



**BLUE RIBBON  
COMMISSION ON  
WASTE & EFFICIENCY  
IN GOVERNMENT**

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**FINAL REPORT**

**June 10<sup>th</sup> 2014**



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# Letter from the Chairs

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In March of 2014, City of Atlanta Mayor Kasim Reed announced the launch of the Mayor's Blue Ribbon Commission on Waste & Efficiency in Government, charged with identifying cost-savings strategies in City government to enable the City of Atlanta to invest appropriately in City infrastructure without raising property taxes and to create a more competitive, fiscally-sustainable operating model.

This final report provides a set of recommendations for improving efficiency in City of Atlanta government. The recommendations include quick wins that can be implemented in the next fiscal year as well as broader, strategic reforms that will require a sustained, multi-year effort. Taken as a package, implementation of the recommendations could yield a tremendous efficiency dividend for the taxpayers of Atlanta - enabling new investment in roads, bridges and other vital infrastructure, and positioning Atlanta as a model of efficient government.

The report is the culmination of three months' hard work by a sixteen-member Commission comprising labor, business and City Council representatives from across our great city. Development of the recommendations required Commission members to consider a substantial number of public submissions for their impacts on service levels, staff and the City's bottom line. Many of the recommendations contained in the report align well with ongoing strategic initiatives of the Reed Administration and City Council.

We believe the Commission generated a set of recommendations that are balanced, meaningful and – most importantly – achievable. We would like to extend our sincerest thanks to members of the Commission for their hard work and willingness to engage meaningfully on a challenging and important task.

We respectfully submit this report to Mayor Reed.

**Richard Anderson and Howard Shook**  
**Co-Chairs, Blue Ribbon Commission on Waste and Efficiency in Government**  
**June 2014**



# Mayor's Blue Ribbon Commission on Waste & Efficiency in Government

## CITY COUNCIL

- Howard Shook (Co-Chair)  
*District 7*
- Yolanda Adrean  
*District 8*
- Keisha Lance Bottoms,  
*District 11*
- C.T. Martin  
*District 10*
- Mary Norwood  
*At Large Post 2*
- Joyce Sheperd  
*District 12*
- Alex Wan  
*District 6*

## BUSINESS

- Richard Anderson (Co-Chair)  
*CEO, Delta Airlines*
- Martin L. Flanagan  
*President & CEO, Invesco*
- William Taggart  
*President & CEO, Atlanta Life Financial Group*
- Geri Thomas  
*State President of Georgia, Bank of America*

## LABOR

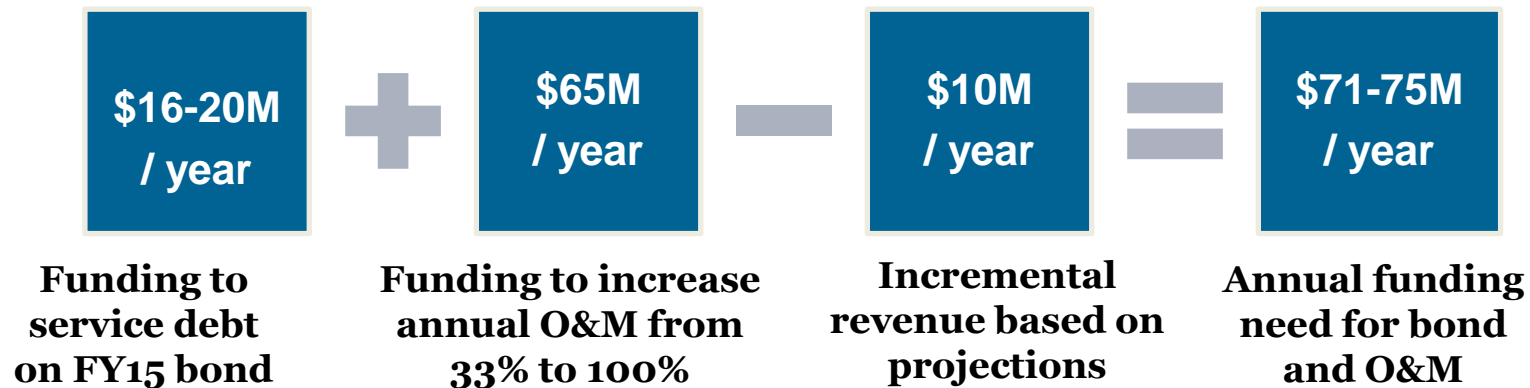
- Ken Allen  
*International Brotherhood of Police Officers*
- Stephen Borders  
*Atlanta Professional Firefighters Union*
- Alan Lee  
*American Federation of State, County and Municipal Employees*
- Gina Pagnotta  
*Professional Association of City Employees*
- Terrance Simon  
*Progressive Firefighters of Atlanta Union*

**Collectively, the Commission was charged with strengthening the City of Atlanta's fiscal health by identifying efficiencies that support investment in infrastructure and ensure operational excellence in *all* City operations**



# Call to Action: The State of Atlanta's Infrastructure

- In the midst of a nationwide economic downturn, the City of Atlanta has been working in a **constrained fiscal environment**, grappling with strategies to enable us to deliver services and maintain infrastructure.
- During this time we have pursued a fiscal strategy focused on stabilizing City services and increasing efficiencies – since 2007, the city has **cut over \$125M from a General Fund budget, bringing a \$670M budget down to \$544M**, while also improving services such as increased public safety to Citizens.
- This strategy comes at a cost, and the City has under-invested in core infrastructure and currently has a **\$1.1B infrastructure backlog**.
- Addressing the full backlog would require **~\$85M in incremental expenditure** to cover debt service and increased O&M spending
- Forecasted revenue growth of ~1% per year would bring in an additional **total of \$10M/year**, leaving a **gap of \$75M/year**. Filling this gap and ensuring fiscal stability in future years requires that the City take **dramatic steps to increase efficiencies and change the way we do business**.



**Addressing this challenge requires leveraging a mix of quick wins and game-changing solutions**



# Summary Recommendations: Quick Wins

*Projects implemented and delivering returns in FY15*

FOCUS AREA	RECOMMENDED ACTION	FY15 IMPACT	FY16+ IMPACT
<b>Streamlined City Property Portfolio</b>	<ul style="list-style-type: none"> <li>Aggressively pursue <b>surplus real estate asset sales</b> for up-front funding to support infrastructure backlog; including:               <ul style="list-style-type: none"> <li>Prepare surplus properties for sale</li> <li>Transfer stewardship of Cyclorama to suitable institution</li> <li>Further assess prioritized small parcels for short-term sale</li> </ul> </li> <li>Further <b>map City real estate needs and usage patterns against current portfolio</b> to identify gaps, surplus properties and lower-cost configurations</li> </ul>	<b>\$30-80M</b> <i>Due to one-time asset sales</i>	<b>\$2-8M</b> <i>recurring</i>
<b>Comprehensive Fees &amp; Fines Assessment</b>	<ul style="list-style-type: none"> <li>Conduct comprehensive review of City's current fees &amp; fines to assess, <b>adjust and execute fees and fines that accurately reflect the cost of service</b> and are comparable with neighboring jurisdictions</li> <li><b>Improve collections</b> through investments in technology, operations, staff training and communications</li> <li>Include specific focus on Municipal Court, General Fund fees &amp; fines, emergency-response cost recovery and development impact fees</li> </ul>	<b>\$5-8M*</b>	<b>\$8-10M</b> <i>recurring</i>
<b>Hiring Freeze and Funded Vacancy Clean-up</b>	<ul style="list-style-type: none"> <li>Immediately implement <b>hiring freeze for non-essential employees</b></li> <li>Eliminating <b>funded vacancies, vacant for 1 year or more</b></li> </ul>	<b>\$2-3M</b>	<b>\$2-3M</b> <i>recurring</i>
<b>Operational Improvement Quick Wins</b>	<ul style="list-style-type: none"> <li>Immediately pursue identified opportunities for operational improvements within Departments including:               <ul style="list-style-type: none"> <li>Public Safety uniform purchasing and cost recovery</li> <li>Code Compliance efficiencies</li> <li>Streamlined payment processes</li> <li>Sustainability improvements</li> </ul> </li> </ul>	<b>\$2.5M</b>	<b>\$2.5M</b> <i>recurring</i>
<b>Total Impact:</b>		<b>\$30-80</b> one-time <b>\$10+M</b> <i>recurring</i>	<b>\$15+M</b> <i>recurring</i>

\* Courts revenues incorporated into FY15 budget; efforts will also deliver \$5-7M in on-going future annual revenue





# Summary Recommendations: Game Changers

## Longer-term projects launched in FY15 with results in FY16/FY17

FOCUS AREA	RECOMMENDED ACTION	FY16 IMPACT	FY17+ IMPACT
<b>Comprehensive Municipal Marketing Strategy</b>	<ul style="list-style-type: none"> <li>Develop marketing arm within the City to implement comprehensive strategy for partnerships such as advertising, corporate sponsorship and naming rights</li> <li>Target projects that enhance brand of Atlanta and improve City's built environment</li> </ul>	<b>Up to \$2M</b>	<b>\$2-5M</b> <i>by FY17</i>
<b>Optimized Healthcare Programs</b>	<ul style="list-style-type: none"> <li>Optimize healthcare plans to ensure the City and employees get the best value for expense and overall costs are reduced while also fostering a healthy, active and educated workforce</li> </ul>		<b>\$3-5M</b> <i>by FY17</i>
<b>Maximized Pension Returns</b>	<ul style="list-style-type: none"> <li>Maximize pension returns and strengthen the City's pension system through consolidated oversight &amp; professionalized management (benefits scale significantly over time)</li> </ul>	<b>\$500K-1M</b>	<b>\$500K-1M</b>
<b>Comprehensive Workforce Strategy</b>	<ul style="list-style-type: none"> <li>Develop a approach to managing City staffing, headcount and workforce management policies that is driven by operational needs and improved performance outcomes</li> </ul>		<b>\$7-13M*</b>
<b>Risk Management &amp; Safety Improvements</b>	<ul style="list-style-type: none"> <li>Develop comprehensive safety and risk management strategy that proactively manages risk, producing a safe working environment for employees, minimizing worker's compensation and liability costs and maximizing time on-the-job</li> </ul>	<b>Up to \$2M</b>	<b>\$2-10M</b>
<b>End-to-End Procurement Reform</b>	<ul style="list-style-type: none"> <li>Leverage procurement consolidation to adopt end-to-end procurement management system that significantly reduces goods &amp; service expenditures by leveraging economies of scale, improving pro-active planning and improving contract outcomes/resource utilization</li> </ul>	<b>Up to \$5M</b>	<b>\$7.5M-17M</b>
<b>Managed Competition for Select Services</b>	<ul style="list-style-type: none"> <li>Develop &amp; deploy standard process to identify where managed competition has the opportunity to minimize costs, maximize service and deliver best value for services</li> <li>Develop prioritized list of City functions and/or services with potential for managed competition; deliver managed competition strategy</li> </ul>		<b>Up to \$13M*</b>
<b>Performance Driven Budgeting</b>	<ul style="list-style-type: none"> <li>Implement more strategic budgeting practices, linking budget allocations to Citywide priority areas, departmental performance and target outcomes</li> <li>Standardize process across Departments and enhance ownership through training</li> </ul>		<b>Up to \$12M**</b> <i>in FY18+</i>
<b>Total Impact:</b>		<b>Up to \$10M</b>	<b>Up to \$40M***</b>

