

City of Fayetteville
Fiscal Year 2015 Budget Questions
Group 3

Environmental Services

47. Do we need to spend \$150,000 this upcoming budget year for a comprehensive solid waste study?

A. This study is in response to a Council request at the February work session during which Council discussed the City starting to plan to take over curbside recycling collection from the current contractor. Council Member Arp asked that the Council alternatively reconsider expanding contracting to include curbside solid waste and yard waste collection. He specifically asked for an external study. This funding responds to that request.

48. On page F-18, it shows an anticipated expenditure of \$434,082 for carts and replacement parts. In the current adopted budget it shows an anticipated expenditure of \$367,183 for carts and replacement parts. Please provide the actual expenditures for blue and green carts and parts over the past two budget years. Additionally, if the cost includes the brown yard waste carts, please include details as to the purchase cost, the number in storage, the number purchased and the profit our city made per cart?

A. The chart below provides comparisons of the supply budgets for the residential trash, yard waste and recycling collection cost centers.

	FY13 Actual Expenditures	FY14 Adopted Budget *	FY14 YTD to 4/30/14	FY15 Recommended Budget **	Inventory on Hand as of 4/30/14
Green Carts	246,428	210,898	181,789	265,636	456
Brown Carts	28,885	39,543	38,669	13,282	735
Blue Carts (35 Gallon)	39,470	66,561	62,415	83,600	805
Blue Carts (96 Gallons)	-	13,181	12,890	26,564	300
Parts/Tools/Supplies	51,688	57,000	48,734	45,000	
Inventory Recording	(20,061)	-		-	
	<u>346,410</u>	<u>387,183</u>	<u>344,497</u>	<u>434,082</u>	<u>2,296</u>

* The \$367,183 reported in the FY14 budget document included only carts and parts, and did not report \$20,000 for related supplies and tools.

** The description of the \$434,082 for FY15 should have referenced carts, parts and related supplies and tools.

The current price for a resident to purchase a brown cart is \$52.00, and that price has remained unchanged for several fiscal years. The fee schedule anticipates that the sales price for brown carts will fluctuate based upon the City's cost to purchase the carts. The last four orders placed for brown carts were at the following costs:

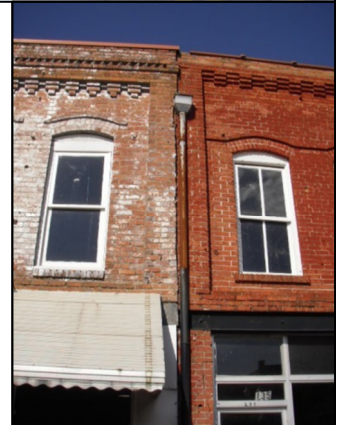
July 2012, 265 @ \$50.45; February 2013, 265 @ \$58.55; November 2013, 265 @ \$48.64; and, March 2014, 530 @ \$48.64. To minimize confusion for residents, staff has maintained the \$52.00 cart price as the City's costs to purchase carts has hovered around \$52.00 in recent years, even though the cost per cart routinely fluctuates at the time of each order as cart prices are influenced by fuel prices.

Development Services

49. The proposed budget includes \$175,000 for ongoing residential lot cleaning and demolitions and \$349,685 for three large commercial demolitions. Please identify the three large commercial demolitions and the associated return on the investment for the citizens of Fayetteville?

A. The three large commercial buildings are:

- 2869 Owen Drive – City Council authorized the demolition of the shopping center some time ago, then suspended demolition to enable the one existing tenant (Parker Pawn) to relocate. This relocation will happen in July or August and we intend to proceed with demolition shortly thereafter. This building has been the subject of hundreds of 911 calls over the past few years and has been a real thorn in the side of the Massey Hill community.
- 133-135 Person Street – City Council will hear about this property at the agenda review on May 21; it is scheduled to be considered for demolition on May 28. This property is historic and the HRC placed a one-year hold on its demolition. The roof is in incredibly poor repair and the front façade is in danger of collapsing onto Person Street. The sidewalk has been blocked off there for over a year. This building represents a significant danger to the public.
- 1301 Hillsboro Street – This building is the office annex for a church the City demolished several years ago. It represents a dangerous attractive nuisance and is a blighting influence on the surrounding neighborhood as the photograph attests. This is the second and final phase of the demolition of structures on this property.



Engineering and Infrastructure

50. On page E-33. \$231,554 in contract services expenditures are identified for downtown parking management. Do the revenues our city receives from parking violations cover the annual recurring costs associated with our parking management contract? Please provide the last three year's actual contract costs, parking fine revenues received and the delta for each year.

