4]
Legal Authority:	[Cite specific Florida Statute, local charter section, or ordinance. If none, state "Discretionary."]
Current Budget:	[$X,XXX,XXX]
FTEs Assigned:	[XX.X]
Positions Added Since FY 20XX:	[List each position, date added, and original justification.]

THE FIVE QUESTIONS	
Q1. Is this program legally mandated?	*[YES / NO. If YES, cite authority.]*
Q2. Measurable performance outcomes?	*[List each measure and current result.]*
Q3. Meeting performance targets?	*[YES / NO. Provide data.]*
Q4. More cost-effective alternative?	*[Describe alternatives evaluated.]*
Q5. Would you create it today?	*[YES / NO. Explain.]*

THREE FUNDING LEVELS			
LEVEL	BUDGET	FTES	SERVICE IMPACT
(a) Minimum	$____	____	*[Describe the bare operational floor or legal minimum]*
(b) Current	$____	____	*[Current service level and justification for maintaining it]*
(c) Optimized	$____	____	*[Recommended level based on performance data and community need]*

Appendix C: Program Scoring Rubric

Score each decision unit on the following dimensions. Each dimension is scored from 0 to 10. Multiply each score by the weight to produce the weighted score. Sum the weighted scores for a total out of 10.

DIMENSION	WEIGHT	SCORE (0–10)	WEIGHTED SCORE	SCORING GUIDANCE
Legal Mandate Strength	25%	___	___	10 = Constitutional/statutory mandate 7 = Local charter mandate 4 = Policy basis, no legal mandate 0 = No identified authority
Community Impact	25%	___	___	10 = Serves all residents directly (public safety) 7 = Serves majority of residents 4 = Serves defined subgroup 0 = Serves narrow constituency
Performance Results	20%	___	___	10 = Meeting or exceeding all targets 7 = Meeting most targets 4 = Below targets, improvement plan in place 0 = No measures or all targets missed
Cost-Effectiveness	15%	___	___	10 = Below peer average cost per outcome 7 = At peer average 4 = Above peer average 0 = No cost-per-outcome data available
Strategic Alignment	15%	___	___	10 = Directly advances top adopted priority 7 = Supports adopted priority indirectly 4 = Neutral alignment 0 = No connection to adopted priorities

TOTAL WEIGHTED SCORE: ______ / 10

8.0 – 10.0:	*Strong justification. Fund at optimized level.*
5.0 – 7.9:	*Moderate justification. Fund at current level; monitor closely.*
2.0 – 4.9:	*Weak justification. Restructure, reduce, or place on sunset review.*
0.0 – 1.9:	*No justification. Recommend elimination or fundamental redesign.*

Appendix D: Glossary of ZBB Terms

TERM	DEFINITION
Base Package	The minimum level of funding required to maintain a legally mandated or essential service. In the three-tier funding model, this is the "Minimum" level.
Decision Package	A document prepared by a department head that justifies a specific program or activity, answers the Five Questions, and presents three funding levels. Also called a justification package.
Decision Unit	A discrete program, service, or activity that can be meaningfully evaluated independently. The basic unit of analysis in ZBB.
Four-Tier Priority Framework	A classification system that assigns every program to one of four priority levels: Tier 1 (Constitutional/Statutory Mandates), Tier 2 (Core Community Services), Tier 3 (Discretionary Programs), Tier 4 (Administrative Overhead).
Incremental Budgeting	The traditional budgeting methodology in which the prior year's appropriation is used as the starting point, and adjustments (usually increases) are made at the margin. The antithesis of ZBB.
Justification Gauntlet	A five-question decision tree through which every program must pass to receive continued funding. Programs that cannot satisfy the Gauntlet face elimination or restructuring.
Priority Stack	A visual framework in which Tier 1 programs form the foundation of the budget and Tier 3/4 programs sit at the top. When reductions are necessary, they are applied from the top downward.
Rolled-Back Rate	Under Florida's TRIM process, the millage rate that would generate the same ad valorem revenue as the prior year (excluding new construction). Jurisdictions proposing a rate above the rolled-back rate must hold public hearings.
Rotating Review	A ZBB approach in which a subset of programs (typically 20–25%) undergoes full review each year, with all programs reviewed within a four- to seven-year cycle. The Georgia model.
Service-Level Budgeting	A ZBB variant in which departments present decision packages at three tiers: minimum viable, current service, and enhanced. Decision-makers select which packages to fund.
Sunset Clause	A provision that sets an expiration date for a program's authorization, requiring full ZBB justification for renewal.
Sunset Clock	A visual indicator (green/yellow/red) showing when a discretionary program's authorization expires and ZBB review is required.
Taxpayer Test	The standard that a program must meet: could a budget analyst present it to a room of taxpayers and receive a nod of approval?
TRIM	Truth in Millage. Florida's statutory process (Section 200.065, F.S.) requiring public notice and hearings when a proposed millage rate exceeds the rolled-back rate.
Zero-Based Budgeting (ZBB)	A budgeting methodology in which every program and expenditure must justify its existence from a base of zero each budget cycle, rather than being carried forward automatically from the prior year.