\* Value driven based on scale of approach

\*\* Value not included in totals due to overlap with Procurement reform and workforce management strategy

\*\*\* FY17 target does not sum to total of individual initiatives due to cross-dependencies and overlap between initiatives



# Summary Recommendations: State Approval Required

*Projects requiring State approval before action can be taken*

FOCUS AREA	RECOMMENDED ACTION	IMPACT
<b>Tax Reform</b>	<ul style="list-style-type: none"><li>• Pursue tax and user fee adjustments with State to appropriately compensate City for resources leveraged by public; examples include:<ul style="list-style-type: none"><li>– Billboard tax (\$3M/year)</li><li>– Parking tax (\$25M/year)</li><li>– Transport SPLOST referendum (\$100M+)</li></ul></li></ul>	<b>Up to \$100M+</b> <i>by FY16</i>
<b>TOTAL IMPACT: <i>Up to \$100M+</i> by FY16</b>		





# Principles for Implementation

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- Implementation plans should balance a **sense of urgency and emphasis on momentum-building quick-wins** with ensuring **appropriate space for stakeholder input**
- **Executive leadership** and **governance commitment** is essential to ensure performance and break down implementation barriers
- A **public dashboard** should be created to provide transparency into implementation activities and progress
- Implementation strategies should consider impacts to **human capital** and the need for strong **performance management and execution capacity**
- Implementation efforts should be coordinated by a central **project management office (PMO)** that will ensure strong performance management structures and stakeholder engagement in design and execution.
- All implementation projects will have...
  - ...an **appropriate cross-functional team** to guide design and execution
  - ...an **executive sponsor, project owner, PMO lead, and a Council sponsor**
  - ...a **project charter** that outlines the objectives & scope, targets & metrics, team roles & responsibilities, and resources (including \$ and expertise)
  - ...a **project timeline** that outlines the key work-streams and project milestones, including communications and stakeholder input milestones



## Recommendations: Quick Wins

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**NOTE:** All recommendations presented are based on working group assessments of ideas submitted to the Commission through a public engagement process. All assessments are subject to additional analysis and research prior to implementation.



# The City should aggressively pursue surplus real estate asset sales for seed funding in FY15

## Asset and Revenue Stream Optimization

EXECUTIVE SPONSOR	OWNER	ESTIMATED TOTAL VALUE		
Chief Operating Officer	Office of Enterprise Asset Management	<b>\$30-80M one-time (capital in FY15)</b> <b>\$2-8M annual (FY16+)</b>		
GUIDING PRINCIPLES	KEY PROJECTS	TIMING	ESTIMATED VALUE	
<ul style="list-style-type: none"> <li>The purpose of the City's real estate portfolio is to enable municipal services to be delivered to Atlanta residents.</li> <li>The City's real estate portfolio should enable services to be delivered at the lowest cost over the medium-term.</li> <li>The City should not have a preference for owning property if suitable property can be leased at lower total cost.</li> <li>Portfolio management decisions should take account of lifecycle maintenance and capital costs.</li> <li>Properties that are surplus-to-requirements should be sold so that capital can be redeployed to other needs across the enterprise.</li> <li>The composition of the City's real estate portfolio should evolve over time to reflect current needs.</li> <li>Work spaces should be no larger than needed to deliver core services to City residents.</li> <li>City work spaces should reflect best practices in the private sector for similar kinds of work.</li> </ul>	Prepare <b>surplus properties</b> for sale	FY15	\$25-60M one-time \$1-8M recurring	
	Pursue <b>sales of other suitable small parcel</b> properties	FY15	\$5-20M one-time \$1M recurring	
	Transfer stewardship of <b>Cyclorama</b> painting to suitable institution	FY15	\$8M one-time	
	<i>Undertake external review of City workspace practices</i>	<i>FY16</i>	<i>Up to \$4M Recurring</i>	
	<i>Conclude fit-for-purpose assessment of wider City property portfolio</i>	<i>FY17</i>	<i>Up to \$4M Recurring</i>	
	<i>Revisit City golf course strategy</i>	<i>FY17</i>	<i>Up to \$0.5M Recurring</i>	

**NOTE: Items in italics not included in quick win calculations**



# Streamlined City Property Portfolio: Next Steps

## Asset and Revenue Stream Optimization

### DESCRIPTION

Analyze the City's real estate portfolio for opportunities to generate savings and redeploy capital across the enterprise.

### NEXT STEPS

***The Mayor should pursue two specific actions over the next three to six months:***

- Pursue the **sale of Civic Center, Cyclorama and Underground Atlanta.**
- Examine the feasibility, costs and benefits of **selling further 5-7 smaller City-owned parcels** identified as surplus properties by OEAM.

***The Mayor should direct the COO to oversee the following activity, to be concluded by July 2015:***

- Assemble a cross-functional team to analyze the City's wider real estate portfolio from two perspectives:
  - Top down: **Investigate whether the portfolio is fit for purpose.** The team should:
    - Have a concrete understanding of the City's current and expected real estate needs;
    - Understand the impact of real estate changes on core stakeholders including employees and residents;
    - Map City real estate needs against the current portfolio in search of gaps, surplus properties, and lower-cost alternative configurations.
  - Bottom up: **Examine whether office layout and work space design best practices** can also contribute to a more efficient real estate portfolio, and provide specific recommendations as appropriate.

### POTENTIAL OPPORTUNITY

- The **short –term potential is \$30-80M one-time revenue in FY15 and \$3-4M ongoing.**
- **Work space optimization can deliver an additional \$3M annually in future years.**
- Reconfiguration and realignment of the wider portfolio could deliver further savings in the millions of dollars annually.



# Reviewing the City's fee & fine structures and enforcement strategy will also deliver returns in FY15

## Asset and Revenue Stream Optimization

EXECUTIVE SPONSOR	OWNER	ESTIMATED TOTAL VALUE		
Chief Operating Officer / Chief Financial Officer	Office of Revenue	\$5-8M in FY15 ( <b>\$8-10M by FY16</b> )		
GUIDING PRINCIPLES	KEY PROJECTS	TIMING	ESTIMATED VALUE	
<ul style="list-style-type: none"> <li>The existence of user fees should not prevent Atlanta residents' access to critical City services.</li> <li>To the extent possible, user fees should reflect the actual costs incurred in delivering municipal services, including administration and capital costs.</li> <li>Fines should be sufficient to discourage unwanted behaviors and cover the cost of enforcement activities, while remaining proportionate to the severity of the activity.</li> <li>Fee and fine structures should be comparable with neighboring and competing jurisdictions.</li> <li>Fee and fine collection rates should be comparable with other jurisdictions.</li> <li>Code enforcement penalties should strike an appropriate balance between short-term compliance and long-term rehabilitation objectives.</li> </ul>	Review of <b>Municipal Court fine structures and collections</b>	FY15	\$5-7M	
	Roll-out <b>online payment options for City services</b>	FY15	\$200K	
	Revisit <b>street damage restoration fees</b>	FY15	\$100K	
	Explore <b>emergency response cost recovery</b> options (including Hazmat)	FY15	\$500-600K	
	<i>Conduct <b>Impact Fee</b> assessment &amp; revise levels</i>	<i>FY16</i>	<i>\$1-3M</i>	
	<i>Implement <b>Citywide In-Rem Strategy</b></i>	<i>FY17+</i>	<i>\$0.5-8.5M</i>	

Additional ideas reviewed but found to have limited to no fiscal impact on City's General Fund include: Increasing seizure of drug assets, increasing APD focus on traffic citations, and enforcing sidewalk repair ordinance

*NOTE: Items in italics not included in quick win calculations*



# Comprehensive Fees & Fines Assessment: Next Steps

## Asset and Revenue Stream Optimization

### DESCRIPTION

Analyze the City's fee and fine structures to ensure they are set appropriately, managed effectively and fit for purpose.

### NEXT STEPS

***The Mayor should direct the CFO and COO to jointly investigate and make recommendations on the following by December 2014:***

- Whether **municipal court fine structures** and collection rates are comparable with other jurisdictions.
- Whether current procedures are sufficient to ensure the **Municipal Court receives and processes all traffic citations** issued within City limits, including coordinating with Georgia State patrol and other patrolling entities as well as exploring costs/benefits of expanding APD patrols.
- Whether **impact fees** are appropriate, taking account of consultation with interested and affected parties.
- The potential to **recover emergency-response costs** directly from insurance providers, and to recover the cost of emergency medical supplies from Grady (where appropriate).
- The **roll-out of online payment solutions** for various City services, and the potential for faster payments and higher overall collection rates.
- The adequacy of current **street damage restoration fees** to cover the full maintenance costs incurred over the life of the affected infrastructure.

