REPORT OF THE INTERNAL ORGANIZATIONAL EFFICIENCY REVIEW TEAM

OVERVIEW

During the FY 12-13 budget workshops, the City Council directed the City Manager to conduct a comprehensive review of the City’s organizational structure, staffing, and efficiency in response to the ongoing impact of the economic recession on the City budget. The last major review of City government was undertaken by the Citizens Efficiency Review Committee (CERC), beginning in 1998.

For this year’s organizational efficiency review, City management has designed a two-phased review driven by both an internal team of top management staff and the recently appointed Citizens’ Organizational Efficiency Review Committee. The internal team, under the direction of the City Manager, reviewed relevant operational and financial data and solicited ideas for improved operational efficiency from both departments and employees. The internal team has completed its review and forwards the recommendations presented in this report for consideration by the Citizens’ Organizational Efficiency Review Committee.

INTERNAL TEAM’S PROCESS

The internal review team (team) kicked off its review in August. The team focused mainly on those City services and programs that are funded in the general fund from property taxes, sales taxes, and other general purpose revenues. Enterprise operations such as Utilities, Solid Waste Disposal, and Stormwater Management participated in the review process; however, those operations will be reviewed in more detail as part of the on-going budget process. In addition, the Winston-Salem Transit Authority and the City’s public assembly facilities (i.e., Coliseum, Convention Center, Bowman Gray Stadium, and Dixie Classic Fair) were not included in this review because separate assessments of those operations are currently underway.

To inform the team’s review, the following information was compiled:

- Recommendations from CERC review that have not been implemented (Attachment A)
- Recommendations from the City’s zero base budget reviews (ZBB), which were conducted by the Citizens’ Budget Advisory Council from FY 04 through FY 07, that have not been implemented (Attachment A)
- Comparisons of positions per 1,000 population with Durham and Greensboro, which are comparable in population and size
- Detailed organizational charts for each department
- Fleet utilization data
In addition to this information, the team solicited feedback from employees through the Employee Suggestion Program and focus groups. The team received 30 suggestions from employees through the Employee Suggestion Program. The team also conducted seven focus groups with approximately 60 employees, mainly with work groups from the Coliseum, Utilities Construction and Maintenance, Streets, Community and Business Development Field Crews, Sanitation, Traffic Maintenance, Vegetation Management and Recreation Maintenance. The City contracted with SoftSolutions, a human resources consulting firm, to facilitate the groups.

Finally, while the team reviewed the management information listed above and the employee suggestions, the team also sought efficiency improvement ideas from departments. In September, departments submitted the following information at the team’s request:

- An update on the recommendations from the CERC and ZBB reviews that have not been implemented
- A prioritization of the services and programs provided by the department, in an effort to distinguish “core” versus “non-core” services
- A description of efficiency improvement ideas, including estimated savings, staffing changes, and the impact on citizens and other departments

In October, the team met with the department heads and deputy/assistant city managers of the City’s larger departments to discuss the information that had been submitted. The departments included the following:

- City-County Planning
- City-County Inspections
- Community and Business Development
- Sanitation
- Police
- Fire
- Department of Transportation
- Recreation and Parks
- Financial Management Services
- Human Resources
- Engineering
- Property and Facilities Management
- Information Systems
- City Link

The team compiled all of the efficiency improvement ideas submitted during their process, including from departments that did not meet with the team, and prepared the following recommendations.
INTERNAL REVIEW TEAM’S EFFICIENCY IMPROVEMENT RECOMMENDATIONS

The following table lists the efficiency improvement recommendations of the internal review team.

<table>
<thead>
<tr>
<th>Recommendation</th>
<th>Estimated Savings</th>
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<tr>
<td><strong>Transfer responsibility for arrestee processing to the Sheriff’s Office.</strong></td>
<td>$327,440 (Net General Fund Savings)</td>
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<td>The Police Department currently assigns five police processing technicians to the Forsyth County Law Enforcement Detention Center to provide intake of arrestees. The City and the County share the net cost of the Arrestee Processing Unit based on the number of arrestees (currently 78% City and 22% County). The total cost of the unit is $420,000, so the City would realize savings of $327,440 from transferring the unit to the Sheriff’s Office. No other sheriff’s department in the state operates a jail under this arrangement.</td>
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<tr>
<td><strong>Require residents who receive exemptions from curbside refuse collection to provide a doctor’s statement to verify they and anyone in their household are unable to roll their cart to the curb.</strong></td>
<td>$114,320</td>
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<td>Currently, the Sanitation Department serves 2,700 households that are exempted from curbside collection and are picked up in the backyard (4% of the 76,000 households serviced each week). If the number of exemptions can be reduced to 1% of the total households serviced, the Sanitation Department could eliminate one crew ($114,320 in salaries, benefits, and capital avoidance).</td>
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<td><strong>Create a heavy equipment pool.</strong></td>
<td>$100,000</td>
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<td>This recommendation would involve placing heavy construction equipment assigned to departments that is infrequently used into an equipment pool. Departments would be required to plan work based on the availability of the equipment. The estimated savings or cost avoidance is based on the replacement cost of a heavy dump truck or excavator.</td>
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<tr>
<td><strong>Consolidate Capital Building Projects Division staff with the Municipal Engineering Division.</strong></td>
<td>$100,000</td>
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<td>Currently, there are two full-time positions assigned to the Capital Building Projects Division, which oversees City building projects (e.g., construction of fire stations, public safety training facilities, etc.). This recommendation would shift the responsibilities for building project management to the Municipal Engineering Division. Efficiencies would be achieved by absorbing the workload of the Capital Building Projects Division with existing Municipal Engineering staff.</td>
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### Eliminate service contract for portable and mobile radios.
This recommendation would eliminate the City’s service contract for portable and mobile radios and change to a time and material arrangement. Preventive maintenance on the equipment may decline, resulting in more equipment repairs.

