

Board of Representatives
2009-2010 Budget Presentation Agenda

ITEM 1

- **Review of Budget Request (Provided in Budget Book)**
 - Financial Request (2009-10 resource requests, bold in budget book)
 - Total funding requested
 - Identify and describe Increases/decrease Year Over Year
 - Human Capital/Personnel Change

ITEM 1
<p>Director of Administration</p> <ul style="list-style-type: none"> • Review of Budget Request <ul style="list-style-type: none"> ○ Financial Request <ul style="list-style-type: none"> ▪ Total funding requested: \$311,709. ▪ Identify and describe Increase / Decrease Year Over Year: \$19,447 increase over projected 08/09 expenditures. Other than increases required per employment contract, there are no changes between funding provided in 08/09 and that requested in 09/10. ▪ Human Capital/Personnel Change: None.
<p>Policy and Management</p> <ul style="list-style-type: none"> • Review of Budget Request <ul style="list-style-type: none"> ○ Financial Request <ul style="list-style-type: none"> ▪ Total funding requested: \$1,120,467. ▪ Identify and describe Increase / Decrease Year Over Year: \$50,313 increase over projected 08/09 expenditures. ▪ Human Capital/Personnel Change <ul style="list-style-type: none"> • One full time Buyer position is added in FY 08-09. • One full time Auto Copy System Machine Operator position is unfunded in FY 09-10.
<p>Grants Administration</p> <ul style="list-style-type: none"> • Review of Budget Request <ul style="list-style-type: none"> ○ Financial Request <ul style="list-style-type: none"> ▪ Total funding requested: \$311,849. ▪ Identify and describe Increase / Decrease Year Over Year: \$18,382 increase over projected 08/09 expenditures. ▪ Human Capital/ Personnel Change: No change.
<p>Assessment and Taxation</p> <ul style="list-style-type: none"> • Review of Budget Request <ul style="list-style-type: none"> ○ Financial Request <ul style="list-style-type: none"> ▪ Total funding requested: \$2,949,011. ▪ Identify and describe Increase / Decrease Year Over Year: <ul style="list-style-type: none"> • \$160,594 increase from revised 08/09 budget specifically related to a charge of \$107,666 to 1020 – Assessor – Payments to Insurance Fund – related to a Workers Comp. Claim. – (Prior year charge was \$920.00). • Assessor – Contracted Services - \$15,000 increase – Additional funding for personal property audits which are known to be a strong and proven revenue stream. • Revenue Services – Contracted Services/Postage - \$37,500 – Requested increase would allow funding for two additional delinquent tax billings. Our experience has been that the return on investment for delinquent billings would produce additional revenue at approximately a 15:1 ratio. • Property Revaluation – Contracted Services - \$30,000 increase – to provide for additional expert testimony in support of tax appeals related to the 2006 and 2007 revaluations. ▪ Human Capital/ Personnel Change: <ul style="list-style-type: none"> • There have been no additional positions created and no upgrades to existing positions.

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- A Commercial Appraiser position has been open for over a year which we have not been able to fill due to budget givebacks. It is fully funded in the proposed 09/10 budget and is a position needed to address commercial facilities.
- An Account Clerk I position open for the past year was unfilled due to budget givebacks and we did not receive funding in the proposed budget.

Controller

- Review of Budget Request
- Financial Request
 - Total funding requested: FY 09/10 Mayors request \$1,146,793 (net of City support to BOE and WPCA).
 - Identify and describe Increase / Decrease Year Over Year:
 - Staffing Levels – FY 00/01 – 17 employees,
 - FY 04/05 – 15 employees,
 - FY 08/09 – 14 employees (plus 2 positions funded by BOE & WPCA)
 - Human Capital/ Personnel Change:

The WPCA provided funding for enhanced financial support for WPCA. The BOE also provides annual funding to the department for enhanced financial support. These funding sources, coupled with an unexpected vacancy that occurred last year, allowed us to restructure and realign the department to better meet the needs of the City departments, BOE and WPCA, and address needs related to system upgrades and to adequately address changes and challenges occurring in the financial environment. The organizational restructuring was implemented to accomplish the following objectives:

 - Increase financial oversight and enhance financial reporting of WPCA operations.
 - Support procurement card program and A/R module implementations.
 - Allow for more segregation of duties in critical accounting functions.
 - Speed account reconciliations (daily account review) to improve fraud detection and internal controls.
 - Support departmental efforts to increase revenue through credit card collections.
 - Support activities related to recently added funds (OPEB Trust Fund and OTHRA).
 - Support the new integrated Payroll & Human Resources System.
 - Support on-going operations during audit season.
 - Add back-up for critical and time-sensitive functions.

Technology Management Services

- Review of Budget Request
- Financial Request
 - Total funding requested: \$1,447,219.
 - Identify and describe Increase / Decrease Year Over Year: \$167,448 increase
 - Each year efforts are made to separate the City and BOE budget and tech associated resources. Next year, with a \$380,000 reduction to the BOE technology operating budget it is nearly impossible to insulate the reductions and direct cause they will have upon the entire technology department. Further reductions to the City portion will no doubt force Human Capital reductions and limit the City's ability to technologically move forward.
 - Human Capital/Personnel Change
 - The TMS department support technology needs of both the City and the BOE. At this time we are not asking for changes in Human Capital.

Risk

Internal Service Fund:

- Review of Budget Request
- Financial Request
 - Total funding requested: \$11,238,546.
 - Identify and describe Increase / Decrease Year Over Year: \$483,432 increase.
 - Human Capital/Personnel Change: No change.

Operating Budget:

- Review of Budget Request
- Financial Request

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- Total funding requested: \$546,344.
- Identify and describe Increase / Decrease Year Over Year: \$20,140 increase over last year, cumulatively due to increases in central service cost allocations, contractual salary increases, and increases in social security and medical.
- Human Capital/Personnel Change: No change.

