CITY OF LAS VEGAS
NEVADA

FUNDAMENTAL SERVICE REVIEW

FY 2011 BUDGET REDUCTION OPTIONS

AGENDA

- Fundamental Service Review (FSR) Overview
  - 2008
  - 2009
- Communication with Employees
  - continuous open and current communications with all bargaining units presidents
- Your City Your Way – Citizen Communication
- Impacts of Budget Reduction Recommendations
- Revenue Recommendations
- FY11 Budget Recommendations
- Questions - Comments - Direction

FUNDAMENTAL SERVICE REVIEW

2008

- Staff, along with a panel of experts, identified a projected shortfall of over $150M over five years
- Council directed staff to conduct a Fundamental Service Review of all City operations, programs, and services
- FSR Guiding Principles
  - Sustain Fiscal Integrity
  - Maintain Critical Services
  - Preserve City Jobs

FUNDAMENTAL SERVICE REVIEW

2008

- In October 2008, staff presented a plan to the City Council that identified options for addressing the shortfall; options that were approved included:
  - Create a revenue stabilization fund
  - Drop the current fund balance reserve from 12 – 10%
  - Take necessary actions to balance the budget, including separation plans, labor negotiations, and program reductions
  - The implementation of 106 options that resulted in organizational efficiencies. All options that were determined feasible were implemented or are in progress

FUNDAMENTAL SERVICE REVIEW

2009

- Implemented options that resulted in:
  - Labor Savings - $18.5M
  - Non Labor Savings - $2.2M
  - FSR Vacancies - $4.1M
  - FSR Non-Labor Savings - $1.9M
  - Additional Savings - $20M
  - FSR Efficiencies - $4.6M
    - Consolidation of Administrative Services and Government Affairs
    - Consolidation of PIO's and Graphic Artists
    - Consolidation of Special Events
    - Consolidation of most Graffiti Abatement Efforts
    - Closure of community centers on Sundays

FUNDAMENTAL SERVICE REVIEW

2009

- As a part of our six month forecast, staff along with a panel of experts, identified a projected shortfall of over $400M over five years
- Necessary reductions were implemented that resulted in $7.7M in labor and non-labor savings including finalization of the closure of the Cityride bus program (tier 1)

FUNDAMENTAL SERVICE REVIEW

Overview

- Total budget cuts since 2008 - $106.5M
- Total of 566 positions eliminated:
- Vacancy Pool – All non-public safety current and future vacant positions were swept into a vacancy pool
- Reductions of an equivalent of one percent of the cost of labor from all labor unions resulting in a $2.6M annual savings
- No COLA, merit, or bonus for non-represented employees resulting in $2.1M annual savings
- 115 individuals took advantage of the Voluntary Separation or Separation Incentive Program

FUNDAMENTAL SERVICE REVIEW

City Council Communication

- Updates to the financial model provided in October 2008, May and November 2009
- Weekly briefings on revenue and the status of FSR implementation
- Weekly communication about the effects of economy on other local governments
- Regular closed-door sessions to discuss status of union negotiations
  - Closed door labor negotiations updates over the past few months
- Budget options provided to allow for Council input

FUNDAMENTAL SERVICE REVIEW

Employee Communication

- City Budget Email (Hundreds of Questions/Suggestions)
- Video Messages
- Email Messages
- CityLink Updates (City manager E-newsletter)
- Employee Meetings
  - City Council Chambers (Taped and online)
  - 5th Street School
  - DCM briefings of every work unit in staff meetings

YOUR CITY YOUR WAY

Citizen Communication – Your City Your Way

- UNLV, Cannon Survey Center – Phone Survey
- UNLV, Dept. of Sociology – Focus Panels
- Online survey
- Town Hall Meetings
  - Geographically dispersed throughout the City with at least two in each ward

YOUR CITY YOUR WAY

Final Report:

- Overall satisfaction with City Services
- All City services are important
- Services for human, health, safety, and at-risk populations are most important
- Smart economic strategies are required
- Parks, community centers, and neighborhood supports are important for quality of life
- A majority of citizens are willing to pay to sustain important services
- Focused communication is important

BUDGET PHILOSOPHY

- Maintain fiscal integrity
- Sustain critical services
- Preserve city jobs

BUDGET APPROACH

- Requested 12% reduction options from Departments in July 2009
- Requested flat growth plus 8% reductions in labor costs from union leadership in November, 2009
- Implemented a hard freeze on all hiring with the exception of public safety positions

- <u>Recognized the only approach to balancing the budget, without labor concessions, included program and service reductions</u>

BUDGET APPROACH

- Based on Council/Community/bargaining units /Employee feedback
- Uses a 2yr. approach to address a $70M deficit
- FY11 budget proposes to use $38M in reserves
  - The remainder will be in cuts
- Assumes no labor concessions
- Targets were established based on FY10 spending patterns
- This model does not include any new revenue enhancements, with the exception of fee increases in Leisure Services
- FY12 will face approximately $40M - $45M in continuing budget shortfall

FUNDAMENTAL SERVICE REVIEW

General Fund									
Budget Cut Summary								All Cuts	
		Prior						% of	Proposed
		Budget			Tier 1	Tier 2	Total	Prior Budget	FY11
Department	DEPT (ORG	Levels	FY08	FY09	FY10	FY11	All Cuts	Levels	Budget
City Council	1000	4,454,335	179,000	635,294	235,000	183,041	1,232,335	27.7%	3,222,000
City Manager	2000	9,842,540	370,000	1,558,467	766,660	424,238	3,119,365	31.7%	6,723,175
City Attorney	3000	10,427,482	418,468	1,090,104	215,290	159,620	1,883,482	18.1%	8,544,000
City Clerk	4000	3,944,280	104,324	(173,894)	162,740	142,285	235,455	6.0%	3,708,825
Human Resources	5000	6,549,108	240,461	694,892	114,000	945,755	1,995,108	30.5%	4,554,000
Finance & Business Services	6000	15,812,632	630,878	1,708,707	591,899	1,548,948	4,480,432	28.3%	11,332,200
Planning & Development	7000	7,891,558	319,900	991,871	444,685	661,225	2,417,681	30.6%	5,473,877
Internal Audit	8000	1,318,621	51,060	98,591	22,970		172,621	13.1%	1,146,000
Information Technologies	9000	12,641,429	268,218	1,823,168	754,619	704,924	3,550,929	28.1%	9,090,500
Non- Deparmental		26,086,117	1,760,300	5,206,185			6,966,485	26.7%	19,119,632
Municipal Court	11000	26,078,184	1,090,000	3,053,764	390,294	1,161,130	5,695,188	21.8%	20,382,996
Police Services (Metro)		141,542,300				7,060,300	7,060,300	5.0%	134,482,000
Fire & Rescue	13000	117,611,909	5,135,477	(1,843,388)		2,938,820	6,230,909	5.3%	111,381,000
Detention & Enforcement	14000	69,693,647	2,944,500	457,413	176,120	2,875,240	6,453,273	9.3%	63,240,374
Public Works	15000	45,585,631	1,642,998	5,936,403	1,894,490	2,678,792	12,152,683	26.7%	33,432,948
Leisure Services	16000	33,217,351	1,202,173	3,023,614	1,084,690	3,291,404	8,601,881	25.9%	24,615,470
Business Development	17000	739,437	30,113	709,324			739,437	100.0%	
Neighborhood Services	18000	11,465,168	456,577	982,336	83,320	1,303,935	2,826,168	24.7%	8,639,000
Field Operations	19000	30,934,582	1,653,279	3,150,349	1,718,575	425,376	6,947,579	22.5%	23,987,003
		575,836,311	18,497,726	29,103,200	8,655,352	26,505,033	82,761,311	14.4%	493,075,000
Cummulative			18,497,726	47,600,926	56,256,278	82,761,311			

FUNDAMENTAL SERVICE REVIEW

General Fund								
Budget Cut Summary								
($ in thousands)	Prior							Proposed
	Budget			Tier 1	Tier 2	Total	% reduction	FY11
	Levels	FY08	FY09	FY10	FY11	All Cuts	by Function	Budget
By Function								
Public Safety	328,848	8,080	(1,386)	176	12,874	19,744	6.0%	309,103
General Government	104,066	4,684	14,138	3,773	4,832	27,428	26.4%	76,638
Cultural and Recreati	43,529	1,753	4,074	1,658	3,433	10,918	25.1%	32,611
Judicial	31,292	1,299	3,599	498	1,241	6,637	21.2%	24,655
Public Works	55,897	2,194	6,987	2,467	2,821	14,469	25.9%	41,429
Economic Assistance	12,205	487	1,692	83	1,304	3,566	29.2%	8,639
	575,836	18,498	29,103	8,655	26,505	82,761	14.4%	493,075

FUNDAMENTAL SERVICE REVIEW

Staffing Reduction History							All Cuts	
All Funds FTEs							% of	
	Beginning						Beginning	Ending
	Staffing			Tier 1	Tier 2	Total	Staffing	Staffing
Department	Levels	FY08	FY09	FY10	FY11	All Cuts	Levels	Levels
City Council	31.20		1.60		1.00	2.60	8.3%	28.60
City Manager	79.03		9.91	3.48	4.94	18.33	23.2%	60.70
City Attorney	70.48		2.00	3.00	2.00	7.00	9.9%	63.48
City Clerk	24.00			2.00	1.00	3.00	12.5%	21.00
Human Resources	51.96		4.48		6.48	10.96	21.1%	41.00
Finance & Business Services	136.95		4.47	6.00	13.00	23.47	17.1%	113.48
Planning & Development	65.87		9.00	4.00	8.39	21.39	32.5%	44.48
Internal Audit	7.96			0.48		0.48	6.0%	7.48
Information Technologies	102.66	1.00	7.18	5.00	4.00	17.18	16.7%	85.48
Municipal Court	213.50		20.00	4.23	14.01	38.24	17.9%	175.26
Fire & Rescue	694.90		17.94		9.00	26.94	3.9%	667.96
Detention & Enforcement	431.80		19.44	5.48	26.00	50.92	11.8%	380.88
Public Works	385.86	1.00	26.70	16.70	28.46	72.86	18.9%	313.00
Leisure Services	345.85		11.47	11.00	50.64	73.11	21.1%	272.74
Business Development	25.96			-	-	-	0.0%	25.96
Neighborhood Services	104.48		10.00	-	12.00	22.00	21.1%	82.48
Field Operations	446.95	1.00	30.47	13.48	3.00	47.95	10.7%	399.00
Building & Safety Enterprise	170.90	29.00	43.95		7.00	79.95	46.8%	90.95
Grand Total	3,390.31	32.00	218.61	74.85	190.92	516.38	15.2%	2,873.93

FUNDAMENTAL SERVICE REVIEW

Since Briefings, what has changed:

- The total reduction needed in Fire & Rescue was modified and reduced the number of reductions needed
- Recommendations address concerns in B&S
- Number of employees separated
  - More vacancies eliminated
  - One additional position transferred to an enterprise fund
- METRO has communicated decreasing the number of prisoners in City Jail resulting in less revenue

FUNDAMENTAL SERVICE REVIEW

Reorganizations

- Consolidation of Arts and Community Events and the Office of Cultural Affairs
- Consolidation of the Sustainability Initiative in the Office of Administrative Services
- Diversity Outreach Efforts to be led by the Chief Urban and Redevelopment Officer with support from OBD/OCA and all Departments

Transfers of employees related to the reorganizations are not reflected in the following slides.

FUNDAMENTAL SERVICE REVIEW

Reallocated to General Fund

- Video Services Enterprise Fund
- Some Internal Service Funds
- Fire Equipment Acquisition Fund

Reset Rates

- Fleet Rates for Departments

Parking Enterprise Fund – Pending RFP Results

FUNDAMENTAL SERVICE REVIEW

City staff will notice (Organization Impacts):

- Longer response times to requests
- Increased workload
- Less flexibility with discretionary spending
- Deferred maintenance may result in increased costs in the future

Citizens and Council Members will notice (Community Impacts):

- Longer lines
- Longer turn-around time to requests
- Reduced or eliminated programs
- Reduced presence of staff at events, facilities, parks, trails,

Fire and Rescue

If options are approved, funding for the Department will have been reduced by 7.7% and 63.94 FTE's since 2008. Current options include:

<u>Staff Reduction – 46 FTE (25 Vacant)</u>

REVISED

<u>Organization Impacts</u>

- Elimination of current vacancies
- Reduction of Fire Prevention staff by 70%
- Fire plans check function moved to Building and Safety

<u>Community Impacts</u>

- Delays in inspections
- Potential for emergency response units out of service (brownouts)
  - Allowing the Department to remain within their allotted OT budget
- Potential increased fees for development

Fire and Rescue

If options are approved, funding for the Department will have been reduced by 5.3% and 19.94 FTE's since 2008. Current options include:

Staff Reduction – 9 FTE's

Total Budget Reduction - $2,938,820

Organization Impacts

- The elimination of nine positions (8 vacant, 1 filled CEA). These positions will be non-suppression positions. The impact will be on the remainder of the administrative staff who will assume the duties as they are assigned by the fire chief.

Community Impacts

- One unit per day to be Browned Out or in other words taken out of service for the day. The impact is one less four person unit in service each day. Fire administrative staff will develop the brown out rotation
- Through a reorganization, the department will be looking at reducing the fire prevention program

Fire and Rescue

Fire and Rescue Reductions include:

- Elimination of eight vacant positions
- Assistant Fire Chief
- Office Supervisor (CEA)
- 3 Training Officers (vacant)
- 2 Battalion Chiefs (40 hr.) (vacant)
- 1 EMS Coordinator (vacant)
- 1 Quality Assurance Coordinator (vacant)
- Reduction to the Communications Center Contribution

Fire and Rescue

Other possible FY11 budget reduction scenarios:

- Eliminate Fire Protection Engineer Program
  - Reduction of $533,244
- Eliminate Fire Prevention Inspectors
  - 3 Inspectors - $359,480
  - 7 Inspectors - $871,310
  - 9 Inspectors - $1,100,750
  - 13 Inspectors - $1,580,050

In preparation for FY12 reductions, Fire & Rescue management will evaluate and pursue alternative daily staffing plans and strategies, some subject to bargaining and/or arbitration as a possible budget reduction strategy

Reduction strategies may include:

- ***Additional brownouts***
- ***Unit staffing changes***
- ***Reductions in Fire Prevention/Plans Check***

Detention and Enforcement

If options are approved, funding for the Department will have been reduced by 9.3% and 50.92 FTE's since 2008. Current options include:

Staff Reduction – 26 FTE

Total Budget Reduction - $2,875,240

Community and Organization Impacts

- Reduced officer presence and frequency of patrols at City parks, recreation centers, ball fields, community centers and general City facilities as well as at special events and public meetings
- Increased response times
- Closure of the NW Sub-station
- Reduced assistance to other agencies
- Increased time necessary to process inmate bookings and releases
- Reduced ability to achieve non-priority services such as inmate/ family visitation, property releases, discharge planning and attorney visits

Neighborhood Services

If options are approved, funding for the Department will have been reduced by 24.7% and 22 FTE's since 2008. Current options include:

Staff Reduction – 12 FTE

Total Budget Reduction - $1,303,935

Community Impacts

- RRT Cleanup Crews will be reduced from 5 to 3 crews without adversely impacting Graffiti Abatement and Code Enforcement
- EVOLVE Ancillary Services will be eliminated without adversely impacting homeless outreach and discharge planning services
- Neighborhood Planners will be reduced by one with a focus to affect target areas to become more stable, which are tracked through Neighborhood Indicators (i.e., crime, graffiti, property maintenance).

Leisure Services

If options are approved, funding for the Department will have been reduced by 25.9% and 73.11 FTE's since 2008. Current options include:

Staff Reduction – 50.64 FTE

Total Budget Reduction - $3,291,404

Organization Impacts

- Efficiencies within the administrative functions
- Privatization of Darling Tennis Center preserves revenue

Community Impacts (attachments)

- Close 8 Community Schools (Includes on-site Track Break & teen Scene Outreach)
- Reduce staff at centers (across the board)
- Cost Recovery Fee Increases – Sustain Safekey & Summer Camps (see attachment)
- Potential reduced services and responsiveness to the citizens

Leisure Services – Fee Impact Summary

- Youth and Field Allocation - $.69/game increase
- Adult and 3rd Party Allocation - $.76/game increase
- Non-Profit Tournament Allocation - $.43/game increase
- For-Profit Tournament Allocation - $.55/game increase
- SafeKey - $.28/hour increase
- Summercamp - $.18 - $.28/hour increase

CMO - Office of Cultural Affairs

If options are approved, funding for the function of Cultural Arts (in both Leisure Services and Cultural Affairs) will have been reduced by 22% since 2008. Current options include:

Staff Reductions – 2 FTE

Budget Reductions in OCA are reported in the budget for CMO.

Community Impacts

- The merger of the Office with Arts and Community Events may include:
  - Closure of the Reed Whipple Community Center

Offices of the City Council

If options are approved, funding for the Offices will have been reduced by 27.7% since 2008. Current options include:

Total Reduction - $183,041

Impact:

- As a result of an 11.5 percent decrease in funding the Offices of the City Council will have a decreased ability to provide special event services to their constituents. The impacts may vary by Council Ward

Office of the City Manager

If options are approved, funding for the Offices (CMO, OAS, Communications, Cultural Affairs) will have been reduced by 31.7% and 18.33 FTE's since 2008. Current options include:

Staff Reductions (in OAS/Comm.) 3 FTE

Total Budget Reduction - $424,238

Organization Impacts

- Reduction in Communication (Public Information and Graphic Artist) services provided to all Departments

Finance and Business Svcs.