***The Mayor should direct the CFO and COO to jointly develop a strategy on the following issue by March 2015:***

- Balancing **short-term lien monetization opportunities with longer-term property tax revenues** from the rehabilitation of tax-delinquent vacant and abandoned properties.

### POTENTIAL OPPORTUNITY

- Short-term opportunity is **\$5-8M in FY15, scaling to \$8-10M by FY17**
- Long-term opportunity for **Code enforcement in-rem strategy totals \$0.2 - \$8.5M.**



# Additional Quick Win opportunities fall into 6 categories and provide an additional \$4-5M in FY15 (*page 1 of 3*)

DESCRIPTION	SPONSOR	PROPOSED OWNER	SAVINGS TYPE	TIMING	ANNUAL IMPACT	REQUIRED INVESTMENT
<b>Stabilizing Headcount</b>						
Implement non-essential employee hiring freeze	COO	HR	One-Time	FY15	\$1.5-1.7M	\$0
Eliminate funded vacancies vacant for 1 year or more	COO	HR	One-Time	FY15	\$600-800K	\$0
<b>Public Safety Efficiencies</b>						
Control APD/AFR uniform purchases	Chief of Police/ Fire Chief	APD / AFR	Recurring	FY15	\$550K	\$200K
APD Training Recuperation for Early Force Separation	Chief of Police	APD	Recurring	FY15	\$80-120K	\$0
<b>Streamlining Code Enforcement</b>						
Leverage Corrections Labor for Clean and Close	COO	Dept. of Corrections	Recurring	FY15; two years to steady state	\$250K	\$0
Film Industry and Code Enforcement Demolition Partnership	COO	Office of Code Enforcement	Recurring	FY15	\$100K	\$0
<b>Sub-Total:</b>					<b>~\$3-3.5MM</b>	<b>\$200K</b>





# Additional Quick Win opportunities fall into 6 categories and provide an additional \$4-5M in FY15 (*page 2 of 3*)

DESCRIPTION	SPONSOR	PROPOSED OWNER	SAVINGS TYPE	TIMING	ANNUAL IMPACT	REQUIRED INVESTMENT
<b>Streamlining Payment Processing</b>						
Implement single invoice submission point for all vendors	CFO	Finance	Recurring	FY15	\$400k	\$20k
Move to Citywide e-payment policy	CFO	Finance	Recurring	FY15	\$45k	\$0
Eliminate convenience fee to pay for city services online	CFO	Finance	Recurring	FY15	TBD based on direct payment costs	TBD
E-Records for businesses & citizens	CFO	Finance / DIT	Recurring	FY15	\$450K	\$1.6M
<b>Sustainability Improvements</b>						
Reduce unnecessary copying	COO	Sustainability / DIT	Recurring	FY15	\$200K	\$0K
Eliminate Dept newsletters	COO	Communications / HR	Recurring	FY15	\$55K	\$0
Use computer fonts that cost less to print	COO	Sustainability / DIT	Recurring	FY15	\$8K	\$0
Reduce idling of City vehicles	COO	Sustainability / Fleet	Recurring	FY15	\$125-140K	\$15K
Review Take Home Vehicles Policy	COO	Fleet / Law	Recurring	FY15	\$400K	\$0K
<b>Sub-Total:</b>					<b>~\$1.7M</b>	<b>\$1.7M</b>



# Additional Quick Win opportunities fall into 6 categories and provide an additional \$4-5M in FY15 (*page 3 of 3*)

DESCRIPTION	SPONSOR	PROPOSED OWNER	SAVINGS TYPE	TIMING	ANNUAL IMPACT	REQUIRED INVESTMENT
<b>Sustainability Improvements</b>						
Comprehensive facility water and energy efficiency improvement plan	The Office of Sustainability has been charged with developing a comprehensive plan that addresses these initiatives as part of the City's Energy Services Performance Contract; recommendations to be prepared by December 2014 with preliminary savings delivered in FY15; <i>full-scale savings will not be realized for 3-5 years</i>				\$7.5-10M	\$26-35M
Install motion sensors for lights in City buildings					\$810K-\$1.7M	\$305K-1.38M
Replace fleet with electric cars					\$100K (for 65 vehicles)	\$1.7-2.2M initial investment
Convert traffic signals to LED bulbs					\$150-450K	\$1.65M
More efficient use of tennis court lights					\$100K	\$300K
<b>Total:</b>					<b>~\$8.6-12.3M*</b>	<b>\$29-40M</b>

\* This slide is not factored into overall Quick Win impact due to ongoing assessment by Office of Sustainability



## Recommendations: Game Changers

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**NOTE:** All recommendations presented are based on working group assessments of ideas submitted to the Commission through a public engagement process. All assessments are subject to additional analysis and research prior to implementation.



# Develop a centralized approach to public-private partnerships and municipal marketing

## Asset and Revenue Stream Optimization

EXECUTIVE SPONSOR	OWNER	ESTIMATED TOTAL VALUE		
Chief Operating Officer	Communications / Innovation Delivery Team	\$2-5M by FY17 (up to \$2M by FY16)		
GUIDING PRINCIPLES		KEY PROJECTS	TIMING	ESTIMATED VALUE
<ul style="list-style-type: none"> <li>The City should pursue opportunities to supplement General Fund revenue through commercial partnerships that are in the public interest.</li> <li>The City should prioritize opportunities that protect or enhance the unique visual character/cultural identity of Atlanta or enhance public amenities or services.</li> <li>The City should focus on fewer, larger municipal marketing initiatives rather than many smaller ones.</li> <li>The City should partner with corporate brands that align with Atlanta's values.</li> <li>A consolidated approach to municipal marketing will ensure a cohesive look/feel and maximize revenue potential.</li> </ul>		Explore <b>Sponsorship of Free Wi-Fi</b>	FY16	\$200K
		Launch <b>centralized PPP and municipal marketing program</b> to generate new revenue by leveraging city assets; additional opportunities which have been identified and evaluated include: <ul style="list-style-type: none"> <li>Outdoor advertising (e.g. billboards, bus shelters, etc.);</li> <li>Sponsorship opportunities and/or naming rights;</li> <li>Vending/ Concessions.</li> </ul>	FY16-FY17	\$2-5M



# Comprehensive Municipal Marketing Strategy: Next Steps

## Asset and Revenue Stream Optimization

### DESCRIPTION

Analyze opportunities for public-private partnerships that leverage specific city assets to generate revenue.

### NEXT STEPS

***The Mayor should direct the COO to undertake the following by September 2014:***

- Convene an internal cross-functional team to **evaluate best practices and explore corporate partnership opportunities** including advertising, corporate sponsorship, naming rights, and vending/concessions:
  - Identify an opportunity for a pilot project to test a more creative approach to municipal marketing (i.e., one that clearly enhances public space/City of Atlanta visual identity and brand);
  - Conduct a market study to comprehensively analyze municipal marketing opportunities across a range of City assets.

***The Mayor should direct the COO to undertake the following by December 2014:***

- **Leverage private sector expertise in finance, marketing, urban design, and arts/culture expertise** to refine guiding principles and **develop a strategic action plan** for pursuing public-private partnerships on appropriate City assets.

### POTENTIAL OPPORTUNITY

- Leveraging research from other cities, over the medium term, an effective municipal marketing strategy could deliver **\$2-5M in annual revenue by FY16** to the City.
- Examples of what other cities have achieved through this approach include:
  - Boston: \$21M for a 20-year Street Furniture contract;
  - Philadelphia: \$3M for naming and advertising rights for Pattison Station sold to AT&T for 5 years;
  - San Diego: \$20M generated since 1999 through their Corporate Partnerships Program;
  - Cleveland: \$12M (one-time) naming rights along Cleveland's "Health Line" BRT;
  - Huntington Beach: \$6M for a 10-year exclusive vending contract.



# Deploy strategies for optimizing existing healthcare programs to reduce costs to City and employees

## Employee Benefits & Organizational Opportunities

EXECUTIVE SPONSOR	OWNER	ESTIMATED TOTAL VALUE
Commissioner Human Resources	Human Resources	\$3M - \$5M by FY17
GUIDING PRINCIPLES	KEY COMPONENTS	TIMING
<ul style="list-style-type: none"> <li>Optimized healthcare plans should foster a healthy workforce that is encouraged to be proactive and educated about their health and wellness.</li> <li>The City should provide participants with certainty that they will have long-term access to competitive coverage.</li> <li>Healthcare costs should be funded by the City to the extent reasonable, while also remaining financially sustainable.</li> <li>Optimized healthcare plans should include consideration for both current employees and retirees.</li> <li>The City should reduce administrative overhead before reducing services.</li> <li>The City should be competitive and equitable, and should leverage Federal healthcare programs as long as participant coverage and the City's financial position are not negatively impacted.</li> </ul>	<p>Assemble cross-functional project team and framework for analysis in the following areas of plan details, data collection, and wellness initiatives:</p> <ul style="list-style-type: none"> <li><b>Health savings plans</b>, which allows participants to put pre-tax dollars in a spending account for health-related purposes</li> <li>An expansion and reinforcement of the availability and use of <b>wellness initiatives</b> by getting employees more engaged in their own health</li> <li><b>Employee incentives</b> for spending healthcare dollars as effectively as possible, including high-deductible plans, mandatory generic medications and tighter management of out-of-network costs</li> </ul>	<p>FY 15 – FY17</p>



# Optimized Healthcare Programs: Next Steps

## Employee Benefits & Organizational Opportunities

### DESCRIPTION

Focus resources to optimize the City's current healthcare system in a thoughtful manner, ensuring the city gets the best value for expense and overall costs are reduced

### NEXT STEPS

**The Commissioner of Human Resources should immediately assemble a cross-functional team, including employee representation and possibly outside experts, to address healthcare planning with final recommendations ready for implementation by July FY16** (or 2016 open enrollment period) Areas to further explore and understand include:

- The impact that any change to healthcare plans will have on employee plan participation, availability of healthcare resources, and employee health outcomes.
  - The impact of any healthcare or city policy change both by itself and when paired with other changes.
  - (If applicable) The impact of the Affordable Care Act on healthcare costs and municipal healthcare policy, as well as any State law prohibiting ACA activities.
- Once a set of opportunities has been deemed suitable for moving forward, the team should work to deploy changes in a thoughtful and expeditious manner.