ITEM 2

- **Performance Measurement and Improvement (1-2 pages)**
 - Key performance metrics
 - Performance benchmarks (year to year; to other departments; other municipalities: including)
 - Results of performance and operational improvements 08-09
 - Work and program(s) eliminated or added (describe)
 - Programs and departments redesigned to reduce cost

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Director of Administration

- Performance Measurement and Improvement
 - Key performance metrics
 - Facilitate preparation of capital and operating budgets in accordance with Mayor's recommendations.
 - Facilitate municipal audit.
 - Prepare safe debt limit recommendation.
 - Review status of tax collections for cash management purposes.
 - Monitor cash utilization and prepare for annual bond issuance.
 - Oversee Cost Allocation Plan development.
 - Oversee tax abatement process, call meetings, review requests for abatement and ensure correct billing.
 - Chair Custodian Pension Committee.
 - Facilitate information flow for WPCA Financial Management.
 - Address Municipal Investment Policy and participate in decision making on investment choices.
 - Develop OPEB Fund and contributions and oversee Investment Activities with OPEB Trust Members.
 - Monitor resolution of insurance claims against by City.
 - Monitor IT implementation of systems that will assist the City in better provision of better, smarter, service delivery
 - Ensure that the Grants Office is submitting timely applications to leverage City funds in order to facilitate municipal projects.
 - Address municipal oversight of Assessment, Tax Collection, IT, Grants, Finance, OPM, Risk Management and all departmental activities provided by the Office of Administration.
 - Performance benchmarks (year to year; to other departments; other municipalities: including)
 - Completion of all activities in the required timeframes for each.
 - Ensure that annual cost of each division within the Office of Administration remains within amount budget.
 - Assist the City in identifying cost saving measures.
 - Monitor markets for opportunities for cost savings.
 - Ensure that systems are addressed to safeguard municipal funds.
 - Results of performance and operational improvements 08-09
 - City reduced operating budget to allow for declines in revenues, particularly in conveyance tax and supplemental auto to be addressed without layoffs.
 - Identified opportunity for savings through bond refunding and need to go to the market for a new money issue including that required to support WPCA capital projects.
 - Interviewed various providers and identified the need for assistance in addressing system improvements to allow for credit card convenience to taxpayers.
 - Addressed better communication and reporting in WPCA billing and finances resulting in significantly improved usefulness of audit and initiation of policies and procedures to be developed, and recommendation to identify an alternate accounts receivable system for better monitoring of connection charges by project.
 - Work and program(s) eliminated or added (describe)
 - WiFi in the parks due to cost and less than anticipated utilization.
 - Programs and departments redesigned to reduce cost
 - City implemented HRIS System (See Controller's Budget Management Section).

Policy and Management

- Performance Measurement and Improvement
 - Key Performance Metrics
 - Prepare Annual Operating and Capital Budgets.
 - Perform 8 Spot Audits annually.

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- Complete Quarterly Capital Project Update Reports.
- Prepare Quarterly Financial Projections.
- Process Purchase Order Requests in a timely manner.
- Prepare/Process Bid/RFP's in a timely manner.
- Manage Service Contracts and notify departments of Contract Expiration Dates.
- Process all mail on a daily basis.
- Process Requests for Print/Reprographic Services in a timely manner.
- Performance benchmarks (year to year; to other departments; other municipalities: including)
- Results of performance and operational improvements 08-09
 - Full implementation of on-line e-bid system.
 - Completion of conversion to an on-line vendor registration program.
 - Implementation of a contract tracking process with the Legal Department designed to expedite contract execution.
 - Full implementation of on line auctions system. Project quarterly auctions of surplus City equipment.
- Work and program(s) eliminated or added (describe)
 - No programs or services eliminated.
 - New services added related to expanded copy/print services related to acquisition of new equipment.
- Programs and departments redesigned to reduce cost
 - One vacant Auto Copy Systems Machine Operator position eliminated in order to reduce costs.

Grants Administration

- Performance Measurement and Improvement
- Key performance metrics:
 - Manage current inventory of approximately 160 grants totaling \$265 million, including approximately \$135 million in school construction projects.
- Performance benchmarks (year to year; to other departments; other municipalities: including)
 - Analyze American Reinvestment and Recovery Act (ARRA) for funding opportunities; coordinate submittal of grant applications.
 - Write and submit applications for 10 new programs.
 - Provide support as needed to federal and state lobbyists.
- Results of performance and operational improvements 08-09
 - Collaboration with Norwalk and Bridgeport grants offices resulted in a \$1.9 million regional award through the Urban Area Security Initiative. The City of Stamford will receive approximately \$179,000 in personnel and administration costs.
- Work and program(s) eliminated or added (describe)
 - There have been no work/programs added or redesigned in 08/09.
- Programs and departments redesigned to reduce cost
 - There have been no work/programs added or redesigned in 08/09.

Assessment and Taxation

- Performance Measurement and Improvement
- Key performance metrics
 - Collection Rates by Property Type

Fiscal Year	All Property	Real Property	Personal Property	Motor Vehicle
2007-2008	98.43	98.93	98.94	91.50
2006-2007	98.30	99.17	98.59	90.73
2005-2006	98.74	99.34	98.52	91.15
2004-2005	98.57	99.60	97.22	90.76
2003-2004	98.51	99.40	97.00	91.67

Stamford compared to peer group (cities with populations greater than 100,000) to include Bridgeport, Hartford, New Haven and Waterbury:

For the period of the last 10 years (1997-2006) there has never been a single year when the City of Stamford did not have the

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highest Current Year Collection rate in its peer group. In addition, there has never been a single year in that period when the City did not have the highest percentage of Total of Revenue Collected as a % of Total Outstanding. For the Peer Group, the average Current Year Collection Rate over the 10 year period was 94.41% compared to Stamford's rate of 97.92%. The Peer Group average percentage over 10 years for total Revenue Collected as a % of Total Outstanding was 84.59% compared to Stamford's 10 year average of 94.86%.

