

Citation: Tomkins, A. J., Hoppe, R. D., Herian, M. N., PytlikZillig, L. M., Abdel-Monem, T., & Shank, N. C. (2012). Public input for city budgeting using e-input, face-to-face discussions, and random sample surveys: The willingness of an American community to increase taxes. *Proceedings of the European Conference on e-Government* (Vol. 2), 12, 698-707.

Public Input for City Budgeting Using E-Input, Face-to-Face Discussions, and Random Sample Surveys: The Willingness of an American Community to Increase Taxes

Alan J. Tomkins,¹ Rick D. Hoppe,² Mitchel N. Herian,¹ Lisa M. PytlikZillig,¹ Tarik Abdel-Monem,¹ and Nancy C. Shank¹

¹University of Nebraska Public Policy Center, Lincoln, Nebraska, USA

²Office of the Mayor, Lincoln, Nebraska, USA

atomkins@nebraska.edu

RHoppe@lincoln.ne.gov

mnherian@nebraska.edu

lpytlikz@nebraska.edu

tabelmonem@nebraska.edu

nshank@nebraska.edu

Abstract: Regular public input into a city's budget is frequently associated with municipal budgeting in Brazilian cities, successes in public engagement that have been emulated around the world. American communities are adopting the practice to varying degrees. This paper will report on a five-year old public input program that is taking place in Lincoln, Nebraska, the capital city of a politically conservative state in the U.S. We discuss the processes we use to engage the public about the City's budget. The process includes regular online input as well as face-to-face, deliberative discussions. On occasions, random sample surveys also have been used. The public's input has been helpful to City Hall in budget prioritization, and has even resulted, pursuant to residents' recommendations, in raising taxes to preserve programs rather than eliminating them to balance the City's budget. In an era of concern that the American public will not endorse tax increases, the recommendation was surprising. Our work to date indicates the public welcomes the invitation to participate in governance and responds positively to the opportunity to provide input and is willing to endorse policy options that have been thought to be unpopular by a majority of Americans.

Keywords/Key Phrases: public budgeting; e-participation; deliberation

1. Introduction

Public involvement in governance has long been considered fundamental to democracy (e.g., Pateman 1970; Verba and Nie 1972; Verba 1967). The inclusion of the public has taken many forms over the years, and it is different across democracies throughout the world (e.g., Leino and Laine 2012; Organisation for Economic Co-Operation and Development 2009). The movement to regularly invite the public to provide substantive input into municipal budgeting is an innovation that famously took root in Brazil in the early 1990s and continues today (e.g., Wampler 2009; Wampler 2004; Wampler and Avritzer 2004; Abers 2000; Abers 1998; Baierle 1998; Sousa 1998; see generally, Caddy, Peixoto and McNeil 2007). Participatory budgeting, as it is called, typically relies on members of the public to come to a physical space to provide input; however, more and more online opportunities are becoming available (e.g., Miori and Russo 2011). In the U.S., participatory budgeting has been expanding considerably in recent years (see, e.g., Franklin, Ho and Ebdon 2009; Robbins, Simonsen and Feldman, 2008; Ebdon and Franklin 2004).

In this paper, we discuss a multi-year, public budgeting effort in Lincoln, Nebraska, USA. Annually, via online surveys and deliberative discussions, the public has been providing the City of Lincoln with their input regarding the City's budget and services (PytlikZillig, Tomkins, Herian, Hamm and Abdel-Monem 2012; Tomkins, PytlikZillig, Herian, Abdel-Monem and Hamm 2010; see also Herian, Hamm, Tomkins and PytlikZillig in press; Herian and Tomkins 2012). We also have solicited public input via randomized telephone and mail surveys.

2. The Political and Policy Context in Lincoln, Nebraska, USA

Lincoln is a University and government town of over a quarter million people in Nebraska. Nebraska is a politically conservative, highly agricultural state. Lincoln, a more liberal community than others in the state, is the home of Nebraska state government and the University of Nebraska. Candidates for Mayor and Lincoln's seven-member City Council are officially elected on a non-partisan ballot. During the high growth era of the 1990s, non-partisanship was easy to sustain. Lincoln's large sales tax revenue ensured few, if any, confrontations over declining resources. By the beginning of the millennium the non-partisan ideal began to fade. Ideologues from both parties began to replace moderates.