### POTENTIAL OPPORTUNITY

**The overall cost savings of opportunities assessed by the Commission are estimated to be between \$3M - \$5M (10-15% of total healthcare spend) by FY17.** The following tactics should be examined to further crystalize the value of this overall opportunity:

- Health savings plans, which allows participants to put pre-tax dollars in a spending account for health-related purposes.
- An expansion and reinforcement of the availability and use of wellness initiatives by getting employees more engaged in their own health.
- Employee incentives for spending healthcare dollars as effectively as possible, including high-deductible plans, mandatory generic medications and tighter management of out-of-network costs.





# Maximize rate of return to pension funds, improving future returns and reducing current admin costs

## Employee Benefits & Organizational Opportunities

EXECUTIVE SPONSOR	OWNER	ESTIMATED TOTAL VALUE
Chief Financial Officer	Office of Chief Financial Officer	<b>\$.5M - \$1M by FY16; \$25+M Over Long-term (10+ years)</b>

GUIDING PRINCIPLES	KEY COMPONENTS	TIMING
<ul style="list-style-type: none"> <li>• Strengthen the City’s current pension system in a thoughtful manner which seeks to ensure plan participant pension obligations are met while also improving the City’s fiscal position.</li> <li>• Establish best practice pension standards through exemplary governance, which:               <ul style="list-style-type: none"> <li>– Sets and oversees the execution of an appropriate risk/return asset allocation strategy;</li> <li>– Engages highest-quality service providers which, in combination, will meet or exceed pension plan stated targeted returns for the benefit of plan participants and, consequently, the City.</li> </ul> </li> <li>• Proposed plan should incorporate specific recommendations for:               <ul style="list-style-type: none"> <li>– Governance structure;</li> <li>– Investment policy and asset allocation guidelines;</li> <li>– Efficiency and effectiveness.</li> </ul> </li> </ul>	<p>Evaluate and pursue the biggest-potential opportunities identified through the following strategies:</p> <ul style="list-style-type: none"> <li>• Enabling dedicated time for <b>board management</b> and administration;</li> <li>• Updating <b>governance structure</b> of board;</li> <li>• <b>Problem-solving discussions</b> with reps from each pension board and Council;</li> <li>• <b>Training</b> for board members;</li> <li>• <b>Asset allocation</b> and investment strategies;</li> <li>• <b>Partnership</b> between investment experts and employee representation.</li> </ul>	<p>FY 15 – FY17</p>



# Maximized Pension Reform: Next Steps

## Employee Benefits & Organizational Opportunities

### DESCRIPTION

Strengthening the City's current pension system in a thoughtful manner which seeks to ensure plan participant pension obligations are met while also improving the City's fiscal position.

### NEXT STEPS

**Assemble a cross-functional team , possibly of experts and employee representatives, to identify, evaluate and recommend tactics within 120 days** that will achieve the stated Key Principles. Areas for evaluation include:

- **Governance**

- Review existing Board governing documents to identify opportunities to incorporate best practices in director qualification, conflict-of-interest guidelines and engagement practices;
- Review the Board operating rhythm to determine the ideal focus for Board responsibilities, including investment oversight, service provider oversight and participant administrative duties;
- Determine the benefits to be gained for plan participants and plan return target goals of adopting modifications to Board structures across each of the plans.

- **Investment policy and asset allocation guidelines**

- Review existing investment policy and asset allocation guidelines to determine whether there are best practice opportunities;
- Determine whether existing guidelines are ensuring appropriate returns for the risk being taken;
- Determine whether there are risk, return and scale benefits of adopting the same investment policy and asset allocation guidelines and manager structure across the separate plans.

- **Efficiency and effectiveness**

- Examine service levels and cost structures of all service providers to determine whether best practices are being achieved;
- Review existing operational and implementation practices to determine if best practices are being achieved;
- Determine the merits of gaining scale, operational effectiveness, risk mitigation and cost benefits by utilizing common service providers across the separate plans.

### POTENTIAL OPPORTUNITIES

- A **75 bps annual improvement in plan returns** derived by achieving the Key Principles will likely **ensure that plan participants receive their pension benefits** while also **eliminating the risk of triggering the Annual Required Contribution (ARC)**, which would require additional employee contributions.
- The improvement in plan returns for the benefit of plan participants will consequently allow the City to fund critically needed investment in infrastructure. Short-term cost savings are estimated at between **\$500K-1M by FY16**; long-term cost savings are estimated at **\$25M+**.



# Scope and deploy a workforce strategy to better allocate resources to core functions, maximizing value

## Employee Benefits & Organizational Opportunities

EXECUTIVE SPONSOR	OWNER	ESTIMATED TOTAL VALUE		
Chief Operating Officer / Commissioner Human Resources	Human Resources	\$7M - \$13M by FY17		
GUIDING PRINCIPLES		KEY PROJECTS	TIMING	ESTIMATED VALUE
<ul style="list-style-type: none"> <li>The City should allocate the optimal type and amount of resources to its workforce in the areas that are most aligned with core objectives.</li> <li>Departments should be structured and staffed in a way that best positions them to meet service objectives, delivers best value for money and is transparent from a budgeting perspective.</li> <li>Employees and Managers should receive regular performance feedback, and this feedback should enable employees to develop professionally.</li> <li>Employee compensation should be as competitive as possible within the financial constraints of the City's budget.</li> </ul>		<i>Eliminate funded vacancies vacant for 1 year or more</i>	FY15	\$1.5-1.7M
		<i>Implement non-essential employee hiring freeze</i>	FY15	\$600-800K
		Detailed <b>span of control study</b>	FY17	\$5M - \$10M
		<b>Overtime eligibility and usage analysis</b>	FY17	\$1M - \$2M
		Expanding the use of <b>telecommuting</b>	FY17	\$1M

**NOTE: Items in italics not included in Game Changers calculations**



# Comprehensive Workforce Strategy: Next Steps

## Employee Benefits & Organizational Opportunities

### DESCRIPTION

Develop an approach to managing City staffing, headcount and workforce management policies that is driven by operational and constituent needs.

### NEXT STEPS

- The Mayor should direct the COO and the Commissioner of Human Resources to deliver a short term plan for implementation in FY16 and a long-term plan for FY17**
- Assemble a cross-functional team, possibly including outside experts, to comprehensively review the City's workforce management strategy.
  - Immediate next steps to be completed **by the start of FY16 include:**
    - **Removing funded positions** that have been vacant more than a year (\$1M - \$2M);
    - **Define and implement a non-essential employee hiring/headcount freeze** (\$1M - \$2M).
  - **A more comprehensive plan should be ready for implementation by the start of FY17 and include:**
    - Determining, with a clear and transparent rationale, which business processes are most important to the City and what is needed and not needed in order to complete those processes;
    - Examining the workforce practices of other cities to understand the risks and benefits of any given change;
    - Evaluating the City's organizational and compensation structures, both across and within Departments, including span of control study and assessment of overtime eligibility and usage.
  - Once the scope of the City's workforce management strategy has been determined, the team should work to execute this strategy as quickly as is feasible while minimizing impact to City services.

### POTENTIAL OPPORTUNITY

- The overall cost savings of opportunities assessed by the commission is estimated to be **up to 5% of total City General Fund personnel spend, or up to \$15M by FY17.**
- Longer-term opportunities in this area include completing and implementing a detailed span of control study (~\$5-10M), overtime eligibility and usage analysis (~\$1-2M) and expanding the use of telecommuting (~\$1M). The full savings amount would most likely be realized in FY17 and beyond.



# Refine Citywide risk management and safety strategy to reduce liabilities, injuries, and associated costs

## Employee Benefits & Organizational Opportunities

EXECUTIVE SPONSOR	OWNER	ESTIMATED TOTAL VALUE
Chief Financial Officer / Chief Counsel	Department of Finance / Law Department	\$2M - \$10M by FY17
GUIDING PRINCIPLES	KEY COMPONENTS	TIMING
<p>The City should develop a workforce strategy guided by the following principles:</p> <ul style="list-style-type: none"> <li>• Produce a safe working environment for all employees that facilitates more efficient and effective service to customers.</li> <li>• Risk management should create value – the resources expended to mitigate risk should be less than the consequence of inaction.</li> <li>• Risk management should be an integral part of organizational processes and decision making and should be appropriate for the inherent levels of operating risk within specific Departments.</li> <li>• Risk management processes should be as transparent as possible to provide equitable treatment and reduce fraud.</li> <li>• The City’s overall risk management framework should have workplace safety as a key element and foster Worker’s Compensation policies that focus on employee outcomes and well-being and minimizes time away from work.</li> <li>• Risk management programs and policies should focus on both leading and lagging indicators of risk and safety.</li> </ul>	<p>Evaluate and pursue the biggest-potential opportunities identified by assessing:</p> <ul style="list-style-type: none"> <li>• Best in class <b>Workers’ Compensation policies;</b></li> <li>• Opportunities to <b>re-bid current Workers’ Compensation provider;</b></li> <li>• Increased employee <b>safety training,</b> monitoring, and potentially quality control audits;</li> <li>• <b>Compensatory damages</b> paid out by City;</li> <li>• Change laws to <b>enable worker’s comp expenditures to be re-priced</b> consistent with healthcare plan.</li> </ul>	<p>FY 15 – FY17</p>



# Risk Management & Safety Strategy: Next Steps

## Employee Benefits & Organizational Opportunities

### DESCRIPTION

Develop a comprehensive approach to risk management that proactively manages risk to minimize workers compensation and liability costs, maximizes on-the-job time, and reduces costs to taxpayers

### NEXT STEPS

**The Mayor should direct the Chief Financial Officer and the Chief Operating Officer to assemble a cross-functional team, to comprehensively review the City's risk management strategy by July FY15** Key steps include:

- Identifying, assessing, and **classifying the biggest sources of risk** to City employees and operations.
- Understanding the various risk management programs and strategies available, including their benefits and costs.
- Determining **recommended paths of action to address and manage large risks.**
- Recommended **regular review and iteration periods for a risk management plan.**

Once a set of opportunities has been deemed suitable for moving forward, the team should work to deploy changes as quickly as is feasible while minimizing impact on City services.

