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FY2011 BUDGET ALTERNATIVES REPORT

Prepared by the Las Vegas City Employees Association

Stated FY2011 budget shortfall This is as announced by the City of Las Vegas.	$ 70,000,000-
Amount from Stabilization Fund This is the amount that the City has agreed to transfer.	$38,000,000
Amount from increased property taxes and fees The City has the ability to raise property taxes by somewhere between $10 million and $13 million according to City staff. Moreover, table 41 of the 2009 Community Assessment Survey, commissioned by the City of Las Vegas, shows that a majority of citizens would be willing to pay more for services in lieu of a reduction in services.	$13,000,000
Reduction in fund balance to 8% This would be a temporary reduction until the Economy recovers. According to Finance & Business Services, the most recent fund balance percentage is at 9.06%. Reducing Fund balance to 8% would provide additional funds.	$5,100,000
Amount from cost savings alternatives as detailed in the attachment.	$3,345,000
Amount from deferring, reducing or eliminating outsourced Architectural Services, outsourced Engineering Services, Software, Professional Services including Consulting Services, Professional Development, Surveys, Studies, Focus Groups.	$5,555,000
Reduction in overtime, city-wide.	$5,000,000
Amount of shortfall	**$ 0**

Submitted at City Council
Date 3/10/10 Item CP

Budget Alternatives Committee Recommendations

	SUGGESTIONS	Comments and/or Dept. Response	POTENTIAL ANNUAL SAVINGS
1	Have employees pay for their own professional membership dues and subscriptions during this time of financial hardship. This would be an expense that would be recouped annually.	City-wide recommendation	$23,000
2	Currently the City pays the Alpine Water bill for the Public Works department; therefore, just as City furnished coffee has been eliminated, this perk should be eliminated as well. Employees should be responsible for paying for the use of purified water, just as employees in other departments are responsible. Monthly Cost = $45.50	City-wide recommendation to eliminate this type of perk.	6,552
3	The Field Operations Department currently has a contract for "Air Filter Purchase and Replacement Service" with Air Filter Sales and Service. This contract has a $300,000 Approved Annual Amount. Over the past 33 months of the current contract, the City has averaged a monthly expenditure of $19,738.94; an approximate annual amount of $236,867.27.	Years ago, this function used to be performed in-house, however, this was changed b/c FO lacked the storage space for the various sized filters. Recommend finding storage space and cancelling contract.	236,867
4	The Public Works dept. has an employee of the month honor in which the designated employee receives a $25.00 gift card and snacks are also purchased for the celebration. This equates to $300.00 annually for gift cards and approximately $480.00 for snacks. (A $40.00 basis was used for the snacks - The last purchase for Bagels was just over $40.00)	City-wide recommendation to eliminate this type of perk.	9,360
5	Currently, the Sign Shop for TEFO has a contract for the purchase of signs such as stop signs, right turn only, no parking, etc. The average expenditure for these signs over the past four and a half years has been $41,228.54. Therefore, the question arises as to what signs are produced in-house versus those that are out-sourced?		41,289

Budget Alternatives Committee Recommendations

	SUGGESTIONS	Comments and/or Dept. Response	POTENTIAL ANNUAL SAVINGS
6	There is a $465,784.00 Approved Annual Amount contract with Newtex Landscape for "Landscape Maintenance Services." This includes the maintenance of approximately nine medians and other locations throughout the Las Vegas Valley. Due to price reductions, the average annual expenditure on this contract is $373,734.16.	Although some medians have been removed since the contract was originally negotiated in 2008, Parks does not have the manpower to maintain these remaining locations in addition to there current responsibilities. Recommend cancelling contract and bringing in-house	373,734
7	Trimble Navigation Limited Contract is current supplier for GPS service. Over the past few years, Field Operations has expressed their dissatisfaction with the supplier, billing process, etc. and has requested another option. Concurrent to this request, FO and has been working w/ IT on a solution that could provide this service via perhaps a cell phone. Arguments against the GPS system consist of the fact placing this device on a CLV vehicle only ensures that the vehicle is located at a work sit, but it does not assure that the employee is there. Due to the dissatisfaction with the current supplier and the ineffectiveness of the current system, it is recommended that the $300,000.00 annually approved contract (actual expenditure is reflected in the savings column) be terminated until another solution is approved, or until the City's financial situation improves. In the meantime, the City management will have to trust their employees to perform their assignments, and with the many labor issues we are currently experiencing, the assumption is made that this will encourage employees		148,313
8	WPCF Landscaping - Newtex Landscape	Annual maintenance contract. Recommend cancelling contract and bringing this function in-house	97,500