(source: State of Connecticut – Office of Policy and Management – Municipal Fiscal Indicators – 1997-2006)

- Personal Property Audit Program

Fiscal Year	Audits Completed	Tax Recovered	Audit Cost	Ratio Recovered/Cost	Avg. Cost/Audit	Avg. Recovery
2005-2006	54	676,524	115,100	5.88	2,131	12,528
2006-2007	123	1,407,003	280,200	5.02	2,278	11,439
2007-2008	100	1,264,771	129,400	9.77	1,294	12,648
2008-2009	102	535,963	109,600	4.89	1,075	5,254
	379	3,884,261	634,300	6.12	1,674	10,249

To complement the audit program we are looking at a software application that would identify by type of business the value of personal property. This is accomplished by determining (1) type of business (2) number of square feet occupied (3) number of employees (4) average value of personal property. We would be able to select for audit those businesses that fall below average based on information provided on their Personal Property Declaration filed with the Assessor each year.

- Performance benchmarks (year to year; to other departments; other municipalities: including)
- Results of performance and operational improvements 08-09
 - Personal Property Audits – This program, which engages the use of an outside audit firm, continues to improve the City's bottom line. In total, through January 2009, over \$214 million in new assessed value has been added to the City's Grand List. The Grand List presented as of October 1, 2008 has, for the first time, seen the gross value of Personal Property exceed the \$1 billion level.
 - Delinquent Motor Vehicle Collections – without question the most difficult tax to collect, we continue to make solid progress in collecting aging receivables. Through our outside vendor, Collection Company of America, the past twelve month period has contributed an additional \$1.5 million in revenue with no charge to the City for the service provided.
- Work and program(s) eliminated or added (describe)
 - Non-Profit Property Tax Exemption Program – This program was added two years ago due to passage of Local Ordinance #1061. The program offers non-profit agencies serving Stamford the opportunity to apply, along with the property owner, for a prorated portion of property taxes. The new program has added additional work load again without an increase in staffing.
 - Elderly/Disabled/Veterans Tax Exemption Program – As the income and asset levels are continually increased enabling more Stamford residents than ever to qualify, the number of participants has almost tripled in the last three years (from 446 to an anticipated 1,200 this year). During this period of growth, our customer service area responsible for program administration has been operating with two less positions.
- Programs and departments redesigned to reduce cost
 - Primary cost reduction for 08/09 was not being able to fund two open positions as part of the 3% give back.
 - Copy and Printing Costs – We entered into a new copier/fax/printer/scanner lease agreement with Xerox to reduce costs By replacing separate and antiquated equipment (with increasingly higher maintenance and toner cartridge costs), we now pay a base rental fee for all units and a copy fee for just color copies.
 - Tax Bill Printing Costs (Cost Reduction/Process Improvement) – By working with our tax bill printing and mailing vendor we were able to reduce costs for delinquent billings. The bill file created in H T E that is sent to the printer for processing was designed to include all accounts (that includes zero balance and credit balance accounts). For example, the delinquent file for Motor Vehicle accounts includes approx. 90,000 accounts even though the majority had zero balances. What we were able to do is that once the file is created in H T E, it is copied from the AS/400 to a PC and then the data is imported to an excel spreadsheet where we remove all accounts with balances less than two dollars (statutory non-billed amount). This has significantly reduced the number of "reads" we are charged for when the file is submitted to the vendor. In the first delinquent billing using this method the cost from the vendor to "read" the accounts dropped from \$1,876 to \$209 dollars. This was the savings for a single delinquent billing.

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Controller

- Performance Measurement and Improvement
 - Key Performance Metrics

<u>Measure #1</u>	<u>FY 06/07</u>	<u>FY 07/08</u>	<u>Actual</u> <u>FY 08/09</u>	<u>Results</u>
# of Funds	39	42	43	More funds/accounts to control/reconcile

The number of separate and distinct funds we manage has increased. The creation of new funds is important to functional and program control, however, each needs to be reconciled (often they have separate bank accounts), analyzed, maintained and reported on each month and in the annual audit report.

<u>Measure #2</u>	<u>FY 06/07</u>	<u>FY 07/08</u>	<u>Actual</u> <u>FY 08/09</u>	<u>Results</u>
Policy Compliance	100%	100%	100%	Increased policy awareness

On an annual basis, an internal control questionnaire is issued to all departments and each school outlining policies relating to accounts payable, cash deposits and payroll. This technique has been successful in reminding employees and enforcing the adopted accounting policies. We also report to managers monthly on any violations to the cash receipts policy that occur in their departments and we send quarterly revenue verification reports to the departments. In addition, we revised the Accounting Policy Manual and it was adopted by the Board of Finance in January 2009. All departments have received an electronic copy.

<u>Measure #3</u>	<u>FY 06/07</u>	<u>FY 07/08</u>	<u>Estimated</u> <u>FY 08/09</u>	<u>Results</u>
# of EFT	680	700	775	Increased automation

The number of wires into and out of our bank accounts is increasing as a result of an emphasis on electronic transactions. I would like to pursue more electronic transactions (vendor payments specifically) but I need to determine the costs/benefits against other pressing department initiatives.

<u>Measure #4</u>	<u>FY 06/07</u>	<u>FY 07/08</u>	<u>Estimated</u> <u>FY 08/09</u>	<u>Results</u>
Billed Alarms	2,901	2,852	2,800	Registration program successful

The number of billable incidents continues to reduce as a result of the Alarm Registration Program as anticipated.