If options are approved, funding for the Department will have been reduced by 28.3% and 23.47 FTE's since 2008. Current options include:

Staff Reduction – 13 FTE

Total Budget Reduction - $1,548,948

Organization Impacts

- Services provided to Departments, including those provided by Central Stores, will be impacted
- Delays in response to Council requests, including business licensing

Community Impacts

- Compliance rates with businesses regulated by business licensing

Human Resources

If options are approved, funding for the Department will have been reduced by 33.5% and 10.96 FTE's since 2008. Current options include:

Staff Reductions – 6.48 FTE (1 additional transfer to ISF)

Total Budget Reduction - $945,755

Organization Impacts

- Turn-around time may increase for background checks for new hires
- Reduced support or elimination of CMO programs for succession planning, leadership development, supervisory development, and employee development
- Test development for new employees will be hindered

Community Impacts

- External organizations served by Diversity Outreach may be impacted.
  - Via OBD and OCA under the direction of the Chief Urban Redevelopment Officer, coordination of outreach will be maintained.

Information Technologies

If options are approved, funding for the Department will have been reduced by 28.1% and 17.18 FTE's since 2008. Current options include:

Staff Reduction – 4 FTE

Total Budget Reduction - $704,924

Organization Impacts

- Reduced travel and training budget impacts ability to leverage emerging technologies, applications, and infrastructure advancement
- Reduced postage budget dictates more selective mailings
- Reduced budget for Professional Services and System Upgrades impacts application and Infrastructure advancement
- Consolidating Project Management Office with IT to absorb workload

Office of the City Clerk

If options are approved, funding for the Office will have been reduced by 6% and 3 FTE's since 2008. Current options include:

Staff Reductions – 1 FTE

Total Budget Reduction - $142,285

Organization Impacts

- A reduction in funding places the city at risk for non-compliance (NRS, Charter, LVMC)

Community Impacts

- Delays in response for public records requests and METRO's request to seal records

Planning and Development

If options are approved, funding for the Department will have been reduced by 30.6% and 21.39 FTE's since 2008. Current options include:

Staff Reductions – 8.39 FTE

Total Budget Reduction - $661,225

Organization Impacts

- Lower quality of PC and CC support due to loss of site inspections

Community Impacts

- No planner inspection of conditions for approval of Planning Commission and City Council –approved use permits, variances and site plans
- No landscape staff inspections to ensure landscaping on and off site is properly planted and maintained
- The loss of technical staff will prevent timely updating of city maps, which may result in misinformation to the public
- With the loss of the Urban Design Coordinator there will less opportunity to seek grants for downtown and design projects

Public Works

If options are approved, funding for the Department will have been reduced by 26.7% and 72.86 FTE's since 2008. Current options include:

Staff Reduction – 28.46 FTE

Total Budget Reduction - $2,678,792

Organization Impacts

- Reductions in service levels in all work units
- Delay in delivery of Council initiated CIP projects

Community Impacts

- Delays in review and approval of studies, ROW purchases, and inspections
- Delay in response to traffic related concerns

Field Operations

If options are approved, funding for the Department will have been reduced by 22.5% and 47.95FTE's since 2008. Current options include:

Staff Reduction – 3 FTE

Total Budget Reduction $425,376

Organization Impacts

- Reduction in fleet services and outsourcing of loaner vehicles
- Delays in securing loaner vehicles due to outsourcing of service to rental car agency
- Deferred maintenance may result in increased costs in the future

Through a series of reductions in staffing, since 2008, the Department has also implemented service level changes to facility, parks, trails, and field maintenance leading to decreased ability to meet all expectations.

Municipal Court

If options are approved, funding for the Department will have been reduced by 21.6% and 36.49FTE's since 2008. Current options include:

Staff Reduction – 14.01 FTE

Total Budget Reduction - $1,161,130

Organization Impacts

- Slowdown of revenue collections and reporting

Community Impacts

- Reduced services for a customer base that is increasing
- Potential for increased security risks because of longer lines at the RJC

City Attorney/City Auditor

City Attorney

If options are approved, funding for the Department will have been reduced by 18.1% and 7 FTE's since 2008. Current options include:

Staff Reductions 2 FTE

Total Budget Reduction - $159,620

City Auditor

If options are approved, funding for the Department will have been reduced by 13.1% and .48FTE's since 2008.

Redevelopment Agency

Redevelopment Agency

FY11 Budget ($000's)		
Operating revenue	$	25,275
Operating expenses		(5,010)
Debt Service		(17,550)
Projects		(5,075)
Net Rev. Over/(Under) Ex	$	(2,360)

Organization Impacts

- Major Project Coordination, Business Incubator
- Limited ability for new pay-as–you-go projects

Strategic Planning

- 5 year budget with conservative projection of future revenues
- Draw down fund balance for large debt service requirements and to fund capital projects

Redevelopment Agency

Debt Service Requirements

- Symphony Park Infrastructure
- Smith Center for the Performing Arts
- Museum of Organized Crime and Law Enforcement

Funding of Projects

- F Street Bridge Design
- West Side School
- VIP program
- 5th Street School maintenance/operations
- Symphony Park Development

Building & Safety

Budget Year ($000's)		FY11	FY12
	Operating revenue	6,230	6,170
	Operating expenses	(7,363)	(6,347)
	Net Rev. Over/(Under)Exp.	(1,133)	(177)
	Ending Fund Balance	2,592	2,415

Staff Reduction – 8 FTE

•Partial RIF FY11 and partial RIF anticipated FY12

•May prevent future reductions

Revenue Study in process

•Revenues do not reflect any fee increases which could restore some reductions

Community Impact

•Delays in inspections

•Delays in permitting

Video Production Enterprise Fund

FY11 Budget ($000's)		
	Operating revenue	$2,677
	Operating expenses	($2,040)
	Net Rev. Over/(Under) Exp.	$637

Organization Impacts

•Fund to be eliminated and operation absorbed by General Fund
•Revenue to General Fund
•TI's for City Hall already transferred to Capital Project Fund
•Remaining fund balance transfers to General Fund

FIRE SAFETY INITIATIVE

- Estimated FY 2011 revenues are $11.1M
- 80% ($8.9M) will be transferred to General Fund for operation of new stations since 2001
- 20% ($2.2M) will be used for F&R capital improvement program
- FY10 estimated $2M ending fund balance to be used on FS #107

INTERNAL SERVICE FUNDS

- Identified $20M to cover budget shortfalls
- Established ISF Reserve Policy to control future balances:
  - Operating = 10% of prior year cash expenditures
  - Capital Replacement = 25% of prior year cash expenditures
  - Employee Benefits = 25% of prior year cash expenditures (in consideration of accrued liabilities such as vacation, OPEB, and Worker's Comp, etc.)

MAJOR BUDGET OUTCOMES

REVISED

- Total reduction of 215 positions
  - 261 employees affected
  - 171 employee separations
- Restructured Internal Service Funds
- Reductions in Fire inspectors and elimination of vacancies
- Reductions in Marshals and Corrections
- Reductions to EVOLVE, targeted NS reductions
- Close community schools, preserve Safekey, track break /summer camps with cost recovery fee increases
- Merged OCA and ACE (Reed Whipple closure)

MAJOR BUDGET OUTCOMES

- Total reduction of 190.92 positions eliminated
  - 230 employees affected
  - 146 employee separations
- Restructured Internal Service Funds
- Reduction of additional public safety vacancies
- Reductions in Marshals and Corrections
- Reductions to EVOLVE, targeted NS reductions
- Close community schools, preserve Safekey, track break /summer camps with cost recovery fee increases
- Merged OCA and ACE (Reed Whipple closure)
- Reductions in Building and Safety are driven by a lack of revenue

REVENUE POTENTIAL

		New		Increase		Total
Developer Fees						
Planning & Development	$	182,000	$	-	$	182,000
Public Works		438,000		900,000		1,338,000
		620,000		900,000		1,520,000
Business License Fees		10,200		630,180		640,380
Fire & Rescue		565,000		1,600,000		2,165,000
Leisure Services				1,132,000		1,132,000
Communications				130,000		130,000
Municipal Court		12,500		1,610,000		1,622,500
		1,207,700		6,002,180		7,209,880
Fees With Collection Risk		(1,005,000)		(900,000)		(1,905,000)
Net Fees	$	202,700	$	5,102,180	$	5,304,880

REVENUES - RECOMMENDATIONS

- PW news rack fees ($235K)
- F&R insurance billings for services and supplies ($565K)
- Increase F&R EMS transports from 2 to 3 pending ambulance industry discussions ($1.6M)
- LS league & tournament fees ($500K)
- LS Safekey & camp fees ($632K)
- MC warrant processing fees ($950K)
- MC increased collection efforts ($600K)

Potential FY 2011 revenue impact: $5 million

EXTRA BAIL WARRANT SHIFT

Municipal Court Pilot Program

- Court generates between 5,000-7,000 cases per month
- Approximately 33,753 cases for pilot program

Positions Required

- Six (6) Field Marshals
- Two (2) Senior Office Specialists
- Two (2) Public Safety Technicians

- Net General Fund Revenue - $500K

<u>**Potential to reduce the Reductions in Force.**</u>

PROPERTY TAX

- Current overlapping rate is $3.2760
- In FY 1998 Council lowered operating rate from $0.7117 to $0.6465
- In FY 2000 Council raised operating rate to $0.6765 to fund recreation projects
- Owner occupied residential tax bill growth is capped at 3%, all other capped at 8%
- Unprecedented drop in assessed value creates a unique circumstance

PROPERTY TAX

Property Tax Revenues projected to decrease 17.5%

Property Tax Budget for FY10	$ 128,200,000	% Change
Property Tax Estimate for FY11	$ 105,800,000	-17.5%
Approximate Parcels Impacted	192,044	

Rate Increase	Revenue in Excess of FY11 Estimate	Parcels Decreased	Parcels Increased	Parcels Unchanged
$0.0100	$ 1,300,000	180,233	8,719	3,092
$0.0500	$ 6,600,000	178,486	10,466	3,092
$0.1000	$ 13,100,000	176,738	12,214	3,092
$0.1500	$ 19,500,000	175,240	13,731	3,073

PROPERTY TAX - IMPACTS

		Home Price			
		$ 70,000	$ 120,000	$ 170,000	$ 230,000
Assumed Land %		20%	20%	20%	20%
Estimated Assessed Value					
	5 years	$23,030	$39,480	$55,930	$75,670
	15 years	$20,090	$34,440	$48,790	$66,010
	25 years	$17,150	$29,400	$41,650	$56,350
Annual Tax on 10 cents					
	5 years	$23	$39	$56	$76
	15 years	$20	$34	$49	$66
	25 years	$17	$29	$42	$56
Tax Bill Impact		Total	Increase	Decrease	Unchanged
	Without 10 cents	192,044	8,719	180,233	3,092
	With 10 cents	192,044	12,214	176,738	3,092
	Change	-	3,495	(3,495)	-

Employee Compensation Concessions

	FY11 Request				
	Flat	**8% Roll Bk**	**Total**	**Offer**	**Diff**
Elected Officials	$ 26	$ 117	$ 143	$ 143	$ -
Executives	847	1,580	2,427	2,536	109
Appointives	1,468	1,472	2,940	3,161	222
PPA	452	623	1,075	415	(660)
POA	925	1,626	2,551	-	(2,551)
CEA	4,155	10,100	14,255	-	(14,255)
IAFF *	851	6,096	6,947	-	(6,947)
	$ 8,724	$ 21,614	$ 30,338	$ 6,255	$ (24,083)

* Adjusted to recognize absence of contractual COLA in FY11 (abt. $720K / 1%)

INVOLUNTARY SEPARATION PROGRAM

- Target separation date is June 12, 2010
- Employees approved to separate earlier will receive a lump sum severance through June 12
- City will provide "employee only" COBRA premium holiday through December 31, 2011
- Estimated maximum cost is $1.1 million, of which $450 thousand would be lump sum severance
- Cost of severance plan to be absorbed in fringe benefit pool

Council and Community Feedback

Following the release of the original budget options, several issues have been raised:

- Restore Northwest Sub-station (approximately $85K)
- Partially restore Reed Whipple Cultural Center (approximately $600K)
- Restore Rapid Response Team (approximately $505K)
- Further reduce EVOLVE program (approximately $513K)
- Discuss X-Treme Sports ($188K)
- Implement Warrant Services Pilot Program ($500K est. revenue)
- Report on Consolidation of MC and D&E Marshal Units in November, 2010

Reed Whipple Restoration Plan

Reed Whipple Cultural Center

- Rainbow Company (stages dark when not being utilized)
- Las Vegas Youth Orchestra (continue working on relocating)
- Legacy Band (continue to work on transitioning to another facility)
- 2010 TAC Camp (June 7 – July 31))
- Neon Boneyard Tour gathering point
- Gallery to remain open

RDA Charges -	$372,695
TAC Camp -	$30,000
GF Charges -	$25,192
Total	**$427,887**

Facility Charges	$372,695
Programming Expenses	$393,244
Total	**$765,939**

- No additional full-time positions required and CLV programming eliminated.

RRT Restoration Plan

Rapid Response Team (RRT)

- Budget Recommendation – Eliminate 2 crews, including crew leader $505,635

Option 1
Partial Restoration

Partial Restoration – 1 Crew, including crew leader	$165,398
HPRP (grant fund two caseworkers for 2 yrs.)	$245,680
Eliminate Office Specialist II (1 FTE)	$77,275
	$488,353

Option 2 - Revised Recommendations
Full Restoration

HPRP (grant fund two caseworkers for 2 yrs.)	$245,680
Eliminate EVOLVE Discharge Planning Program (2FTE's):	$ 190,700
Eliminate Office Specialist II (1 FTE)	$ 77, 275
Sub Total	**$ 513,655**

Restoration Reconciliation

Additional programs restored

• Maintain Reed Whipple with support from RDA	$25K
• Maintain Northwest Sub-Station	$85K
• Revised NS RRT/EVOLVE Recommendation	-$8K
	$102K

Possible sources to fund restoration

• Eliminate X-Treme Sports	$188K

City Manager Recommendation

• Or, eliminate 2 positions in vacancy pool	$190K

Vacancy pool is less than 1% of the GF Budget.

FINAL RECOMMENDATIONS

In order to balance the FY11 budget, the City Manager recommends:

- Approval of the FY11 budget with all associated labor and non-labor reductions
- Approval of all revenue recommendations
- Approval of the Employee Separation Program
- Approval the ISF Reserve Policy Changes
- Approve the ESF and ISF elimination and transfers
- Direction to put the CEA Resolution for consideration on a future Council Meeting Agenda

FUNDAMENTAL SERVICE REVIEW

- Questions
- Comments
- Direction

Sanitation Enterprise Fund

FY11 Budget ($000's)	
Operating revenue	$ 120,774
Operating expenses	(86,876)
Net Rev. Over/(Under)Exp.	$ 33,898
Ending Fund Balance	$ 145,533

Staff Reduction – 7 FTE

•In addition holding 7.6 FTE vacant

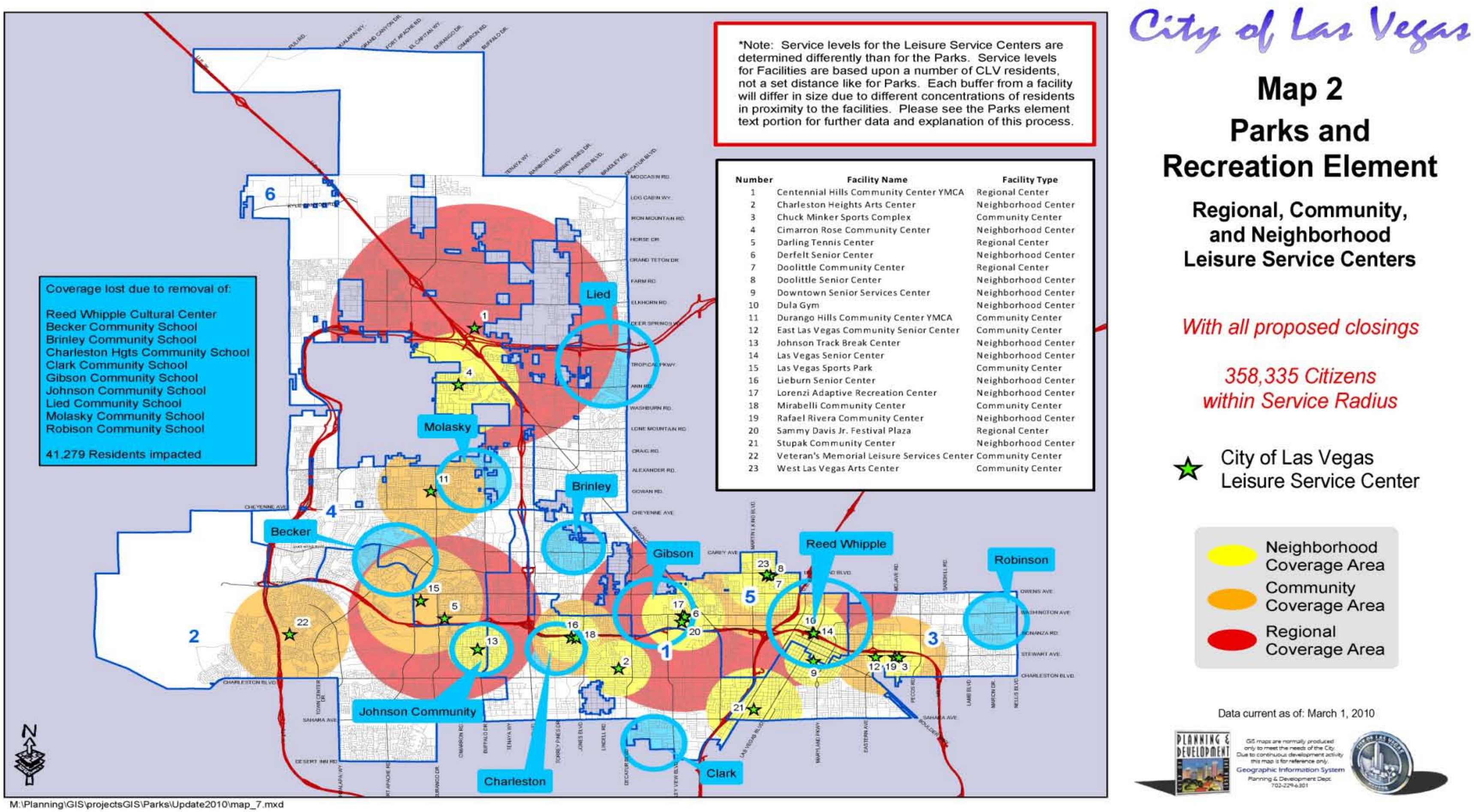
Organization Impacts

•Revenue down due to fewer new customers
•Reduction in revenue anticipated in FY12 due to NLV coming off line