Budget Alternatives Committee Recommendations

	SUGGESTIONS	Comments and/or Dept. Response	POTENTIAL ANNUAL SAVINGS
9	There is a $200,000.00 Approved Annual Amount contract with Newtex Landscape for "Tree Care Service." To date, just under $33,000.00 has been exhausted on this contract during the 5 months of its existence. It is recommended that smaller jobs are handled in-house and only the larger one's are outsourced. At the current pace, it is estimated that $79,200.00 will be expended during the base year of this contract.		79,200
10	Arts and Culture Programs Miscellaneous Vendors	Why are we paying for author participation at book festival events? There are a variety of other expenses that could also be revisited as to need and affordability. Reduce this programming by 50%	40,117
11	Federal Land Lobbying Consulting Services	How does the city benefit? Reduce by 50%	20,617
12	UNLV Board of Regents	How does the city benefit from community survey	23,486
13	Golden Nugget Hotel & Casino	Why was catering necessary for State of the City event?	4,095
14	Federal Lobbying Services	How does the city benefit? Reduce by 50%	43,226
15	OCA Management/Planning Program - Misc. Vendors	Why are these advisors needed? Reduce by a minimum of 25%	7,084
16	State Lobbying - Carson City	How does the city benefit? Reduce by 50%	23,094
17	Admin Support Services Program - Misc. Vendors	Why are we paying for some of these items. Reduce by a minimum of 50%	73,899
18	Government Affairs Program - Misc. Vendors	Are all of these associations necessary?	32,000
19	OAS Management/Planning Program	Is this necessary this year?	7,083
20	Alliance for Innovations - Annual Membership	What is this and why is it necessary?	7,500
21	Correct Care Solutions, LLC	At $500,000 per month, $6 million annually for inmate health care, is there a better way, i.e. hiring our own staff, renegotiating our contract. Reduce by at least 12%	720,000

Budget Alternatives Committee Recommendations

	SUGGESTIONS	Comments and/or Dept. Response	POTENTIAL ANNUAL SAVINGS
22	Library District	Library Services for books for inmates at $4,539 per month; reduce by 12%	6,536
23	Interpreter Services - Muni Court	Estimated annual cost $366,000. Is this being cost recovered? 50%?	183,000
24	Alternate Judges - Muni Court	Will better scheduling reduce this expenditure by 50%?	26,500
25	Annual Physicals and Vaccines- Muni Court	Why are these Life Signs charges in general fund instead of Insurance Services; estimated $10K	10,000
26	Redwood Toxicology - Muni Court	If these are for defendants, are they cost recovered? At 50%?	24,771
27	Toner cartridges, printers, fax machines - city-wide	Have all city departments been trained on confidential feature of new copiers, eliminating need for office printers and stand-alone fax machines?	20,530
28	IT - share sites	SNETA, NSITS, & MyNevada web and SharePoint sites - could share the cost with other organizations	1,354
29	IT Clvkidzkorner.com	Disabled these sites years ago	70
30	IT - Annual Subscription to the Burton Group	Is this necessary this year?	15,000
31	IT - Computer Internal Service Fund	Reduce by 50%	325,000
32	IT -Robert Half International	Funding should be removed as we are not hiring any temps/contractors/consultants	44,000
33	IT - Employee Travel	Used for promoting Oracle and the city's website	25,000
34	IT - Orasys LLC consultant	We have an employee for this now	36,700
35	IT Core Research Advisor Membership	Is this necessary this year?	7,333
36	IT - Unlimited Access Expert Analyst Services subscription	Is this necessary this year?	3,850
37	HR - Other Professional Services	Is this necessary this year?	64,933
38	HR - Printing and Reproduction	Reduce by 50%	7,822
39	HR - Radios and Pagers	What are these used for?	5,287

Budget Alternatives Committee Recommendations

	SUGGESTIONS	Comments and/or Dept. Response	POTENTIAL ANNUAL SAVINGS
40	HR - Awards and trophies	Reduce by 50%	7,200
41	NS - Rapid Response Team - Property Abatement	Return Property Abatement in-house	275,000
42	Leisure Services - Special Department Supplies	$220,866 reduce by a minimum of 12%	26,504
43	Leisure Services - Other Professional Services	For $420,501? Eliminate 50%	210,251
	TOTAL APPROXIMATE COST SAVINGS		$3,344,657