<u>Measure #5</u>	<u>FY 06/07</u>	<u>FY 07/08</u>	<u>Estimated</u> <u>FY 08/09</u>	<u>Results</u>
Direct Deposit	67%	68%	69%	Increased automation

The percent of employees and retirees using direct deposit has increased slightly as a result of our efforts. Two pension plans now require that new retirees sign up for direct deposit which is helping in the effort. The percentages we have are about average compared to industry standards. Direct deposit reduces costs associated with lost/reissued checks.

- Performance benchmarks (year to year; to other departments; other municipalities: including)
- Results of performance and operational improvements 08-09
 - HRIS/Payroll System - Implemented the core modules (Phase 1 completed December 2008) of the HRIS/Payroll System for the Board of Education and City. Still on track to save the City more than \$900,000 over the next 8 years, move us in our desired technological direction and enhance the services we provide. Reporting, Benefits and Position Management modules in progress – expect to be completed by the end of the fiscal year.
 - Procurement Card Program - Implemented Procurement Card Program with City departments and the Board of Education. Continue to work through file conversion issues between the bank and financial software.
 - H.T.E. Financial System - Implemented Account Receivable and Cash Receipts modules with BOE for School Building Use Fund.
 - Kronos – Worked on implementing Kronos for the civilians in the police department and dog pound (did the programming and training). System is ready to go live, but the Police Department has declined to complete the implementation. Current discussions are occurring between Corporation Counsel and Police Administration to finalize

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the implementation. Also have expanded Kronos use to BOE After School Programs and part time employees.

- Credit Card Acceptance Program - Continue to implement credit card acceptance for revenue collection in selected departments (Cashiering & Permitting, Recreation, EG Brennan Golf Course, Terry Conners Rink, Transfer Station). Participated in the implementation of a replacement system for RecTrac (includes an on line payment and credit card acceptance feature).
- Work and program(s) eliminated or added (describe)
 - Added enhanced financial oversight and reporting (CAFR with MDA, transmittal letter and statistical section) for the WPCA.
 - Added procurement card program for City departments.
 - Added accounts receivable module for School Building Use Fund.
 - Added bank account reconciliations and financial transactions for the Old Town Hall Fund and OPEB Trust Fund.
- Programs and departments redesigned to reduce cost
 - HRIS/Payroll System - Implemented the core modules of the HRIS/Payroll System for the Board of Education and City. Still on track to save the City more than \$900,000 over the next 8 years.

Technology Management Services

- Performance Measurement and Improvement
- Key performance metrics
 - See departmental report for full indicators. Brief highlights below.

TMS Service requests

<u>FY 07-08</u>	<u>FY 08-09</u>
8027 (22% increase)	6920 (tracking 15% increase)

Email messages

<u>FY 07-08</u>	<u>FY 08-09</u>
>600,000	740,000

Number of visits to Websites

<u>FY 07-08</u>	<u>FY 08-09</u>
29,000	36,000

Number of requests processed thru website

<u>FY 07-08</u>	<u>FY 08-09</u>
11,831	12,952

- Performance benchmarks (year to year; to other departments; other municipalities; including)
 - Although each municipality seems to measure technology progress differently many of the indicators appear to be similar Stamford remains either slightly above or on par with Hartford, New Haven and Norwalk CT.
- Results of performance and operational improvements 08-09
 - Technology support continues to be the largest core of the TMS department services offered. A database is maintained of all incoming and addressed service requests.
 - This database clearing house is reviewed on a daily basis to measure, not only progress, but to establish trends to improve future technology deployment and minimize down time of existing technologies.
 - Weekly reports are distributed to all requesting service. This report allows the requester to not only see their request, but to see all others within the enterprise environment.
- Work and program(s) eliminated or added (describe)
 - No programs added or eliminated at this time.
- Programs and departments redesigned to reduce cost
 - Consolidated permanent PT database specialist with FT web developer position.

Risk

- Performance Measurement and Improvement
- Key performance metrics
- Performance benchmarks (year to year; to other departments; other municipalities; including)
- Results of performance and operational improvements 08-09
- Work and program(s) eliminated or added (describe)
- Programs and departments redesigned to reduce cost

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FY 2006/2007 compared to FY 2007/2008

Each year Risk Management sets a goal of a 10% reduction in injury incidents City wide and we came up just short at 9%. Our dollar reduction goal was also 10% and we finished the year at a 6% reduction when compared to FY 2006/2007.

Successes:

- City wide we ended the year with 563 injury incidents which is the lowest number of incident in the past 5 years
- The Police department ended the year with 174 injury incidents which is also the lowest number of incidents in their last 5 years.
- The Police Department also reduced their injury incident costs to the lowest amount in the past 5 years.
- Operations ended the year with 57 injury incidents which also best their last 5 years
- Stamford Fire & Rescue ended the year with 59 injury incidents which is their lowest in the past 5 years.

Departments that reduced their injury incidents over the prior fiscal year;

- BOE -14%
- SFR -5%
- Operations -25%
- Police -1%
- Smith House -7%

Departments that reduced their Incident cost over last fiscal year'

- Operations -25%
- Police -32%
- WPCA -72%

Locations or Units with good Injury Incident reductions during the current fiscal year (25% or better);

- Westover ES
- Rogers ES
- KT Murphy ES
- Toquam ES
- AITE
- TOR MS
- Rippowam MS
- Dolan MS
- Long Ridge Fire Co
- EG Brennan GC
- Transfer Station
- Facilities Maint
- Vehicle Maint
- Traffic Maint

ITEM 3

- **Budget Management (1-2 pages)**
 - Summary of cost reductions occurring in 08/09 – include amount and source
 - Cost management actions taken 2008-09
 - Cost reduction, cost transformation and process improvement programs planned 2009-10