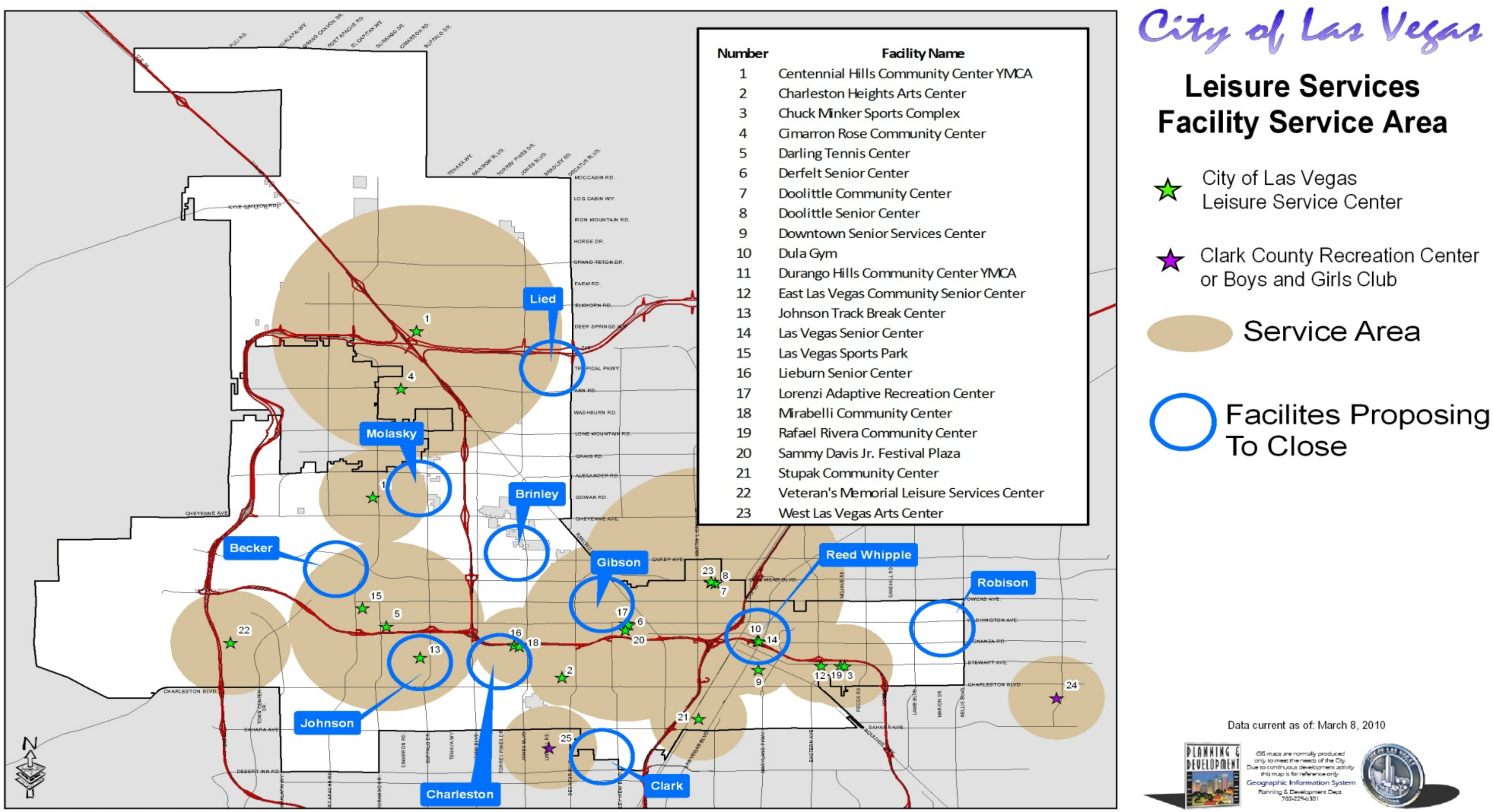
Capital Plan

•Plant & collection system improvements next five years $262.4M
•Construction of: 3 MW Solar Array, Scrubbers for methane stacks

Leisure Services – Impacts Map



Leisure Services



Number	Facility Name
1	Centennial Hills Community Center YMCA
2	Charleston Heights Arts Center
3	Chuck Minker Sports Complex
4	Cimarron Rose Community Center
5	Darling Tennis Center
6	Derfelt Senior Center
7	Doolittle Community Center
8	Doolittle Senior Center
9	Downtown Senior Services Center
10	Dula Gym
11	Durango Hills Community Center YMCA
12	East Las Vegas Community Senior Center
13	Johnson Track Break Center
14	Las Vegas Senior Center
15	Las Vegas Sports Park
16	Lieburn Senior Center
17	Lorenzi Adaptive Recreation Center
18	Mirabelli Community Center
19	Rafael Rivera Community Center
20	Sammy Davis Jr. Festival Plaza
21	Stupak Community Center
22	Veteran's Memorial Leisure Services Center
23	West Las Vegas Arts Center

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FUNDAMENTAL SERVICE REVIEW
FY 2011 Budget Reduction Recommendations
Part Two (Forecast, Revenues, and Recommendations)

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LAS VEGAS CITY COUNCIL

OSCAR B. GOODMAN
MAYOR

GARY REESE
MAYOR PRO TEM

STEVE WOLFSON
LOIS TARKANIAN
STEVEN D. ROSS
RICKI Y. BARLOW
STAVROS S. ANTHONY

ELIZABETH N. FRETWELL
CITY MANAGER

March 8, 2010

Dear Mayor, City Council Members and Citizens of Las Vegas:

The attached documents represent the 2011 fiscal year (FY) budget reduction recommendations, which will allow the city to maintain a balanced 2011 budget. Included within the proposals are supporting materials that document the impacts to the community and to the organization should the City Council adopt the proposed recommendations. As a part of the deliberation process and to aid the council in its decision-making process, final reports from the *Your City Your Way Initiative* are also included.

The past year has been challenging. The effects of the state and national economy and the lagging effects of the Southern Nevada economy are impacting the organization. For two years, we have been making corrective actions, as a part of the fundamental service review (FSR), to ensure the long-term viability of the organization. In the fall of 2009, our predictions revealed a potential shortfall that nearly doubled what we had been expecting. A budget shortfall of approximately $400M over a five-year period means that the city will need to make drastic changes to our service delivery model.

Your City Your Way

For the past six months, we have been working with the city leadership, the community, and with you to ensure we are able to balance the budget, while preserving those services that are identified as most critical to the community. We worked with the University of Nevada, Las Vegas (UNLV) to conduct a telephone survey with a statistically significant portion of our population. The survey gave us some baseline data and helped us determine appropriate recommendations for your consideration. Some important highlights from the survey include:

- We are proud of the fact that the citizens who utilize our services indicated high levels of satisfaction that ranged from a high of 82% to a low of 69%.
- When asked where the city should place emphasis during an economic recession:
  - 72% reported more emphasis should be placed on economic development to create more jobs
  - 56% reported more emphasis should be placed on foreclosure prevention services
  - 55% reported more emphasis should be placed on services for seniors
  - 54% reported more emphasis should be placed on services for low-income families
  - 53% reported that more emphasis should be placed on after-school programming
- The same questions revealed a slightly lower percentage of respondents for:
  - Cultural Opportunities (38%)
  - Government Access TV (31%

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Another avenue of collecting data from the citizens, as a part of the *Your City Your Way Initiative*, included the UNLV Department of Sociology conducting focus panels to provide to the city anecdotal evidence of the feelings and attitudes of our citizens, as they relate to our current budget situation. The findings of the focus panels substantiated much of what was indicated in the telephone survey and provided some insight as to how residents feel the city's budget situation should be managed. Some important considerations of their research include:

- Residents see their neighborhoods as an important part of their community
- Residents named parks and community centers as a source of pride and identity to the neighborhoods
- Residents expressed the importance of investing in the youth
- Residents expected the city to take the lead in diversifying the economy
- Residents expressed their pride and expectation that the city maintain efforts to develop cultural, educational, and economic opportunities downtown
- Residents expect more communication from the city, particularly in lower income and Hispanic neighborhoods
- Residents expect the city to maintain the quality of fire and emergency medical services

An important consideration in the focus panel summary included the participant's feelings and attitudes about the need to reduce services. One respondent's comment summarizes a theme that was prevalent in the telephone survey and town hall meetings. The citizens don't want to see any changes at all to the current service levels.

> *"The service is good and the equipment is all good. The problem is the cost. This has to be brought under control [without] reducing response times. You don't want to cut services to the community; you want to cut costs to operate."*

The final stage of the *Your City Your Way Initiative* included 13 town hall meetings. The Mayor, respective Council member, City Manager, and other representatives of the executive team held town hall meetings to educate the community about the pending budget shortfall, reasons for the potential reductions, and an explanation about how the city was developing the FY2011 budget options. The forum allowed for community residents to learn about the budget situation, ask questions, and make suggestions. The town hall meetings were different in every location with a participation range between 10 and 750 people with an average of around 100 people at every meeting. The summaries and copies of the comment cards are included as an attachment to the final report provided by the UNLV Department of Sociology.

Budget Reduction Process

The fundamental service review, which began in 2008, has been an enduring and increasingly larger component of our business and budgeting strategy. The FSR team, comprised of the City Manager, Deputy City Managers, Directors of Finance and Business Services, Human Resources, Communications, Administrative Services and related staff members, is responsible for the implementation of voluntary separation programs, reviews of internal service funds, revenue strategies, and the overall budget reduction strategy.

In late 2008, we began the FSR process by asking departments to identify options for reducing their budgets, while increasing efficiencies. We also asked departments to identify organizational changes that could be implemented to improve the overall performance of the organization. As a part of the FY2009 budgeting process, we made several organizational changes that helped us maintain our fiscal integrity. The consolidation of Government, Community, & Cultural Affairs with the Office of Administrative Services; graphic artists and public information positions into the Office of Communication; and all special event services into the Office of Cultural Affairs are a few examples of the organizational changes we made that resulted in savings and improved efficiencies. In FY2009, the city also created and continues to maintain a revenue stabilization fund of approximately $50M. Efficiency recommendations and other strategic service changes that occurred in FY2009 resulted in approximately $50M in savings.

In FY2010, the Chief Financial Officer reported to the Council a revised financial model that indicated a nearly $400M shortfall over five years and an immediate budget deficit of approximately $30M in FY2010. An action plan was presented to the Council in November 2009 that identified immediate steps to address the anticipated FY2010 budget shortfall. Those steps included the elimination of positions, 19 of which were filled with employees. Those reductions resulted in about $8M in savings in preparation for FY2011 and were regarded as Tier 1 reductions, or the first wave.

In preparation for FY2011, requests were sent to department directors to identify twelve percent of potential reductions in their respective budgets. The process was later refined to include developing an FY2011 departmental budget that reached a target that allowed the city to maintain a FY2011 general fund budget of approximately $493M. On November 20, 2009, requests were sent to each of the collective bargaining units to identify options for reducing the cost of labor by approximately eight percent. The intention of reducing the cost of labor, and the overarching philosophy on which the process was based included adherence to the principles that we determined at the beginning of the process. Maintaining fiscal integrity, sustaining critical services, and preserving city jobs were and continue to be the driving force behind the FSR process.

The budget reduction options included in this proposal involve significant and drastic reductions to the services, the programs, and the amenities the city provides to the constituents. Balancing the budget also includes the use of reserve funds in the amount of $38M. These reductions seriously impact the organization and the manner in which we conduct business. These reductions include the elimination of approximately 190 positions, including 146 separations, adding to the total reduction of 516.38 positions since 2008. Reductions in force of this magnitude will cause dramatic effects in all of the city's departments, and the citizens they serve. More than 240 positions will be impacted by the bumping process.

The reductions to the organization will have lasting effects on our employees and the community. Those reductions, which will be most noticeable include:

- Reductions in deputy city marshal services
- Reductions in services and programs provided by Leisure Services, including the elimination of eight Community Schools
- Closure of the Reed Whipple Cultural Center
- Reductions in Cultural Arts programming
- Reorganization of the city's outreach efforts to non-profits, chambers of commerce, and other community based organizations
- Reductions in Neighborhood Planning efforts
- Reductions in Rapid Response Team maintenance crews

All of the reductions proposed to balance the FY2011 budget are the second wave of reductions. More are to follow if revenues continue to decline and we are unable to reach a consensus with the union leadership. Next year's projections include a $40M reduction needed in order to balance the FY2012 budget. This means that as soon as the Council adopts an FY2011 budget, the FSR Team will begin working on a strategy to meet the goal of balancing the FY2012 budget.

In total, since 2008, the city has reduced the general fund-operating budget by more than $100M. We have created efficiencies where possible and tried to create as little an impact to the public as possible. Unfortunately, we are in a position where any further reductions to our operating budget will impact the community. We will continue to work with the employees and the union leadership, the executive team, the community, and the City Council to ensure our future recommendations are consistent with expectations, to the extent possible.

Although these budget reduction recommendations are provided to you with a heavy heart, as the impacts are severe, maintaining fiscal integrity is a statutory mandate and balancing the budget is a functional responsibility of the city manager, with support from the executive team.

We are proud of this organization and the services we provide and will look forward to days when our discussion revolves around how we can enhance services as opposed to reducing them. With support from the City Council, the drive and commitment of our employees, and the continued involvement of the residents, we remain confident that the city of Las Vegas is well poised to emerge from this economic downturn more aligned with the expectations of our citizens, more efficient in how we conduct business, and more determined than ever to maintain our role as a leader amongst all other government organizations.

Sincerely,

Elizabeth N. Fretwell

Elizabeth N. Fretwell
City Manager

Attachments

City of Las Vegas - 5-Yr Forecast -- November 2009 Review

	Budget		5-Year Forecast					
	Orig FY10	New FY10	Ave Growth	FY11	FY12	FY13	FY14	FY15
C-Tax	214.6	196.0	4.2%	196.0	201.9	214.0	226.8	240.4
Prop Tax	128.2	128.2	1.6%	112.2	115.5	121.3	129.8	138.9
Lic & Fran	84.5	82.6	3.4%	84.3	86.8	90.3	93.9	97.6
Other	68.4	66.6	2.9%	68.3	70.3	72.4	74.6	76.8
Transfers In From Other Funds	1.7	1.7	-2.7%	1.5	1.5	1.5	1.5	1.5
Revenue Stabilization	-	-		-	-	-	-	-
	497.4	475.1	3.2%	462.2	476.0	499.5	526.6	555.3
Revenue Growth	-1.0%	-5.5%		-2.7%	3.0%	4.9%	5.4%	5.4%
Wages	193.9	188.6	4.9%	194.7	204.7	215.7	226.3	239.1
Benefits	84.1	82.4	6.2%	87.6	92.7	98.7	104.7	111.4
Wages & Benefits	278.1	271.1	5.3%	282.4	297.4	314.4	331.1	350.5
Non- Labor	91.2	91.2	4.5%	95.3	99.5	104.0	108.7	113.6
LVMPD - Operations	137.2	138.2	4.5%	144.4	150.9	157.7	164.7	172.2
LVMPD - Facilities Capital	3.9	2.9	11.0%	1.7	1.7	4.9	4.9	4.9
T/O - Existing Debt Serv	9.1	9.6	-2.3%	8.2	8.1	7.9	8.5	8.5
T/O - CPF	-	-		-	-	-	-	-
T/O - Other	9.0	3.5	-100.0%	-	-	-	-	-
Re-Fund FY08/FY09 Vacancies	-	-		-	-	-	-	-
Labor Reductions	-	-		-	-	-	-	-
Non-Labor Reductions	-	-		-	-	-	-	-
CPF - New Debt Pymt (CH & Garage)	-	0.4	56.8%	0.9	2.2	3.2	4.2	4.1
CPF - New O&M (initial year)	-	-		1.6	2.4	1.2	2.0	-
	528.4	516.8	4.8%	534.4	562.1	593.2	624.1	653.8
Expenditure Growth	4.3%	2.0%		3.4%	5.2%	5.5%	5.2%	4.8%
Excess(Shortfall)	(31.0)	(41.7)		(72.2)	(86.1)	(93.7)	(97.5)	(98.5)
	-	-		-	-	-	-	-
Fund Balance	61.7	51.1		(21.2)	(107.2)	(201.0)	(298.5)	(396.9)
Budget Policy FB Percentage	12.4%	10.7%		-4.6%	-22.5%	-40.2%	-56.7%	-71.5%

Fundamental Service Review

Revenue Study Report

Total Potential Impact (excluding Property Tax) is $7.2m

Twelve percent of the city's general fund revenues, a total of $ 74.1M, was represented by charges for services ($30.5M), business licenses and permits ($21.9M), and Municipal Court fines and forfeits ($21.7M). Staff has reviewed numerous areas where fee increases could be justified by increasing cost recovery, reimbursing for staff effort, or simply recognizing that the fee had not been increased for a decade or longer. The City Council should give consideration to adjustments where warranted.