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<tr>
<th>Eliminate service contract for portable and mobile radios.</th>
<th>$89,000</th>
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### Eliminate night-time service response crew and implement enhanced on-call procedures.
Currently, the Property and Facilities Management Department maintains a night-time crew to respond to service requests that are received after work hours. The crew responds to calls from CityLink, places barricades, and verifies emergency situations such as water leaks and sewer overflows. A number of City departments provide on-call response once this crew verifies the need for service. This recommendation would eliminate the crew and use the on-call staff within the departments as the first responders to these service requests. The night-time crew consists of two maintenance workers. Savings from eliminating this crew would total $59,780 in salaries and benefits. These savings may be partially offset by increased overtime pay for the on-call crews.

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<tr>
<th>Eliminate night-time service response crew and implement enhanced on-call procedures.</th>
<th>$59,780</th>
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### Centralize delivery and pick-up of postal and interdepartmental mail.
Currently, the City uses a contractor to provide mail delivery and pick-up for departments twice daily. To implement this recommendation, the Information Systems Department would work with the City’s contract mail carrier to create a single designated mail room within each City building that currently receives mail service for delivery and pick-up one time per day. All departments would be responsible for picking up and dropping off mail at this centralized location. Under this recommendation, all correspondence to the City Council would be delivered to their offices in City Hall, rather than delivered to their residence.

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<tr>
<th>Centralize delivery and pick-up of postal and interdepartmental mail.</th>
<th>$30,000</th>
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### Reassign duties within the City-County Planning Department to provide support to the GIS work group. Eliminate an assistant planner position.
The City and the County each cover 50% of the net cost of the City-County Planning Department. The cost of the assistant planner position totals $45,490 in salary and benefits, so the City would realize 50% of the savings from this position.

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<tr>
<th>Reassign duties within the City-County Planning Department to provide support to the GIS work group. Eliminate an assistant planner position.</th>
<th>$22,750</th>
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(Net General Fund Savings)
**Consolidate revenue collection sites to the Revenue Division office located downtown.**
Currently, citizens can pay their City bills at the Black-Phillips-Smith Revenue office at 2301 North Patterson Avenue. They also may pay their bills at the Revenue Division’s main office at 100 East First Street, which is located 1.7 miles away in downtown. Drive-thru service is available in addition to counter service and a night drop box. Additionally, CityLink is open 24/7 and can process payments for customers over the telephone. This recommendation would delete a full-time financial clerk position, a part-time business license inspector, and equipment and vendor costs. Savings from the consolidation of collection sites would total $82,440. Because the Utilities Division partially reimburses the Financial Management Services Department for collection of water and sewer bills, the net savings to the general fund would total approximately $21,000.

| **Replace approximately 60 remaining laptop replacements scheduled through FY 14 with desktops.** |
| Changing to desktops for the affected departments may decrease operational flexibility. The savings would be realized each year over a five-year period. |
| **$13,000** |

| **Cross train all front-office staff in the City-County Inspections Department in all front-office functions. Eliminate a part-time office assistant position.** |
| Cross training the front-office staff would provide more flexibility in addressing the shifts in the daily needs of the department’s customers and would provide valuable opportunities for our staff to gain additional skills. The City and the County share the net cost of the Inspections Department based on the amount of permit revenue collected for inside city service versus outside city (currently 75% City and 25% County). The cost of the part-time position totals $12,000. The City’s savings would total $9,000. |
| **$9,000** |

| **Provide electronic pay stubs only.** |
| Employees currently receive paper copies of their bi-weekly pay stubs. Changing to electronic stubs would reduce printing expenses. For those employees who do not have access to computers, provisions would be made for them to print their stubs within their departments. |
| **$6,000** |