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Director of Administration

- **Budget Management**
 - Summary of cost reductions occurring in 08/09 – include amount and source
 - The Department of Administration experienced salary reductions in the amount of \$115,370 during 08/09.
 - Cost management actions taken 2008-09
 - Cost management actions taken in 08/09 included restructuring in the Office of Administration. This was necessary due to the lack of vertical structure in the organization resulting in significant weakness which became apparent due to previous cost reductions, increasing rigor of the workload coupled with a loss of staff. A Stipulated Agreement enabled reorganization of the Office of Policy and Management and the Controller's Office as follows:
 - OPM saw an increase in the salary of the OPM Director for his acceptance of the position of Purchasing Director for the City increasing his responsibilities as the City did not replace the position with a new employee. Vacancies were also left unfilled for the position of a part time Buyer and part time Clerical employee. An Assistant Director of OPM was created by upgrading the Senior Management Analyst position to facilitate better task management of the increasing functions within the department.
 - The Controller's Office addressed an increasing workload and changing job duties coupled with a lack of additional staff through a reorganization. New requirements of the HRIS system, a stronger vertical alignment of responsibilities in payroll, as well as redistribution of duties in Controller's Office to facilitate better cash management through segregation of duties was required. In addition the Office of Administration ensured financial management of the WPCA funds through their contribution to the Office allowing for an increase in the position of Junior Accountant in the Treasurer's function and the redistribution of workload across the Controller's organization. An Assistant Controller position was created by upgrading the Senior Management Analyst Position to facilitate better task management of the increasing functions within the department.
 - Cost reduction, cost transformation and process improvement programs planned 2009-10
 - Cost reduction, cost transformation and process improvement programs planned for 09/10: The capital projects budget include \$100,000 for the City to obtain assistance in addressing system needs for to enable use of credit cards in a manner that will be able to be used across all operating departments and allow for appropriate interface with the City's accounting system as well as provide for internet capability.

Policy and Management

- **Budget Management**
 - Summary of cost reductions occurring in 08/09 – include amount and source
 - Cost reductions in 08-09 included an across the board reduction of supply and non-payroll accounts. Office supplies and conference attendance were significantly reduced or eliminated. Our discretionary accounts were reduced from \$23,000 to \$17,960, a reduction of 28%.
 - Cost management actions taken 2008-09
 - A vacant position in the Central Duplicating/Print Shop was not filled when the incumbent retired in February, 09. The vacant position will not be filled in FY 09-10 as well.
 - Cost reduction, cost transformation and process improvement programs planned 2009-10
 - Process improvement plans revolve around the use of technology. Full implementation of the e-bid system is the beginning. The next phase will be to incorporate an automatic bid results notification system designed to automatically notify bidders when contracts are awarded thus reducing costs associated with employee time and postage related to manual notification.
 - Additionally, we have received new equipment in the Central Duplicating/Print Shop which will allow us the capability in the future to print, stuff into envelopes and affix postage to a variety of bills, notices etc.
 - Purchasing will explore regional cooperative purchasing arrangements with surrounding towns in order to increase the City's purchasing power resulting in lower costs.

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Grants Administration

- Budget Management
- Summary of cost reductions occurring in 08/09 – include amount and source
 - Cost reductions in 08/09 included \$5,404 in overtime, conferences and training, copying and printing and office supplies.
- Cost management actions taken 2008-09
 - We will continue to monitor non-personnel items to ensure we stay within budget.
 - Overtime will be approved judiciously and will be compensated through “comp time”.
- Cost reduction, cost transformation and process improvement programs planned 2009-10
 - Process improvements will include increased use of the Cost Allocation Plan to capture reimbursements for eligible administrative costs included in ARRA programs. We will continue to create partnerships with other municipalities and agencies as appropriate to increase chances of winning grant funds.

Assessment and Taxation

- Budget Management
- Summary of cost reductions occurring in 08/09 – include amount and source
 - Salary (part of mandatory 3% give-back) – approximately \$104,000
 - Non-Salary (part of mandatory 3% give-back) – approximately \$20,000
- Cost management actions taken 2008-09
 - Commercial Appraiser Position – The Assessor’s Office has had a vacant full-time commercial appraiser position open all year, which was left open due to the projected budget deficit. The entire salary of about \$65,000 was part of the 3% give-back that city departments were required to meet.
 - Account Clerk I Position – The Taxation Services Department has had a full-time Account Clerk I position open all year that the department was not allowed to fill due to the projected budget deficit. The entire salary of about \$39,000 was part of the 3% give-back that city departments were required to meet.
 - Personal Property Audit Program – This line item was reduced by \$15,000 to meet the mandated 3% give-back.
 - Copying & Printing – We entered new copier/fax/printer/scanner lease agreements with Xerox to reducing copying and printing costs. By replacing separate and antiquated equipment (with increasingly higher maintenance and toner cartridge costs), we now pay a base rental fee for all units and a copy fee for just color copies.
 - Conference & Training – We have suspended spending in these line items, with the exception of those courses that are required for staff to attain or retain their assessment or tax collection certification.
- Cost reduction, cost transformation and process improvement programs planned 2009-10
 - Tax Bill Printing Costs – Each delinquent billing incurs a separate charge for the number of “reads” that the printing and mailing vendor performs. By eliminating the billing of accounts with balances of less than \$2 (the statutory non-billable threshold) from the final rolls, the number of reads processed is significantly reduced. The charge reduction for this one delinquent billing was approximately \$1,600.