Seven (7) departments have identified areas where fees could be increased. The collective annual impact of these increases is estimated to be $7.2 million of which $1.2 million would be new fees; $6.0 million would be increases to existing fees. The table below is a summary of the findings. More specific detail of fees is attached on Exhibit 1.

	Total	New	Increase
Developer Fees			
Planning & Development	$ 182,000	$ 182,000	$ -
Public Works	1,338,000	438,000	900,000
	1,520,000	620,000	900,000
Business License	640,380	10,200	630,180
Fire & Rescue	2,165,000	565,000	1,600,000
Leisure Services	1,132,000		1,132,000
Communications	130,000		130,000
Municipal Court	1,622,500	12,500	1,610,000
	7,209,880	1,207,700	6,002,180
Fees With Collection Risk	(1,905,000)	(1,005,000)	(900,000)
Net Fees	$ 5,304,880	$ 202,700	$ 5,102,180

Department recommendations are as follows:

<u>Planning & Development – Total $182,000</u>

The department of Planning and Development identified new fees in several areas related to the review and approval of plans and agreements for which planning and development staff does not current collect any fees. It is estimated that these fees could provide additional revenue of $182,000. These fees would impact the development community which is already experiencing challenges during these economic times. These fees are small in nature and will help the department to cost recover its personnel.

Public Works – Total $1,338,000

Public Works identified increases to existing fees related to areas where the current fees do not recover all the operational costs associated with providing the service. Council took action to increase the bonding requirements, but not our fees associated with those higher bond levels. They have also identified new fees in those areas where the department performs services and no fees have been assessed to cover the operational costs. The fees are in support of land development and impact the development community which is already experiencing challenges during these economic times. It is anticipated that fees of this nature will increase over time and these fees have not been increased for the recent past.

Business Licensing – Total $640,380

Finance & Business Services has identified increases to several fees. One of the proposed code changes for the minimum payment for gasoline tax should make reporting of fuel sales easier for customers. These fees impact the businesses community which is already experiencing challenges during these economic times. It is anticipated that fees of this nature will increase over time, but these fees have not been increased in over twenty years and adjustments are allowable under NRS 354.5989 to account for increases in the cost for services. As was previously identified in Council Briefings, a new license category for high end Collateral Pawn Shops could generate $100,000 or more in new fees; Council rejected this concept last year and therefore no dollar value has been assigned to this category, however we have placed it on the list for reconsideration.

Fire & Rescue – Total $2,165,000

The department of Fire & Rescue is estimating they can increase the number of daily required EMS transports from two to three per day which could bring approximately $1.6 million in additional revenue. Increasing transports will serve more citizens, but there is still the collection risk as well as the ability of the units to all achieve the mandatory three runs. We continue ongoing discussions with representatives from AMR regarding additional actions that may provide further equitable revenue opportunities. The department is also recommending to bill citizens for fires, nuisance alarms, hazardous materials, and other incidents where the citizen was negligent. The majority of these billings will be covered through homeowner insurance. This action may require an ordinance and consistent language, charges, polices and multi-agency response issues must be worked out. Legal opposition could result; Arizona and California both have precedents that could be troublesome and insurance companies will surely oppose and may raise customer rates to offset payments. We do not have any history in this type of billing in Nevada. Introducing the billing in a logical and transparent manner to gain acceptance could take some time. We would estimate that the increase in revenue might not be seen until late fiscal year FY2011.

Leisure Services - Total $1,132,000

The department of Leisure Services in conjunction with Pros Consulting, conducted a pricing and revenue plan study for the improvement of program services, efficiencies and sustainability. The study indicated that charges for services could be increased and still remained competitive in the market place. Increase in fees would also allow the department to achieve its cost recovery goals. The charges for services being recommended for increase by the department equate to a small amount when you consider the overall value to the customer. Examples of increases: Youth and Field allocation - $.69/game, Adult and 3rd Party allocation - $.76/game, Non-profit tournament allocation - $.43/game, for-Profit tournament allocation - $.55/game, SafeKey - $.28/hour, Summer Camp - $.18/hour, Specialty Camp - $.28/hour.

Increasing fees at this time may add even more burden to households that are already struggling. Taxpayers expect that most recreation and cultural experiences will be provided through the property and sales taxes.

Communications - Total $130,000

KCLV Channel 2 is the city's government access channel that provides programming 24-hours a day, seven days a week. It is an excellent vehicle to reach our citizens and provide quality programming. By partnering with others we can maximize the stations ability to reach the citizens. The department would solicit other entities to participate in the programming on Channel 2 much like their current customers the Flood District, the lawyers who produce the Homeowner Talk show, and Cox communications. The additional fees are estimated to range between $130,000 - $150,000. The community would benefit from additional programming. The department would have to insure that current high rated programming is not diminished.

Municipal Court – Total $1,622,500

Municipal Court is recommending increasing fees for traffic school ($35 to $40), records sealing ($50 to $150), and warrant fees (various with average increase of 40%). These proposed increases are estimated to generate approximately $990,000. In addition, they recommend instituting an administrative fee for House Arrest that could generate $12,500. The department anticipates to add 40 hours per in the Judicial Enforcement Unit (JEU) to step up collection efforts which is estimated to provide $620,000. This unit contacts defendants with outstanding warrants and offers them the opportunity to contact the court and receive help information to resolve their cases without fear of arrest and incarceration. The efforts of the JEU help ensure the public that the orders of the court are carried out and offenders complete their sentence through the payment of their fines and fees. Community impact would be minimal as most people are in favor of justice being served.

Property Tax Operating Rate

The one tax area that the Legislature provided local government authority and responsibility over is the property tax operating rate. For the last decade the City has maintained its operating tax rate at $0.6765 per $100 of assessed valuation. The state formula caps our FY 2011 operating rate at $1.2894 leaving a cushion of over $0.6129, however the statutory overlapping rate limit is $3.6400, and since the current (FY 2010) overlapping rate is $3.2760 the maximum overlapping rate increase would be $0.3640 (assuming no other overlapping entity increases their operating rate).

This discussion is relevant because the FY 2011 property tax revenues are forecast to drop by 17.5 percent in FY 2011. And under the new property tax bill cap, future recovery will be limited to 3 percent on residential and 8 percent on all other property, so if recovery is strong our recapture of property tax will be limited. However, by increasing our operating rate the revenue drop could be mitigated. The advantage of this revenue enhancement approach is that the revenue can be calibrated to the extent the Council feels appropriate, and the rate can be reduced in future years as the property values recover so as not to create a windfall.

The below table reflects some possibilities for rate increases:

Property Taxes		
Property Tax Budget for FY10	$ 128,200,000	% Change
Property Tax Estimate for FY11	$ 105,800,000	-17.5%
Approximate Parcels Impacted	192,044	

Rate Increase	Revenue in Excess of FY11 Estimate	Parcels Decreased	Parcels Increased	Parcels Unchanged
$0.0100	$ 1,300,000	180,233	8,719	3,092
$0.0500	$ 6,600,000	178,486	10,466	3,092
$0.1000	$ 13,100,000	176,738	12,214	3,092
$0.1500	$ 19,500,000	175,240	13,731	3,073

Fundamental Service Review
Revenue Study Table Detail

Exhibit 1

Department	Fee Name	Description/Customer	Justification	Fiscal Impact	Pros/Cons
Planning & Development					
	Business Licensing Review	All business license applications	No fees are being charged P&D for these types of reviews althought time is being spent by staff	$ 162,600	Pro: allows P&D to recoup some of the costs associated with these types of reviews. Con: additional fees may discourage new business and development projects already feeling economic pain.
	Development Agreement Annual Reports	All active development agreements with a review period	No fees are being charged P&D for these types of reviews althought time is being spent by staff	$ 3,200	same as above
	DRC Applications	Sign review in all downtown signage districts	No fees are being charged P&D for these types of reviews althought time is being spent by staff	$ 2,400	same as above
	Historic Preservation C of A applications	All construction that requires a Certificate of Appropriateness	No fees are being charged P&D for these types of reviews althought time is being spent by staff	$ 1,800	same as above
	Minor Amendment to an approved SDR	Any requests for minor changes to approved plans	No fees are being charged P&D for these types of reviews althought time is being spent by staff	$ 7,200	same as above
	Turf Exemption	any requests for exemption from residential requirements	No fees are being charged P&D for these types of reviews althought time is being spent by staff	$ 800	same as above
	Water Feature Exemption	Any requests for water features	No fees are being charged P&D for these types of reviews althought time is being spent by staff	$ 4,000	same as above
Subtotal Planning & Development				$ 182,000	
Public Works					
	News Rack Permit	Create new fees for services provided by Traffic Engineering to police news racks in the public right of way limiting city liability and ensuring public safety. Customer--publication owners	Currently News Rack Vendors require only a CLV Business license to place News Racks legally in the public right of way. Illegally placed news racks are romoved and this fee would provide identification on each rack placed within the City and cover costs of removal. ($0 to $50 per location)	$ 235,000	These types of fees are expected to increase over time. Acceptance of fee increases to development community may meet resistance due to current economic conditions.
	Bond Fees	Charge fees to current line items to be in compliance with Municipal Code. Currently line items do not reflect the true pulic cost of completing the improvements and is therefore understated.	Fees charged need to be based on current line items to be in compliance with Municipal Code.	$ 750,000	Fees need to reflect true cost if improvements need to be completed by CLV. Increase may meet resistance due to current economic conditions.
	Drainage Study	Increase technical study fee that Developers pay for review of site development drainage impacts. Customer: Development Community & Citizens	Modify existing fees to recover a portion of operational costs associated with providing services and mirror valley wide fee schedules.($400 to $750)	$ -	These types of fees are expected to increase over time. Acceptance of fee increases to development community may meet resistance due to current economic conditions.
	Traffic Study	Project traffic that a new development is going to generate. Review Impacts that the traffic will have on the community. Determine if mitigation measures are needed. Customer – Development Community & Citizens	Modify existing fees to recover a portion of operational costs associated with providing services and mirror valley wide fee schedules. ($250 to $750)	$ 20,000	same as above
	Traffic Barricade-related fees	Modify existing fees for providing review and inspection of barricade plans in the public right of way. Customer- Development Community & Citizens	See Barricade Plans Permit Review Cost Calculations. ($50 to $125)	$ 112,000	same as above
	Industrial Waste System	Modify existing fees to recover a portion of operational costs associated with providing services. Customer - Development Community & Citizens	Modify existing fees to recover a portion of operational costs associated with providing services and mirror valley wide fee schedules.(Class I $500 to $1,500; Class II $150 to $250)	$ -	same as above

Fundamental Service Review
Revenue Study Table Detail

Exhibit 1

Department	Fee Name	Description/Customer	Justification	Fiscal Impact	Pros/Cons
	Storm Water Quality Assurance	Create new fees to develop, implement, & enforce a program mandated by the Clean Water Act to reduce pollutants in any stormwater runoff from construction activities. Customer - Development Community & Citizens	Stormwater quality assurance, to prevent losing our permit to discharge to the Las Vegas Wash & Lake Mead and/or fines from NDEP or EPA.(New: $300 to $1000 based on acreage)	$ 8,000	same as above
	Land Development Permit Modifications	Create new fees in order to recover costs associated with revisions to existing permits. Customer - Development Community & Citizens	Land Development modifies approximately 1700 permit modifications annually. ($0 to $50)	$ 65,000	same as above
	Infrastructure Check Fee (aka Building Permit Review by Land Development Charge)	Create new fee for service provided by Land Development in support of Building and Safety. Customer - Development Community & Citizens	Modify existing fees to recover a portion of operational costs associated with providing services and mirror current Building & Safety Fee. ($0 tp 5% pf building fee)	$ 130,000	same as above
	Hearing Application	Create new few for service provided by Land Development to address development. Customer - Development Community & Citizens that is not built to plan.	Land Development holds approximately 30 hearings annually ($500 + $50 per item to $500 + $100 per item)	$ 18,000	same as above
Subtotal Public Works				$ 1,338,000	
BusinessLicensing					
	Minimum payment for gasoline sales	This code change would make reporting of fuel sales easier for customers	Proposed code would result in new fee where businesses are reporting less than $300 in semi-annual fuel sales.	$ 10,200	Easier reporting for customer but it is a change in existing code
	Liquor License Fees	Liquor License Fees for City Businesses; last modified pre 1990	Fees have not been increased in over twenty years and adjustments are allowable under NRS 354.5989 to account for increases in our costs for services.	$ 48,720	Fee has not been increase for 20 years. Increase in fees may be difficult in these ecomonic times
	Gross Revenue fees	All businesses whose license fees are based on the gross sales; last modified pre 1990	Fees have not been increased in over twenty years and adjustments are allowable under NRS 354.5989 to account for increases in our costs for services.	$ 91,460	Fee has not been increase for 20 years. Increase in fees may be difficult in these ecomonic times
	Flat License Fees	All businesses whose license fees are based on a flat or incremental rate; last modified 2001	Fees are significantly lower than other jurisdictions and adjustments are allowable under NRS 354.5989 to account for increases in our cost for services.	$ 374,460	Fee is significantly lower than other jurisdictions. Increase in fees may be difficult in these ecomonic times
	Gaming Fees	Gaming License Fees for City Businesses; last modified 1984	Fees have not been increased in over twenty years and adjustments are allowable under NRS 354.5989 to account for increases in our costs for services.	$ 115,540	Fee has not been increase for 20 years. Increase in fees may be difficult in these ecomonic times
	Collateral Pawn	New category proposed by World Jewelry Mart	This is a new licenses category that has been requested by several businesses. Value could be substantial	$0	Council rejected this concept in prior briefing
Subtotal Business Licensing				$ 640,380	
Fire & Rescue					
	Insurance Reimbursements	Bill insurance companies for services and supplies expended as a result of home owner negiligence.	Estimated fees could be as high as $2,260,000 but due to this being a new fee and not having any real history to rely upon and the start up time needed to implement this process, the annual revenue has been reduce to 25%	$ 565,000	Pro:this is being done and accepted in other municipalities. Con:introducing a new practice in the area and it may have negative press as well as collection issues
	EMS transports	Increase the number of daily required transports from two to three per day		$ 1,600,000	Pro: increasing transports will bring in more revenue ans serve more customers. Con: being able to perform the mandatory 3 runs as well as collection issues of accounts
Subtotal Fire & Rescue				$ 2,165,000	

Fundamental Service Review
Revenue Study Table Detail

Exhibit 1

Department	Fee Name	Description/Customer	Justification	Fiscal Impact	Pros/Cons
Liesure Services					
	Sports league fees	League Blanket Permits-blanket allocation to a sports league to conduct league play	A pricing and revenue plan study was performed for LS to determine appropriate pricing levels and adaquate cost recovery. The study justifys increaseing the fees currently being charged to by LS. The new plan will be l allow LS to better manage assets by collecting appropriate fees to offset costs associated with specific programs and services.	$ 300,000	Pro: Increasing pricing will allow LS to appropriately cost recover. Con: Customers may resist the increase in pricing and attendance may go down
	Sports tournaments	Sports Tournaments--field allocation to third party for the facilitation of sports tournaments	Recommendation per Pros Consulting Pricing and Revenue Plan	$ 200,000	see above
	Darling Tennis Center fees	Darling Tennis Center--tennis lessons, leagues, tournaments, rentals--20% increase across the board	Recommendation per Pros Consulting Pricing and Revenue Plan	$ 200,000	see above
	Safekey fees	Safekey--before and after school program--15% increase across the board	Recommendation per Pros Consulting Pricing and Revenue Plan	$ 500,000	see above
	Camps	Summer, Seasonal, and Specialty Camp	Recommendation per Pros Consulting Pricing and Revenue Plan	$ 132,000	see above
	Rentals	Rentals--any city facility, park, gym, theater, conference room--20% across the board	Recommendation per Pros Consulting Pricing and Revenue Plan	$ 94,000	see above
Subtotal Liesure Services				$ 1,426,000	
Communications (KCLV)					
	Solicit work for Channel 2	Provide more programming on KCLV	Viewing time is available on KCLV and our citizen could be enriched if we could add programming that provides cultural and educational merrits.	$ 130,000	Increase viewing experience for citizen but would need to balance with existing programming.
Subtotal Communications				$ 130,000	
Municipal Court					
	Records Sealing	Increase fees for proposed orders to seal records. Fees would increase from $50 to $150.		$ 20,000	
	Charges for Labor	step up specialized court collection efforts to insure collection of fines and fees		$ 620,000	
	Traffic School Fees	Increase traffic school fees from $35 to $40.		$ 20,000	
	Admin fee for House Arrest	Institute an Administrative fee for House Arrest. Proposed fee would be $50 for 1-60 days and $100 for 61+ days		$ 12,500	
	Warrant fees	Increase warrant processing fees		$ 950,000	
Subtotal Minicipal Court				$ 1,622,500	
Grand Total				**$ 7,503,880**	

FUNDAMENTAL SERVICE REVIEW
FY11 Budget Recommendations

As a result of ever declining revenue sources, the City of Las Vegas has had to make significant and drastic reductions since 2008. For Fiscal Year 2011, it is anticipated that the City will need to address a $70 Million Dollar shortfall. The proposed budget balancing effort includes a multi-pronged approach with reductions in labor and non-labor, fee increases, and one-time transfers of savings. The proposed efforts will allow the City to balance the FY11 budget. The impacts of the budget reduction effort will be noticeable and will have impacts to the organization and our employees, as well as, the constituents and visitors we serve.

