

The Top 10 Budget Cutting Challenges Cities/Districts Can Pursue



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220 Survey Responses Received



- Responses were anonymous, provided without fear of retribution
- Responses are from those working in the field of fiscal administration of cities and districts – some might say the true “experts”
- Responses are from real people and have not been filtered by management or politics

To Make the Top 10



- Suggestions could not be to drop a specific program or service
- Suggestions had to be something that were capable of being implemented within the scope and power of city or district
- The Top 10 is not in any particular order except for #1 and #2 which represent greatest potential and frequency of response

#10 Organizational Structure



- The idea is to reduce the number of management positions (top and middle) primarily through reduction in number of departments
- City of Tracy saved \$750,000 by reducing 9 departments to 6
- As organizations reduced the number of employees there should be a proportionate reduction in the number of management employees (compute ratio)
- Manager's rarely put their own jobs on the line
- To be successful take advantage of skills & experience of the existing workforce (untapped potential)
- Be prepared to invest in training

#9 No One Wants to Say “NO”



62% of survey responders “strongly agreed” or “agreed” with:

In my organization, Finance often has to disapprove an item or matter that should have been disapproved by management staff of the originating department

#8 Greasing the Squeaky Wheel



Characteristics of a Squeaky Wheel

- Constantly complains about non-real/trivial problems
- Receives a disproportionate share of agency resources
- Rarely satisfied
- Their community influence is overrated

Solution

- Political leaders need to have some back bone
- Staff can develop a process or policy with graduated steps
- Place some burden (time, money, etc.) on squeaky wheel to legitimize issue
- Success example “Traffic Calming” policy from City of Tracy
<http://www.ci.tracy.ca.us/?navid=1442>



#7 Poor Performing Employees

“We have many deadbeat employees who don’t perform”

“Eliminate staff who are not working to their job classification & pay, downgrade their pay to match level that they are capable of working”

“I would eliminate unnecessary positions. Of course that would require the layoff or firing and probably not be possible because of the unions.”

SLIGHTLY OVER 50% OF RESPONDENTS INDICATED THAT IN THEIR AGENCY DURING THE LAST 4 YEARS THERE HAVE BEEN NON-PERFORMING EMPLOYEES WHO HAVE RECEIVED COMPENSATION TO RESOLVE A MATTER. ONLY 5% WERE ORDERED TO DO SO BY AN ARBITRATOR

- Problem is widespread
- You can do something about this problem
- Blame union or management?
- If management can't correct, it is still management's responsibility to document & pursue discipline
- **STOP REWARDING BAD PERFORMANCE**

#6 Right Hand vs. Left Hand



**72% STRONGLY
AGREED/AGREED**

**IN MY
ORGANIZATION
EFFORTS OF ONE
DEPARTMENT CAN
HAVE CONFLICTS
WITH GOALS OR
PROGRAMS OF
ANOTHER
DEPARTMENT**

- Very strong response – much work needs to be done
- Hardest issue on Top 10 list to correct
- What are some of the classic conflicts within your city/district?
- Success example City of Tracy strategic priority process (walk-about)
- Eliminate conflicts **BEFORE** allocating resources

#5 Programs in Search of an Audience



“ONE THING CITIES DO REALLY WELL IS CREATE PROGRAMS AND THE UNDERLYING PASSION OF THOSE THAT WORK FOR CITIES SOMETIMES GETS MISDIRECTED INTO THE CREATION OF A PROGRAM FOR WHICH THERE REALLY WAS NO NEED.” – ZANE JOHNSTON

#4 No Evaluation of Programs



Only 25% said yes:

Does your organization have a regular process to measure the effectiveness of various programs it provides or funds?

- A whopping 75% of us never evaluate programs
- Need to ask critical questions
- Develop program-specific criteria, scores, etc. before applying to specific program
- Be flexible in how to bring a program to a close

84% answered true:

The only programs eliminated by my agency during the past 4 years were primarily due to budget cutting and not for other reasons

- Why is a lack of money the only reason to examine programs?
- Do stable budget times result in a free pass for poor outcomes or performance?
- 84% was the highest concentrated response from the survey
- Do not repeat the sins of the past
- An ineffective program is always ineffective - use the money elsewhere

#3 New Definition of Success



We are frightened by anything that could be labeled a failure.

The result is an obsession in declaring everything we do a success (even if it wasn't)

60% strongly agreed/agreed:

The dept. responsible for an event/program often declares it a “success” even if the event or program did not meet any of its financial targets or other financial parameters.

If an event/program fails to stay within financial targets...

It is not a SUCCESSFUL program - at best it is a SALVAGED one

“The trouble with management inaccurately declaring something a success is that the organization begins to fool itself into believing its own spin. Unfortunately this will result in unsuccessful things being repeated.” - Zane Johnston



“The Police Department spending is hardly scrutinized and no one ever speaks out on a questionable purchase”

“Police has way too much power when it comes to making expensive requests”

“The resistance to public safety changes is very great, from Council Members to the newest officer on the street”

77% strongly agreed/agreed:

The cost of Public Safety overtime remains a budget concern for my organization

33% of respondents indicated 4/10 schedule still in use

- Survey responders were brutal in their assessment of Police budgets – true?
- No blank check. The most important or highest cost services should receive the greatest review
- More O.T. to solve a “problem” is self-serving
- Use a more efficient schedule than a 4/10
- Other innovations are possible

#1 Fire Services



Survey responses indicated three major areas of concern

Vehicles used in responding to calls

Staffing levels vs. calls for service and time of day

Possible regionalization of fire services

- 75%/80% calls are medical yet entire company in large fire engine respond
- Large vehicle is expensive and adds to response time navigating traffic
- We do not use years of call data to staff accordingly – result is overstaffing – do not need everyone 24 hours
- Dedicated professionals deserve good pay/benefits but they are only possible long-term if they are used efficiently
- Share services across boundary lines – spread out fixed costs

Summary



- No one is going to look out for long-term fiscal condition except you
- Politics/Labor are inherently short-sighted
- The views of over 220 of your colleagues validate your own observations
- By advocating for change represented in the items from this Top 10 list – you can be armed with new ammunition or a renewed sense of enthusiasm to continue to move your agency toward long term fiscal sustainability