### POTENTIAL OPPORTUNITY

**The overall cost savings of opportunities assessed by the Commission are estimated to be \$2M - 10M by FY17 (up to \$2M in FY16).** The following tactics should be further examined to better estimate overall value:

- Best in class worker's compensation policies and programs could improve employee health outcomes, reduce claim reporting lag time, and reduce overall costs.
- Opportunity to re-bid current Workers Compensation provider.
- Increased employee safety training, monitoring, and potentially quality control audits.
- Assessment of compensatory damages paid out by City.
- Opportunity to lobby State to change laws that would enable worker's comp expenditures to be re-priced at same price point as healthcare plan.





# Adopt an end-to-end procurement management system to maximize contract value and economies of scale

Operational Efficiency

EXECUTIVE SPONSOR	OWNER	ESTIMATED TOTAL VALUE
Chief Operating Officer	Department of Procurement	\$7.5-17M by FY17

GUIDING PRINCIPLES	KEY COMPONENTS	TIMING
<ul style="list-style-type: none"> <li>The City should implement an end-to-end procurement process including: creating a dedicated purchasing function for all departments, developing a new procurement planning function tied to budget and adopting new post-procurement practices for contract management.</li> <li>DOP should have good visibility into departments' anticipated procurement needs to enable coordinated solicitations and appropriate staff/resource allocation. Field staff should be linked to Accounts Payable process to increase accuracy.</li> <li>The City should streamline purchasing and accounts payable with purchase price tied to contract terms.</li> <li>The City should minimize the number (maximize the quantity) of solicitations for a specific type of good or service across the City to leverage economies of scale.</li> <li>Where opportune, the City should partner on purchasing with County and other neighboring jurisdictions; particularly for commodities (e.g. paper, copiers, etc.) and equipment.</li> <li>Solicitations should be advertised as broadly as possible to encourage competition.</li> <li>The City should build out systems that makes it easy for vendors of all sizes to apply and qualify.</li> <li>The City should complete solicitations in a timely manner to enable departmental productivity.</li> <li>The City should ensure contracting requirements are competitive and do not overly restrict competition.</li> </ul>	<p>Evaluate and pursue the biggest-potential components identified:</p> <ul style="list-style-type: none"> <li>Support <b>centralization</b> of procurement;</li> <li>Develop comprehensive guidelines for enterprise procurement planning model and <b>contract/ inventory management systems</b>;</li> <li>Tie procurement planning into <b>budgeting process</b>;</li> <li>Examine potential for creating <b>consolidated purchasing</b> function as part of Procurement Consolidation;</li> <li>Re-assess the currently <b>\$20K purchasing threshold</b>;</li> <li><b>Assess vendor quals.</b> to ensure small businesses are not getting disqualified for minor errors in the application process (inc. steep <b>bond and insurance requirements</b>).</li> </ul>	FY15 – FY17





# End-to-End Procurement Management: Next Steps

## Operational Efficiency

### DESCRIPTION

Adopting an end-to-end procurement management system could allow the City to significantly reduce goods and services expenditures by better leveraging economies of scale, reducing purchasing redundancies, improving pro-active planning and budgeting processes, reducing staff time spent on procurement/purchasing processes, and improving contract outcomes/resource utilization.

### NEXT STEPS

***The Mayor should direct the COO to undertake the following in preparation for FY16budget:***

- **Support current centralization of procurement** (July 2014).
- Help develop **comprehensive guidelines for enterprise procurement planning model and contract/inventory management** systems as Phase II component of procurement consolidation (FY15).
- Develop a **plan to tie procurement planning into budgeting process** (FY15) .
- Examine **potential for creating consolidated purchasing** function as part of Procurement Consolidation.
- **Re-assess the currently \$20K purchasing threshold.**
- Assess vendor qualifications to ensure small businesses are not getting disqualified for minor errors in the application process (including steep bond and insurance requirements).

### POTENTIAL OPPORTUNITY

A new end-to-end procurement process assumes that system-wide, the City could **conservatively save \$7.5-17M per year (5-10% of total procurement spend) by FY17**, based on FY13 General Fund contract spend of \$150-\$170M.



# Deploy a systematic process to identify where managed competition or partnerships may improve city services

## Operational Efficiency

EXECUTIVE SPONSOR	OWNER	ESTIMATED TOTAL VALUE
Chief Operating Officer	Office of the Chief Operating Officer	\$5-13M/year by FY17

GUIDING PRINCIPLES	KEY PROJECTS	TIMING	ESTIMATED VALUE
<ul style="list-style-type: none"> <li>The City should keep functions that deal with citizen safety or other specialized services unique to city capabilities in-house (e.g. Fire, Police, Water).</li> <li>If the City partners, it is critical that content knowledge and dedicated contract management functions remain in-house.</li> <li>The City should always build a compelling business case for partnering.</li> <li>For areas where partnership appears to be a compelling opportunity, the City should first assess business processes, target outcomes and service levels, measured against current baseline performance.</li> <li>The City should build in clear performance metrics, penalties and incentives into partner contracts.</li> <li>The City should evaluate different levels of partnership from small scale to full service, including hybrid models such as managed competition where employees build a business case to keep a service in-house.</li> <li>The City should take any employee and citizen impacts into account as it assesses partnerships.</li> </ul>	Partnerships/ Managed Competition for <b>Fleet Services</b>	FY16/ FY17	Up to \$7M
	3 <sup>rd</sup> Party Partnership/ Managed Competition for <b>IT Services</b>	FY16	Up to \$5M
	3 <sup>rd</sup> Party Partnerships Managed Competition for <b>Payroll</b>	FY16	Up to \$600K
	3 <sup>rd</sup> Party Partnerships/ Managed Competition for <b>Code Enforcement</b>	FY17	Up to \$300K
	Leverage private sector <b>Arborists</b>	FY17	\$0-\$150K
	Consolidate Basic Services with Fulton County*	FY17+	\$2-5M

\* Opportunities will require further conversation with Fulton County; shorter term opportunities include leveraging economies of scale through joint purchasing



# Managed Competition for Select Services: Next Steps

## Operational Efficiency

### DESCRIPTION

Develop and deploy a standardized process to identify whether a city service should be run in-house or in partnership with a third-party provider to minimize costs, maximize service and deliver best value to tax payers.

### NEXT STEPS

**The Mayor should direct the COO to undertake the following by the end of October 2014:**

- Assemble a cross-functional team(s) , possibly to include experts and employee representatives, to **assess services and functions with the greatest potential for partnership and develop a strategy to be implemented by FY16.**
- Work should include:
  - Evaluating importance of service(s) to core City operations/services;
  - Developing concrete understanding of where benefit is being sought (e.g. reduced costs or cost containment, improved service delivery, increased access to specialized skill or greater predictability);
  - Setting concrete performance targets;
  - Completing detailed assessment of current services and ability for City to meet established targets;
  - Conducting best practice research (nationally and regionally) and understanding provider landscape;
  - Understanding impact on core stakeholders including employees and citizens.
- *If* an area has been deemed suitable for partnership, team should deploy comprehensive procurement practices to secure the best partner, including options for employee competition/participation, and build out a contract with concrete service level agreements, keeping management functions in-house.

### POTENTIAL OPPORTUNITY

- The **overall cost savings opportunity is estimated between 10%-15%** of current spend per service.



# Revamp departmental budgeting process by tying it more closely to performance and Citywide priorities

Operational Efficiency

EXECUTIVE SPONSOR	OWNER	ESTIMATED TOTAL VALUE	
Chief Operating Officer / Chief Financial Officer	Office of the Chief Financial Officer/ Office of the Chief Operating Officer/	<b>Up to \$12M per Year in Long-term Savings (FY18+)*</b>	
GUIDING PRINCIPLES		KEY COMPONENTS	TIMING
<ul style="list-style-type: none"> <li>The City should develop a budget process that meets operational needs without introducing unnecessary complexity.</li> <li>The City should tie funding to results and citywide priorities where possible/appropriate.</li> <li>The City should provide department staff at all levels with the appropriate budget forecasting and business case development training; training should begin immediately and be on-going.</li> <li>The City should set clear performance expectations and monitor progress against targets.</li> <li>The City should give departments greater ownership over budgets and require business cases for budget asks.</li> <li>The City should examine opportunities to incentivize both staff and departments to identify areas for saving .</li> <li>The City should ensure that new budget model does not unintentionally jeopardize funding (e.g. ensure programs critical for public/federal funding qualifications remain secure).</li> </ul>		<p>Evaluate and pursue the biggest-potential opportunities identified, potentially including:</p> <ul style="list-style-type: none"> <li><b>Zero-based budgeting</b>, where departments build up their budgets each year from the ground-up;</li> <li><b>Performance-based budgeting</b>, where funding is tied to specific performance requirements;</li> <li><b>Incentivized budgeting</b>, where departments share in cost savings and/or employees receive direct incentives for identifying cost savings;</li> <li>Providing more transparency into Accounts Payable and <b>increased line item accuracy</b>.</li> </ul>	<p>FY15 – FY17</p>

\* Value not included in totals due to overlap with Procurement reform and workforce management strategy



# Performance Driven Budgeting: Next Steps

## Operational Efficiency

### DESCRIPTION

Move away from current baseline method of budgeting and adopt new budgeting practices that are more strategic, linking the budgeting process to City priority areas and tying allocations to departmental performance and target outcomes.

### NEXT STEPS

***The Mayor should direct the COO and CFO to jointly undertake the following:***

- Begin preparation for new model in by **developing an updated budget strategy in FY15.**
- Identify departments or programs that could pilot new budgeting practices.
- Pilot a **new performance based budgeting strategy with select Departments during the FY16 budget process, with the goal of a broader implementation in FY17 and FY18;** requires *extensive training and cultural change* which will take time to fully implement.
- Develop strategy that leverages the Oracle tool kit to help manage budgeting process and develop right management and tracking tools/systems.