The following charts provide a high-level overview of budget and staffing reductions by Department and by general budgeting category. The attached pages include a brief summary of reductions by Department.

General Fund
Budget Cut Summary

($ in thousands)	Prior Budget Levels	FY08	FY09	Tier 1 FY10	Tier 2 FY11	Total All Cuts	% reduction by Function	Proposed FY11 Budget
By Function								
Public Safety	328,848	8,080	(1,386)	176	12,874	19,744	6.0%	309,103
General Government	104,066	4,684	14,138	3,773	4,832	27,428	26.4%	76,638
Cultural and Recreati	43,529	1,753	4,074	1,658	3,433	10,918	25.1%	32,611
Judicial	31,292	1,299	3,599	498	1,241	6,637	21.2%	24,655
Public Works	55,897	2,194	6,987	2,467	2,821	14,469	25.9%	41,429
Economic Assistance	12,205	487	1,692	83	1,304	3,566	29.2%	8,639
	575,836	18,498	29,103	8,655	26,505	82,761	14.4%	493,075

General Fund
Budget Cut Summary

Department	DEPT (ORG	Prior Budget Levels	FY08	FY09	Tier 1 FY10	Tier 2 FY11	Total All Cuts	All Cuts % of Prior Budget Levels	Proposed FY11 Budget
City Council	1000	4,454,335	179,000	635,294	235,000	183,041	1,232,335	27.7%	3,222,000
City Manager	2000	9,842,540	370,000	1,558,467	766,660	424,238	3,119,365	31.7%	6,723,175
City Attorney	3000	10,427,482	418,468	1,090,104	215,290	159,620	1,883,482	18.1%	8,544,000
City Clerk	4000	3,944,280	104,324	(173,894)	162,740	142,285	235,455	6.0%	3,708,825
Human Resources	5000	6,549,108	240,461	694,892	114,000	945,755	1,995,108	30.5%	4,554,000
Finance & Business Services	6000	15,812,632	630,878	1,708,707	591,899	1,548,948	4,480,432	28.3%	11,332,200
Planning & Development	7000	7,891,558	319,900	991,871	444,685	661,225	2,417,681	30.6%	5,473,877
Internal Audit	8000	1,318,621	51,060	98,591	22,970		172,621	13.1%	1,146,000
Information Technologies	9000	12,641,429	268,218	1,823,168	754,619	704,924	3,550,929	28.1%	9,090,500
Non- Deparmental		26,086,117	1,760,300	5,206,185			6,966,485	26.7%	19,119,632
Municipal Court	11000	26,078,184	1,090,000	3,053,764	390,294	1,161,130	5,695,188	21.8%	20,382,996
Police Services (Metro)		141,542,300				7,060,300	7,060,300	5.0%	134,482,000
Fire & Rescue	13000	117,611,909	5,135,477	(1,843,388)		2,938,820	6,230,909	5.3%	111,381,000
Detention & Enforcement	14000	69,693,647	2,944,500	457,413	176,120	2,875,240	6,453,273	9.3%	63,240,374
Public Works	15000	45,585,631	1,642,998	5,936,403	1,894,490	2,678,792	12,152,683	26.7%	33,432,948
Leisure Services	16000	33,217,351	1,202,173	3,023,614	1,084,690	3,291,404	8,601,881	25.9%	24,615,470
Business Development	17000	739,437	30,113	709,324			739,437	100.0%	
Neighborhood Services	18000	11,465,168	456,577	982,336	83,320	1,303,935	2,826,168	24.7%	8,639,000
Field Operations	19000	30,934,582	1,653,279	3,150,349	1,718,575	425,376	6,947,579	22.5%	23,987,003
		575,836,311	18,497,726	29,103,200	8,655,352	26,505,033	82,761,311	14.4%	493,075,000
Cummulative			18,497,726	47,600,926	56,256,278	82,761,311			

Staffing Reduction History
All Funds FTEs

Department	Beginning Staffing Levels	FY08	FY09	Tier 1 FY10	Tier 2 FY11	Total All Cuts	All Cuts % of Beginning Staffing Levels	Ending Staffing Levels
City Council	31.20		1.60		1.00	2.60	8.3%	28.60
City Manager	79.03		9.91	3.48	4.94	18.33	23.2%	60.70
City Attorney	70.48		2.00	3.00	2.00	7.00	9.9%	63.48
City Clerk	24.00			2.00	1.00	3.00	12.5%	21.00
Human Resources	51.96		4.48		6.48	10.96	21.1%	41.00
Finance & Business Services	136.95		4.47	6.00	13.00	23.47	17.1%	113.48
Planning & Development	65.87		9.00	4.00	8.39	21.39	32.5%	44.48
Internal Audit	7.96			0.48		0.48	6.0%	7.48
Information Technologies	102.66	1.00	7.18	5.00	4.00	17.18	16.7%	85.48
Municipal Court	213.50		20.00	4.23	14.01	38.24	17.9%	175.26
Fire & Rescue	694.90		17.94		9.00	26.94	3.9%	667.96
Detention & Enforcement	431.80		19.44	5.48	26.00	50.92	11.8%	380.88
Public Works	385.86	1.00	26.70	16.70	28.46	72.86	18.9%	313.00
*Leisure Services	345.85		11.47	11.00	50.64	73.11	21.1%	272.74
Business Development	25.96			-	-	-	0.0%	25.96
Neighborhood Services	104.48		10.00	-	12.00	22.00	21.1%	82.48
Field Operations	446.95	1.00	30.47	13.48	3.00	47.95	10.7%	399.00
Building & Safety Enterprise	170.90	29.00	43.95		7.00	79.95	46.8%	90.95
Grand Total	3,390.31	32.00	218.61	74.85	190.92	516.38	15.2%	2,873.93

Note: Ending staffing levels include vacant and frozen positions that are considered not approved to fill
*Staffing levels in Leisure Services reflect seasonal hourly employees as well as full-time positions.

FUNDAMENTAL SERVICE REVIEW

Department of Fire and Rescue
FY11 Budget Recommendations

REVISED

The mission of Las Vegas Fire & Rescue is to provide fire, medical, and other emergency response and prevention services to residents, businesses, and visitors so they can benefit from a safer community.

~~If Recommendations are approved, funding for the Department will have been reduced by 7.7% and 63.94 FTE's since 2008. Current Recommendations include:~~

~~Staff Reduction – 46 FTE (25 Vacant)~~

~~Organization Impacts~~
~~A reduction in funding will require the current workload to be redistributed to existing staff. The operational positions are currently being covered by overtime and callbacks if necessary. The proposed brownouts will allow the Department to remain within their allotted overtime budget. The work for the EMS Quality Improvement Coordinator is being handled by a designated EMS Field Coordinator.~~

~~Based on a recent City Audit, it is recommended that the Engineering section respond to fires and other incidents to serve as a resource for incident command and to analyze the performance of fire protection systems during an incident. The Fire Department will not be able to meet this audit recommendation if the service is eliminated.~~

~~Community Impacts~~
~~With a reduced Engineering Section, the City of Las Vegas will shift Fire plan review services to Building and Safety.~~

~~The elimination of 25 vacant positions may include a potential for emergency response units to be out of service (brown-outs) each day but will not adversely impact response times to emergency calls for service.~~

FUNDAMENTAL SERVICE REVIEW

Department of Fire and Rescue
FY11 Budget Recommendations

REVISED

If Recommendations are approved, funding for the Department will have been reduced by 5.3% and 19.94 FTE's since 2008. Current Recommendations include:

Staff Reduction – 9 FTE
Total Budget Reduction - $2,938,820

Organization Impacts

- The elimination of seven vacant positions. These positions will be non-suppression positions. The impact will be on the remainder of the administrative staff who will assume the duties as they are assigned by the Fire Chief.

Community Impacts

- One unit per day to be Browned Out or in other words taken out of service for the day. The impact is one less four person unit in service each day. Fire administrative staff will develop the brown out rotation
- With the possible reduced Fire Engineering Section, the City of Las Vegas will shift Fire Plans review services to Building and Safety

In FY11, if revenues continue to decline, the Department will need to identify additional areas for reduction. There are several Recommendations that are may be considered. All Recommendations considered, include the partial or full elimination of the Fire Prevention Engineer Program and Fire Prevention Inspectors.

If revenues continue to decline through FY11, Fire & Rescue management may need to pursue alternative daily staffing plans as a possible budget strategy

FUNDAMENTAL SERVICE REVIEW

Department of Detention and Enforcement
FY11 Budget Recommendations

The mission of the Department of Detention and Enforcement is to improve public safety through the delivery of law enforcement, inmate custody, animal control, and parking management services so our residents, businesses, and visitors can live, work, and play safely in the most extraordinary city in the world.

If Recommendations are approved, funding for the Department will have been reduced by 9.3% and 50.92 FTE's since 2008. Current options include:

Staff Reduction – 26
Total Budget Reduction - $2,875,240

Community and Organization Impacts
Additional funding was determined critical in order to maintain a minimum level of public safety in City parks and facilities. The Department of Detention of Enforcement is revising their budget submittal to include supplemental funding. For the March 10 Tentative Budget Hearing, it is anticipated the option will include reductions in both the Marshal Unit and the Corrections Unit. Those reductions would have significant impacts to the City, external agencies, and the community as a result of a staffing reduction of 26 FTE. The City Council, external agencies, and the constituents can expect the following if the Recommendations are approved:

- Elimination of services provided to the US Marshal, DEA, and other Law Enforcement agencies
- Limited availability to provide law enforcement support to City Departments
- Limited availability for special events
- Potential decrease in officer training and development
- Increased response times to calls in all wards (the Northwest may be most impacted due to a closure of the NW Sub-station)
- Reduced ability to provide courtesy transports of inmates for Court and Neighborhood Service programs
- Decreased resources to dedicate to requests for inmate labor
- Potential increase in attorney visit wait times
- Potential increased booking time for arresting officers
- Reduced ability to respond to inmate requests for non-priority services such as discharge planning and rehabilitative services

FUNDAMENTAL SERVICE REVIEW

Department of Neighborhood Services
FY11 Budget Recommendations

The mission of the Department of Neighborhood Services is to provide community development, neighborhood preservation, and community services to residents and businesses so they can live in safe, clean, and sustainable neighborhoods.

If Recommendations are approved, funding for the Department will have been reduced by 24.7% and 22 FTE's since 2008. Current Recommendations include:

Staff Reduction – 12 FTE
Total Budget Reduction $1,303,935

Organization Impacts
A reduction in funding will impact all full-time staff and the current workload will be redistributed to existing staff.

Community Impacts
The elimination of ancillary services provided by the EVOLVE program will have limited impacts as the workload will be redistributed to existing staff. Division caseworkers will continue to be responsible for case management and referral services related to discharge planning, housing, and homeless services.

The reduction in staffing in Neighborhood Planning will decrease the amount of attention in stable areas of the community. There will be limited outreach and registration in the more stable areas; however, the Neighborhood Planners will continue to monitor registered neighborhoods in these areas at least quarterly and attend meetings and facilitate services as needed to ensure they don't shift to a targeted area.

Work crews in the Rapid Response Team will be reduced from five crews to three crews. The primary focus of the remaining crews will be in the critical needs areas as identified through neighborhood indicators and will be deployed to address emergency abatements, illegal sign and shopping cart removal.

FUNDAMENTAL SERVICE REVIEW

Department of Leisure Services
FY11 Budget Recommendations

The mission of the Leisure Services Department is to provide arts, recreational activities and specialized programming services to residents and visitors so they can enjoy a healthy lifestyle and a higher quality of life.

If Recommendations are approved, funding for the Department will have been reduced by 26% and 73.11 FTE's since 2008. Current Recommendations include:

Staff Reduction – 50.64 FTE
Total Budget Reduction - $3,291,404

Organization Impacts
A reduction in funding will impact all full-time staff and the current workload will be redistributed to existing staff. Some of the recommendations are being made as part of a complete reorganization of the Department to create efficiencies, but others were necessary to meet the new budget goal and will impact the workload of existing staff. The subsequent bumping that will occur because of the large number of staff reductions in the department, we will have a significant number of full time staff working in locations they had not previously been assigned to or have limited organizational experience.

Community Impacts
By the closure of Community Schools, the Department will no longer have the number of programs or the diversity in programs currently being offered. Also missing will be a presence of service delivery in each ward. A wide array of programs will still be preserved at the remaining parks, pools, and community centers; however, there will be impacts such as loss of field trips, special events for seniors and adaptive participants as well as youth enrichment programs that are created as a result of efficiencies and cost reductions.

The Closure of Reed Whipple as proposed under the consolidation of Arts and Community Events and the Office of Cultural Affairs will allow the Department to maintain other programs such as Lap Labs, Summer Camp Coordination, and Xtreme Sports.

Additional revenue from increased fees (see attached) will allow the Department to sustain remaining programming for an additional year.

Leisure Services

FY10 Budget $27,905,545
FY11 Budget Target $24,615,470

- Close Community Schools – see attachment #1 (18 positions)
  - Discontinue Johnson Community School Track Break
  - Discontinue Teen Scene Outreach Programs – Leavitt, Escobedo & Cadwallader Middle Schools

- Increase Safekey, camps and youth and adult sports field fees (see Fee Increase Options attachment#2)

- Close Reed Whipple Cultural Center
  Savings allocation:
  Retain Xtreme Sports Unit (2 positions)
  Retain LS Coordinator (seasonal camp coordination)
  Retain Microcomputer Specialist to Manage the Community Center computer labs (1 position)

- Office of Cultural Affairs/Arts & Community Events merger

- Create efficiencies within the administrative functions of the department
  Reduce vehicles (discontinue year round field trips for youth and seniors – 15 vehicles – 11 are vans. **Leisure on the Go will retain their van**) (summer camp field trips for youth will continue)

  Eliminate Customer Service Representative at the Downtown Senior Services Center (1 position) - Sr. Law Project to manage the reception service desk

  Rightsize supervisory staff (5 Field Supervisors)

  Eliminate staff uniforms (uniforms are not a contractual obligation)

  Reduce clerical staff (5) – create efficiencies by developing a clerical pool

  Reduce Customer Service representatives at various Community Centers (3)

  Modify food program at East Las Vegas Community/Senior Center

  Create East Las Vegas campus (Rivera and East Las Vegas Community/Senior Center)

- Rightsize staff at various Community Centers

- Darling Tennis Center
  Reduction of operating hours
  - Current Hours: Monday-Friday, 7 a.m. to 8 p.m.; Saturday, 7 a.m. to 5 p.m.; Sunday, 7 a.m. to 3 p.m.
  - Proposed Hours: Tuesday-Saturday Noon to 9 p.m.
  - Consider facility for RFP

- Corporate Challenge to be moved to a bi-annual format and scheduled in even years

Leisure Services Fee Increase Options

February 19, 2010

Youth and Adult Field Allocation Permits

- Youth League Field Allocation Permit (**Merit 70% cost recovery**)
  (based on 2 seasons/year)
  Current price: $100/season
  Proposed price: $200/season
  Increase: $0.69 per game

- Adult and 3rd Party League Field Allocation Permit (**Private 125% cost recovery)**
  (based on 2 seasons/year)
  Current price: $110/season
  Proposed price: $220/season
  Increase: $0.76 per game

- Non-profit Tournament Field Allocation Permit (**Private 125% cost recovery**)
  Current price: $10 per hour/field, plus 10% of total registration
  Proposed price: $15 per hour/field, plus 15% of total registration
  Average increase: $0.43 per game

- For-profit Tournament Field Allocation Permit (**Private 150% cost recovery**)
  Current price: $20 per hour/field, plus 10% of total registration
  Proposed price: $30 per hour/field, plus 15% of total registration
  Average increase: $0.55 per game

Safekey (Merit/Private 100% cost recovery)

Average/traditional use
5 days per week – attending morning and afternoon
25 hours per week

Current fee:	Proposed fee:
Average $44 per week	Average $51 per week
($14 for am - $30 for pm)	($16 for am - $35 for pm)
$1.76 per hour	$2.04 per hour

Summer Camp (Merit/Private 100% cost recovery)

Traditional Summer Camp	Specialty Camp
55 hours per week	55 hours per week
Current fee:	Current fee:
$65 per week	$100 per week
$1.18 per hour	$1.81 per hour
Proposed fee:	Proposed fee:
$75 per week	$115 per week
$1.36 per hour	$2.09 per hour

Definitions as presented to City Council at their February 3, 2010 council meeting – Pros Consulting Pricing and Revenue Plan

Private services provide a benefit to the individual and are typically specialized with minimal benefit to the community
Merit services provide benefit to both the community and individual
Public services provide all users the same level of benefit

Becker Community School – 9110 Hillpointe Road – Ward 4

Current Full-time Staff Positions: Leisure Services Coordinator (1), Rec Activities Specialist (1); Rec Leader II (1)
# of Hourly Employees: Varies by instructional session
Facility Space: Double-wide modular located in Hills Park
Programs operated out of Becker Middle School
Current Hours: Monday – Thursday 9 a.m. – 8:30 p.m., Friday 9 a.m. – 6:30 p.m., Sat 8 a.m. – 4:30 p.m.