Controller

- Budget Management
- Summary of cost reductions occurring in 08/09 – include amount and source
 - HRIS/Payroll System - Implemented the core modules of the HRIS/Payroll System for the Board of Education and City within budget. Over 8 years, will save the City more than \$900,000.
- Cost management actions taken 2008-09
 - HRIS/Payroll System - Implemented the core modules of the HRIS/Payroll System for the Board of Education and City within budget. Over 8 years, will save the City more than \$900,000.
 - Procurement Cards – “Soft” savings generated for each requisition, purchase order and invoice not processed due to the use of a procurement card.
- Cost reduction, cost transformation and process improvement programs planned 2009-10
 - The workload restructuring will support timely and effective monthly closing activities, support the BOE and WPCA in their financial goals and support the City in a variety of new efforts.
 - Daily reconciliation of main bank account activity helps us to detect unusual transactions quicker to safeguard the City’s assets.
 - Procurement card program – explore super-user card and earn rebates on purchases.
 - Credit cards (standardization across departments and expanded use).

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- Explore outsourcing the alarm billing and collection activity (can it be done for less by an outside vendor or another department).

Technology Management Services

- Budget Management

- Summary of cost reductions occurring in 08/09 – include amount and source

Acct. #	Acct.	2% (7/1/09) Reductions	1%(9/1/08) Reductions	(2/1/09) Reductions	Total Reductions
1100	Salaries	\$ 9,026.00	\$ 15,000.00	\$11,000.00	\$ 35,026.00
1203	Seasonal	\$ 2,000.00			\$ 2,000.00
1301	Overtime	\$ 2,000.00			\$ 2,000.00
1502	Car Allowance	\$ 2,500.00			\$ 2,500.00
2100	Medical & Life Ins.	\$ 3,719.00			\$ 3,719.00
2200	Social Security	\$ 1,188.00	\$ 1,148.00	\$ 842.00	\$ 3,178.00
5240	Insurance Fund	\$ 113.00			\$ 113.00
3202	Conf. & Training	\$ 1,360.00		\$ 2,720.00	\$ 4,080.00
4400	Equipment Rental	\$ 2,000.00			\$ 2,000.00
6710	Computer Equip.	\$ 674.00			\$ 674.00
	Total Reductions				\$ 55,290.00

- Cost management actions taken 2008-09

- The Salary reduction was attributed to employee transitions. Employee resignation and hiring delays yielded the savings. During the 1st quarter of this transition, field service repairs output time suffered and response time increased to an excess of 48 hour back logs.

- Cost reduction, cost transformation and process improvement programs planned 2009-10

- Efficiencies in field service deployment will be explored using remote management software, however financial challenges may prevent implementation.

Risk

- Budget Management

- Summary of cost reductions occurring in 08/09 – include amount and source

- Cost management actions taken 2008-09

Continuation of the following actions should result in reductions in Risk Management expenses:

- Continued safety training sessions.
- Increased number of safety committees and meetings.
- Additional risk assessments and corrective actions.
- Continuous monitoring of workers' compensation claims.
- Participation in workers' compensation hearings.
- Actively pursuing defeat of additional unfunded workers' compensation mandates.
- Quarterly review of all open workers' compensation and liability claims, reserves, and accruals.
- Monthly workers' compensation meetings with managers.
- Monitoring of insurance market trends and working with brokers to reduce insurance costs to the City of Stamford
- More aggressive investigations of possible fraudulent claims.

- Cost reduction, cost transformation and process improvement programs planned 2009-10

- Cost reduction and cost transformation programs - see above.
- Process improvement programs - adjusters present in Government Center on Mondays and Fridays to assist with workers' compensation claim handling.

ITEM 4

- **Cost Analysis and Spending Priorities (2 pages)**
 - Breakdown of total department spending and resources by priority (high to low program/department priorities). Include supporting analysis and description of how analysis was done
 - Describe what drives program cost (Cost Drivers). Highlight controllable Cost Drivers
 - Key operational changes planned to improve service level (2009-10)

ITEM 4

Director of Administration

- **Cost Analysis and Spending Priorities (2 pages)**
 - Break down of total department spending and resources by priority (high to low program/department priorities). Include supporting analysis and description of how analysis was done
 - Breakdown – All funds included in the Office of Administration budget are tax dollar supported. The breakdown of expenditures is as follows in priority order:
 - Personnel Related costs – high – includes Salaries, Overtime, Car Allowance, Deferred Compensation, Medical & Life, and Social Security.
 - Office Support Related Costs – second to Personnel and includes Conferences and Training, Telephone, Copying and Printing, Office Supplies, and Dues and Fees.
 - Professional Consultant for Actuary for OPEB Liability – City could determine not to fund OPEB. Therefore, actuarial services would not be required to be supported by the Office of Administration Budget. The City would risk its AAA rating as a result of this decision.
 - Describe what drives program cost (Cost Drivers). Highlight controllable Cost Drivers
 - Cost drivers – The single item in this budget that drives costs upward is the Union Contracts.
 - Key operational changes planned to improve service level (2009-10)
 - Key operations changes to improve service levels – the one significant transition that I have requested capital funds to assist with is the planning for the use of credit cards across various departments in a singular program that will interface with our accounting system and be of no cost to the taxpayer when it becomes available.