### POTENTIAL OPPORTUNITY

- Depending on the type and level of adoption, implementing a more strategic budget process could **save the City up to \$10-12M/ year\* in the long-term (FY18 and beyond); In the short-term, an updated budgeting strategy will provide a common understanding of Departmental spend**, which is required in order to effectively generate revenue and cost savings with other initiatives.
- Many potential models exist for improving the City's budget process; a **hybrid approach will likely be best suited for Atlanta:**
  - Zero-based budgeting where departments build up their budgets each year from the ground-up;
  - Performance-based budgeting where funding is tied specific performance requirements;
  - Incentivized budgeting where departments share in cost savings and/or employees receive direct incentives for identifying cost savings;
  - Provide more transparency into Accounts Payable and increase line item accuracy.

NOTE: Potential for overlap with procurement and workforce strategies



## Recommendations: State Approval Required

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**NOTE:** All recommendations presented are based on working group assessments of ideas submitted to the Commission through a public engagement process. All assessments are subject to additional analysis and research prior to implementation.



# Changing the City's tax policies could deliver \$100M+, but requires State approval

## Asset and Revenue Stream Optimization

EXECUTIVE SPONSOR	OWNER	ESTIMATED TOTAL VALUE
Chief Financial Officer	Department of Finance / Legislative Affairs	Up to \$100M+

GUIDING PRINCIPLES	KEY PROJECTS	TIMING	ESTIMATE D VALUE
<ul style="list-style-type: none"> <li>• Tax revenue should just cover the operational and capital costs of delivering City services to Atlanta residents.</li> <li>• The City should directly recover the cost of providing specific services wherever possible. Taxes should only be considered where direct cost recovery is not practical.</li> <li>• The effective collection of existing taxes should be prioritized over the establishment of new taxes.</li> <li>• If new taxes are justified, they should be structured to impose the smallest additional cost on the widest possible group of users - taking account of residents' ability to pay.</li> <li>• Residents who live outside of City limits, but commute regularly to Atlanta, should contribute to the cost of the City services they consume.</li> <li>• Businesses located outside of the City that rely on City assets to do business should contribute to the cost of maintaining those assets.</li> <li>• Where appropriate, the link between tax revenues and the public services they fund should be as transparent as possible.</li> </ul>	<b>Assessment of Atlanta tax collection rates and methods</b> vs. comparator jurisdictions	FY16+	\$1-8M
	<b>Robust modeling of tax revenue and cost impacts of non-resident commuters</b>	FY16+	N/A
	Explore feasibility, timing and impacts of <b>Parking Tax</b> proposal	FY16+	\$25-30M
	Explore feasibility, timing and impacts of <b>Transport SPLOST</b> Referendum	FY16+	\$6-120M
	Explore the feasibility, timing and impacts of a <b>Billboard Tax</b>	FY16+	\$1-3M
	Develop a position to advocate for better <b>share of State Gas Tax</b>	FY16+	\$1-3M

**Additional ideas reviewed but found to have limited to no fiscal impact on City's General Fund include: Implementing a plastic bag tax and expanding use of the City's hotel and motel tax.**





# Tax Reform: Next Steps

## Asset and Revenue Stream Optimization

### DESCRIPTION

Ensure current taxes are appropriate, collection methods are effective, and a robust process exists to evaluate the benefits and costs of new tax proposals.

### NEXT STEPS

**The Mayor should direct the CFO to investigate the following issues and make recommendations November 2014:**

- Identify whether there are **existing taxes for which the collection rate is below par** when other taxes and other jurisdictions are considered.
- Determine an appropriate course of action to **engage State lawmakers** on current property tax restrictions.
- Better understand the **level of City services consumed by non-resident commuters** and the extent to which the costs of providing those services are recouped through additional LOST revenue.
- Determine the feasibility, timeframe and impacts of pursuing:
  - Parking tax;
  - Fulton/DeKalb transport SPLOST referendum when the current MOST expires in FY16;
  - Citywide billboard tax.

### POTENTIAL OPPORTUNITY

Example taxes evaluated include:

- The potential revenue from a **1% transport SPLOST is \$120M per year;**
- The revenue potential from a **parking tax is \$25M per year;**
- The revenue potential from a **billboard tax is \$3M per year.**



# Comprehensive Idea Digest

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**NOTE:** All ideas presented were submitted to the Commission through a public engagement process. All assessments are preliminary.



# Idea Inventory – Asset Monetization (1 of 4)

SUBMITTED IDEA	DESCRIPTION	VALUE	SAVINGS TYPE	TIMING	INVESTMENT REQUIRED	STATE LAW CHANGE REQUIRED?
Optimize Court revenue streams	The Municipal Court presents an opportunity to increase revenues through an array of operational and fee-based changes. The Court processes a high volume of cases, and many times potential revenue from these cases is left on the table for a variety of reasons.	\$5-7M	Both	FY16	\$2-5M	No
Parking tax on non-City residents	Institute a parking tax to raise revenue for transportation/transit projects and operations. Atlanta has some of the lowest off-street parking rates in the nation	\$25-\$30M	Recurring	FY17+	\$5M	YES
Partial Penny Tax (SPLOST)	Push for legislation at the state level to institute a partial penny tax	\$6-\$120M	Recurring	FY17+	\$100-\$200k	YES
Selling city assets	Sell a variety of City buildings, including Civic Center, Cyclorama and Underground	\$30-\$80M	Both	FY15	\$1.5M	No
<i>Tax non-residents who use City assets</i>	<i>Develop a method of taxing those who live outside city but work in Atlanta in order to recoup costs of their infrastructure use</i>	<i>\$30M</i>	<i>Recurring</i>	<i>FY17+</i>	<i>\$5M</i>	<i>YES</i>
<i>Expand uses of Hotel Motel tax</i>	<i>Expand usage of Hotel Motel tax funding to areas other than Falcons Stadium and GWCC projects</i>	<i>\$1.5M</i>	<i>Recurring</i>	<i>FY17+</i>	<i>\$0</i>	<i>YES</i>
Billboard tax	Create user fee model for companies using billboard space in City of Atlanta	\$3M	Recurring	FY17+	\$100-200k	YES
Accept online payments for taxes	Accept online ACH and/or credit card payments to collect taxes such as alcohol and hotel/motel taxes	\$0.34M	Recurring	FY15	\$10k	No
Atlanta Fire Rescue Ambulance Response	Have Fire Rescue Department take over ambulance operations, either within the City or for the entire metro area	\$0	Recurring	FY17+	\$2M	No
Improve city's use of golf courses	Invest in making the City's golf courses best in class, and re-evaluate the City's current management contract with American Golf	Up to \$0.5M	Recurring	FY17+	\$3.8M	No

Ideas in italics were preliminarily sized however the Commission has recommended that additional analysis is required to determine feasibility



# Idea Inventory – Asset Monetization (2 of 4)

SUBMITTED IDEA	DESCRIPTION	VALUE	SAVINGS TYPE	TIMING	INVESTMENT REQUIRED	STATE LAW CHANGE REQUIRED?
Increase seizure of drug dealer assets	Work to actively sell the assets that have been seized via drug distribution-related arrests	\$0-\$0.1M	Recurring	FY16	\$100k	No
Monetize existing liens	Look at ways to better monetize liens issued by City, though not necessary through lien collection	\$0.19M	Recurring	FY16	\$0-\$20k	No
Sponsorship for wireless in parks	Become a pilot Wi-Fi partner with Google or other similar company, having them sponsor Wi-Fi in parks. A similar model has been implemented in San Francisco	\$0.21M	One-Off	FY16	0	No
Municipal Marketing & PPP	Examine opportunities for comprehensive municipal marketing and/or public private partnership model for Atlanta	\$2-5M	Recurring	FY16/17	\$200-\$400k	No
Street damage restoration fee	Charge the utilities based on the size of the street cut because no matter how it's patched, the street always deteriorates faster at that spot	\$0.12M	Recurring	FY16	0	No
Bill businesses for cost of hazardous materials responses by Fire Department	Atlanta Fire Rescue responds to hundreds of gas line ruptures and other hazardous materials related incidents a year. When businesses and contractors have accidents of this nature, it necessitates a multi-company response to safely mitigate the incident. The personnel and equipment cost should be billed to the responsible party.	\$0.5-\$0.6M	Recurring	FY16	\$20k	No
Create a billboard tax	An excise tax would allow the City to capture revenue from billboards, which are primarily owned by companies that don't pay Atlanta business taxes	\$3M	Recurring	FY16	0	No
<i>Broaden scope of Tree Trust Fund</i>	<i>Expand scope of Tree Trust Fund so that surplus revenue can offset tree-related costs currently within the General Fund</i>	<i>\$1-\$5M</i>	<i>Annual</i>	<i>FY15</i>	<i>0</i>	No

Ideas in italics were preliminarily sized however the Commission has recommended that additional analysis is required to determine feasibility