Appendix E: Listing of Sample ZBB Decision Topics

GENERAL ADMINISTRATION & EXECUTIVE SERVICES

Executive leadership
Mayoral policy advising
Mayor's communications
Mayor's office operations
Liaison with legislature
Intergovernmental affairs
Legislative operations
Official travel
Photography
Social media
Graphic design
Lobbying
Citizen complaint responses
311 service center
Records management
Responses to public records requests
Internal audit
Internal performance review
Public meetings coordination
Public meetings agenda management
Translation services
Accessibility services for residents
Mail and courier services
Public access television
Televised public meetings
Volunteer and civic engagement programs
Official seals, flags, and ceremonial functions
Ethics and compliance support for elected officials
Grant application support
Federal reporting
State reporting
General resident service inquiries
Physical security

FINANCE, ACCOUNTING & PROCUREMENT

Core accounting, payroll, and financial reporting systems
Accounts payable and receivable transactions
Annual budget development and monitoring
Debt issuance, servicing, and bond compliance
Internal financial audits and controls testing
Purchasing and procurement card programs
Vendor contracts and payment processing
Revenue forecasting
Economic analysis
Special assessment and other district billing
Utility and enterprise fund billings
Investment portfolio and cash management
Financial training for department managers
Cost allocation and indirect rate calculations
Grant accounting and reimbursement claims
Fixed asset inventory and capitalization
Risk financing and insurance
Procurement
Monthly financial statements and reporting
Enterprise resource planning (ERP) system modules

HUMAN RESOURCES & ORGANIZATIONAL DEVELOPMENT

Recruitment
Hiring
Onboarding of new employees
Employee benefits and health insurance programs
Payroll processing and time/attendance systems
Compliance and safety training
Performance evaluations
Succession planning
Employee relations
Grievance processes
Employee wellness and assistance programs
Compensation studies
Labor negotiations and union relations
Leadership development
Mentoring
Professional development programs
Retirement and pension plan services
Workforce demographics and metrics
Workplace safety and OSHA compliance
Employee recognition and incentive programs
HR analytics and workforce planning
Leave management and FMLA compliance
Background checks and pre-employment screening
New-hire orientation
Departmental training
Government office space, telework, and flexible scheduling policies
Employee engagement and retention initiatives

INFORMATION TECHNOLOGY & DIGITAL GOVERNMENT

Core network infrastructure
Cybersecurity
Desktop and laptop computers

Mobile devices
IT Support
Printing
Enterprise email and collaboration platforms
Geographic information systems (GIS) and mapping
Public-facing government websites
911 computer-aided dispatch (CAD) system data center and server hosting services
Document management systems
Citizen mobile apps
E-service request portals
Cybersecurity threat detection and response
Software licensing
Vendor contracts
Help desk and technical support services
Custom applications for permitting and licensing
Public records request tracking system
Online payment and e-commerce platforms
Disaster recovery and backup systems
Training on new technology tools
Fiber-optic and broadband expansion projects
AI tools for operational efficiency
Data privacy
Regulatory compliance