Fiscal Year 2009

Revenue	$283,959.00
Expenses:	
Full-time Salaries & Benefits	$147,084.00
Hourly Salaries	$203,050.00
Services & Supplies	+ $54,713.00
Total	$404,847.00
Cost Recovery (with Full-time Salaries)	70%
Number of Distinct Participants	1,433
Number of Registrations	5,852
Cost per Registrations (Total Expenses/ Registrations)	$69.18

Average Monthly Usage (foot traffic): 3835 (includes registered participants, drop-ins and spectators)

Programs and participants – Fiscal Year 2009

Core Programs	# of Programs	# of Distinct Participants*
Out of School Time	13	383
Martial Arts	10	333
Sports	13	526
Youth Council	1	31
Arts & Crafts / Cooking	5	56
Dance	6	153
Education	5	135 (tots)
Fitness	7	29
Gymnastics / Tumbling	4	61
Music	4	72
Special Events	13	68
Workshops	14	84

Fiscal Year 2010 YTD (as of January 2010)

Revenue	$110,240.00
Expenses:	
Full-time Salaries & Benefits	$142,945.00
Hourly Salaries	$85,395.00
Services & Supplies	+ $29,467.00
Total	$257,807.00
Cost Recovery (with Full-time Salaries)	43%
Number of Distinct Participants	809
Number of Registrations	2327
Cost per Registrations (Total Expenses/ Registrations)	$110.79

Average Monthly Usage (foot traffic): 1612 (includes registered participants, drop-ins and spectators)
Programs and participants – FY10 YTD (as of January 2010)

Core Programs	# of Programs	# of Distinct Participants*
Out of School Time	7	364
Martial Arts	5	133
Sports	5	146
Youth Council	1	15
Arts & Crafts / Cooking	5	26
Dance	4	81
Fitness	3	26
Gymnastics / Tumbling	2	17
Music	4	30

Definitions:
Participant - A distinct individual that attends a program offered/sponsored by Leisure Services
Registration- A participant that registers for a single event or a series of classes within a set time period called a "session" in the Class database. A session averages 6 weeks long. Exception: A participant registers for summer/seasonal camps on a weekly basis instead of once for a 6 week session.

Becker Community School is located:
1.5 miles from The Trails Park and Community Center (Summerlin)
2.4 miles from Durango Hills Community Center (YMCA)
2.9 miles from Veterans Memorial Leisure Service Center
4.1 miles from Mirabelli Community Center
4.1 miles from Molasky Community School

Brinley Community School – 6150 Smoke Ranch Road – Ward 5

Year Opened:	1986
Full-time Staff Positions:	Leisure Services Coordinator (1), Recreation Leader II (2)
# of Hourly Employees:	Varies by instructional session
Facility Space:	Double-wide modular (in campus parking lot) Programs operated out of Brinley Middle school
Current Hours:	Monday – Thursday 9 a.m. – 8:30 p.m.; Friday 9 a.m. – 6:30 p.m.; Sat 8 a.m. – 4:30 p.m.

Fiscal Year 2009

Revenue	$123,337.00
Expenses:	
Full-time Salaries and Benefits	$147,212.00
Hourly Salaries	$143,160.00
Services & Supplies	$51,967.00
Total	$342,339.00
Cost Recovery (with Full-time Salaries)	36%
Number of Distinct Participants	836
Number of Registrations	1910
Cost per Registration (Total Expenses/ Registration)	$179.24

Average Monthly Usage (foot traffic): 1609 (includes registered participants, drop-ins and spectators)

Programs and participants – Fiscal Year 2009

Core Programs	# of Programs	# of Distinct Participants*
Out of School Time Camps/Teen Scene	3	202
Leagues	9	127
Youth Council	2	22
Community Assistance	3	6
Education	8	112 (tots)
Gymnastics/Cheer	3	33

Fiscal Year 2010 YTD (as of January 2010)

Revenue	$46,224.00
Expenses:	
Full-time Salaries and Benefits	$108,965.00
Hourly Salaries	$67,549.00
Services & Supplies	$31,144.00
Total	$207,658.00
Cost Recovery (with Full-time Salaries)	22%
Number of Distinct Participants	522
Number of Registrations	922
Cost per Registration (Total Expenses/ Registration)	$225.23

Average Monthly Usage (foot traffic): 1583 (includes registered participants, drop-ins and spectators)

Programs and participants – FY10 YTD (as of January 2010)

Core Programs	# of Programs	# of Distinct Participants*
Out of School Time Camps/Youth	**3**	**137**
Leagues	**9**	**225**
Youth Council	**2**	**18**
Out of School Time Camps/Teens Scene	**3**	**81**
Education	**4**	**78**
Gymnastics/Cheer	**3**	**33**

Definitions:

Participant - A distinct individual that attends a program offered/sponsored by Leisure Services

Registration- A participant that registers for a single event or a series of classes within a set time period called a "session" in the Class database. A session averages 6 weeks long.

Exception: A participant registers for summer/seasonal camps on a weekly basis instead of once for a 6 week session.

Brinley Community School is located:

2.1 miles from Mirabelli Community Center

3.9 miles from Molasky Community School

4.2 miles from Durango Hills (YMCA)

4.48 miles from Doolittle Community Center

Charleston Heights Community School – 6438 Celeste Avenue – Ward 1

Year Opened:	1969 **(Satellite Site – August 2009)**
Full-time Staff Positions:	Full-time staff was re-assigned to other facilities.
# of Hourly Employees:	Varies by instructional session
CLV Space:	Modular Office located in parking lot of Garside Middle School
Current Hours:	Activity Based - office being occupied by Summer Camp staff

Fiscal Year 2009

Revenue	$62,730.00
Expenses:	
Full-time Salaries & Benefits	$196,688.00
Hourly Salaries (Community School Board Employees)	$67,754.00
Services & Supplies	+ $79,295.00
Total	$343,737.00
Cost Recovery (with Full-time Salaries)	18%
Number of Distinct Participants	470
Number of Registrations	1,232
Cost per Registration (Total Expenses/ Registration)	$279.01

Average Monthly Usage (foot traffic): 592 (includes registered participants, drop-ins and spectators)

Programs and participants – Fiscal Year 2009

Core Programs	# of Programs	# of Distinct Participants*
Out of School Time Camp/Teen Scene	9	235
Leagues	1	63
Dance	2	8
Education	1	9
Martial Arts	1	31
Youth Council	1	9
Sport Classes	6	30

Fiscal Year 2010 YTD (as of January 2010)

Revenue	$23,695.00
Expenses:	
Full-time Salaries & Benefits	$30,922.00
Hourly Salaries (Community School Board Employees)	$34,574.00
Services & Supplies	+ $1,285.00
Total	$66,781.00
Cost Recovery (with Full-time Salaries)	35%
Number of Distinct Participants	111
Number of Registrations	352
Cost per Registration (Total Expenses/ Registration)	$189.72

Average Monthly Usage (foot traffic): 230 (includes registered participants, drop-ins and spectators)

Programs and participants – FY10 YTD (as of January 2010)

Core Programs	# of Programs	# of Distinct Participants*
Out of School Time Camp/Teen Scene	3	111

Definitions:
Participant - A distinct individual that attends a program offered/sponsored by Leisure Services
Registration- A participant that registers for a single event or a series of classes within a set time period called a "session" in the Class database. A session averages 6 weeks long. Exception: A participant registers for summer/seasonal camps on a weekly basis instead of once for a 6 week session.

Charleston Heights Community School is located:
0.72 miles from Mirabelli Community Center
1.9 miles from Johnson Community School
3.2 miles from Brinley Community School
4.4 miles from Clark Community School
5.1 miles from Becker Community School

Clark Community School – 3074 Arville Road – Ward 1

Year Opened:	1994
Full-time Staff Positions:	Leisure Services Coordinator (1), Recreation Leader II (1)
# of Hourly Employees:	Varies by instructional session
CLV Space:	Double-wide modular, Storage Shed (one modular owned by Neighborhood Services) Programs operated out of Clark High School
Current Hours:	Monday – Thursday 11:30 a.m. – 8 p.m., Friday 10 a.m. – 6:30 p.m., Sat 8 a.m.-4:30 p.m.

Fiscal Year 2009

Revenue	$136,049.00
Expenses:	
Full-time Salaries & Benefits	$163,299.00
Hourly Salaries	$126,439.00
Services & Supplies	+ $72,725.00
Total	$362,463.00
Cost Recovery (with Full-time Salaries)	38%
Number of Distinct Registrants	734
Number of Registrations	1,563
Cost per Registration (Total Expenses/ Registration)	$231.90

Average Monthly Usage (foot traffic): 2152 (includes registered participants, drop-ins and spectators)

Programs and participants – Fiscal Year 2009

Core Programs	# of Programs	# of Distinct Participants
Dance	4	54
Education	8	328
Martial Arts	1	28
Music	1	16
Sports	2	158
Support Services	9	95
Workshops	3	6
Youth Council	1	19

Fiscal Year 2010 YTD (as of January 2010)

Revenue	$91,050.00
Expenses:	
Full-time Salaries & Benefits	$90,315.00
Hourly Salaries	$80,929.00
Services & Supplies	+ $40,306.00
Total	$211,550.00
Cost Recovery (with Full-time Salaries)	43%
Number of Distinct Registrants	383
Number of Registrations	493
Cost per Registration (Total Expenses/ Registration)	$429.11

Average Monthly Usage (foot traffic): 1762 (includes registered participants, drop-ins and spectators)

Programs and participants – FY 10 YTD (as of January 2010)

Core Programs	# of Programs	# of Distinct Participants
Dance	1	18
Education	2	208
Music		6
Sports	2	69
Support Services	4	37
Youth Council	1	46

Definitions:
Participant - A distinct individual that attends a program offered/sponsored by Leisure Services
Registration- A participant that registers for a single event or a series of classes within a set time period called a "session" in the Class database. A session averages 6 weeks long. Exception: A participant registers for summer/seasonal camps on a weekly basis instead of once for a 6 week session.

Clark Community School is located:
1.2 miles from Boys and Girls Club
2.3 miles from Heinrich YMCA
2.3 miles from Stupak Community Center
4.2 miles from Mirabelli Community Center

Gibson Community School – 3990 W. Washington Avenue – Ward 5

Year Opened:	1999 **(Satellite Site August 2009)**
Full-time Staff Positions:	Gibson full-time staff was re-assigned to other facilities.
# of Hourly Employees:	Varies instructional session
Facility Space:	Modular Office located in parking lot of Gibson Middle School Programs operated out of Gibson Middle School
Current Hours:	Activity Based

Fiscal Year 2009

Revenue	$78,262.00
Expenses:	
Full-time Salaries & Benefits	$159,065.00
Hourly Salaries (Community School Board Employees)	$88,687.00
Services & Supplies	+ $47,390.00
Total	$295,142.00
Cost Recovery (with Full-time Salaries)	27%
Number of Participants Served	618
Number of Registrations	1954
Cost per Registration (Total Expenses/ Registration)	$151.05

Average Monthly Usage (foot traffic): 957 (includes registered participants, drop-ins and spectators)

Programs and participants – Fiscal Year 2009

Core Programs	# of Programs	# of Distinct Participants
Out of School Time	9	346
Dance	1	23
Education	2	241
Events	4	379
Leagues	2	93
Martial Arts	2	87
Sports	1	23
Workshops	12	68
Youth Council	1	12

Fiscal Year 2010 YTD (as of January 2010)

Revenue	$29,156.00
Expenses:	
Full-time Salaries & Benefits	$25,607.00
Hourly Salaries (Community School Board Employees)	$52,574.00
Services & Supplies	+ $21,777.00
Total	$99,958.00
Cost Recovery (with Full-time Salaries)	29%
Number of Participants Served	223
Number of Registrations	655
Cost per Registration (Total Expenses/ Registration)	$152.61

Average Monthly Usage (foot traffic): 493 (includes registered participants, drop-ins and spectators)

Programs and participants – FY10 YTD (as of January 2010)

Core Programs	# of Programs	# of Distinct Participants
Out of School Time	4	143
Gymnastics	1	20
Dance	1	4
Education	5	36
Martial Arts	4	43
Youth Council	1	17

Definitions:
Participant - A distinct individual that attends a program offered/sponsored by Leisure Services
Registration- A participant that registers for a single event or a series of classes within a set time period called a "session" in the Class database. A session averages 6 weeks long. Exception: A participant registers for summer/seasonal camps on a weekly basis instead of once for a 6 week session.

Gibson Community School is located:
1.12 miles from Heinrich YMCA
2.4 miles from Mirabelli Community Center
3.3 miles from Doolittle Community Center
4.41 miles from Dr. Pearson Community Center (County)
6.13 miles from Silver Mesa Community Center (NLV)

Johnson Community School – 340 Villa Monterey Drive – Ward 2

Year Opened:	1991
Full-time Staff Positions:	Leisure Services Coordinator (1), Rec Leader II (1), Leisure Activities Assistant (1)
# of Hourly Employees:	Varies by instructional session
Facility Space:	Double-wide modular, 1700 square foot track building Programs also operated out of Johnson Middle School
Current Hours:	Monday – Thursday 9 a.m. – 8:30 p.m., Friday 9 a.m. – 6:30 p.m.

Fiscal Year 2009

Revenue	$138,785.00
Expenses	
Full-time Salaries and Benefits	$231,987.00
Hourly Salaries	$93,181.00
Services & Supplies	$48,881.00
Total	$374,049.00
Cost Recovery (with Full-time Salaries)	37%
Number of Distinct Participants	739
Number of Registrations	3167
Cost per Registration (Total Expenses/Registration)	$118.11

Average Monthly Usage (foot traffic): 592 (includes registered participants, drop-ins and spectators)

Programs and participants – Fiscal Year 2009

Core Programs	# of Programs	# of Distinct Participants
Out of School Time Camps/Teen Scene	10	462
Youth Council	1	34
Extended Track Break	1	83
Arts and Crafts/Cooking	3	13
Dance	1	10
Education	2	51 (tots)
Fitness	3	59
Martial Arts	1	10
Sports Class	6	261
Special Events	1	30

Fiscal Year 2010 YTD (as of January 2010)

Revenue	$58,501.00
Expenses	
Full-time Salaries and Benefits	$133,208.00
Hourly Salaries	$47,680.00
Services & Supplies	$25,524.00
Total	$206,412.00
Cost Recovery (with Full-time Salaries)	28%
Number of Distinct Participants	326
Number of Registrations	1453
Cost per Registration (Total Expenses/Registration)	$142.06

Average Monthly Usage (foot traffic): 1114 (includes registered participants, drop-ins and spectators)

Programs and participants – FY2010 YTD (as of January 2010)

Core Programs	# of Programs	# of Distinct Participants
Out of School Time Camps/Teen Scene	5	247
Youth Council	1	50
Fitness	2	19
Sports Class	2	10

Definitions:

Participant - A distinct individual that attends a program offered/sponsored by Leisure Services

Registration- A participant that registers for a single event or a series of classes within a set time period called a "session" in the Class database. A session averages 6 weeks long. Exception: A participant registers for summer/seasonal camps on a weekly basis instead of once for a 6 week session.

Johnson Community School is located:

1.5 miles from Darling Tennis Center
2.7 miles from Mirabelli Community Center
3.0 miles from CC Desert Breeze Community Center
3.9 miles from Veterans Memorial LSC

Lied Community School – 5340 West Tropical Parkway – Ward 6

Year Opened:	1997
# of Hourly Employees:	Varies by instructional session
CLV Space:	Modular building (on campus) Programs also operated out of Lied Middle School
Current Hours:	Monday – Thursday 9 a.m. – 8:30 p.m., Friday 9 a.m. – 6:30 p.m., Sat 8 a.m. – 4:30 p.m.

Fiscal Year 2009

Revenue	$210,028.00
Expenses:	
Full-time Salaries & Benefits	$200,814.00
Hourly Salaries	$134,057.00
Services & Supplies	+ $99,568.00
Total	$434,439.00
Cost Recovery (with Full-time Salaries)	48%
Number of Participants Served	1224
Number of Registrations	3,746
Cost per Registration (Total Expenses/Registration)	$115.98

Average Monthly Usage (foot traffic): 2071 (includes registered participants, drop-ins and spectators)

Programs and participants – Fiscal year 2009

Core Programs	# of Programs	# of Distinct Participants
Out of School Time Camps/Teens Scene	11	346
Leagues	4	338
Martial Arts	8	106
Sports	6	146
Youth Council	1	31
Workshops	20	68
Arts & Crafts/Cooking	1	13
Dance	4	42
Education	3	164 (tots)
Fitness	2	56
Gymnastics	2	39

Fiscal Year 2010 YTD (as of January 2010)

Revenue	$82,433.00
Expenses:	
Full-time Salaries & Benefits	$103,388.00
Hourly Salaries	$80,897.00
Services & Supplies	+ $53,013.00
Total	$237,298.00
Cost Recovery (with Full-time Salaries)	35%
Number of Participants Served	560
Number of Registrations	1,567
Cost per Registration (Total Expenses/Registration)	$151.43

Average Monthly Usage (foot traffic): 1308 (includes registered participants, drop-ins and spectators)

Programs and participants – FY 2010 YTD (as of January 2010)

Core Programs	# of Programs	# of Distinct Participants
Out of School Time Camps/Teens Scene	9	314
Leagues	3	135
Martial Arts	2	48
Sports	3	51
Dance	2	25
Fitness	2	50

Definitions:
Participant - A distinct individual that attends a program offered/sponsored by Leisure Services
Registration- A participant that registers for a single event or a series of classes within a set time period called a "session" in the Class database. A session averages 6 weeks long. Exception: A participant registers for summer/seasonal camps on a weekly basis instead of once for a 6 week session.