# Idea Inventory – Asset Monetization (3 of 4)

SUBMITTED IDEA	DESCRIPTION	VALUE	SAVINGS TYPE	TIMING	INVESTMENT REQUIRED	STATE LAW CHANGE REQUIRED?
Capture revenue from police officer extra jobs	Police officers who work on outside jobs, use city resources. Presently there is no mechanism to either share revenue or recapture the costs. Consider assessing some type of fee to recapture use of city resources	\$3M	Recurring	FY16	\$1M	No
<i>Charge for Use of Plastic Bags</i>	<i>Have stores start charging people to use plastic bags for groceries and other consumables, or else have them only use paper bags, to increase tax revenue and decrease waste throughout the city</i>	<i>\$1.1-\$1.5M</i>	<i>Recurring</i>	<i>FY16</i>	<i>\$0-\$20k</i>	<i>YES</i>
Facility consolidation	Consolidate properties used by departments throughout the city and dispose of extra locations	\$0-\$3.2M	Recurring	FY17+	\$0-\$2M	No
<i>Increase ticketing</i>	<i>Increase Atlanta Police Department efforts in the area of ticketing for traffic violations, including using cameras at key intersections to catch traffic signal violators and ticketing and fining them by mail.</i>	<i>\$1.8M</i>	<i>Recurring</i>	<i>FY16</i>	<i>\$100k</i>	<i>No</i>
<i>Retire TADs</i>	<i>Close out TADs and return money back to various stakeholders, including the City</i>	<i>\$5M-7.5M</i>	<i>One-Off</i>	<i>FY15; FY17</i>	<i>\$100k</i>	<i>No</i>
Update impact fee schedule	Update impact fee schedule and consider charging more for areas where there is greatest impact on infrastructure.	\$3M	Recurring	FY16	\$200k	No
APD Towing	Have the Police Department take over vehicle towing.	TBD	Recurring	TBD	TBD	No
Transport SPLOST	City of Atlanta currently employs the Municipal Option Sales Tax (MOST) at 1% of City-wide point of taxable sales. This one cent tax funds support city's water and sewer infrastructure requirements, but will expire in 2016 and will not be renewed again. Since we cannot renew, the City should consider employing SPLOST in lieu of MOST.	\$120M	Recurring	FY16	\$500k - \$2MM	No
Ensure GSP tickets are referred to Municipal Court	GSP tickets issued within the City are supposed to be referred to Municipal Court; however some are referred to Fulton County. Requires working with GSP to ensure that all tickets they issue within the City are referred to the Municipal Court.	\$0-\$1.1M	Recurring	FY15	0	No

Ideas in italics were preliminarily sized however the Commission has recommended that additional analysis is required to determine feasibility



# Idea Inventory – Asset Monetization (4 of 4)

SUBMITTED IDEA	DESCRIPTION	VALUE	SAVINGS TYPE	TIMING	INVESTMENT REQUIRED	STATE LAW CHANGE REQUIRED?
Increase share of state gas tax	Request either an administrative change in calculation of the city’s share of the gas tax using existing language in state statutes , or lobby for a specific amendment to the formula.	\$1-3M	Recurring	FY16+	\$0	YES
Atlanta Surge Turner Field Proposal	City to acquire an expansion Major League Baseball franchise to play at Turner Field	N/A				
Better monetize ancillary airport properties (Dawson, Paulding)	Think of ways to use City-owned land in Dawson and Paulding to generate revenue, either through sale or other ways	\$0				
Enforce sidewalk repair ordinance	Enforce ordinances already on the books that require property owners—residential and business—to repair sidewalks to city standards in front of their properties instead of having the city pay for such repairs.	\$0				
Limit use of Fulton County Development Authority Bonds	Limit the location and types of projects that are eligible for bonds issued through the Fulton County Development Authority, restricting their use by for-profit projects in more well-off areas of the City	\$0				
Sell APS land adjacent to Jackson Elementary	Sell APS property adjacent to Jackson elementary in order to bring in revenue and generate additionally property tax	\$0				
Sell Streetcar	Sell the Streetcar system to a private operator and get fee for the city from the operator for use of public streets, hopefully more than just tied to ridership and operational revenues.	\$0				
Speed up Ft. McPherson development work	Increase pace of Ft. McPherson development work to create more jobs	\$0				
Transfer liened properties to charity for development	Give/sell abandoned property with large tax liens to habitat for humanity and forgive liens. habitat puts good families in the neighborhood, who start paying taxes and we get rid of vacant properties	\$0				



# Idea Inventory – Operational Efficiency (1 of 8)

SUBMITTED IDEA	DESCRIPTION	VALUE	SAVINGS TYPE	TIMING	INVESTMENT REQUIRED	STATE LAW CHANGE REQUIRED?
Consolidate basic services with County	The City and County provide multiple overlapping services, which could be consolidated to great effect. Some of the large potential opportunities include procurement and basic services such as street maintenance	\$5M+	Recurring	FY17+	\$2MM - \$10MM	No
Comprehensive facility water and energy efficiency improvement plan	Invest in energy efficient systems, materials and appliances in City facilities to significantly reduce energy costs	\$7.5-10M	Recurring	TBD by Dec 2014	\$26-35M	No
Revamp departmental budgeting process	Improve City budgeting process and use to identify and de-fund low priority and/or low value activities	\$10-12M	Recurring	FY15-17+	\$500k - \$2MM	No
Partnerships/ Managed Competition for Fleet Services	Look at 3rd party partnerships for fleet maintenance, ranging from outsourcing just preventative maintenance to all vehicle work; Explore a wide variety of outsourcing structures	Up to \$7M	Recurring	FY16/FY17	<\$500k	No
3rd Party Partnership/ Managed Competition for IT Services	Use 3rd party to conduct IT operations, with a wide range of potential options for what and how to outsource	Up to \$5M	Recurring	FY16	\$500k - \$2MM	No
Allow Fire Dept to fix hydrants during inspection	Right now the fire department is charged with inspecting all hydrants but is not allowed to repair them. The City should examine opportunities to consolidate this function.	\$50-150K	Recurring	FY16	\$0-80K General Fund	No
Control APD/AFR uniform purchases	Update Public Safety yearly uniform allowances to account for the fact that officers and firefighters with more years of service do not need to purchase as many new uniforms	\$550K	Recurring	FY15	\$200K	No





# Idea Inventory – Operational Efficiency (2 of 8)

SUBMITTED IDEA	DESCRIPTION	VALUE	SAVINGS TYPE	TIMING	INVESTMENT REQUIRED	STATE LAW CHANGE REQUIRED?
Bring Buildings and Solid Waste into General Fund	Bring the Solid Waste and Buildings Funds back into the General Fund. This would allow for more options related to revenue generation and cost cutting that could impact the General Fund	<\$1M	Recurring	FY17+	<\$500k	No
Leverage Corrections Labor for Clean and Close	‘Clean and close’ functions are currently undertaken on behalf of the Code Enforcement Division by private contractors. This involves clearing vacant residential and commercial properties, and sealing them to prevent unlawful activities from occurring. It may be possible to reduce the cost of the program, and broaden its reach, by using Department of Corrections’ inmate detail labor to complete the job instead of private contractors	\$250K	Recurring	FY15; two years to steady state	0	No
Convert traffic signals to LED bulbs	Replace incandescent traffic lights with LED units to decrease maintenance and energy costs	\$150-450K	Recurring	TBD by Dec 2014	\$1.65M	No
Create better guidelines to get more competitive infrastructure repair bids	Review Public Works' current process for selecting vendor to do transportation infrastructure repairs such as sidewalks. The City often overpays vendors for these repairs when compared to what price could be gotten on the open market	\$120K	Recurring	FY15	0	No
Eliminate departmental newsletters	Eliminate all departmental newsletters. They take time, paper, photography, etc. and have little impact	\$55K	Recurring	FY15	0	No



# Idea Inventory – Operational Efficiency (3 of 8)

SUBMITTED IDEA	DESCRIPTION	VALUE	SAVINGS TYPE	TIMING	INVESTMENT REQUIRED	STATE LAW CHANGE REQUIRED?
E-Records for businesses & citizens	Develop an online account accessible to all departments for businesses and residents to pay city for whatever service they get	\$450K	Recurring	FY15	\$1.6M	No
Film Industry and Code Enforcement Demolition Partnership	Have Code Enforcement and the film industry partner to reduce the backlog of homes to be demolished. Action film productions are drawn to film in Atlanta because of the available tax credits. These films request to demolish properties for filming purposes. If we could provide film companies with a list of properties to be demolished, we could reduce our backlog of homes to be demolished	\$100K	Recurring	FY15	0	No
Fuel hedging	Purchase future fuel at current rates to protect against potential future rises in fuel price	<\$1M	Recurring	FY16	<\$500k	No
In-sourcing Demolition	Bring housing demolition capabilities in house, rather than using a contractor to demolish homes and buildings	\$100-150K	Recurring	FY16; FY17 for steady state	\$700-800K	No
More efficient use of tennis court lights	Install timers that allow for easy turning off of tennis court lights when not in use	\$100K	Recurring	TBD by Dec 2014	\$300K	No
3rd Party Partnerships/ Managed Competition for Code Enforcement	Use 3rd party to conduct Code Enforcement inspections	Up to \$300K	Recurring	FY17	\$600K	No
3rd Party Partnerships Managed Competition for Payroll	Use 3rd party to process employee payroll	Up to \$600K	Recurring	FY16	<\$500k	No
Reduce idling of City vehicles	Implement official vehicle idling policy to save on fuel and reduce emissions	\$125-140K	Recurring	FY15	\$15K	No



# Idea Inventory – Operational Efficiency (4 of 8)

SUBMITTED IDEA	DESCRIPTION	VALUE	SAVINGS TYPE	TIMING	INVESTMENT REQUIRED	STATE LAW CHANGE REQUIRED?
Use corrections labor for vacant property rehab	Expanding the use of Municipal Jail inmates to clean vacant properties	-\$1M to \$1M pending changes to eminent domain	Recurring	FY16	\$400K	No
Reduce unnecessary copying	Change printing/copying policies to reduce paper and colored ink usage	\$200K	Recurring	FY15	\$0K	No
Reduce vehicle car wash frequency	Reduce the amount of times that City employees can get their car washed in a given month	\$6.7-15.9K	Recurring	FY15	\$0K	No
Replace fleet with electric cars	Sell entire fleet and replace with electric cars. Streamline fleet if unable to buy amount of electric cars commensurate with existing number of vehicles in Fleet	\$100K (for 65 vehicles)	Both	TBD by Dec 2014	\$1.7-2.2M initial investment	No
Review Take Home Vehicles Policy	Review the need for so many take home vehicles that the City gives to employees	\$400K	Recurring	FY15	\$0K	No
Use computer fonts that cost less to print	Enforce usage of certain computer fonts for printing to reduce ink usage	\$8K	Recurring	FY15	\$0	No
Leverage private sector Arborists	Bid out arborist work to private companies to reduce cost or possibly generate additional revenue	\$0-150k	Recurring	FY17	\$500k	No