When Chris Beutler was elected Mayor of Lincoln in 2007, his administration had less than two months to present a budget for the 2007-08 budget year. The Democratic Mayor faced a solidly divided City Council with a 4-3 Republican majority, including a Council member whom Mayor Beutler had just defeated in a close and hard fought Mayoral election. Lincoln's budget situation was dire. In the Mayor words, "a perfect fiscal storm" had descended upon the City. Three-quarters of Lincoln's General Fund revenues were provided by sales taxes and property taxes. Sales tax revenues had been stagnant through most of the first decade of the second millennium. Lincoln had not raised its property tax levy since 1994. Nebraska's unique public labor system was increasing employee wages and benefits beyond the rate of inflation. The combination of increased costs and stagnant revenues created an annual multi-million dollar budget gap, according to the City's Budget Office. Although one-time revenues had been utilized to solve previous shortfalls, the continuing depletion of city fund balances left few options to achieve the required balanced budget, and the situation threatened Lincoln's strong bond ratings.

The primary goal for the Beutler Administration's first budget was to avoid tax increases. In addition to the Mayor's one-year pledge not to raise taxes during the 2007 campaign, it was felt an increase would continue the erosion of public confidence in City Hall's ability to manage. The first budget was balanced, with no tax increases, by eliminating 45 jobs, about 3% of the City's non-public safety workforce.

In City Hall, it was realized that without a better framework from which to examine the budget and explain it to the public, the integrity and financial stability of the city would be vulnerable. The Mayor and his advisers realized that something had to be done differently, particularly if a balanced budget would be achieved without severely cutting the budget, undermining economic competitiveness, and damaging the community's quality of life.

Lincoln's strong antipathy toward property taxes and the ideological divide between Council members was demonstrated during that first year's budget discussion. In 2006, prior to the Mayor taking office, the Council had passed a \$27 million revenue bond to address the increasing backlog of roads projects. The 2006 Council members pledged to raise the following year's property tax levy by less than 3% to cover the bond's debt service. The 2007 Council majority made clear they had no intention of honoring that commitment, adding over \$1.2 million to an already burgeoning budget gap.

The Council's budget attitude reflected the public's general distrust of city government. Citizens were thought to feel the City taxed too much and provided too little in return. Non-specific accusations of city government waste were seen regularly in the opinion pages of the local newspaper; in fact, the letters seemed to be the primary communication between City Hall and the public. The residents of Lincoln did not understand the sources of the annual budget gap, particularly the role of the property tax. Despite the fact the City consumed only 14 cents of each dollar raised in property taxes (the remaining 86 cents go to other governmental activities, primarily the city's K-12 [kindergarten through high school] school system), the public blamed city government for their high taxes. It was believed that to solve the budget gap, there needed to be a greater consensus on a course of action. A public consensus could not be reached, however, without a better understanding by the public of what City Hall did, why it was done, and of how it was to be funded.

Thus, City Hall decided a process was needed that established a strategic plan for the City's future that also created greater public understanding of the role and needs of city government and perhaps even increased the public's trust and confidence in government. The decision was to solicit community input as a policy and political approach that would allow City Hall to balance the budget in a strategic and thoughtful manner and align the City's actions with the public's preferences taken into consideration. Citizen engagement activities seemed like a perfect vehicle with which to educate Lincoln's residents and learn about the community's priorities and preferences. The University of Nebraska Public Policy Center was asked to coordinate the various engagement activities.

In the next section, we provide a detailed description of the critical first year of public input into the City's budgeting process. This first year, 2008, provided a foundation for what we have done in the years following. In section 4, we briefly condense the next several years of input. We conclude in section 4 with the City's decision to raise taxes for the 2011-2012 fiscal year, despite a general economic and political climate that discouraged higher taxes.

3. The public's input to the City's budget: 2008, the beginning

Prior to inviting the public to weigh in with their priorities and preferences, City Hall officials worked to establish outcomes for what city government hoped to accomplish. Before 2008, the budget process started, as it does with most cities, with the Mayor asking each City Department head to submit a budget request based on the Department's needs. Typically, Departments based their funding requests for the upcoming year on their actual spending during the current budget year, adjusting the figure up or down in light of the planned activities that the agency and Mayor wanted to undertake in the new budget year, and in light of the city's overall fiscal status. This approach to budgeting is known as "incremental" budgeting, so called because the budget changes only incrementally from year to year.

