



**Date:** September 11, 2007  
**To:** Honorable Mayor and City Council  
**From:** Councilmember Gary DeLong, Chair, Budget Oversight Committee  
**Subject:** **MAYOR'S BUDGET RECOMMENDATIONS REGARDING CIVIL SERVICE  
MODERNIZATION, OPTIMIZATION STUDIES, MULTIPLE ACADEMIES AND  
OTHER ITEMS FOR FY 2008**

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The Budget Oversight Committee, at its meeting held September 6, 2007 considered communications relative to the above subject.

It is the recommendation of the Budget Oversight Committee to the City Council to approve the Mayor's Budget recommendation with an amendment to allow only one Police Academy.

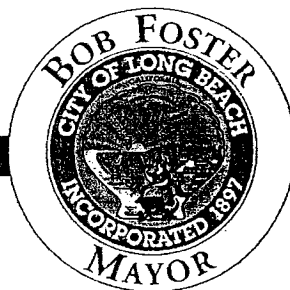
Respectfully submitted,

BUDGET OVERSIGHT COMMITTEE

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Councilmember Gary DeLong, Chair

Prepared by:  
Gloria Harper



**Office of Mayor  
Bob Foster**

**Mayor's Budget  
Recommendations**

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**Fiscal Year 2008**

*presented August 2, 2007*



## MAYOR BOB FOSTER

August 2, 2007

CITY OF LONG BEACH

Members of the City Council:

It is my pleasure to submit the FY 2008 Mayor's budget recommendations. City staff worked diligently to produce, in a very short period of time, a working draft of the Manager's budget under the new timelines for presentation to the Mayor set forth under Proposition A. In turn, I am transmitting my recommendations to the Council.

While the City's financial outlook has evolved from structural deficit, the challenge of delivering excellence with less has reached a near impossibility. Our City now lives paycheck-to-paycheck, unable to adequately maintain or invest in streets and sidewalks, civic facilities or our workforce.

We are either going to face this challenge in a different way in the very near-term or hobble through another decade of worsening street conditions, decaying public buildings, inadequate open space, and unacceptable public safety structures.

That is a fundamental question before us: Are we going to invest more to become a first-class city or continue in a slow, downward spiral where our assets decline to the point that they can't be repaired and replacement is beyond our ability to finance?

I believe the residents of Long Beach understand the magnitude of this choice. In the May special election, 70% of Long Beach voters saw fit to increase the oil production tax and in doing so, dedicate an estimated \$3.6 to \$4 million in new revenues for public safety needs annually. Their vote made a clear statement that they are willing to increase revenues to provide a better future.

The City Manager's budget message contemplates the need to challenge the status quo. With my budget recommendations I will ask the entire City – manager and non-manager departments, Council and employees – to re-examine the way each does business. Not for the sake of doing things differently, but to fulfill our collective obligation to the community; to make investments in the Long Beach of the future our top priority.

If we pull together as a team we can make the future we all desire – and just as I closed the 2007 State of the City address, I will continue to ask that we keep our eye on the ball.

Sincerely,

A handwritten signature in black ink, appearing to read "Bob Foster", with a stylized flourish at the end.

Mayor Bob Foster

## **PUBLIC SAFETY**

### **PROP H SPENDING**

In May, the voters of Long Beach overwhelmingly supported increasing the fee charged to companies that pump oil from under Long Beach. As a result, the City will see an additional \$3.6 - \$4 million annually dedicated to public safety.

I propose the following:

- a.) **\$1.8 million (on-going) for 14 additional police officers**
- b.) **\$1.67 (on-going) to re-establish one fire service ladder truck company (12 FTE equivalent at Station 4 or 14)**
- c.) **Use \$700,000 (one-time) of FY 07 Prop H revenue to purchase ladder truck and avoid lease payment burden in future years**

### **CONTINUE RUNNING MULTIPLE ACADEMIES**

In FY 07, for the first time, the City ran two academies with a net result of filling 51 long-standing vacancies and adding an additional 8 officers to the force.

**Recommend continued funding for two academies in FY 08.**

### **FURTHER INTEGRATION OF HOMELAND SECURITY/DISASTER MANAGEMENT EFFORTS**

While I fully support the City Manager's request to elevate Disaster Management Division to a Bureau, **I will ask for a City-wide administrative review of duties before supporting the appropriation of funds to ensure there is no duplication of efforts.**

While we approach our disaster response as an integrated entity, the City of Long Beach has not fully blended its City Manager and non-City Manager Departments on the duties and continuing responsibilities being shifted to local governments related to Homeland Security and requisite funding efforts.