A. The total amount included in the proposed budget for downtown parking management contract services is \$256,554, with \$231,554 allocated to the parking fund included in the Engineering and Infrastructure department budget and \$25,000 allocated to the Central Business Tax District fund included in the Community Development department budget. The parking management contract includes services to manage the City's on-street and off-street parking in City-owned lots and the parking deck. Those services include collection of short-term parking fees, managing parking permits and parking space rentals, and cleaning and servicing of the parking deck in addition to enforcement of parking violations.

The table below summarizes revenue collections and expenditures for the parking fund for fiscal years 2011 through 2013 as requested:

	FY11	FY12	FY13
Parking Fund Revenues			
Fees, permits and rent	133,244	141,767	127,463
Violations	186,607	184,287	146,110
Other	831	10,362	(205)
	<u>320,682</u>	<u>336,416</u>	<u>273,368</u>
Parking Fund Expenditures			
Management Contract	241,243	260,126	230,599
less: CBTD Allocation	(25,000)	(25,000)	(25,000)
Other	101,204	130,743	163,542
	<u>317,447</u>	<u>365,869</u>	<u>369,141</u>

51. Please provide any data available for actual daily usage and vacancy rates for the large, city-owned parking lot behind the Prince Charles.

A. The requested data is not tracked or maintained for this lot. It is free all day parking.

Community Development

52. On page E-8, it is noted that \$25,000 is being transferred to the General Fund from the Central Business Tax District for financing costs associated with the Franklin Street parking deck. This makes sense as ad valorem tax growth (city & county) in the downtown MSD was identified as one of the funding sources to repay the debt on our downtown parking deck. Can staff confirm this \$25,000 is going to debt service for the parking deck and not for the downtown parking contract?

- A. The proposed budget for the Central Business Tax District fund for FY15 includes \$25,000 in contract services for a share of the parking management service contract and a \$25,000 transfer to the General Fund for a share of the debt service for the parking deck.

Corporate Communications

53. Please provide background information for the 8% proposed overhead charge by PWC for the call center consolidation.

- A. The 8% administrative overhead charge is designed to capture the cost of departments that provide administrative support to the shared services cost centers. Some examples of these departments are Human Resources, Purchasing, Accounting, Information Systems, Facilities and Officer Level Management. These administrative support departments do not directly charge their time or materials to the shared service cost centers. The employees involved are both hourly and salaried.

Rather than have the shared services cost centers provide these services themselves, which would be inefficient, they are charged a portion of the cost to provide these services based on the amount of their operating budget. A larger department budget such as Fleet Management uses more of these services than a smaller department such as the City Call Center.

These costs are charged to the shared services cost centers because their use of those resources reduces the availability of that resource to the balance of the PWC or City departments. Not accounting for these costs would result in a subsidy paid by either ratepayers or taxpayers depending on who is providing the shared services. The 8% charge would apply to either PWC or City cost centers depending on which entity is providing the service.

There are several methods for accounting for these costs. Since the City and PWC use different methods, the City Manager and General Manager of PWC have agreed to use this relatively simple method to account for these costs.

Revenues

54. How much revenue would be generated by a ¼ cent local option sales tax?

- A. If a ¼ cent local option sales tax were approved by the NC General Assembly for Cumberland County, a projected \$9.9 million in sales taxes would be generated based upon sales tax revenues projected for FY15 for the 1 cent Article 39 sales tax. For FY15, it is projected that the City will receive approximately 36.4% of sales tax revenues distributed to Cumberland County. On that basis, the City would be projected to receive \$3.6 million from the additional ¼ cent tax. If the new tax were subject to the current sales tax agreement, the City would be required to reimburse other municipalities and the County approximately \$300,000.

These projections do not assume any negative impact upon total taxable sales in the County due to reduced spending or migration of shoppers to neighboring counties. If the sales tax increase were to lead to reduced sales occurring within the County, the revenues from the added ¼ cent tax and the current 1 cent Article 39 tax and the ½ cent Article 42 tax would be negatively impacted.

Staffing (All Departments)

55. Which currently vacant positions, excluding those in Police, Fire and City Attorney, can be frozen and unfunded?

- A. The table attached as Item B provides a summary of currently vacant positions and department head responses as to the criticality of each of the positions in providing services.

Efficiencies (All Departments)

56. What efficiency initiatives have departments implemented or plan to embark upon in FY15?

- A. Please see the document attached as Item C which summarizes department efficiency initiatives.