In 2008, the approach was different. For the first time in the City's history, Directors from different Departments sat down together to evaluate programs and identify program priorities and key outcomes. Eight key priority areas for Lincoln emerged from City Hall's deliberations:

1. Safety & Security
2. Economic Opportunity
3. Livable Neighborhoods
4. Healthy and Productive People
5. Effective Transportation
6. Environmental Quality
7. Accountable Government
8. Priority Lincoln (what makes Lincoln a great place in the eyes of citizens)

These eight areas captured the various services the City provided its residents. Meetings were then convened to examine the eight outcome areas. A small number of non-governmental officials (e.g., directors of private, not-for-profit service agencies), leading business men and women and business organization representatives, and members of the general public with knowledge or interest in the outcome areas were asked to join City staff and discuss what goals they wanted the City to achieve.

For example, the Safety & Security group produced the following goals:

1. Maintain a low violent crime rate
2. Clear serious crimes at a rate near our peer cities
3. Maintain a timely ambulance response rate
4. Decrease property damage from fire
5. Enhance public health emergency response capacity

At this stage of the budget process, the Mayor invited the public to provide input into the priority areas and offer perspectives on the ordering of the priorities themselves. In addition, the public was asked to provide input into budget funding options: Should taxes be increased and all services funded? Should funding be cut from lower priority areas? Should funding levels be enhanced for specific priority areas, and if so which ones and why?

3.1 Random telephone surveys

The first step was to randomly survey residents by phone about their prioritizations and preferences regarding the eight outcome areas. A random-digit-dialing (RDD) procedure was used to obtain a representative cross-section of Lincoln’s residents. Six hundred five (605) residents completed the survey, which on average took respondents about 20 minutes to complete.

The survey was conducted during March 2008. Residents were mailed a postcard from the Mayor informing them they had been randomly selected to participate in the survey (Dillman, Smyth and Christian 2009). The population universe for the survey consisted of residents of the City of Lincoln ages 19 and older. A mixed-design included general RDD sampling ($n=3,386$, 62.5%), an RDD oversample of neighborhoods that have a higher-than-average minority population ($n=1,831$, 33.8%), and a directory-listed oversample of Hispanic and Asian residents ($n=201$, 3.7%). A total of 1,586 contacts were made, with a 38% ($N=605$) response rate (typical of telephone surveys of this type) and a confidence range of +/- 4% for results.

To determine citizen preferences among the eight budget outcome areas described above, respondents were asked *whether the City should increase funding and services, maintain funding and services, or decrease funding and services* (Table 1). The findings show that over half of Lincoln residents wanted to maintain current levels of spending in seven of the eight areas. In one area, Economic Development, half the survey respondents indicated they wanted to see the City increase investment. Large numbers also wanted to increase funding for Safety and Security (47%), Effective Transportation (43%), and Healthy People (42%). In only two budget outcome areas did a larger proportion of citizens feel that the City should decrease funding rather than increase funding: Accountable Government (24% to decrease versus 18% to increase) and Environmental Quality (22% to decrease versus 9% to increase).

Table 1: Funding of services, 2008 RDD telephone survey results

Outcome	N	Decrease Funding and Services	Maintain Funding and Services	Increase Funding and Services
Economic Opportunity	592	8.6%	41.2%	50.2%
Effective Transportation	589	4.4%	52.6%	43.0%
Environmental Quality	588	21.6%	69.7%	8.7%
Accountable Government	590	23.6%	59.0%	17.5%
Healthy People	592	6.3%	51.4%	42.4%
Livable Neighborhoods	592	8.4%	62.7%	28.9%
Quality of Life	592	13.2%	61.3%	25.5%
Safety and Security	591	1.4%	51.6%	47.0%

To further gauge the preferences of citizens toward each of the budget outcomes, respondents were asked to identify the top two budget outcomes upon which the City should focus its efforts. The results are presented in Table 2. The results show that Lincoln residents felt Safety and Security was the primary budget outcome that the City should ensure. Economic Opportunity was the second priority of Lincoln's residents. Residents were also asked to select what they felt should be the City's lowest priorities. Residents felt Accountable Government and Effective Transportation should be the least prioritized areas. Interestingly, a large percentage of residents indicated that funding and services for Effective Transportation should be increased (43%), yet it was given second lowest priority among services. Large variances, such as was observed with Effective Transportation, informed the City of the split in opinions across the community: Over time, engagement efforts with the community would attempt to focus on such divisions, with attempts to see whether consensus might emerge after residents had a chance to discuss such matters with one another as part of deliberations (see below) as well as learn more about the reasons underlying positive and negative preferences.