Building on the model that has engendered outstanding emergency response, I am requesting that the Fire, Police, and other city manager departments, in conjunction with Harbor and Water Commissions, develop an integrated model that best maximizes the very limited funding options. In particular, recent changes to federal spending rules for Urban Area Security Initiative (UASI) grants now permit up to 25% of the annual grant to be used to cover personnel costs.

Further, I will ask for the assistance of the Council, Harbor and Water Departments to join me in seeking relief from Sacramento and return a portion of the nearly \$14 million dollars deducted from the Los Angeles Long Beach 2007 UASI grant to the City.

### **HOMELAND SECURITY/VITAL ASSET PROTECTION**

Since Federal responsibilities continue to be shifted to local governments, I am recommending review of the ability to utilize Port funds to add an additional five specialized officers to the Police Department.

Recognizing that the continuing burdens homeland defense place on municipal public safety agencies, I am also recommending the Airport Fund encumber an additional three sworn positions maximizing savings from 10 vacant FTEs for security officers. As recently as last week, a bomb scare at the airport placed a tremendous strain on LBPd resources that are needed in our neighborhoods.

### **ADDRESS LONG TERM CRITICAL INFRASTRUCTURE NEEDS**

The prognosis for "catching up" on repairs to our local streets and roads is very grim. The costs for other critical infrastructure needs are simply too profound for the city's general fund to address:

<b>Neighborhood Street, Sidewalks and Alleys</b>	<b>\$140 million</b>
<b>Storm Drains</b>	<b>\$40 million</b>
<b>Public Safety Infrastructure</b>	<b>\$225 million</b>
<b>Civic Facilities (parks, neighborhood libraries)</b>	<b>\$190 million</b>
<b>Civic Center/Main Library Retrofit</b>	<b>\$170 million</b>

**TOTAL CITYWIDE INFRASTRUCTURE NEED: \$765 million over 10 years.**

Our infrastructure needs are at the tipping point. If we fail to fully address them in a timely manner we may reach a point where they cannot be repaired or replaced without drastic increases in revenue or financing beyond the City's ability.

I will ask the City Manager to provide updated and detailed projections along with comprehensive funding recommendations for Council consideration no later than December of 2007. This review should include opportunities for public-private partnerships, sale of City assets and options for revenue enhancements.

### **NEIGHBORHOOD STREETS AND SIDEWALKS**

1.) Support Manager's proposal to maintain General Fund commitment for sidewalks at \$2.4 million along with \$600,000 of Community Development Block Grant funds in FY 08.

2.) Recommend maintaining FY 07 Mayor's Recommendation and Council approved commitment of an additional \$2 million in Management outlined one-times to local streets and roads.

**3.) Recommend augmentation utilizing up to \$8 million in one-time revenues.**

In FY 07 the City budgeted an unprecedented \$22 million in local streets, roads and sidewalk repair programs from combined sources. I recommend we again make a sizeable commitment in FY 08 as one-time resources become available.

In addition to the estimated \$7.5 million in one-times listed in the City Manager's budget, Long Beach is anticipating two significant one-time payments to the General Fund that provide opportunities for investment:

- i.) Semptra settlement \$6 million
- ii.) Public Service Yard Sale \$8 million (net of relocation costs TBD)

**4.) Recommend creation of Neighborhood Infrastructure Special Fund** to accept and efficiently dispense the local streets, roads, alley and sidewalk funds. This will bring more transparency to the budgeting process and allow the Council to establish specific policies for dispensing the funds, similar to the other 15 special funds now in place.

**GENERAL FUND ADJUSTMENTS**

The General Fund continues to strain to support the dynamic needs of the City. Absent any significant additions to revenue for the next decade, we will continually need to deliver excellent services with less.

**Recommend savings created through maximizing existing general fund sources remain available as a means to invest in the City's public safety and other workforce requirements.**

**MODERNIZE CIVIL SERVICE FUNCTIONS**

The City of Long Beach must focus on eliminating unnecessary and duplicative functions between Civil Service (non-city manager department) and Human Resources (city manager department). As part of the May election, nearly 2/3 of the voters approved Proposition F to streamline a cumbersome piece of the civil service process by directing prosecutorial duties over to the City Attorney on civil cases.