Phase V Annexation

The following questions were posed at the May 14 budget work session regarding the Phase V annexation that was effective in September, 2005. Staff time is being focused upon responding to questions and preparing funding scenarios for fiscal year 2015 budget deliberations. Responses to these questions will be provided at a later date.

- **Please provide a summary of investments/improvements in the Phase V area?**
- **How many positions were added to serve the Phase V area?**
- **Was the Phase V annexation self-supporting from added revenues, or was it subsidized from other resources?**

ITEM B

Department Vacancy Report				
Position	1. Is the position critical to department operations?	2. Can you continue to provide services if the position were to be eliminated?	3. Can you live with the position frozen for 6 months?	4. Can you live with the position frozen for 1 year?
FINANCE				
1. Treasurer	yes	no	no	no
<i>Only treasurer position city has. Applications have been taken and top candidates selected for interviews.</i>				
2. Collections Supervisor	yes	no	no	no
<i>Currently have a temp working against the vacancy performing some of the duties of the position. Necessary for internal control and oversight of the division. Necessary to maximize collection of revenues. Conducted interviews and did not have a satisfactory candidate. Must readvertise.</i>				
3. Accounting Technician	yes	no	no	no
<i>Currently have a retired city employee working against the vacancy performing the duties of the position. Necessary to maximize collection of assessments and accounts receivable. Applications taken and top candidates are being selected.</i>				
Corporate Communications				
1. Public Affairs Officer	yes	no	no	no
<i>The position is currently filled by a temp</i>				
Human Relations				
No vacant positions				
IT				
No vacant positions				
P&R				
Sr Administrative Assistant	yes	no	yes	no
Sr Skilled Trade Tech (2 ea)	yes	no	yes	no
Equipment Operator 1 (2 ea)	yes	no	yes	no
Maintenance Worker (3 ea)	yes	no	yes	no
Parks Division Manager	yes	no	yes	no
Business Manager	yes	no	yes	no
Asst Rec Center Supv (2 ea)	yes	no	yes	no
Rec Center Supv	yes	no	yes	no
Turf Tech	yes	no	yes	no
Engineering				
Transportation Planner	yes	no	no	no
<i>\$50k reimbursed by NCDOT</i>				
Engineering Technician	yes	no	no	no
<i>FY15 - 75% Stormwater / 25% Engineering</i>				
Engineer III - Temporary - Part time	yes	no	no	no
Environmental Services				
Equipment Operator II (4 ea)	yes	Yes; however, there will be delays or areas of the city not serviced daily due to the shortage. The current employees would be extremely limited in taking vacation, time for family illnesses or time off that they have earned through overtime accrual and morale would suffer.	No, There is an applicant currently in the process of being hired for this vacancy.	No
Collector (2 ea)	yes	Yes; however, there may be delays or areas of the city not serviced daily due to the shortage. The current employees would be extremely limited in taking vacation, time for family illnesses or time off that they have earned through overtime accrual and morale would suffer.	Yes; however, there is an applicant that has been interviewed for this position and currently in the process of being hired for this vacancy.	Yes; however, there is an applicant that has been interviewed for this position and currently in the process of being hired for this vacancy.

Department Vacancy Report				
Position	1. Is the position critical to department operations?	2. Can you continue to provide services if the position were to be eliminated?	3. Can you live with the position frozen for 6 months?	4. Can you live with the position frozen for 1 year?
Police				
EXEMPT				
Fire				
EXEMPT				
City Attorney				
EXEMPT				
Airport (No General Fund support)				
1. Airport Maintenance Supervisor	yes	no	yes	no
2. Custodian	yes	No	no	no
<i>Salary of vacant Custodian position is used to pay for two "temp" custodians to fill out custodial schedule.</i>				
<i>Saving dollars by freezing airport vacancies does not help the general fund, since airport is enterprise fund.</i>				
HRD				
Human Resource Dev. Director	Yes	No	Yes	No
Wellness Coordinator (Risk Fund)	Critical for an effective wellness program	Yes	Yes	Yes, if a wellness program is not a priority
CMO				
No vacant positions				
City Clerk				
No vacant positions				
Development Services				
Plans Examiner	Yes. Interviews are scheduled for this critical position. It is a crucial part of our efficiency program to maximize the amount of time our inspectors spend in the field and our customer service program to enhance consistency and timeliness in plan review.	no	no	no
Building Inspector	Yes. Additional inspection staffing is the Development Services Department's number 1 priority. This position is advertised and is under active recruitment.	no	no	no
Office Assistant II	Yes. This position is needed to maintain proper staffing for the inspector dispatch program. It is a crucial part of our efficiency program to maximize the amount of time our inspectors spend in the field. This position is advertised and is under active recruitment.	No. Dispatch will start upon completion of Cityworks implementation.	no	no
Transit (Partial General Fund Support)				
Transit Supervisor	yes	yes	no	no
Transit Dispatcher	yes	no	no	no
Safety/Training Coordinator	yes	no	no	no
Transit Analyst	yes	no	no	no
Bus Operator	yes	no	no	no