Table 2: Two top priorities and two lowest priorities, 2008 RDD telephone survey results

Top Budget Outcomes	Rank	Bottom Budget Outcomes
Safety and Security	1	Accountable Government
Economic Opportunity	2	Effective Transportation

Respondents were asked how they wanted the City to fund priority budget outcome areas (Table 3). Approximately one-third of the 581 respondents who answered the question indicated they would choose to see the City reallocate existing funds to pay for their budget outcome priorities. Approximately 17% of the respondents thought taxes should be increased, almost the same percentage of those who indicated no change in spending was preferred. One-third of the respondents said they would like to see the City take "some other approach."

Table 3: How the top two priorities should be funded, 2008 RDD telephone survey results

Response	n
Increase taxes	97
Cut funds from bottom priorities to spend more on top priorities	199
Some other approach	191
Make no change in spending	94

3.2 Online survey

An online survey, open to anyone in the community, was made available via the internet (and paper copies were made available at libraries and social service agencies for persons without internet access or who did not want to respond online) from March 2008 to May 2008 on the Mayor's website and the Public Policy Center's website. The survey was accessed nearly 1,700 times (online and hard copy combined, with most of the input coming via the online survey).

The online survey questions reflected the greater flexibility that is inherent in using the internet for collecting information. On the online survey, respondents were asked to imagine that they had \$100 representing Lincoln's annual budget. They were asked to distribute that \$100 among the City's eight budget outcomes, according to the importance that each respondent placed on each budget outcome.

The results we obtained provided convergence that the Safety and Security area was valued the highest (Table 4). Economic Opportunity again was valued highly. Online respondents differed from RDD respondents by placing greater value on Effective Transportation.

Table 4: Funding of services, 2008 online survey results

"Imagine you have \$100 which represents the money available for the City of Lincoln to spend on its 8 budget outcome goals. If you had to divide that \$100 between the following budget outcomes, how would you divide the money? For example, if you felt that Safety and Security should receive 10% of the money, you would allocate \$10 to that service. Remember that you can choose to withhold funding from any service, but you must spend all of your money."			
Outcome	Mean Amount	Standard Deviation	n

Safety and Security	\$20.43	15.36	1,711
Effective Transportation	\$14.79	11.42	1,711
Economic Opportunity	\$12.36	11.80	1,711
Environmental Quality	\$10.48	15.54	1,711
Healthy People	\$10.66	8.22	1,711
Livable Neighborhoods	\$9.85	8.61	1,711
Quality of Life	\$9.04	9.27	1,711
Accountable Government	\$4.48	5.44	1,711

The online survey participants were then asked to imagine that the City had an increase of 20% available to spend on its budget items. Respondents were asked how they would prefer to spend the additional \$20. The results show online survey respondents would choose to allocate the largest share of the extra money to Safety and Security (Table 5). Effective Transportation and Economic Opportunity also received substantial allocations among respondents.

Table 5: How to allocate increased spending on services, 2008 online survey results

"Here again are the 8 outcomes addressed by the budget, presented in alphabetical order. If the City were able to <i>increase</i> its budget by 20% (\$20), how would you like to distribute the funds? Please indicate how much you want to spend in each area, totaling \$20."			
Outcome	Mean Amount	Standard Deviation	n
Safety and Security	\$4.20	4.55	1,498
Effective Transportation	\$3.72	3.70	1,498
Economic Opportunity	\$3.18	4.35	1,498
Livable Neighborhoods	\$2.33	3.00	1,498
Healthy People	\$2.07	2.88	1,498
Quality of Life	\$2.04	2.69	1,498
Environmental Quality	\$1.84	2.23	1,498
Accountable Government	\$.64	1.53	1,498

When asked where they would cut funding if the City were to decrease its budget by 20%, the survey respondents indicated Accountable Government would be the budget area they would decrease the most (Table 6). Although Economic Opportunity and Quality of Life were next on the list of cuts, the amount that would be cut from Accountable Government far outstripped the amount cut from other areas.