The Charter-mandate of the Civil Service Commission would remain unchanged.

**Estimated savings of approximately \$650,000 (net after transition costs) in first year**

**SEEK FULL COMPENSATION FOR SERVICE DELIVERY**

Consistent with the financial policies of the City Council, I recommend discussion regarding full reimbursement to the general fund for services provided, including:

**Estimated Long Beach Transit (indirect costs) \$260,000**

**Estimated Long Beach City College (indirect costs) \$825,000**

**PRESENT OPTIMIZATION STUDIES TO THE COUNCIL**

Request that Management brings forward for Council review all of the optimization studies that have been conducted previously and as a matter of policy on any additional reports going forward:

**311 Customer Request Management**  
**Alternative Energy Solutions for City Facilities**  
**Ambulance Billing**  
**Arts Funding**  
**Code Enforcement**  
**Communications Plan Optimization**  
**Custodial Services**  
**Citywide Fee Services**  
**Emergency Communications (Dispatch)**  
**Employee Health Insurance Benefits**  
**Fire Services**  
**Fleet Parts Room**  
**Fleet Services**  
**Health and Human Services Financing**  
**Information Technology**  
**Marina Operations**  
**Messenger/Mail Room**  
**Parking Management**  
**Recruitment, Hiring and Retention**  
**Reprographics**  
**Towing**

**POLICE DEPARTMENT AUDIT IMPLEMENTATION REPORT**

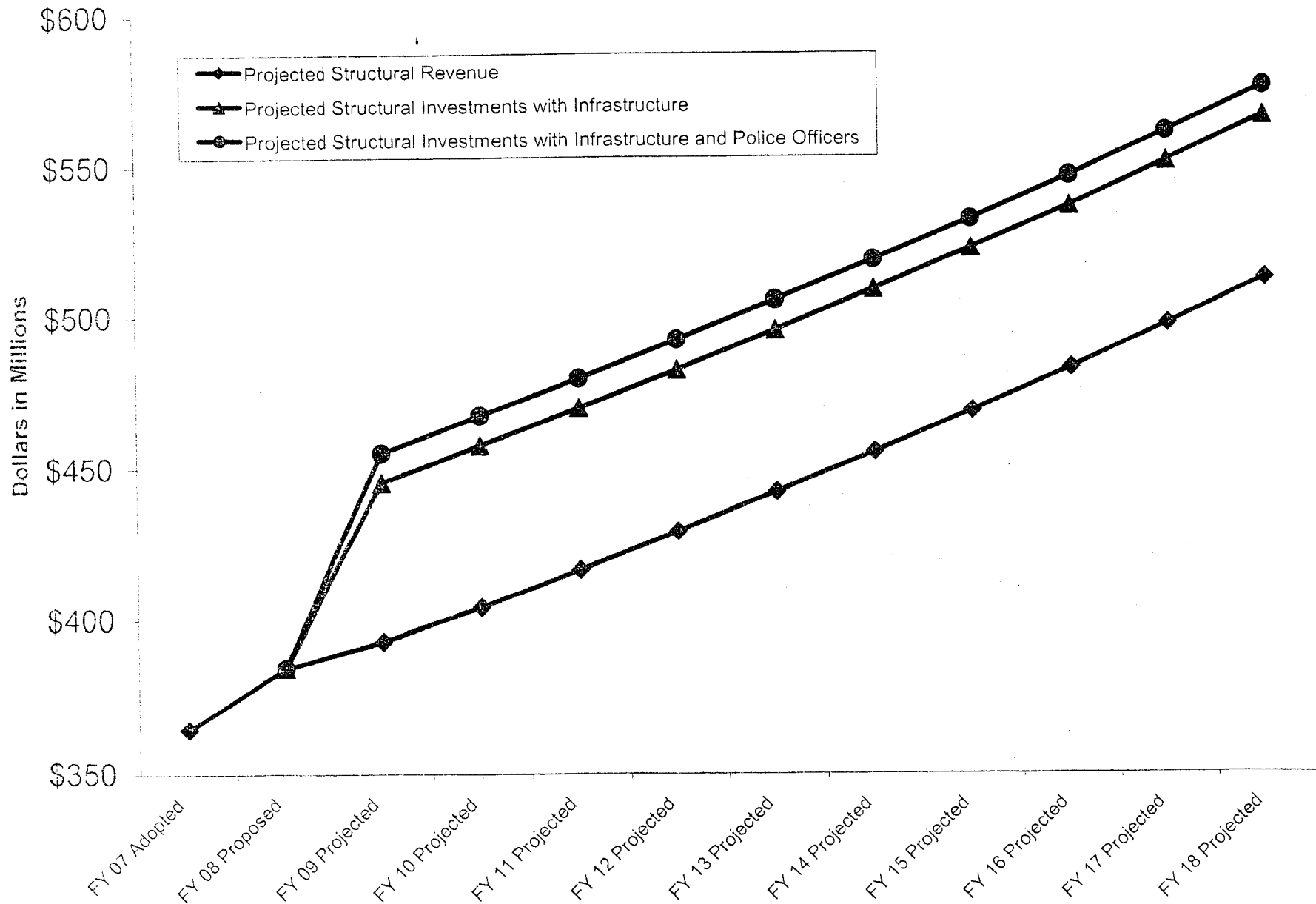
In recent weeks, the Council has requested a report on implementation feasibility covering recommendations proposed by the City Auditor.