| **Use the managed competition process to compare City-operated services to bids from private companies.** |
| The original CERC report recommended using managed competition to improve operational efficiency in a number of City operations, including Sanitation, Property and Facilities Management, Information Systems, and Transportation. |
| **To Be Determined** |
**Contract out City services and programs, where appropriate.**
The original CERC report recommended contracting out services such as custodial services and traffic maintenance (signals, signs, and pavement markings). The internal review team recommends evaluating whether construction crews such as traffic signal construction, street construction, and greenway construction would be candidates for contracting out. The team also recommends applying the “Yellow Pages” test to identify services provided in-house that could be provided by private contractors (e.g., facilities maintenance such as painting, plumbing, and electrical).

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**Continue to identify ways to reduce the use of paper and to use single vendors for large volume purchases such as uniforms.**
Under this recommendation, the City would continue to evaluate ways to use technology to reduce the use of paper. In addition, staff would review departmental spending to determine the extent to which the City is using multiple vendors for the purchase of similar items such as uniforms. From this review, staff would evaluate whether volume savings could be achieved from using a single vendor.

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**Conduct a fleet utilization study.**
The Property and Facilities Management Department has identified 173 vehicles that have been driven less than 3,000 miles in the previous year. Departments with underutilized vehicles will be asked to justify the need for those vehicle assignments. The Property and Facilities Management Department also plans to compile a list of underutilized heavy equipment.

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**Review the crew size and workload for Department of Transportation operations.**
After reviewing the organizational chart for the Department of Transportation and the workload data for its Traffic Maintenance and Streets Divisions, the internal review team recommends a more in-depth evaluation of the number of crews and the size of crews in these divisions.

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The internal review team will present these recommendations to the Citizens’ Organizational Efficiency Review Committee in December. If the committee approves any of these recommendations for inclusion in its report, the team will work with departments on implementation in order to benefit from the potential savings in FY 13-14.
ATTACHMENT A

Unadopted CERC and ZBB Recommendations by Department

Sanitation

CERC
- Use the managed competition process to compare City-operated sanitation services to bids from private companies.
- Charge business customers for waste generated that exceeds the residential waste pickup standards (96 gallons per week).
- Charge a fee for waste collection at special events.
- Limit garbage pickup to 5 days per week in the Central Business District.
- Incentivize recycling.
- Curbside pickup should be the responsibility of the Sanitation Department. Bulky item curbside pickup should be re-instituted on a weekly basis in targeted areas.
- Institute financial incentives to increase recycling from all sources. Establish a recycling target for the year 2001, with annual target increases to achieve 30% recycling by 2005 for all solid waste.

ZBB
- Brush Collection
  - Change from a bi-weekly service to a weekly call-in service.
- Seasonal Leaf Collection
  - Provide collection on two Saturdays in December rather than four.
  - Eliminate seasonal service and require collection using yard waste carts.
- Annual Bulky Item Collection
  - Eliminate the annual service.
- Bulk Container Collection
  - Eliminate the program.
  - Reduce or eliminate the $100 discount for taxpaying customers.
  - Eliminate the free service to condominium and townhouse developments.

Property and Facilities Management

CERC
- Use the managed competition process to compare City-operated mowing, landscaping, and tree trimming to bids from private companies.
- Cemeteries should enhance marketing. Market family plots and burial of family members in stacked graves.
- The City should consider building a mausoleum at Evergreen Cemetery.
- Explore consolidating the City and County warehouses.
- Explore consolidating the City and County fleet maintenance programs.
- Update computers and laser printers in warehouse.
- Explore consolidating the City and County maintenance and landscaping support functions.
- Transfer the building design function from Engineering to Property Maintenance.
**ZBB**
- Custodial Services
  - Contract out custodial services.
  - Reduce frequency of cleaning facilities.
- Facility Maintenance
  - Contract out select maintenance activities.

**DOT/Streets**

**CERC**
- Use the managed competition process to compare City-operated pavement markings to bids from private companies.
- DOT should discontinue the installation and removal of banners and Christmas decorations.
- Combine sidewalk activities pertaining to construction and permitting between Streets and Engineering. Consolidate the storm water retention activity. Duties currently are split between Engineering and Streets.

**ZBB**
- Traffic Signal Maintenance
  - Contract out various traffic signal maintenance activities.
- Traffic Signs and Markings Maintenance
  - Contract out thermoplastic markings on resurfaced roads.

**Recreation and Parks**

**CERC**
- Use the managed competition process to compare City-operated golf courses to bids from private companies.
- Explore consolidating the City and County Parks and Recreation program.