Policy and Management

- **Cost Analysis and Spending Priorities (2 pages)**
 - Break down of total department spending and resources by priority (high to low program/department priorities). Include supporting analysis and description of how analysis was done
 - Priority areas are OPM; Purchasing and Central Services in that order. In these times of tight financial management, OPM, other than having prime responsibility to prepare the Operating and Capital budgets for the City, is necessary to pull all of the various financial components together to ensure budget integrity. Individual departments tend to be parochial with respect to their own budget. However, when financial problems occur, it is the prime responsibility of OPM to identify alternate resources to deal with the problem and ensure the bottom line is in balance. In addition OPM is responsible to perform internal audits in an effort to test various processes within operations and ensure organization integrity. The second area of priority is Purchasing. Purchasing is a Charter Mandated process and is currently a centralized process. If the central process were decentralized and authority were passed on to department heads, the very distinct possibility that purchasing guidelines would be misinterpreted or not followed are a distinct possibility. At a minimum, I believe the Purchasing Ordinance would have to be restructured to allow Departments to purchase directly. However, I do feel that the City should maintain a single Purchasing Agent as a central point of referral and conflict resolution. The final area is Central Services. The only significant area of impact would be mail services. If this program were eliminated, all departments would have the responsibility to process their own mail. In addition, departments would pay more for outside duplicating and printing services since it is more economical to provide this service in-house.
 - Describe what drives program cost (Cost Drivers). Highlight controllable Cost Drivers
 - The highest cost is related to personnel and benefit costs. Unfortunately when you eliminate personnel, you eliminate the ability to provide services. The only costs departments have control over, to some extent, are supplies and materials needed to perform their jobs and the selective filling of vacant positions when they become available.
 - Key operational changes planned to improve service level (2009-10)
 - As stated, the increased use of technology in Purchasing will allow us to better manage our requests for procurement.

ITEM 4

Grants Administration

- Cost Analysis and Spending Priorities (2 pages)
 - Break down of total department spending and resources by priority (high to low program/department priorities). Include supporting analysis and description of how analysis was done
 - Priority 1: Personnel Anticipated expenditures: \$305,739
 - Priority 2: Administrative costs Anticipated expenditures: \$6,110
 - Describe what drives program cost (Cost Drivers). Highlight controllable Cost Drivers
 - 98% of anticipated expenditures, and therefore cost drivers, are fixed personnel costs. The balance is for administrative purposes—office supplies, overtime, mileage reimbursement, etc.
 - Key operational changes planned to improve service level (2009-10)
 - Operational changes: we will begin to more formally cross-train department staff to ensure the Grants Office will continue to operate in the event of an employee's prolonged absence.

Assessment and Taxation

- Cost Analysis and Spending Priorities (2 pages)
 - Break down of total department spending and resources by priority (high to low program/department priorities). Include supporting analysis and description of how analysis was done
 - Describe what drives program cost (Cost Drivers). Highlight controllable Cost Drivers
 - Key operational changes planned to improve service level (2009-10)
 - Majority of spending is for personnel cost. It is the assessment staff that enable real estate and personal accounts to be discovered, listed and priced. Revenue Services staff make certain of timely preparation, accuracy and mailing of tax bills, that payments are processed and reconciled promptly and delinquent receivables are pursued to the full extent of the law by both in-house staff and outside attorneys as appropriate. In-house staff must also comply with various state and local programs, reporting and auditing requirements. Since all of our duties derive from either state or local laws and statutes, all of which are time sensitive, there is very little that goes on in the office that is not mandated.

Controller

- Cost Analysis and Spending Priorities (2 pages)
 - Break down of total department spending and resources by priority (high to low program/department priorities). Include supporting analysis and description of how analysis was done
 1. Highest Priority – Core activities (payroll, accounts payable and treasury operations)
 2. Value added activities performed for the BOE and WPCA.
 3. Non-core financial support for OTHRA, School Readiness Foundation, Transit District)
 4. Procurement Card Program
 5. Lowest Priority – Alarms Billing and Collection Program
 - Describe what drives program cost (Cost Drivers). Highlight controllable Cost Drivers
 - Number of transactions (how many invoices are processed, payroll checks are issued, banking wire are initiated, etc.)
 - New programs (adding another process that must be reconciled and controlled). If we add a new “program/function” without the elimination of an existing one, there is no savings (i.e. adding credit cards as another payments option, using procurement cards as another payments option without eliminating the entire old process results in increased costs.
 - Key operational changes planned to improve service level (2009-10)
 - Increase use of credit cards for revenue collection (standardization).
 - Increase use of procurement cards for small purchases (eliminate the use of all direct disbursements except employee reimbursements) and look at super-user card.
 - Implementation continues on new HRIS/payroll system.

Technology Management Services

- Cost Analysis and Spending Priorities (2 pages)
 - Break down of total department spending and resources by priority (high to low program/department priorities). Include supporting analysis and description of how analysis was done
 - As the TMS budget is comprised of City and Board of Education initiatives it is difficult to prioritize the budget line

ITEM 4

by line. An elevated view of the budget will reflect 6 key areas within Technology Management Services; Administration, Application Support, Field Tech Support, E-Government/Web, GIS and Training/Education. All areas overlap each other and without one component the TMS budget will in effect raise the need for resources in other areas. Taking training for example; without staff resources to continue to train City personnel, support calls for field support will increase.

- Describe what drives program cost (Cost Drivers). Highlight controllable Cost Drivers
 - Cost drivers are union contracts, leased data circuit contracts, and Hardware/ Software support contracts.
- Key operational changes planned to improve service level (2009-10)
 - An example of cost reduction measures would be the implementation of dark Fiber connectivity between buildings, although capital funding is required for installation; greater than 50% of the operational costs are reduced. Capital payback in most cases is less than 7 years.

Risk

- Cost Analysis and Spending Priorities (2 pages)
 - Break down of total department spending and resources by priority (high to low program/department priorities). Include supporting analysis and description of how analysis was done
 - Describe what drives program cost (Cost Drivers). Highlight controllable Cost Drivers
 - Key operational changes planned to improve service level (2009-10)
 - Top priority: staff - there are only 3 employees in Risk Management, if any one employee was eliminated, the department could not function.
 - All financial requirements for insurance and to cover losses are market driven or are based on actual losses experienced by City of Stamford or BOE.

ITEM 5

- **Business case and justification for increases in resources requested (1 page)**

ITEM 5

Director of Administration

- Business case and justification for increases in resources requested (1 page)
 - The Office of Administration has several functions that are required to be carried out in accordance with the Charter. This budget represents a flat budget request that will allow for the Office to function with “no frills” task management.