It is important to note that the Auditor's report suggested several ways to shift uniformed officers from administrative jobs back out to patrol. If all of these efforts were to be successful, the net gain would be 21 additional officers on patrol. It is not immediately clear, however, that all of the suggestions are achievable.

**STREAMLINE EMERGENCY CALL CENTER FUNCTIONS IN ANTICIPATION OF CELLULAR 911**

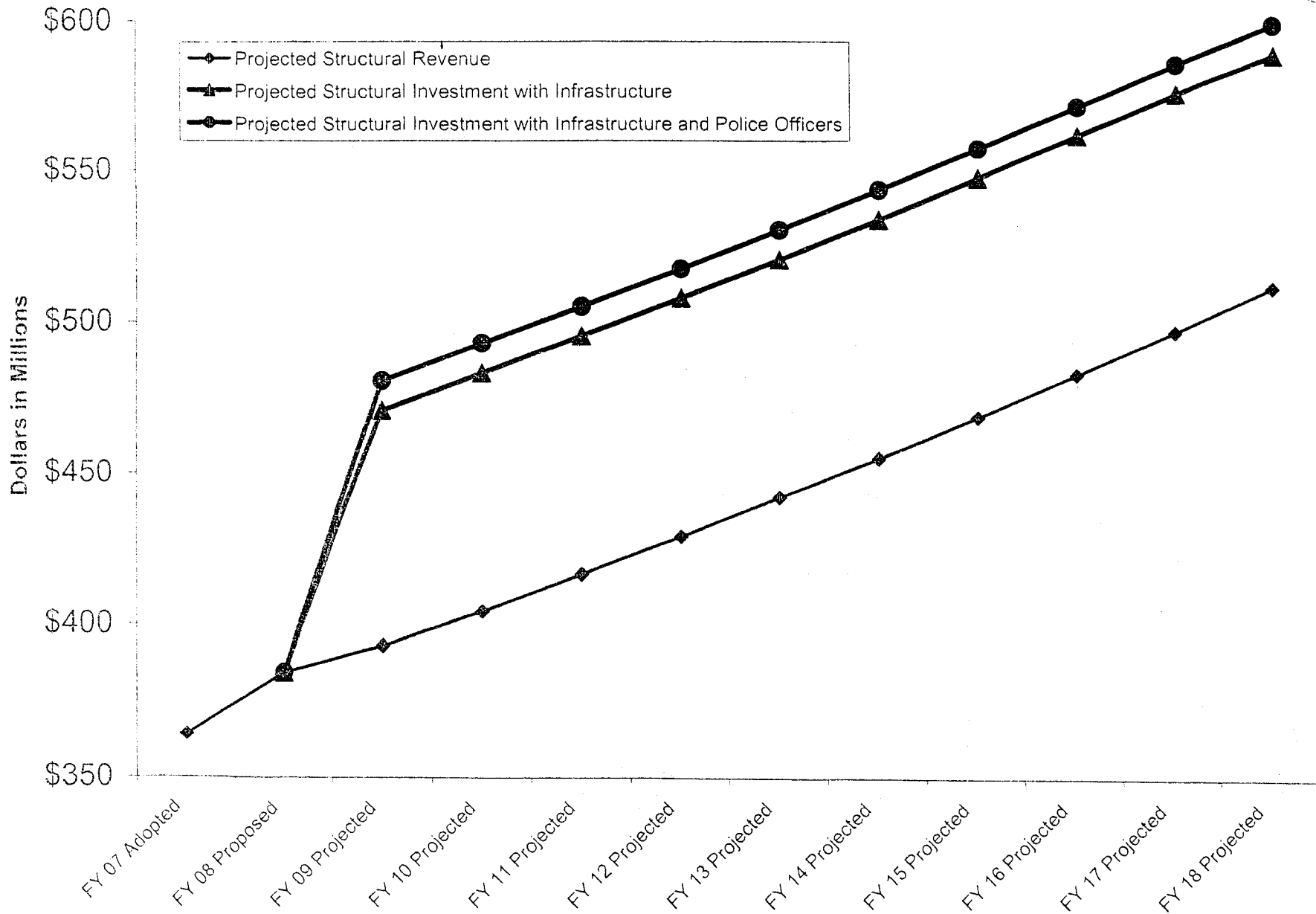
In the coming year, Long Beach's emergency call center will begin taking on the additional workload of cellular 911 calls for service. In anticipation of this migration, I recommend combining the functions of operators so both Police and Fire Departments use the same dispatchers. Given that cellular 911 is expected to increase call volumes by approximately 30%, this measure will improve service delivery and better respond to our community's emergency service needs while it is estimated to remain cost neutral.