**ZBB**
- Recreation Centers
  - Reduce hours of operation during under-utilized times of day.
- Parks Maintenance
  - Contract out all construction of Recreation and Parks capital projects.
- Aquatics and Aquatics Facility Maintenance
  - Close Happy Hill Pool permanently.

**Information Systems**

**CERC**
- A careful study of the overall management of IT should be conducted. The department should compete with outside companies through managed competition.
- Consolidate City and County IS/IT systems. At a minimum, both governments should use common software and communication networks.
- CIO should report to the CFO.
ZBB
- Information Systems Administration
  - Reduce service level of support contracts.
- Office Systems
  - Eliminate the CompuCom on-site maintenance contract.

Police

CERC
- Transfer communications to Forsyth County Fire/EMS dispatch center at Smith Reynolds Airport. Transfer employees to that center from the WSPD 911 Center.
- Close the Sheriff’s Communications Center. Merge operations with the WSPD 911 Center. Consideration must be given to consolidating the Kernersville Communication Center.
- A joint committee by the City Council and the County Commissioners should study the advantages of a merger of the Sheriff’s Department and the Police Department.
- Create a division of no-sworn personnel in PD to investigate routine traffic accidents. When not working an accident scene, these personnel could issue parking citation in areas not covered by DOT.
- The City Council should require that special events needing police services be paid by the event organizers. Winston-Salem is the only city in NC providing these services at no cost.

Engineering

CERC
- Combine sidewalk activities pertaining to construction and permitting between Streets and Engineering. Consolidate the storm water retention activity. Duties currently are split between Engineering and Streets.
- Transfer the building design function from Engineering to Property Maintenance.
- Engineering should require the fee payment for feasibility projects in escrow by property owners before the study is conducted.

Human Resources

CERC
- Move the Worker’s Compensation Program from Finance to HR.
- Eliminate the use of both sick time and Worker’s Compensation time.

Finance

CERC
- Move the Worker’s Compensation Program from Finance to HR.
- CIO should report to the CFO.
- Employee Health and Safety should study the potential benefit of combining functions with the County.
- The functions of Purchasing, Budget, and IS should be incorporated under the CFO position.
**ZBB**
- Finance Administration
  - Consolidation of divisions as opportunities become available.
- Revenue Collection
  - Implement aggressive marketing of foreclosed property.
- Risk Management
  - Increase awareness of claims activity, and encourage efforts to reduce claim frequency and severity.

**Community and Business Development**

**CERC**
- Move the Inspections and Code Enforcement functions from Housing and Neighborhood Services to the Inspections Division of Public Works.
- Explore consolidating the City and County housing programs.
- Housing and Neighborhood Services should privatize the abandoned vehicle section.

**ZBB**
- Housing Inspections
  - Conduct inspections based on complaints only.
  - Conduct systemic inspections in red coded areas only and complaint based inspection in green and yellow coded areas.
- Violation Corrections
  - Contract out mowing and clean-up of weeded and trashy lots.
- Abandoned Vehicle Storage
  - Discontinue the towing and disposal of abandoned vehicles.
  - Rent the City’s abandoned vehicle lot to the local wrecker association.
- Community Services
  - Contract out neighborhood programming and relocation assistance.

**Inspections**

**CERC**
- Move the Inspections and Code Enforcement functions from Housing and Neighborhood Services to the Inspections Division of Public Works.
- Operate the Inspections Division as an Enterprise Fund with central and satellite offices to handle the total county. Use profits from building inspections to subsidize cost of Zoning Enforcement. Satellite offices should be set up as required in Clemmons, Lewisville, Rural Hall, and Kernersville (provided Kernersville can be brought back into the system).

**Marketing**

**CERC**
- Explore consolidating the City and County Marketing and Communications programs.
Real Estate

CERC
- Outsource the legal work for the Real Estate Office.

Fire

CERC
- Expand the emergency medical response function of the Fire Department by adding four rescue squads to cover each quadrant of the city.

City Manager

CERC
- Explore consolidating the City and County management functions.
- The Internal Auditor should report to the City Manager and be empowered to report also to the City Council should extraordinary circumstances require such a process.
- The City Council and the County Commissioners should appoint a Commission to review tax equity issues related to funding of Emergency Management Program.
- The City and County should consider giving Historic Bethabara to Old Salem and eliminate annual subsidy over a mutually acceptable number of years.
- The City Council and the County Commissioners should appoint a Commission to review tax equity issues related to funding of the purchasing function.
- The City Council and the County Commissioners should appoint a Commission to review tax equity issues related to funding of the inspections function.
- The City Council and the County Commissioners should appoint a Commission to review tax equity issues related to funding of the planning program.
- The City Council and the County Commissioners should appoint a Commission to review tax equity issues related to funding of the tax collection program.