Policy and Management

- Business case and justification for increases in resources requested (1 page)
 - The only resources OPM is requesting relates to contractual wage increases and benefits increases. OPM will continue to provide a high level of service with less discretionary non-personal service/benefits resources than approved in FY 08-09.

Grants Administration

- Business case and justification for increases in resources requested (1 page)
 - The increased funding request is based on salary/benefits increases determined by collective bargaining agreements.

Assessment and Taxation

- Business case and justification for increases in resources requested (1 page)
 - Increased funding for personal property audits.
 - Increased funding for additional delinquent billings and postage.
 - Increased funding for Contracted Services (Assessor) to support expert testimony for tax appeals.
 - Increased funding for software maintenance for Vision (assessment software) and GIS.

Controller

- Business case and justification for increases in resources requested (1 page)
 - The only increase to resources requested is in the salary line item.

FY 08/09 Adopted Budget	\$ 978,370
FY 09/10 Mayor’s Budget	\$1,018,000
 - Increase Components:

3% Contractual Wage Increase	\$ 34,957
Net Cost of Reorganization	\$ 4,673

The reorganization was necessary to restructure and realign the department to better meet the needs of the City departments, BOE and WPCA, and address needs related to system upgrades and to adequately address changes and challenges occurring in the financial environment

Technology Management Services

- Business case and justification for increases in resources requested (1 page)
 - No increases requested at this time

Risk

- Business case and justification for increases in resources requested (1 page)
 - Increased funding is primarily related to salary/benefits increases, self insured payments, and minor changes in projected insurance policy premiums.

ITEM 6

- **Funding Scenarios (2-3 pages) – Given the uncertainty of our economy and anticipating the possibility of City revenue and funding not growing, provide a detailed description of actions to be taken if department funding is reduced by:**
 - 3%
 - 6%
 - 10%

ITEM 6

Director of Administration

- **Funding Scenarios (2-3 pages) – Given the uncertainty of our economy and anticipating the possibility of City revenue and funding not growing, provide a detailed description of actions to be taken if department funding is reduced by:**
 - 3% reduction – loss of \$9,351.27- The office could not function as required as there are no real “optional” line items included and a staff layoff would be the only option available resulting in the Office not being capable of providing the workproducts required.
 - 6% reduction – loss of \$18,702.54 -Staff layoff is the only way to address this reduction providing for an inability of the Office to address its core mission.
 - 10% reduction – loss of \$31,170.90 – Staff layoff and the Office no longer functions.

Policy and Management

- **Funding Scenarios (2-3 pages) – Given the uncertainty of our economy and anticipating the possibility of City revenue and funding not growing, provide a detailed description of actions to be taken if department funding is reduced by:**
 - 3% - Eliminate one position
 - 6% - Eliminate one position and reduce the copy/print services of Central Services. Only provide mail services and misc. copy services.
 - 10% - Eliminate Central Services (2 positions). No copy/print services and no central mail pick-up/delivery services.

Grants Administration

- **Funding Scenarios (2-3 pages) – Given the uncertainty of our economy and anticipating the possibility of City revenue and funding not growing, provide a detailed description of actions to be taken if department funding is reduced by:**
 - 3% - \$9,355
 - 6% - \$18,711
 - 10% - \$31,185

Funding scenarios: Any of the possible funding cuts would result in the layoff of an employee, thereby reducing the number of grants we can apply for and manage.

Assessment and Taxation

- **Funding Scenarios (2-3 pages) – Given the uncertainty of our economy and anticipating the possibility of City revenue and funding not growing, provide a detailed description of actions to be taken if department funding is reduced by:**
 - 3% - \$88,470 – reduction in revenue generating programs and/or layoffs
 - 6% - \$176,941 - layoffs
 - 10% - \$294,901 - layoffs

Controller

- **Funding Scenarios (2-3 pages) – Given the uncertainty of our economy and anticipating the possibility of City revenue and funding not growing, provide a detailed description of actions to be taken if department funding is reduced by:**
 - 3% - Cost Reduction (\$55,578) One position would need to be eliminated. I would need to stop supporting non-core activities.
 - 6% - Cost Reduction (\$111,157) Two positions would need to be eliminated I would need to stop supporting non-core activities, stop supporting alarms administration program, and look at outsourcing activities.

ITEM 6

- 10% - Cost Reduction (\$185,261) Three positions would need to be eliminated. I would need to stop supporting non-core activities, stop supporting alarms administration program, and look at outsourcing activities, and cease financial services in the way we currently provide them, putting Stamford at risk.

Technology Management Services

- Funding Scenarios (2-3 pages) – Given the uncertainty of our economy and anticipating the possibility of City revenue and funding not growing, provide a detailed description of actions to be taken if department funding is reduced by:
 - 3% - this reduction would equate to reduction of personnel and associated delivered services to City and BOE. Likely service reductions will equate to loss of Database maintenance (Voter Registration and Building Inspections)
 - 6% - this reduction would equate to reduction of multiple positions and associated delivered services to City and BOE. In addition to above, reduction of services will equate to loss of web updates and e-government initiatives.
 - 10% - this reduction would equate to reduction of 15% of TMS work force and associated delivered services to City and BOE. Above mentioned will occur and additional significant wait time for computer repairs as field service technicians will also be eliminated.

All above reduction scenarios will likely equate to increased expenses in outsourced services to departments.

Risk

- Funding Scenarios (2-3 pages) – Given the uncertainty of our economy and anticipating the possibility of City revenue and funding not growing, provide a detailed description of actions to be taken if department funding is reduced by:
 - 3% - \$337,156
 - 6% - \$674,313
 - 10% - \$1,123,855

If funding is reduced by 3%, 6%, or 10% it will result in not purchasing adequate insurance or a reduction in number of employees.