City of Long Beach  
Finance Infrastructure Over 30 Years  
\$765 million @ \$51 million Per Year





City of Long Beach  
Pay as You Go Infrastructure Over 10 Years  
\$765 million @ \$76.5 million Per Year



# OPTIMIZATION INITIATIVES

PROJECT	OBJECTIVE	STATUS	NEXT STEPS	TARGET	STUDY COMPLETE?
311 Customer Request Management	Improve interaction with, and service delivery to, the community through the development and implementation of a 311 Customer Request Management system. The system will enhance the responsiveness and accountability of City operations.	Council approved a one-time contract with EMA, Inc. to provide consulting services to develop an implementation plan for a 311 Customer Relationship management system for a period of one year, for an amount not to exceed \$442,750. The consultant and City staff have been organized into teams and have been working since a May kick-off meeting to evaluate telephony, work management, and constituent relationship management systems; to evaluate system integration issues; and to review facility options.	The consultant will be completing a detailed implementation plan by the middle of October 2007 that will outline the necessary actions, vendors and costs associated with implementation. This plan could be presented to Council in November 2007.	10/15/2007	No
Alternative Energy Solutions for City Facilities	See "Energy Conservation and Efficiency"	N/A	N/A		N/A
Ambulance Billing	To identify opportunities to maximize recovery of City costs associated with ambulance billing.	City Council authorized the purchase of a new Ambulance Billing system, which has been purchased.	The contract is being finalized and implementation of the new billing system is expected in October or November of 2007.		Yes
Arts Funding	To identify a long-term funding strategy for the arts and culture in Long Beach.	Community Arts Funding Strategy funding recommendations presented to City Council in May 2004. Recommendations included tax initiatives for TOT and entertainment tax. Also recommended maintained funding for arts tax measure gets on ballot. Ad-Hoc Council Arts Committee convened and recommended holding off on tax measure until 2006 and recommended maintain current level of funding. Another recommendation was to maintain existing level of support for arts funding. Since that time, the City has actually augmented support to the Arts Council by \$50,000 (for a total of \$650,000). All financial support for the arts and culture is funded via the SAP.	Ongoing discussions regarding arts support. The digital billboard revenue stream is being considered currently. This could generate \$1.5-\$1.8 million annually for the arts (including the LBMA's debt service).		Yes
Billing & Collection	To improve the efficiency and effectiveness of the City's numerous billings and collections activities.	City Manager's Office decided to cancel Optimization. Research showed that there is no existing integrated business system to incorporate City's centralized billing & collection.	None - Optimization cancelled.		N/A