Table 6: How to cut spending on services, 2008 online survey results

"Here again are the 8 outcomes addressed by the budget, presented in alphabetical order. If the City had to <i>decrease</i> its budget by 20% (\$20), how would you like to cut to the budget? Please indicate how much you want to <i>decrease</i> the budget in each area, totaling \$20."			
Outcome	Mean Amount	Standard Deviation	n
Accountable Government	\$5.62	5.27	1,420
Economic Opportunity	\$2.91	4.28	1,420
Quality of Life	\$2.77	3.50	1,420
Livable Neighborhoods	\$2.00	2.42	1,420
Healthy People	\$1.88	2.56	1,420
Environmental Quality	\$1.64	2.27	1,420
Effective Transportation	\$1.53	2.65	1,420
Safety and Security	\$1.50	3.39	1,420

Respondents were asked how they would prefer the City to fund a new, major project (Table 7). The results from 1,383 online respondents indicated they equally preferred to see the City increase taxes, take some other approach, or to not take on a new project (28% each). A smaller percentage (16%) wanted the City to cut funds from other areas to pay for a new, major project.

Table 7: How should a new, major project be funded, 2008 online survey results

Response	n
----------	---

Increase taxes	388
Cut funds from other areas	217
Some other approach	390
No new project	388

3.3 Face-to-face deliberations

A day-long deliberation was held in April, 2008 in downtown Lincoln. The format for the Saturday event was based about the Deliberative Polling model (Luskin, Fishkin and Jowell 2002; Fishkin, Luskin and Jowell 2000; see generally, Center for Deliberative Democracy 2012). A total of 286 of the telephone survey respondents were invited to participate in the budget discussion. One-hundred and two (36%) individuals accepted the invitation, and the remaining 184 (64%) individuals either declined or did not answer. Of the 102 invitees, 51 (50% of those who accepted, 18% of those invited) actually attended. Before the discussion, participants were mailed a set of background materials (a week to two weeks before the event) about the City of Lincoln's current operating budget, City services, and budget outcomes. The 51 participants completed a written pre-event survey that replicated sections of the telephone survey. The pre-event survey measured changes in attitude about the City's budget since the time the telephone survey was administered. These data were interesting, but because of space limitations are not presented here with one exception (Table 8).

At the beginning of the session, Mayor Beutler provided an overview of the budget. Thereafter, participants were randomly assigned to one of six small groups. Within small group discussion sessions, the participants identified questions about the City's budget, and then had an opportunity to ask those questions of the Department Heads in a plenary panel discussion. Following that session, the participants re-convened in their small group discussion sessions and prioritized the City's budget outcome areas. Finally, the participants presented their list of prioritizations to the Mayor and Department Heads.

At the end of the day, the participants completed a post-event survey that also replicated questions asked in the initial telephone survey. This post-event survey allowed us to assess participants' changes in attitudes and perceptions over the course of the day, as well as get a different snapshot of community preferences *after* a day of serious consideration of the City's budget issues, as opposed to the snapshot assessments provided in the RDD phone or online surveys.

When they first arrived for the deliberation, residents were asked to complete a survey that assessed, among other matters, how they want the City to fund their priority budget outcome areas (Table 8). Results show that 32% of the participants indicated they would choose to see the City reallocate existing funds to pay for their budget outcome priorities or make no change in spending. Only 16% indicated they would like to increase taxes to fund top priorities.

Table 8: How should top priority be funded, 2008 pre-deliberation results

Response	<i>n</i>
Increase Taxes	8
Cut funds from bottom priorities to spend more on top priorities	10
Some other approach	10
Make no change in spending	6
Don't Know	16

Post-event, the participants ranked Safety and Security as the most important budget priority and Equal Access and Diversity as the least important budget priority (Table 9). The top three priority areas remained the same pre-deliberation to post-deliberation, as did the least preferred priority area. There was some switching in overall rankings for the four other areas, but no area moved more than two ranked places (i.e., Effective Transportation moved from sixth to fourth, and Environmental Quality dropped from fifth to seventh).