Lied Community School is located:
3.66 miles from Cimarron Rose Community Center
3.76 miles from Centennial Hills (YMCA)
6.99 miles from Durango Hills (YMCA)

***NOTE:** Cadwallader and Escobedo Teen Scene programs will also be discontinued due to the closure of Community Schools

Molasky Community School – 7801 W. Gilmore Avenue - Ward 4

Year Opened:	2000
Full-time Staff Positions:	Leisure Services Coordinator (1), Recreation Leader I (1)
# of Hourly Employees:	Varies by instructional session
CLV Space:	Triple-wide modular (on campus), Storage Shed, Connex Programs also operated out of Molasky Middle School
Current Hours:	Monday – Thursday 9 a.m. – 8:30 p.m., Friday 9 a.m. – 6:30 p.m., Sat 8 a.m. – 4:30 p.m.

Fiscal Year 2009

Revenue	$221,660.00
Expenses	
Full-time Salaries and Benefits	$160,471.00
Hourly Salaries	$223,655.00
Services & Supplies	+ $106,416.00
Total	$490,542.00
Cost Recovery (with Full-time Salaries)	45%
Number of Distinct Participants	1135
Number of Registrations	4,024
Cost per Registration (Total Expenses/ Registration)	$121.90

Average Monthly Usage (foot traffic): 4277 (includes registered participants, drop-ins and spectators)

Programs and participants – Fiscal year 2009

Core Programs	# of Programs	# of Distinct Registrants
Out of School Time Camps/Teen Scene	8	522
Leagues	4	228
Martial Arts	2	89
Sports Classes	6	326
Youth Council	1	94
Music	2	15
Arts & Crafts	1	11
Dance	3	33
Education Classes	2	45 (tot)
Gymnastics	5	96

Fiscal Year 2010 YTD (as of January 2010)

Revenue	$80,994.00
Expenses	
Full-time Salaries and Benefits	$91,169.00
Hourly Salaries	$91,300.00
Services & Supplies	+ $57,030.00
Total	$239,499.00
Cost Recovery (with Full-time Salaries)	34%
Number of Distinct Participants	522
Number of Registrations	1809
Cost per Registration (Total Expenses/ Registration)	$132.39

Average Monthly Usage (foot traffic): 1890 (includes registered participants, drop-ins and spectators)

Programs and participants – FY10 YTD (as of January 2010)

Core Programs	# of Programs	# of Distinct Registrants
Out of School Time Camps/Teen Scene	8	301
Leagues	4	78
Martial Arts	7	65
Sports Classes	3	20
Gymnastics	7	68

Definitions:

Participant - A distinct individual that attends a program offered/sponsored by Leisure Services

Registration- A participant that registers for a single event or a series of classes within a set time period called a "session" in the Class database. A session averages 6 weeks long. Exception: A participant registers for summer/seasonal camps on a weekly basis instead of once for a 6 week session.

Molasky Community School is located:

1.38 miles from Durango Hills (YMCA)
3.56 miles from Cimarron Rose Community Center
4.05 miles from Brinley Community School
4.38 miles from Becker Community School
4.59 miles from Johnson Community School

***Note: Leavitt Teen Scene will be discontinued with the closure of Community Schools.**

Robison Community School – 4794 Harris Avenue – Ward 3

Year Opened:	1986
Full-time Staff Positions:	Leisure Services Coordinator (1), Recreation Leader II (1)
# of Hourly Employees:	Varies by instructional session
Facility Space:	Modular with office, kitchen, conference room
Current Hours:	Monday – Thursday 9 a.m. – 8:30 p.m., Friday 9 a.m. – 6:30 p.m., Sat 8 a.m. – 4:30 p.m.

Fiscal Year 2009

Revenue	$59,674.00
Expenses:	
Full-time Salaries & Benefits	$167,489.00
Hourly Salaries	$56,155.00
Services & Supplies	+ $53,851.00
Total	$277,495.00
Cost Recovery (with Full-time Salaries)	22%
Number of Distinct Participants	546
Number of Registrations	1477
Cost per Registration (Total Expenses/Registration)	$187.88

Average Monthly Usage (foot traffic): 1895 (includes registered participants, drop-ins and spectators)

Programs & participants – Fiscal Year 2009

Core Programs	# of Programs	# of Distinct Participants
Camps	6	22
Dance	7	95
Education	5	66 (tots)
Fitness	2	20
Gymnastics	4	72
Leagues	7	324
Martial Arts	2	95
Sports	5	64

Fiscal Year 2010 YTD (as of January 2010)

Revenue	$17,268.00
Expenses:	
Full-time Salaries & Benefits	$93,734.00
Hourly Salaries	$23,886.00
Services & Supplies	+ $26,408.00
Total	$144,028.00
Cost Recovery (with Full-time Salaries)	12%
Number of Distinct Participants	247
Number of Registrations	403
Cost per Registration (Total Expenses/Registration)	$357.39

Average Monthly Usage (foot traffic): 1013 (includes registered participants, drop-ins and spectators

Programs and Participants – FY10 YTD (as of January 2010)

Core Programs	# of Programs	# of Distinct Participants
Camps	3	20
Dance	5	23
Education	1	73
Gymnastics	4	43
Leagues	2	27
Martial Arts	3	67
Sports	1	4

Definitions:
Participant - A distinct individual that attends a program offered/sponsored by Leisure Services
Registration- A participant that registers for a single event or a series of classes within a set time period called a "session" in the Class database. A session averages 6 weeks long. Exception: A participant registers for summer/seasonal camps on a weekly basis instead of once for a 6 week session.

Robison Community School is located:
2.75 miles from Clark Co. Sunrise Community Center
3.6 miles from Rafael Rivera Community Center
4.0 miles from NLV Neighborhood Recreation Center
4.25 miles from CC Hollywood Recreation Center

Reed Whipple Cultural Center – 821 Las Vegas Boulevard North – Ward 5

Year Opened: Became a Cultural Center in 1976 (built in 1966)
Full-time Staff Positions: Cultural Center Coordinator (1), Cultural Specialist (1), Cultural Leader I (1)
# of Hourly Employees: 2 Facility Support 1-8 Instructors (depending on class load)
Operating Hours: Monday-Friday 12:30 – 8:30 p.m., Saturday 8:30 a.m. – 4:30 p.m.
Square Feet: 32,510 square feet
Amenities:

- 275-seat multi-purpose theatre (45'x24' proscenium stage)
- 80-seat intimate studio theatre
- 40'x60' dance studio (specially-designed resilient floor)
- 2 rehearsal rooms (50' x 34' and 50' x 32')
- 35'x37' art gallery (programmed and managed by OCA)
- Arts and crafts room
- Conference room
- Meeting room (current Neon Museum Office)
- Pottery studio
- Kitchen

Fiscal 2009 (Reed Whipple Center activities only. Rainbow Company is budgeted separately)

Revenue	$61,300
Expenses:	
Full-time Salaries	$248,691
Hourly Salaries	$42,764
Services & Supplies (includes facility charges)	$413,671
Total	$705,126
Cost Recovery (with Facility Costs included)	8.69%
Number of Registrations (may include Rainbow Company)	2,338

Programs and participants – Fiscal 2009

Core Programs	# of Programs	# of Distinct Registrants
Music Classes	2	33
Dance Classes	9	103
Ceramics Classes/Visual Arts	7	54
TAC Camp	3	54
Guest Artist Performances	3	202 (Audience)
Regional/Local Artist Performances	17	1,033 (Audience)
Classical Music Series	3	175 (Audience)
Other Leisure Adaptive/Recreation Public Events	3	349 (Audience)
Las Vegas Youth Orchestra (CCSD-OSOD)	4	275
Legacy Community Band (Rental)	1	45
Neon Bone Yard Tour Gathering Point	Varies	3,303 Tour Attendees
Public User Special Event/Meeting Rentals	33	Not Tracked – all were small events/meetings
Gallery Exhibits	4-5/year	12,699 (Attendees)

Fiscal Year 2010 YTD (as of January 2010) (Reed Whipple Center activities only. Rainbow Company is budgeted separately)

Revenue	$20,955
Expenses:	
Full-time Salaries	$141,918
Hourly Salaries	$28,375
Services & Supplies (includes facility charges)	$240,391
Total	$410,864
Cost Recovery (with Facility Costs included)	5.10%
Number of Registrations (may include Rainbow Company)	1166

Programs and participants – FY10 YTD (as of January 2010)

Core Programs – July 2009 thru Feb 2010	# of Programs	# of Distinct Registrants
Dance Classes	8	143
Ceramics Classes/Visual Arts	4	73
TAC Camp	2	65
Rainbow Co	15	192
RWCC w/out Rainbow Co	14	255

Reed Whipple Cultural Center is located:
0.28 miles from Las Vegas Senior Center
0.29 miles from Dula Gym and Municipal Pool
0.29 miles from Municipal Pool
1.90 miles from East Las Vegas Community/Senior Center

FUNDAMENTAL SERVICE REVIEW

Office of the City Manager – Cultural Affairs
FY11 Budget Recommendations

If Recommendations are approved, funding for the function of Cultural Arts (in both Leisure Services and Cultural Affairs) will have been reduced by 22% since 2008. Current Recommendations include:

Staff Reductions – 2 FTE
Total Budget Reduction - $424,238

Organization Impacts
A reduction in funding will affect the amount of staff available to work on assigned projects and will require a reassignment of current projects to remaining staff.

Community Impacts
Note: As a part of the Citywide restructuring effort, the Offices of Arts and Community Events and Cultural Affairs will be merged. The proposal includes the closing of Reed Whipple.

Reed Whipple Cultural Center – 821 Las Vegas Boulevard North – Ward 5

Year Opened:	Became a Cultural Center in 1976 (built in 1966)
Full-time Staff Positions:	Cultural Center Coordinator (1), Cultural Specialist (1), Cultural Leader I (1)
# of Hourly Employees:	2 Facility Support 1-8 Instructors (depending on class load)
Operating Hours:	Monday-Friday 12:30 – 8 p.m., 9 a.m. – 5 p.m.
Square Feet:	7,068 square feet

Amenities:

- 275-seat multi-purpose theatre (45'x24' proscenium stage)
- 80-seat intimate studio theatre
- 40'x60' dance studio (specially-designed resilient floor)
- 2 rehearsal rooms (50' x 34' and 50' x 32')
- 35'x37' art gallery (programmed and managed by OCA)
- Arts and crafts room
- Conference room
- Meeting room (current Neon Museum Office)
- Pottery studio
- Kitchen

Fiscal 2009 (Reed Whipple Center activities only. Rainbow Company is budgeted separately)

Revenue	$61,300
Expenses:	
Full-time Salaries	$248,691
Hourly Salaries	$42,764
Services & Supplies (includes facility charges)	$413,671
Total	$705,126
Cost Recovery (with Facility Costs included)	8.69%
Number of Registrations (may include Rainbow Company)	2,338

Programs and participants – Fiscal 2009

Core Programs	# of Programs	# of Distinct Registrants
Music Classes	2	33
Dance Classes	9	103
Ceramics Classes/Visual Arts	7	54
TAC Camp	3	54
Guest Artist Performances	3	202 (Audience)
Regional/Local Artist Performances	17	1,033 (Audience)
Classical Music Series	3	175 (Audience)
Other Leisure Adaptive/Recreation Public Events	3	349 (Audience)
Las Vegas Youth Orchestra (CCSD-OSOD)	4	275
Legacy Community Band (Rental)	1	45
Neon Bone Yard Tour Gathering Point	Varies	3,303 Tour Attendees
Public User Special Event/Meeting Rentals	33	Not Tracked – all were small events/meetings
Gallery Exhibits	4-5/year	12,699 (Attendees)

Fiscal Year 2010 YTD (as of January 2010) (Reed Whipple Center activities only. Rainbow Company is budgeted separately)

Revenue	$20,955
Expenses:	
Full-time Salaries	$141,918
Hourly Salaries	$28,375
Services & Supplies (includes facility charges)	$240,391
Total	$410,864
Cost Recovery (with Facility Costs included)	5.10%
Number of Registrations (may include Rainbow Company)	1166

Programs and participants – FY10 YTD (as of January 2010)

Core Programs – July 2009 thru Feb 2010	# of Programs	# of Distinct Registrants
Dance Classes	8	143
Ceramics Classes/Visual Arts	4	73
TAC Camp	2	65
Rainbow Co	15	192
RWCC w/out Rainbow Co	14	255

Reed Whipple Cultural Center is located:

0.28 miles from Las Vegas Senior Center
0.29 miles from Dula Gym and Municipal Pool
0.29 miles from Municipal Pool
1.90 miles from East Las Vegas Community/Senior Center

FUNDAMENTAL SERVICE REVIEW

Offices of the City Council
FY11 Budget Recommendations

If Recommendations are approved, funding for the Offices will have been reduced by 27.7% since 2008. Current Recommendations include:

Staff Reductions – 1 FTE
Total Budget Reduction - $183,041

A reduction in funding will affect the City Council's ability to provide special event services to their constituents. The impacts to each ward may be different.

FUNDAMENTAL SERVICE REVIEW

Office of the City Manager – (City Manager, Administrative Services, Communications)
FY11 Budget Recommendations

The mission of the Office of Administrative Services is to provide administrative consulting, advocacy and special project support services to City Council and Management and the Las Vegas Community so they can have access to the resources and information they need to serve the residents, businesses, and visitors to the city of Las Vegas and participate in cultural and government processes.

The mission of the Office of Communications is to provide information about the city to residents, businesses, employees, and visitors through public affairs, emergency communications, and video services s they can participate in open government and make informed decisions to enhance their quality of life.

If Recommendations are approved, funding for the Offices (CMO, OAS, Communications, And Cultural Affairs) will have been reduced by 31.7% and 18.33 FTE's since 2008. Current Recommendations include:

Staff Reductions – 4.94 FTE
Total Budget Reduction - $424,238

Organization Impacts
The reduction in staff will impact the City Manager's Office as there will be less staff to provide analytical research, grant coordination, community capacity building, and other miscellaneous services provided to the City Manager.

A reduction in Communications will force more scrutiny of assignments and priorities. All departments will be impacted be a limited ability to meet all demands. A reduction in discretionary funding will mean the elimination of the media monitoring services.

FUNDAMENTAL SERVICE REVIEW

Department of Finance and Business Services
FY11 Budget Recommendations

The mission of the Finance & Business Services Department is to provide financial, purchasing and business licensing services to the community, elected officials, management and employees of the city of Las Vegas so they can be assured their government operates using efficient, convenient and fiscally responsible management practices.

If Recommendations are approved, funding for the Department will have been reduced by 28.3% and 23.47 FTE's since 2008. Current Recommendations include:

Staff Reduction – 13 FTE
Total Budget Reduction - $1,548,948

Organization Impacts
A reduction in funding will have impacts to the services provided to Departments, including the functions provided by Central Stores. The Department may also have delays in responding to Council requests relating to business licensing.

Community Impacts
Constituents may spend more time waiting in lines for services provided by the Department. A reduction in Business Licensing may also impact compliance rates, which impact public safety and potential revenue.

FUNDAMENTAL SERVICE REVIEW

Department of Human Resources
FY11 Budget Recommendations

The mission of the Human Resources Department is to provide employment, benefits, employee relations, organizational development and risk management services to the city and its departments so they can better achieve their goals and objectives.

If Recommendations are approved, funding for the Department will have been reduced by 30.5% and 10.96 FTE's since 2008. Current Recommendations include:

Staff Reductions – 6.48 FTE
Total Budget Reduction - $945,755

Organization Impacts
A reduction in funding will require transitioning staff from current work assignments to work assignments assigned to staff who will be included in a reduction in force. The staffing reduction will impact recruitment timelines and may impact the time needed to complete background checks, employment documents, etc.). The reduction in staffing for community outreach services will require staff from other Departments to fulfill some current priorities, such as maintaining positive relationships with private and non-profit sector employers.

Efforts to support the City Manager's programs for Succession Planning, Leadership Development, Supervisory Training, and general employee development will be slowed and some potentially eliminated because of the budget reductions. Needed activities such as review of tests currently in the test bank and improvements in test development and test validation will be severely hampered by the projected staff reductions. And lastly, the ability to work toward improved relationships with city labor organizations will be slowed because of the planned budget cuts. Most of these programs and functions can still be accomplished, but the time to accomplish them will be prolonged.

Community Impacts
The private and non-profit sector organizations that are impacted by the services provided in the Diversity Outreach Line of Business may notice a decrease in attention.
Note: Through the merger of the Office of Cultural Affairs, Arts and Community Events, and the previous coordination efforts of the Office of Business Development and Cultural Affairs under the direction of Scott Adams in the City Manager's Office, community outreach efforts will continue to be a priority.