# OPTIMIZATION INITIATIVES

PROJECT	OBJECTIVE	STATUS	NEXT STEPS	TARGET	STUDY COMPLETE?
Business Recovery Plan Development /COOP	TBD	Has been identified as an Optimization Study for FY08	TBD		No
Capitol Improvement Projects	TBD	Has been identified as an Optimization Study for FY08	TBD		No
CDBG Funding	Not yet initiated.	Not yet initiated.	Half-day EMT to "kick-off" discussion scheduled for Friday, February 25, 2005.		No
Code Enforcement	Consultant study on Code Enforcement and Neighborhood Nuisance Abatement activities concluded in 2004. This study constituted a reorganization of the City's Code Enforcement functions under the Community Development department, Neighborhood Services Bureau.	Steering Committee convened and is working through implementation of study's recommendations. Deployment of staff into 4 city quadrants and adoption off Code Enforcement Ordinance completed.	Continue working through implementation of recommendations.		Yes
Communications Plan	To review the nature of the City's current communication efforts and its impact, and make recommendations for a Strategic Communications Plan	The City engaged SAE Communications in 2006 to conduct a Strategic Communications Review of those elements under the City Manager's purview. The consultant presented a plan in March 2007 which outlined recommendations including: organization, planning & message delivery, media relations, internal communications, printed materials, community relations, outreach to diverse audiences, and crisis communication.			Yes
Contracting-In Committee	Not yet initiated.	Contracting-in spreadsheet updated with actual 2004 contracting-in dollars and 2005 YTD dollars. Survey of surrounding Cities done that identified services that other cities contract out for. Possible opportunities for contracting in those services were identified but are dependent on the City's capacity.	Not yet initiated.		No

# OPTIMIZATION INITIATIVES

PROJECT	OBJECTIVE	STATUS	NEXT STEPS	TARGET	STUDY COMPLETE?
Crossing Guards	To discuss ideas for recommendations that would improve efficiencies, effectiveness, reduce costs, and improve service delivery.	An Employee Workgroup comprised of existing School Crossing Guards was convened and they produced a recommendations report on 2/17/05. PD management provided a response and final report submitted to City Manager on March 4, 2005.	A City Manager response to the Crossing Guard Optimization Team's final report is due.	9/15/2005	No
Custodial Services	To identify opportunities for improving the efficiency and effectiveness of the City's custodial activities.	The final report of the Custodial Services Optimization Study was provided to the City on May 4, 2007. Staff is currently evaluating the options for implementing the Study's recommendations.	Staff will return to the City Council in the coming months with recommendations for moving forward on possible implementation strategies.		Yes
Employee Health Insurance	To provide an outside, objective, comprehensive review of the City's employee healthcare program. The goal of the optimization effort is to evaluate the City's program, identify best practices and any other opportunities to reduce program costs without compromising the integrity of benefits to City employees and retirees.	Alliant Insurance Services was selected thru an RFP process to assist the City with this review. A two-phased approach was employed for this study. Phase I included an assessment of the City's current healthcare program, including the adequacy and competitiveness of existing levels of service, network provider coverage and rates, risk coverage, and the structure and administration of benefits. Phase II consisted of the actual marketing, evaluation, and negotiation for all lines of benefits coverage (including PPO and HMO health plans, vision, dental, prescription, and life, disability, and stop loss insurance coverage). Alliant Insurance Services, with direction and input provided by the City, released an RFP for the provision of those services in March 2006. A joint Labor/Management team was seated to evaluate the proposals from healthcare providers and provide a recommendation to the City Manager. A split recommendation (Great West and United Healthcare) was presented to the City Manager in May 2007. Savings, still to be determined (both actual and cost avoidance) will result from all lines of coverage (PPO, HMO, Vision, Life, LTD and STD).	Enter negotiations with the selected healthcare provider and begin preparations for the next plan year.		