# Idea Inventory – Operational Efficiency (5 of 8)

SUBMITTED IDEA	DESCRIPTION	VALUE	SAVINGS TYPE	TIMING	INVESTMENT REQUIRED	STATE LAW CHANGE REQUIRED?
<i>Consolidation of Fulton County Fire Services</i>	<i>Fulton County operates a separate fire service outside of incorporated cities. One idea is to consolidate those with the COA service. Other jurisdictions have done so and have leveraged that into a separate Fire tax for the county</i>	<i>Short-term - \$8M; long-term potential to move ~\$100M from GF into county-wide fire tax fund</i>	<i>Recurring</i>	<i>FY17+</i>	<i>\$10M</i>	<i>No</i>
Move to Citywide e-payment policy	Discontinue paper-based checks for employees and vendors	\$45K	Recurring	FY15	\$0	No
Eliminate convenience fee to pay for city services online	Payments for certain City services currently, such as the Department of Watershed, currently charge a “convenience” fee for those customers who pay their bills electronically. This fee may be deterring more individuals from paying their bills online, and elimination of it may result in less employee time required to process payments	TBD	Recurring	FY15	TBD	No
Implement single invoice submission point for all vendors	Currently, each City department receives invoices from its vendors and submits them to Accounts payable for payment. Many times, there is a lag between when a vendor submits an invoice and when it finally arrives at Accounts Payable. This can create scenarios where the City is late on vendor payments, resulting in increased payment due to late fees. Creating a single portal, based in the Department of Finance, where all vendors can submit invoices would streamline this process and reduce late fees	\$400k	Recurring	FY15	\$20K	No



# Idea Inventory – Operational Efficiency (6 of 8)

SUBMITTED IDEA	DESCRIPTION	VALUE	SAVINGS TYPE	TIMING	INVESTMENT REQUIRED	STATE LAW CHANGE REQUIRED?
Create Stand-Alone Oversight Entity to Improve Operations	Have unannounced budget audits of government programs and offices at different intervals	\$4M	Recurring	FY16	\$1M	No
Incentivize both staff and departments to identify areas for saving	City Departments and staff are not incentivized to save money on utilities outside current budget allocations. The budget could credit any savings each Department has in utilities to the future fiscal cycle for supplies, professional services, and personnel. Individuals could get a share of the savings their ideas generate	<i>Part of savings generated by departmental budgeting revamp</i>				No
Install motion sensors for lights in City buildings	Sensor lights in offices/rooms. Lights turn on when they sense someone but turn off when someone leaves the rooms	\$810K-\$1.7M	Recurring	TBD by Dec 2014	\$305K-1.38M	No
Use geosynthetics for roadway construction	Use geosynthetic road construction materials that are lower maintenance and have a longer life span than traditional roads	\$3M	Recurring	FY17+	>\$10MM	No
APD Training Recuperation for Early Force Separation	State law allows training recuperation when a police officer leaves for another agency within a certain number of years. APD does not actively pursue this	\$80-126K	Recurring	FY15	\$0	No
Break contract with Park Atlanta	Get rid of Park Atlanta Service. It's bad for business and Atlanta's reputation as a convention center	\$0 or less				
Address gang issues	Increase truancy officers and gang officers to address gang problem in Atlanta, which is costly	-\$1M to \$0M				
Reduce security at City Hall	City Hall employs security at both main entrances. Many other cities do not do this. Given recent changes to state gun laws, this security seems unnecessary	N/A				



# Idea Inventory – Operational Efficiency (7 of 8)

SUBMITTED IDEA	DESCRIPTION	VALUE	SAVINGS TYPE	TIMING	INVESTMENT REQUIRED	STATE LAW CHANGE REQUIRED?
Chairperson of City events	Implement a City events chairperson to prevent infrastructure and capacity overload due to a concentration of events occurring during a single period of time; position currently exists	\$100K				
Review need for Financial Advisor	Remove the City's current Financial Advisor	\$180K				
Remove speed bumps to reduce Legal risk	Remove speed humps from streets that are or should be classified as collectors to greatly reduce the possibility of a judgment against the City by bringing all speed hump installations into conformity with City Code	\$0 or less				
Replace plastic pedestrian signal buttons with metal buttons	Atop using the plastic pedestrian bottoms at traffic signals. Sell any remaining plastic signals on eBay and only use the metal buttons in the future	\$0 or less				
Reusable signs in Planning department	The Planning Department should use reusable signs for their variance, tree removal signs, etc.	\$0 or less				
Traffic flow improvements	Multiple ideas related to improving traffic flow, all centered around reducing environmental impacts and/or reducing amount of time spent in cars, thus increasing productivity and economic development within the City	\$0 or less				
Truck numbering	Number Fleet trucks to allow for easier citizen-based reporting of City workers not performing their job duties	\$0 or less				



# Idea Inventory – Operational Efficiency (8 of 8)

SUBMITTED IDEA	DESCRIPTION	VALUE	SAVINGS TYPE	TIMING	INVESTMENT REQUIRED	STATE LAW CHANGE REQUIRED?
Employee waste management contests	Lumped into Incentivize Departments and Employees to Generate Cost Savings	\$0 or less				
Increase demolition of blighted properties	Computerize every department making information and routine services available on line in one place. Will be achieved through launch of ATL311	\$0 or less				
Link Departmental Customer Service	Computerize every department making information and routine services available on line in one place	\$0 or less				
Outsource street and sidewalk maintenance and repairs	Opportunity exists to outsource Street and sidewalk maintenance and repairs to save costs and complete repairs more efficiently	\$0 or less				
Overhaul governmental structure	Replace the present strong mayor/weak city council form of government with a strong city manager/strong city council form of government. The present form of government is driven politically from the top instead of being driven from a business prospective	\$0 or less				
Re-instate City Ombudsman	Re-instate role of City Ombudsman, who operated as a link between the public and city government. To the best of my knowledge, this was effective in allowing citizens to get services, information, file complaints, etc.. The public felt connected to government, more a part of government, rather than government being some alien entity	\$0 or less				





# Idea Inventory – Employee Benefits and Organizational Opportunities (1 of 3)

SUBMITTED IDEA	DESCRIPTION	VALUE	SAVINGS TYPE	TIMING	INVESTMENT REQUIRED	STATE LAW CHANGE REQUIRED?
Detailed span of control study	Conduct a span of control study for all departments for the purpose of normalizing the ratio of management, mid-management and labor for each function, with a focus on rebalancing staff towards frontline personnel who directly serving constituents	\$5-10M	Recurring	FY17	\$1M	No
Maximize rate of return to pension funds, improving future returns and reducing current admin costs	Examine current pension management and structure. Consider reducing the number of pensions managed by the City and rebalancing pension asset allocations to align with best practice	\$ .5M - \$1M by FY16; \$25+M Over Long-term (10+ years)	Recurring	FY16	\$100k - \$500k	No
Examine cost of contract compliance policy	Understand how much it costs the City to maintain certain policies that favor DBEs in its procurement process. The City seems to end up paying more when DBEs are selected as a vendor. [This idea will be considered as part of a larger contract compliance and procurement optimization strategy and transferred to the Operations working group]	\$720k	Recurring	FY17+	\$200k	No
Reduce overtime at E911 call center	Per City Auditor report: E911 overtime expenditures were \$1.1 million in FY2012, so a 40% reduction would yield about \$440,000 annual savings. [This idea will be considered with citywide overtime review as part of a larger workforce strategy]	(Part of broader overtime eligibility analysis)				No
Expand the use of telecommuting	Allow some clerical, administrative employees to telecommute to save on overhead and reduce road congestion	\$1M	Recurring	FY17	\$2M	No



# Idea Inventory – Employee Benefits and Organizational Opportunities (2 of 3)

SUBMITTED IDEA	DESCRIPTION	VALUE	SAVINGS TYPE	TIMING	INVESTMENT REQUIRED	STATE LAW CHANGE REQUIRED?
Deploy strategies for optimizing existing healthcare programs to reduce costs to City and employees	Implement a variety of cost saving measures, including improving health outcomes and shifting of employees on to ACA exchanges to reduce healthcare costs for current employees and retirees	\$3M - \$5M by FY17	Recurring	FY15-17	\$2M	No
Implement non-essential employee hiring freeze	Immediately place a freeze on all hires except for those which are absolutely essential in order to provide time for right sizing departments through a span of control study. [This idea will be considered as part of a larger workforce strategy]	\$600-800k	Recurring	FY15	\$0	No
Eliminate funded vacancies vacant for 1 year or more	Remove funding for positions that are funded but have not been filled for over a year. By leaving them open for a year, departments demonstrate that these positions are not necessary and can operate without filling them. [This idea will be considered as part of a larger workforce strategy]	\$1.5-1.7M	Recurring	FY16	\$0	No
Reduce number of City Councilmembers	Reduce the number of representatives on City Council from the present 15 + President to 9+ President (the number of the former Board of Alderman), with all of those members being elected citywide. [This idea will be considered as part of a larger workforce strategy]	\$1.35M	Recurring	FY16	\$50k	No
Best in class Workers' Compensation policies;	Improve existing Workers Comp policies to reduce City's cost and improve outcomes for workers [Note: This idea will be considered as part of a larger risk management strategy]	(\$Part of broader risk management savings)				No



# Idea Inventory – Employee Benefits and Organizational Opportunities (3 of 3)

SUBMITTED IDEA	DESCRIPTION	VALUE	SAVINGS TYPE	TIMING	INVESTMENT REQUIRED	STATE LAW CHANGE REQUIRED?
Overtime eligibility and usage analysis	Review overtime policies to ensure that whenever feasible, overtime is avoided by adjusting the employee's work hours within the same work week, use of overtime is justifiable and is approved by Department head only when necessary. [This idea will be considered as part of a larger workforce strategy]	\$1M - \$2M	Annual	FY17	\$0	No
Pay all employees a living wage	Pay employees higher wages, including a minimum wage that is a living wage, to increase attendance and retention, decrease turnover and attract the highest quality workers possible [This idea will be considered as part of a larger workforce strategy]	\$0 or less				
Performance-based pay	Provide performance bonuses to employees based on their ability to meet certain performance targets [This idea will be considered as part of a larger workforce strategy]	\$0 or less				
Do not allow City officials to work with City after retirement	Stop paying City retirees' pensions if and while they contract for the City after retirement	\$0 or less				