PUBLIC WORKS & INFRASTRUCTURE

Roads and curbs
Intersections
Sidewalks
Stormwater drainage systems
Traffic signals
Street lighting
Right-of-way and easement management
Bridge inspection and maintenance
Capital improvement project delivery
Public buildings and facilities maintenance
Graffiti removal
Street cleaning
Sidewalk repair and ADA compliance
Pothole repair and asphalt maintenance
Sewer line inspection and repair
Water main and utility line locates
Construction permitting and inspections
Pavement management and resurfacing
Floodplain mapping and compliance
Public building landscaping
Public right-of-way landscaping and median maintenance
Underground utility infrastructure
Infrastructure condition assessments
Alternative/historic pavement surface programs
Transportation signage
Public vehicle fueling and charging

TRANSPORTATION & MOBILITY

Public transit
Bus services
Paratransit services
Rideshare
Micro-mobility
Public airports
Off-street trail development
Off-street trail maintenance
Bicycle infrastructure
Traffic calming
Traffic safety improvements
Parking enforcement
Public parking facilities
Transportation planning
Boat or water taxi
Transportation demand management
Public EV charging
Freight and commercial vehicle route improvements
Transportation improvement programs
Senior and disabled transportation vouchers
Traffic count data collection and analysis
Smart traffic management systems
Regional transportation coordination

PARKS, RECREATION & CULTURAL AFFAIRS

Neighborhood parks and playgrounds
Community centers and recreation facilities
Youth sports leagues
Senior citizen recreation
Public wellness activities
Public pools / aquatic
Special events
Private event coordination
Public art expansion
Public art maintenance
Open space preservation
Youth camp programs
Marinas
Boat ramps
Kayak launches
Nature center operation
Environmental education
Athletic fields and turf maintenance
Adaptive recreation

Cultural heritage programming
History programming
Dog parks
Other pet support
Public concerts
Public performing arts events
Park and playground safety inspections
Picnic shelters
Public park and pavilion rentals
Community gardens and urban agriculture

PLANNING, ZONING, AND ECONOMIC DEVELOPMENT

Comprehensive plan updates and amendments
Zoning and land-use permit applications
Code enforcement and nuisance abatement
Affordable housing development
Community development grants
Economic development grants
Business retention grants
Small business assistance
Business permitting
Historic preservation and landmark reviews
Tourism marketing
Visitor services
Beach access,
Beach cleaning,
Beach amenity maintenance
Floodplain development permits
Neighborhood revitalization grants
Disaster recovery and resiliency planning

HOUSING & COMMUNITY SERVICES

Street engagement teams
Emergency shelter
Transitional housing
Permanent supportive housing
Addiction treatment
Rapid re-housing
Tenant support services
Workforce housing
Fair housing and enforcement
Short-term rental and vacation rental permits
Community outreach and public engagement
Growth management and concurrency reviews
Housing authority and Section 8 voucher administration
Beach nourishment and restoration
Erosion control
Beach dune protection
Coastal habitat restoration
Inlet management and sand bypassing
Wetland preservation

Appendix F: Sources and Further Reading

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Appendix G: Statement on the Use of Artificial Intelligence

In establishing the Florida DOGE team in Executive Order 25-44, Governor Ron DeSantis set the goal of carrying out Florida's DOGE activities primarily with existing state staff and resources. To accomplish this, EO 25-44 directed the use of advanced technology such as artificial intelligence where possible to advance the mission.

Consistent with this approach, this work was produced by the Florida DOGE team through a combination of human writing and analysis with artificial intelligence tools. These tools were used to identify key themes from existing writings on zero-based budgeting, to prepare an outline of this handbook, to refine portions of the text, and to review spelling and grammar. In addition, artificial intelligence-based image-creation tools were used for creating the illustrations and to compile, categorize, and sort by order of importance the list of sample decision topics in Appendix E.

EVERY DOLLAR JUSTIFIED

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EXECUTIVE OFFICE OF THE GOVERNOR
DEPARTMENT OF GOVERNMENT EFFICIENCY

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