

Operations & Budgeting in the Tax Freeze Era



More Ways to Target Municipal Efficiency

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Local Government



Local government is

- the best form of government!

- Closest to the people
- Most responsive
- Most participation / citizen involvement
- Most accountable
- Most efficient!

Local Government Efficiency



Structural Consolidation
vs.
Functional Consolidation

Municipal Management
Capacity Building

Municipal Toolkits

- Community/Government 101
- Operational Efficiency
- Asset Management
- Community Development



Municipal Toolkits



- Training tool for Board members and staff
- Education for residents
- “State of the Community” message
- Justification for Board action
- Justification for budget decisions
- Analysis tool for budget review
- Capital project / planning aid
- Trust-building

Municipal Toolkits

- Community/Government 101
- Operational Efficiency
- Asset Management
- Community Development



Community / Government



What's in the "C/G 101" Toolkit:

1. Demographics / critical info
 - Population, history, trend
 - Characteristics
 - Geographic
 - Staff composition
 - Average assessment
 - Last gen. assessment / valuation 100%?
 - Percent of tax-exempt properties
 - Major employers

Community / Government



What's in the "C/G 101" Toolkit:

2. Budget process / definitions

- Annual budget / funds
- Tax rate
- How tax rate calculated
- Debt service
- Bond rating
- Reserve accounts
- Revenue
- State aid
- Impact examples
- Static operating costs

Community / Government



What's in the "C/G 101" Toolkit:

3. "How Do We Compare...?"

- With our past?
 - Tax rate
 - Projects completed
- With other communities?
 - Tax rate
 - Assessments
 - Services provided
 - Cost of government services

Empire Center for New York State Policy,
a project of the [Manhattan Institute for Policy Research](http://seethroughny.net/benchmarking-ny/#/),
<http://seethroughny.net/benchmarking-ny/#/>

Community / Government



What's in the "C/G 101" Toolkit:

4. Services & policies

- Who does what
- Limitations / rules
- How to answer

5. Budget impacts by service

6. Contacts

Positioning for Efficiency



- Baseline from which you measure
- Allows focus on efficiency
- Puts everyone on the same page:
 - Understanding the community
 - Complexity – knowing what CAN change
- Allows you to assess feasibility
- Keeps the factual history / tracks effectiveness of efforts

Operational Efficiency



What's in the "OE" Toolkit:

1. The "atomic" level breakdown: the skill set analysis
2. The employee cost analysis
3. The work-hour analysis – by position
4. Work-hour projection

Fresh-eyes: rethinking everything
Focus on the indisputable facts

Positioning for Efficiency

- Allows critical calculations
 - Cost of services
 - Underutilized staff are identified
 - Overtime drivers identified
- Allows focus on efficiency
- Allows you to assess feasibility of suggested alternatives



Operational Efficiency

You've got your baseline...

What's next?

Discuss Changes in Services?

Not yet!



Operational Efficiency



The baseline:

- Community assets / characteristics
- Service delivery costs

Critical questions:

- Why are services delivered?
- Why are they delivered this way?

Operational Efficiency



***“As it was in the beginning, is now,
and ever shall be. Amen.”***

Some things are meant to be eternal!
Government service delivery and
operations are not one of them.

Operational Efficiency



Fundamental questions:

- What is expected?
- What is desired?
- What is most valued?
- What are the benchmarks?

Resources: Surveys,
community discussions, staff
input, call-and-response

Identifies services to
TARGET for efficiency.

Operational Efficiency



Tax Saving Opportunities:

- Strategic Elimination
 - Sourcing and managed competition
 - Public / private partnerships
 - Shifting Delivery
 - Complete Privatization
 - Nice-to-have vs. need-to-have Services

Operational Efficiency



Tax Saving Opportunities:

- Revenue Generation
 - Fee-for-service provision
 - Public / private partnership
 - Increase base
- Implementing Efficiencies
 - Elimination of duplicative efforts
 - Better utilization of assets
 - Utilization of technology
 - Civilianize out-of-class work

Effective Leadership

Communication and Education



Get the Word Out



Community / Gov 101



Newsletter

Water Bill “Facts”

Tax Bill Flyer (enclosure)

Website

Counter Handout

State of the Community Address

Budget Cover Sheets

Operational Efficiency



Press Campaign - Newsworthy

Community Meeting

Periodic Progress Reports

Board Meeting Agenda Item

Get the Word Out



BEFORE ANYTHING ELSE:

Talk to staff / employees!!!

The focus on efficiency and tax savings is not anti-employee. It's an opportunity to:

Educate the public about their value

Justify their compensation rate

Set the record straight (!)

Hopefully make their job easier

Let Them Know:
They're part of
your team – and
your greatest
assets!

Operational Efficiency



Management Capacity Building

- Definition: Planned development of (or increase in) knowledge, output rate, management, skills, and other capabilities of an organization through acquisition, incentives, technology, and/or training;
- Acquiring knowledge of best practices;
- Acquiring tools to implement them;
- Demonstrating willingness to learn from the past;
- Embracing justifiable change.