FUNDAMENTAL SERVICE REVIEW

Department of Information Technologies
FY11 Budget Recommendations

The mission of the Department of Information Technologies is to provide computer systems, communication services, business applications, and I.T. project coordination to the city staff and public so they can conveniently and effectively conduct city business.

If Recommendations are approved, funding for the Department will have been reduced by 28.1% and 17.18 FTE's since 2008. Current Recommendations include:

Staff Reduction – 4 FTE
Total Budget Reduction - $704,924

Organization Impacts
Reduced funding for professional services and system upgrades may increase the time needed and/or delay implementation of needed programs.
Reduced funding for travel and training will impact the Departments ability to leverage emerging technologies, applications, and infrastructure advancement.

A reduced postage budget dictates more selective mailings.

FUNDAMENTAL SERVICE REVIEW

Offices of the City Clerk
FY11 Budget Recommendations

The mission of the Office of the City Clerk is to provide council and related meeting support, public information and records research, city history preservation and election services to elected officials, staff and residents so they can receive the highest standard of accurate, timely and legally compliant information to conduct city business.

If Recommendations are approved, funding for the Office will have been reduced by 6% and 3 FTE's since 2008. Current Recommendations include:

Staff Reductions – 1 FTE
Total Budget Reduction – $142,285

Organization Impacts
A reduction in funding to the City Clerk's Office places the city in a position of legal risk subject to fine and litigation as a result of not meeting statutory regulations (NRS, Charter, and LVMC). Additionally, research functions and the efforts of the Enterprise Records Initiative will be hindered.

Community Impacts
Current and proposed reductions are limiting the Office's ability to staff the front desk.
Additionally, delays in response times for public records requests and Metro's requests to seal criminal justice records as required by NRS should be expected.

FUNDAMENTAL SERVICE REVIEW

Department of Planning and Development
FY11 Budget Recommendations

The Mission of the Planning and Development Department is to provide long range planning, sustainability coordination, urban design, historic preservation, and land use application services to citizens, developers, businesses, and visitors so they can benefit from orderly and environmentally-sensitive growth and redevelopment.

If Recommendations are approved, funding for the Department will have been reduced by 30.6% and 21.39 FTE's since 2008. Current Recommendations include:

Staff Reductions – 8.39 FTE
Total Budget Reduction - $661,225

Organization Impacts
There will be a lower quality of support provided to City Council and Planning Commission members as there will be less staff to provide site inspections and preparation materials for meetings.

Community Impacts
There will be no planner inspection of conditions of approval of Planning Commission and City Council approved use permits, variances, and site plans. There will be no landscape staff inspections to ensure landscaping of on and off site is properly planted nor maintained. The loss of technical staff will prevent timely updating of city maps, which may result in delayed and therefore misinformation to the public.

With the loss of an Urban Design Coordinator position there will less opportunity to seek grants for downtown and design projects. Also, Additional loss of clerical staff, combined with loss of all part time staff will result in times when no reception staff will be available from P&D to staff the front desk at the DSC.

FUNDAMENTAL SERVICE REVIEW

Department of Public Works
FY11 Budget Recommendations

The mission of the Department of Public Works is to provide sustainable infrastructure planning, design, and construction management; wastewater and storm water management; traffic control; and land development regulation services to Las Vegas residents, businesses and visitors so they can enjoy a safe, healthy and livable community.

If Recommendations are approved, funding for the Department will have been reduced by 26.7%and 72.86 FTE's since 2008. Current Recommendations include:

Staff Reduction – 28.46 FTE
Total Budget Reduction - $2,678,792

Organization Impacts
A reduction in funding may mean a reduction in service levels within all work units, including a delay in delivery of capital projects. Additionally, some revenue may be lost as several positions are reimbursed through interlocal agreements with the RTC, RFCD, Special Improvement Districts, and SNPLMA.

As a result of decreased staffing levels, there will be delays in delivery of Council initiated CIP projects.

Community Impacts
Segments of the community may experience delays in review and approval of drainage studies, processing times for easement and right-of-way purchase, and new development inspections. There may be delays in response to traffic related concerns.

FUNDAMENTAL SERVICE REVIEW

Department of Field Operations
FY11 Budget Recommendations

The mission of the Field Operations Department is to provide street, park, facility, sewer and fleet maintenance services to the community, visitors and City of Las Vegas employees so they can have safe and clean city assets and infrastructure.

If Recommendations are approved, funding for the Department will have been reduced by 22.5% and 47.95FTE's since 2008. Current Recommendations include:

Staff Reduction – 3 FTE
Total Budget Reduction $425,376

Organization Impacts
The utilization of a rental car agency and subsequent staff reductions in Fleet Services will be a business model change. City staff may have longer wait times for loaner vehicles or maintenance requests. Deferred maintenance may also result in greater costs in the future.

Community Impacts
Through a series of reductions in staffing, since 2008, the Department has also implemented service level changes to park, facility, and field maintenance leading to decreased ability to meet all expectations.

FUNDAMENTAL SERVICE REVIEW

Department of Municipal Court
FY11 Budget Recommendations

The Mission of the Las Vegas Municipal Court is to provide judicial services to the people of Las Vegas so they can enjoy the benefits of a safe community.

If Recommendations are approved, funding for the Department will have been reduced by 21.8% and 38.24 FTE's since 2008. Current Recommendations include:

Staff Reduction – 14.01 FTE
Total Budget Reduction - $1,161,130

Organization Impacts
A reduction in funding may lead to a slowdown of revenue collections. Also there may be increased overtime costs and reporting delays.

Community Impacts
Impacts will include longer wait times, which may lead to increased security risks, diminished opportunity to get obligations completed in a timely manner, and reduced services for a customer base that is increasing.

Warrant Service Program – Pilot Study

If approved, the Departments of Municipal Court and Detention & Enforcement will work together to implement a pilot study that includes the coordination of Municipal Court and Deputy City Marshals. The pilot study, the results of which will be presented to the City Council in November of this year are intended to save 10 positions and have a net revenue impact on the City's General Fund of approximately $500K.

The pilot study will involve six Deputy City Marshals, two Senior Office Specialists, and two Public Safety Technicians, which will be used to identify and serve warrants in approximately 33,000 cases during the swing-shift. The total cost to implement the program is estimated at $1.2M, while revenue is expected to be $1.7M resulting in a $500 net increase.

FUNDAMENTAL SERVICE REVIEW

City Attorney
FY11 Budget Recommendations

The mission of the City of Las Vegas Office of the City Attorney is to provide legal representation, consultations, review, negotiations, and documents to the City of Las Vegas, City Council and City Boards and Commissions, for the purpose of effectively, lawfully, and ethically conducting and implementing City business and policies.

If Recommendations are approved, funding for the Department will have been reduced by 18.1% and 7 FTE's since 2008. Current Recommendations include:

Staff Reductions - 2 FTE
Total Budget Reduction - $159,620

FUNDAMENTAL SERVICE REVIEW

City Auditor
FY11 Budget Recommendations

The mission of the Las Vegas City Auditor's Office is to provide independent and objective appraisal services of city operations to the Mayor and City Council so they can make informed decisions and assure the citizens that city government is accountable and cost effective.

If Recommendations are approved, funding for the Department will have been reduced by 13.1% and .48FTE's since 2008.

FUNDAMENTAL SERVICE REVIEW

Building and Safety
FY11 Budget Recommendations

The mission of the Building and Safety Department is to provide Building Plan Review, permit and inspection services to the citizens of Las Vegas and the development and construction industry so they can live and work in a safely built environment.

If Recommendations are approved, staffing for the Department will have been reduced by 79.95 FTE's since 2008.

Staff Reductions – 8 FTE

Organization Impacts
Delays in inspections.

Community Impacts
The impacts of these reductions will mean a slower response time to requests and could impact the response times to the Performing Arts Center and other large-scale projects that are currently being developed.

FUNDAMENTAL SERVICE REVIEW
Mayor and City Council Cost of Labor Reduction Options

As a result of ever declining revenue sources, the City of Las Vegas has had to make significant and drastic reductions since 2008. For Fiscal Year 2011, it is anticipated that the City will need to address a $70 Million Dollar shortfall. The proposed budget balancing effort includes a multi-pronged approach with reductions in labor and non-labor, fee increases, and one-time transfers of savings. The proposed efforts will allow the City to balance the FY11 budget. The impacts of the budget reduction effort will be noticeable and will have impacts to the organization and our employees, as well as, the constituents and visitors we serve.

The following chart depicts the proposed reduction to the cost of labor for the Mayor and City Council Members.

Council - Actual W-2 Data		
		CY10 Est
Base	$	406,074
Longevity		-
OT		-
Sell Backs		-
Bonuses		-
Separation Pay		-
Other		-
Total W-2	$	406,074
Count		9
Average W-2	$	45,119
		CY10 Est
"Give-Ups"		
LVMC Increase (est.)		1.25%
Salary Roll Back		1.54%
401a Match		6.46%
Total %		9.25%
Statutory Increase	$	5,076
Salary Roll Back		6,257
Pay Loss Sub-Total		11,333
PERS loss		2,437
401a Match	$	26,229
Total $$	$	39,998
% of W-2		9.85%

FUNDAMENTAL SERVICE REVIEW
Municipal Court Judges Cost of Labor Reduction Options

As a result of ever declining revenue sources, the City of Las Vegas has had to make significant and drastic reductions since 2008. For Fiscal Year 2011, it is anticipated that the City will need to address a $70 Million Dollar shortfall. The proposed budget balancing effort includes a multi-pronged approach with reductions in labor and non-labor, fee increases, and one-time transfers of savings. The proposed efforts will allow the City to balance the FY11 budget. The impacts of the budget reduction effort will be noticeable and will have impacts to the organization and our employees, as well as, the constituents and visitors we serve.

The following chart depicts the proposed reduction to the cost of labor for the Municipal Court Judges.

Judges - Actual W-2 Data	
	CY10 Est
Base	$ 909,682
Longevity	-
OT	-
Sell Backs	-
Bonuses	-
Separation Pay	-
Other	-
Total W-2	$ 909,682
Count	6
Average W-2	$ 151,614
	CY10 Est
"Give-Ups"	
LVMC Increase (est.)	1.25%
Salary Roll Back	5.36%
401a Match	2.64%
Total %	9.25%
Statutory Increase	$ 11,371
Salary Roll Back	48,775
Pay Loss Sub-Total	60,146
PERS loss	12,931
401a Match	$ 24,000
Total $$	$ 97,077
% of W-2	10.67%

FUNDAMENTAL SERVICE REVIEW
Executive Staff Cost of Labor Reduction Options

As a result of ever declining revenue sources, the City of Las Vegas has had to make significant and drastic reductions since 2008. For Fiscal Year 2011, it is anticipated that the City will need to address a $70 Million Dollar shortfall. The proposed budget balancing effort includes a multi-pronged approach with reductions in labor and non-labor, fee increases, and one-time transfers of savings. The proposed efforts will allow the City to balance the FY11 budget. The impacts of the budget reduction effort will be noticeable and will have impacts to the organization and our employees, as well as, the constituents and visitors we serve.

The following chart depicts the proposed reduction to the cost of labor for the Executive Staff.

Executives - Actual W-2 Data

	CY10 Est
Base	$ 13,503,421
Longevity	658,397
OT	818
Sell Backs	522,606
Bonuses	1,745
Separation Pay	778,419
Other	475,253
Total W-2	$ 15,940,659
Count	124
Average W-2	$ 128,554
Growth Rate CY06-CY09	
	CY10 Est
"Give-Ups"	
Merit %	3.00%
Bonus %	2.00%
Salary Roll Back	0.66%
12 Furlough Days	4.62%
4 Ex Admin Days	1.54%
401a Match	2.97%
5 Ex Merit Days	1.92%
Total %	16.71%
Merit $$	$ 463,910
Bonus $$	283,236
Salary Roll Back	102,060
12 Furlough Days	653,622
Pay Loss Sub-Total	1,502,829
PERS loss	121,684
4 Ex Admin Days	217,874
401a Match	420,848
5 Ex Merit Days	272,343
Total $$	$ 2,535,577
% of W-2	15.91%
Foregone Pay Increases	
Pay Decreases	
Benefit Decreases	

FUNDAMENTAL SERVICE REVIEW
Appointive Staff Cost of Labor Reduction Options

As a result of ever declining revenue sources, the City of Las Vegas has had to make significant and drastic reductions since 2008. For Fiscal Year 2011, it is anticipated that the City will need to address a $70 Million Dollar shortfall. The proposed budget balancing effort includes a multi-pronged approach with reductions in labor and non-labor, fee increases, and one-time transfers of savings. The proposed efforts will allow the City to balance the FY11 budget. The impacts of the budget reduction effort will be noticeable and will have impacts to the organization and our employees, as well as, the constituents and visitors we serve.

The following chart depicts the proposed reduction to the cost of labor for the Appointive Staff.

Appointives - Actual W-2 Data

	CY10 Est
Base	$ 14,624,896
Longevity	580,138
OT	4,992
Sell Backs	359,861
Bonuses	327
Separati on Pay	390,848
Other	52,954
Total W-2	$ 16,014,016
Count	196
Average W-2	$ 81,704
Growth Rate CY06-CY09	
"Give-Ups"	
COLA %	3.00%
Merit %	3.00%
Bonus %	2.00%
Salary Roll Back	0.51%
12 Furlough Days	4.62%
2 App Admin Days	0.77%
401a Match	3.95%
3 App Merit Days	1.15%
Total %	19.00%
COLA $$	$ 478,822
Merit $$	478,822
Bonus $$	304,101
Salary Roll Back	81,400
12 Furlough Days	701,771
Pay Loss Sub-Total	2,044,915
PERS loss	223,394
2 App Admin Days	116,962
401a Match	600,699
3 App Merit Days	175,443
Total $$	$ 3,161,413
% of W-2	19.74%

Foregone Pay Increases
Pay Decreases
Benefit Decreases

Las Vegas Police Protective Association Metro, Inc.

On behalf of the City of Las Vegas Marshals, the Las Vegas Police Protective Association(LVPPA) has been given the authority to offer the following concessions:

1. Waive the 3.75% COLA which is due 06/27/2010. Because no PERS contribution will be made on this money the savings is 5.15%
2. Waive the total clothing allowance of $1475 which is due 6/27/2010. The savings is 2.1%.
3. Freeze Longevity at its current level for one year. The savings is between .25% -.5%

This is the explanation of how those savings figures were generated:

Average salary of a City of Las Vegas Marshal is -	$70,500.00	a year (provided by Mark Vincent)
3.75% Cola -	$2,643.75	
37% PERS-	$ 928.18	
	$3,621.93	5.15% savings
Clothing Allowance -	$1,475.00	2.1% savings
Longevity -	$ 352.50	.5% savings

If half the people get Longevity the savings would be .25%

These savings add up to 7.50% with .25% Longevity or 7.75% with .5% Longevity

On Wednesday, February 24th, we were informed by City Management that 13 Marshals were going to be laid off. We were also informed that our 8% savings could save all 13 Marshals' jobs and that the City is willing to use its End Fund Balance to help off-set layoffs.

As we have shown, our concessions are worth between 7.5% and 7.75%. We are asking that the City of Las Vegas use a portion of their End Fund Balance to make up the difference between our offer and the 8% the City requested. That should avoid all layoffs.

These concessions are being offered with 2 conditions; 1) That no other changes to the Collective Bargaining Agreement be considered , represented by the LVPPA and; 2) That the entire savings from this offer goes directly to saving Marshals' jobs.

If the City accepts this offer, it will take approximately 3 weeks for the LVPPA to have an election to ratify these changes to the Collective Bargaining Agreement.

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City of Las Vegas
Summary of the Two Voluntary Separation Programs
and Separation Incentive Program

January 7 to February 20, 2009 Voluntary Separation Program

Number of employees separated:	45
Average cost per separation:	$31,987
Total payout:	$1,439,422
Average length of cost recovery:	12.72 weeks

FY09 Financial Impact: **$1,662,110**
(labor and benefits)

Separation date March 20, 2009

FY10 Financial Impact: **$6,196,580**
(labor and benefits)

***FY11 Financial Impact:** **$6,196,580**
(labor and benefits)

August 31 to October 14, 2009 Voluntary Separation Program

Number of employees separated:	27
Average cost per separation:	$31,868
Total payout:	$860,432
Average length of cost recovery:	12.98 weeks

FY10 Financial Impact: **$2,432,740**
(labor and benefits)

Separation date November 2, 2009

FY11 Financial Impact: **$3,504,380**
(labor and benefits)

November 16 to January 14, 2010 Separation Incentive Program

Number of employees separated:	43
Average cost per separation:	$23,026
Total payout:	$ 990,136
Average length of cost recovery:	12 weeks

FY10 Financial Impact: **$1,763,190**
(labor and benefits)

Separation date January 29, 2010

FY11 Financial Impact: **$4,287,520**
(labor and benefits)

Total number of employees separated: 115

Total Financial Impact FY09: **$ 1,662,110**

Total Financial Impact FY10: **$10,392,510**

Total Financial Impact FY11: **$13,988,480**

*Assumption that FY11 financial impact will remain at FY10 level

EMPLOYEE SEPARATION PROGRAM

- Target separation date is June 12, 2010
- Employees approved to separate earlier will receive a lump sum severance through June 12
- City will provide "employee only" COBRA premium holiday through May 31, 2011
- Estimated maximum cost is $1.7 million, of which $450 thousand would be lump sum severance
- Cost of severance plan to be absorbed in fringe benefit pool