Table 9: Ranking of services, 2008 post-deliberation results (1=most important)

Budget Areas	Mean Score	Rank	<i>n</i>
Safety and Security	1.66	1	50
Economic Opportunity	3.54	2	50

Livable Neighborhoods	4.12	3	49
Effective Transportation	4.33	4	49
Healthy People	4.37	5	49
Quality of Life	4.90	6	49
Environmental Quality	5.52	7	48
Accountable Government	7.12	8	49

Participants were asked whether the City should increase taxes, cut funds from bottom priorities, make no change in spending, or use some other approach to fund that respondent's top budget priority (Table 10). *Thirty-five percent of respondents chose an increase to taxes.* Following the deliberation, then, there was a marked increase in Lincoln residents' willingness to increase taxes: from 17% reflected in the RDD survey (Table 3), to 28% reflected in the online survey (Table 7) to 35% reflected by those who deliberated (Table 10), an increase of 100+% of the deliberative participants from the pre-event (Table 8).

Table 10: How should top priority be funded, 2008 post-deliberation results

Response	<i>n</i>
Increase taxes	17
Cut funds from bottom priorities to spend more on top priorities	11
Some other approach	6
Make no change in spending	7
Don't know	8

4. Conclusion: Public input into the City's budget decision process, 2009 to 2011

The initial engagements in 2008 did not produce dramatic changes to the budgeting process. But it did change the focus of the Departmental Directors and their staff in their budget preparation as the Administration implemented a new performance-based and public consultation culture. Departments were asked for the first time to use specific criteria for budget prioritization. Those changes in thinking encouraged the Mayor to continue the engagement process in the following budget years. In addition, City Hall learned that when residents better understood budget issues, they seemed to be less concerned with cutting taxes and eliminating services; moreover, deliberative participants not only increased their knowledge about City budget issues, they also increased their trust and confidence in the City (Herian, Hamm, Tomkins and PytlikZillig in press; Tomkins, PytlikZillig, Herian, Abdel-Monem and Hamm 2010).

The Administration's strategy for subsequent budget years was to establish specific goals in each outcome area, prioritize the programs offered by the City, and establish performance indicators so the public and the City could be held accountable. Programs from each Department were assigned to each goal and given a priority ranking. "Tier 1" programs were deemed the most important in achieving the City's goals. "Tier 2" included the next most critical level of programming. "Tier 3" programs were deemed to be important, but not as important as the other tiers.

The Mayor wanted citizens to have a realistic understanding of the budget choices the City faced and therefore, in the year following the first public participation effort, embarked on another round of public engagement activities. An online survey helped citizens accurately understand the cost of those services most at risk of being cut. Selected Tier 3 services were presented to the public in terms of the anticipated outcome if they were cut and the cost of the service both in dollars and how much of a property tax levy would be required to pay for the services. The survey attempted to replicate the tough choices facing the Mayor's Office as revenues declined. For example:

The Police Department writes accident reports even in situations where no one is injured. The City does this mainly as a convenience for drivers who make claims on their insurance. Last year, police officers issued about 7,100 non-injury accident reports. The amount of time spend was equal to 2.3 officers and \$160,034 in property tax dollars, about 13 cents [in tax levy] per month for an average household.

Which would you prefer?

- I prefer to increase property taxes 13 cents per month for the average household and have the Police continue writing accident reports as they have been doing.
- I prefer Police to respond to accidents even quicker than they have in the past even if that means increasing property taxes more than 13 cents per month.
- I prefer the Police stop responding to accidents and shift the monies to high priority safety and security needs.
- I need more information, and/or the question is not clear to me.

The online surveys were followed by another set of face-to-face, deliberative discussions. These discussions again provided the Mayor and his Department Directors with insights about the public's preferences regarding budget cuts (don't cut all Tier 3 programs and services) and revenue increases (they are acceptable if it means not cutting specified programs and services).

By the 2011 budget, the City of Lincoln, like other cities in the U.S., faced an even greater fiscal crisis than it had in past years. Severe cuts in services would most assuredly need to take place – at least that was the common wisdom heard across the nation: There was no public tolerance for increasing revenues (e.g., Zerike 2010). Or was there?