# OPTIMIZATION INITIATIVES

PROJECT	OBJECTIVE	STATUS	NEXT STEPS	TARGET	STUDY COMPLETE?
Energy Conservation and Efficiency (formerly Alternative Energy Solutions for City Facilities)	Assess the City's ability to reduce energy costs by employing new/innovative alternative energy solutions.	The Optimization report has been finalized. The report recommended that the City engage in the proposed SCE Energy Efficiency (EE) Program Partnership and concurrently implement the Citywide Energy Conservation Campaign. The findings were presented to Jerry Miller and Chris Shippey on 5/3/2007.	In Implementation Phase. We have partnered with SCE to assist us to focus on reducing the electric energy consumption for City facilities through conservation efforts and improving the energy efficiency of equipment, and also educating City employees on energy conservation both at work and at home.	6/1/2007	Yes
Fee Study	Comprehensive review of all City fees with the objective of developing a more reliable and consistent cost allocation methodology, to adjust current fees to improve cost recovery, and developing policies and procedures for establishing and maintaining fees in the future.				No
Fire Services	To conduct an analysis of Fire Services, including the examination of prior incident response patterns and trends; financial, economic, and personnel considerations; review of safety programs; and, non-emergency services.	Study completed in FY 05. City Council received a presentation of the report on February 8, 2005.	In Implementation Phase. City staff continues to implement recommendations. One such recommendation was to bring BLS program back in-house. This was done in FY 06 and has improved service to the Long Beach community and has provided a "feeder" pool of candidates for firefighter academies.	2/8/2005	Yes
Fleet Parts Room	Not yet initiated.	Not yet initiated.	Not yet initiated.		No
Fleet Services	Comprehensive review of the City's fleet operations to identify opportunities for downsizing, elimination of vehicles, and other operational improvements. Study completed in April 2004.	Fleet Study Committee working to implement selected study recommendations.	Fleet Study Committee to continue work on implementation.		No

# OPTIMIZATION INITIATIVES

PROJECT	OBJECTIVE	STATUS	NEXT STEPS	TARGET	STUDY COMPLETE?
Health and Human Services Financing	Research advantages/disadvantages of maintaining an independent local health jurisdiction, analyze the City's current funding structure for Health and Human Services, identify mechanisms utilized by other entities, and develop a long-term funding sustainability plan for the provision of health services by DHHS.	The internally developed survey of other independent City Health Departments has been completed, and the results have been discussed by the Study Workgroup. Some of the results are being incorporated into the study report. A very early draft of the study report is currently being circulated among certain staff to obtain feedback on content. The current version of the report does not yet include a solid set of recommendations to address DHHS' routine cash flow problems and structural budget deficit. Preliminary recommendations should be finalized in the next few weeks.	Content from the draft report has proved helpful during the FY 08 budget development process. While it is expected that some issues related to the Health Optimization Study will be resolved during the City Manager Budget Hearing with the Health Department on May 9, 2007, unresolved issues will likely persist. The revised report will include an update of those challenges that have already been addressed and those that still need to be resolved. It is expected that a revised report will be forwarded to Chris Shippey for her review during the next 2-3 weeks.	7/1/2007	No
Information & Technology	To determine whether opportunities exist to reduce cost and improve effectiveness in the management and delivery of information technology services for the City. City seeks an outside expert to evaluate and make best practices recommendations in a number of areas including: Organization and Management, Service Delivery Approaches, IT Governance, and the management of the Integrated Information System.	The Optimzation Study was completed in 2006 and many of the recommendations have been, or are in the process of being implemented.			Yes
Library Funding					No
Marina Operations	To conduct an operational review of the municipal marina and commercial Rainbow Harbor operations, including rules and regs, fees, etc.	The Steering Team has met bi-monthly since January to develop an RFP, which was distributed to a database of consultants determined to have the background and expertise best suited for this type of study. The selection committee met Sept 5, 2007, and interviewed three consultant firms.	Staff is following up on references and will report back to the committee for a final selection of a consultant. The contract will be awarded by October 1st. The consultant will receive oversight throughout the study from the Steering Team. The Team has invited Marine Advisory Commission Chair Bradley Whyte to serve as a member of the steering team, assisting in the oversight of the consultant, providing key community representation.	5/1/2008	No