ITEM C

Proposed Departmental Efficiencies FY15 Budget

Fire

1. Replacing Brush Truck with more versatile unit. New unit will have removable pump sled, which allows the vehicle to not only be used for brush fires, but to also be used as a reserve squad to be placed in service when additional resources may be required. (i.e. – For severe weather events, special events, etc.)
2. Continued contracting with County FDs to provide services to newly annexed areas and areas towards the perimeter of city where the County FD can provide a quicker response. We contract with 4 departments. The contracts requires the departments to provide the same level of protection as FFD, including 24-hr. staffing and staffing levels, meeting FFD training requirements, and familiarization with FFD policies/procedures.

Development Services

1. Staff has proposed developing a Comprehensive Future Land Use Plan in-house, which would reduce cost for the plan by >60% in FY15 while enhancing overall planning resources. A consultant produced plan will cost approximately \$200,000. A Senior Planner position needed to carry out this City Council priority will cost approximately \$80,000. In future years, staff will use this resource for other long-range planning initiatives that have been and will be of interest to the Council and community, such as a Cape Fear River area plan.
2. “Dispatch from home” will be implemented in FY15 for building inspectors, resulting in a significant increase in productivity and accountability. This will be accomplished with no additional resources. This, combined with the similar program implemented in FY14 for the code inspectors, will free up space in City Hall for other functions.
3. Cityworks will significantly increase permitting and inspections efficiency and customer transparency in FY15, as will associated technology (e.g., iPads). This will be accomplished with no additional resources.
4. Proposed FY15 building inspector hires will be multi-trade inspectors to minimize travel times. They will primarily be utilized for smaller projects having multiple trades to inspect such as HVAC unit replacement, additions to single-family homes, etc. This will have broad organizational benefits for the inspections program and greatly enhance our customer service.

Finance

1. Placing assessments on the City’s website so firms/individuals can do some level of self-service (data base search) to determine if a property has an assessment. This initiative will significantly reduce the number of inquiries staff responds to each week and allow them to direct more time to collection efforts. While it does not reduce the expenditure budget, there should be a positive impact on revenues. This project is in the testing phase.

2. Automated time and attendance module will reduce data entry, improve time/attendance accountability and therefore, will improve accuracy and hopefully reduce city costs.
3. Improvements are being made to the current in-house privilege license system to reduce staff time performing reconciliations and allow easier access to data housed in the program.

Police

1. CCTV – More cameras will provide more coverage while only using one employee
2. Lateral Transfer Program – Placing quality officers on the street in an efficient manner
3. Front desk unit, which consisted of one sergeant and four police officers, were transferred to Patrol Operations in order to provide staffing on the streets during the most needed times.
4. P2C (police to citizen) software is now operational where citizens can file certain types of police reports over the internet. This frees up officers on the street from taking the report, as well as time for our non-sworn personnel in Central Records who take reports over the phone.
5. Complete review of all non-sworn positions in the department to make sure all positions are necessary and aligned with our current needs.

Engineering & Infrastructure

1. Installed and manage a new Bluetooth technology, that is a force multiplier for signal timing improvements. This equipment provides an incredible amount of data that cannot be duplicated without a significant increase in manpower.
2. Implementing GIS based pavement evaluations, reduces time to develop resurfacing projects and tracks our performance.

Parks & Recreation

1. Replacing two tandem dump trucks valued at \$200,000, by coordinating with Engineering & Infrastructure, within the vehicle replacement budget.
2. Turning in our heavy mileage trucks for their moderate mileage trucks extending the replacement of P&R trucks another four years.

Corporate Communications

1. Utilizing our performance measures for communications (internal as well as external), along with our auxiliary services (including mail room and print shop).
2. New and updated forms have been added to the COFWEB to reflect the wide variety of services offered by Corporate Communications. The new forms have been redesigned and adhere to a single standard to make completing them more efficient.

3. As part of our new performance management strategy, new requests to Corporate Communications will be tracked via spreadsheet, to ensure products are completed in a timely and efficient manner.
4. A new customer satisfaction survey is being implemented, to ensure we consistently deliver courteous, professional service. All of the new forms are fully interactive and can be easily delivered via email.