In 2011, the now annual online survey and an all-day, face-to-face deliberation took place. Based on the input from 2,716 online survey responses and 60 resident participants in a face-to-face deliberation, some clear community preferences emerged. Across all input modalities, analyses and subgroups, consistent findings showed that Lincoln residents preferred a moderate raise in taxes over cutting services. The majority of residents preferred a moderate tax raise in order to keep the programs they valued. They clearly did not endorse a large tax increase, however. Most residents were willing to sacrifice certain programs, such as non-injury accident investigation services.

In August of 2011, the City of Lincoln put into place its first major tax increase in over a decade. The 10% property tax increase generated little controversy and an anticipated backlash against elected officials never materialized. Educating city residents and giving them a voice in the budgeting process had apparently resulted in Lincoln residents' willingness to pay for the services they felt gave them a quality of life they appreciate.

Although some might fear that input into budget decisions by the community's residents will cause elected officials and public administrators a more difficult time because of the messiness and time it takes to engage the public, this was not the experience in Lincoln. For this community, including residents' input provides insights into what the public's preferences are and why. Online input allows City Hall to reach out to, and hear from, literally thousands of people. Face-to-face deliberations inform public officials of the reasons for preferences, and also allow the officials to see whether public opinions change after they have specific information about the budget and city services. (For a comparison of the value of online versus face-to-face input, see PytlikZillig et al. 2012). Input from residents is not meant to be a substitute for the responsibility of those in public life to make the tough decisions. It does provide an opportunity to be guided by informed public perspectives that are possible using the kinds of modalities that society values, online and face-to-face. In Lincoln, it has become an integral part of City Hall's decision process.

5. Acknowledgements

We extend heartfelt appreciation to colleagues from the City of Lincoln and the Public Policy Center who have provided such valuable input to the processes, analyses, and writing of various portions of the activities described in this paper. We especially want to acknowledge Mayor Chris Beutler and Diane Gonzalez from the City, along with the myriad City Directors and other public employees who have been so crucial to our being able to work so effectively with the residents of Lincoln. We also want to acknowledge current and present Center colleagues, Joe Hamm, Jamie Marincic, Elizabeth Neeley, and Jill Thayer, as well as the numerous other Center staff members who have assisted us with the public input activities. We also appreciate the research-related assistance provided by Stacia Halada Jorgensen, Peter Muhlberger, and Amanda Penn at different points in the project. We also want to thank the dozens of facilitators who have ensured that our discussions have been so fruitful.

The research and engagement activities described in this article have been supported over the years from funds provided by the City of Lincoln, Lincoln Community Foundation, National Science Foundation (CMMI-0709333, SBE-0965465 and SES-1061635) and the Alfred P. Sloan Foundation. Any opinions, conclusions, or recommendations expressed in this article are those of the authors and do not necessarily reflect the views of our funders.

References

- Abers, R. (1998) *From Clientelism to Cooperation: Local Government, Participatory Policy, and Civic Organizing in Porto Alegre, Brazil*, **Politics and Society**, Vol 26, No. 4, pp 511-537.
- Abers, R. N. (2000) **Inventing Local Democracy: Grassroots Politics in Brazil**, Lynne Rienner, Boulder, CO, USA.
- Baierle, S. G. (1998). *The Explosion of Citizenship: The Emergence of a New Ethical-Political Principal in Popular Movements in Porto Alegre, Brazil*, in Alvarez, S. E., Dagnino, E., and Escobar, A. (eds.), **Cultures of Politics/Politics of Cultures: Revisioning Latin American Social Movements**, Westview Press, Boulder, CO, USA, pp 118-138.
- Caddy, J., Peixoto, T. and McNeil, M. (2007). **Beyond Public Scrutiny: Stocktaking of Social Accountability in OECD Countries**, OECD/World Bank, Washington, DC, USA.
- Center for Deliberative Democracy. (2012). "Center for Deliberative Democracy" [online], Stanford University, <http://cdd.stanford.edu/> (accessed on 30/01/12).
- Dillman, D.A., Smyth, J.D. and Christian, L.M. (2009). **Internet, Mail and Mixed-Mode Surveys: The Tailored Design Method** (3rd ed.), John Wiley, Hoboken, NJ, USA.
- Ebdon, C. and Franklin, A. (2004). "Searching for a Role for Citizens in the Budget Process," **Public Budgeting and Finance**, Vol. 24, No. 1, pp 32-49.
- Fishkin, J. S., Luskin, R. C. and Jowell, R. (2000). "Deliberative Polling and Public Consultation", **Parliamentary Affairs**, Vol 53, No. 4, pp 657-666.
- Franklin, A. L., Ho, A. T. and Ebdon, C. (2009). "Participatory Budgeting in Midwestern States: Democratic Connection or Citizen Disconnection?", **Public Budgeting and Finance**, 29, No. 3, pp 52-73.
- Herian, M. N., Hamm J. A., Tomkins, A. J. and PytlikZillig, L. M. (in press). "Public Participation, Procedural Fairness and Evaluations of Local Governance: The Moderating Role of Uncertainty", **Journal of Public Administration Research and Theory**.
- Herian, M. N. and Tomkins, A. J. (2012). "Citizen Satisfaction Survey Data: A Mode Comparison of the Derived-Importance Performance Approach", **American Review of Public Administration**, Vol 42, No. 1, pp 66-86.
- Leino, H., and Laine, M. (2012). "Do Matters of Concern Matter? Bringing Issues Back to Participation", **Planning Theory**, Vol 11, No. 1, pp 89-103.
- Luskin, R. C., Fishkin, J. R. and Jowell, R. (2002). "Considered Opinions: Deliberative Polling in Britain", **British Journal of Political Science**, 32, No. 3, pp 455-487.
- Miori, V. and Russo, D. (2011). "Integrating Online and Traditional Involvement in Participatory Budgeting", **Electronic Journal of e-Government**, Vol 9, No. 1, pp 41 – 57.
- Organisation for Economic Co-Operation and Development. (2009). **Focus on Citizens: Public Engagement for Better Policy and Services**, OECD Publishing, doi: 10.1787/9789264048874-en.
- Pateman, C. (1970). **Participation and Democratic Theory**, Cambridge University Press, New York, New York USA.
- PytlikZillig, L. M., Tomkins, A. J., Herian, M. N., Hamm, J. A. and Abdel-Monem, T. (2012). "Public Input Methods Impacting Confidence in Government", **Transforming Government: People, Process and Policy**, Vol. 6, No. 1, pp 92 - 111.
- Robbins, M. D., Simonsen, B., & Feldman, B. (2008). "Citizens and Resource Allocation: Improving Decision Making with Interactive Web-Based Citizen Participation", **Public Administration Review**, 68, No. 3, pp 564-575.
- Sousa, B. S. (1998). "Participatory Budgeting in Porto Alegre: Toward a Redistributive Democracy", **Politics and Society**, Vol 26, No. 4, pp 461-509.
- Tomkins, A. J., PytlikZillig, L. M., Herian, M. N., Abdel-Monem, T. and Hamm, J. A. (2010). "Public Input for Municipal Policymaking: Engagement Methods and Their Impact on Trust and Confidence", in Chun, S. A., Sandoval, R. and Philpot A. (eds.), **The Proceedings of the 11th Annual International Conference on Digital Government Research, Public Administration Online: Challenges and Opportunities**, ACM Digital Library, Digital Government Society of North America, New York, NY, USA, pp 41-50.

- Verba, S. (1967). "Democratic Participation", **Annals of the American Academy of Political and Social Science**, Vol 373, No. 1, pp 53-78.
- Verba, S. and Nie, N. H. (1972). **Participation in America**. Harper and Row, New York, New York, USA.
- Wampler, B. (2004). "*Expanding Accountability through Participatory Institutions: Mayors, Citizens, and Budgeting in Three Brazilian Municipalities*", **Latin American Politics and Society**, Vol 46, No. 2, pp 73-99.
- Wampler, B. (2009). "*Expanding Accountability through Participatory Institutions: Mayors, Citizens, and Budgeting in Three Brazilian Municipalities*", in Smith, W.C. (ed.), **Latin American Democratic Transformations: Institutions, Actors, and Processes**, Wiley-Blackwell, Malden, MA, USA, pp 148-158.
- Wampler, B., and Leonardo Avritzer, L. (2004). "*Participatory Publics: Civil Society and New Institutions in Democratic Brazil*", **Comparative Politics**, Vol 36, No. 3, pp 291-312.
- Zerike, K. (2010). **Boiling Mad: Inside Tea Party America**, Times Books, New York, New York, USA.