# OPTIMIZATION INITIATIVES

PROJECT	OBJECTIVE	STATUS	NEXT STEPS	TARGET	STUDY COMPLETE?
Messenger/Mail Room	Building on work of independent, outside review by Nonprofit Management Solutions, City staff will work to identify opportunities to improve the efficiency, effectiveness and quality of service of the City's mail/messenger activities.	Some improvements have been put in place such as the purchase of newer equipment for the mailroom. Technology Services staff put this on hold for approx 1 year, and have recently re-started the study. They are updating the budget and evaluating alternative service delivery methods.	TSD will be working with the customers of the mail/messenger service to develop citywide recommendations, as well as to review messenger/mail room operations.	11/1/2007	No
Outside Youth Services	Outside study to review the breath and effectiveness of the City's investment in Youth Services, including gang prevention, and determine future strategic and organizational approaches to deliver the most effective services to Long Beach youth.	Study Development Team (CM, CD, Auditor, FM, HR, PD, PRM, LS, FD, HE) has met to discuss the following: finalize the Request for Proposal (RFP) for an outside consultant to guide the study through its work plan; gather relevant financial and performance data for the programs and services to be included in the study, and; begin outreach to key stakeholders to ensure an open and effective process.	Develop and release RFP for outside consultant by March or April 2005.	2/1/2006	No
Parking Management	TBD	<b>Has been identified as an Optimization Study for FY08</b>	TBD		No
Payroll Services	Not yet initiated.	Not yet initiated.	Not yet initiated.		No
Recruitment, Hiring, and Retention	Comprehensive review of the City's recruitment, hiring, and retention procedures.	ReHiRe Steering Committee received nine professional consultant proposals as a response to the RFP. We selected four firms to initial interviews. Of these four, the Committee selected two to return for a final interview, and selected Management Partners to conduct the professional service. Suzanne and I made reference calls to the City of San Jose and the City of Sunnyvale with positive results. A conference call with Management Partners was held to discuss the scope of work. Management Partners has sent a revised timeline, budget, and work plan including optional enhancements to the original scope of work for the project. ReHiRe staff has drafted the Council Letter for the consulting services, is currently drafting the agreement and scheduling the kick-off meeting.	Staff awaits having the item heard at the May 15 City Council meeting. If recommendation is approved, staff will finalize the agreement with Management Partners, compile a list of City staff that we wish to include in interviews, and assemble requested documents.	11/1/2007	No

# OPTIMIZATION INITIATIVES

PROJECT	OBJECTIVE	STATUS	NEXT STEPS	TARGET	STUDY COMPLETE?
Reprographics	Building on work of independent, outside review by Nonprofit Management Solutions, City staff will work to identify opportunities to improve the efficiency, effectiveness and quality of service of the City's reprographics activities.	Two workgroups comprised of Operators and Customers were convened to analyze and validate consultant recommendations and to develop their own recommendations. Staff performed analytical work and developed an Alternative Service Delivery Review, a report on proposed Reprographics Organization Models and a recommendations report.  Now in the Implementation Phase. A contract went to Council in July 2007 to contract with Konica/Minolta and Xerox for the installation of multi-functional devices.	Multi-functional devices will be implemented in phases.	9/15/2005	Yes
Retiree Healthcare/GASB45	TBD	Has been identified as an Optimization Study for FY08	TBD		No
School District Partnering	To explore opportunities to become more efficient and cost-effective through partnering with LBUSD.				No
Senior Services	Update on the progress of implementing the City's Strategic Plan for older adults.	We conducted our first Optimization Forum on April 26th, from 8 a.m. - 1 p.m. focusing on Senior Safety, at the Long Beach Senior Center, at 1150 E. 4th Street.	We will be holding five of these half-day forums, each focusing on one of the five goals as stated in the LBSPOA: safety, housing, transportation, health and quality of life. An 'implementation committee' will be convened to take the information recorded at the Forums, creating a report that will show where the City is currently in the implementation of the LBSPOA, with recommendations as to how to move forward.	1/1/2008	No
Succession Planning/Development	TBD	Has been identified as an Optimization Study for FY08	TBD		No



# OPTIMIZATION INITIATIVES

PROJECT	OBJECTIVE	STATUS	NEXT STEPS	TARGET	STUDY COMPLETE?
Towing	Evaluate the City's towing and Lien Sales operations to identify intra- and interdepartmental efficiencies to decrease costs and/or enhance revenue collection, and improve delivery of service.	Four (4) employee workgroups were convened and have been meeting with a facilitator through January and February to develop ideas for operational improvements. Five (5) weekly, facilitated, topic-specific, workgroup meetings have been completed resulting in over 130 ideas to improve cost containment, revenue generation, and delivery of service.	February 16 workgroup meetings likely to be the last with final report and department review of recommendations in early March 2005.		No
Water & Air Quality	TBD	<b>Has been identified as an Optimization Study for FY08</b>	TBD		No
Workers Compensation	Outside study by Deloitte Consulting to conduct a comprehensive assessment of City's workers' compensation, occupational health, and risk management processes. Also to identify opportunities to reduce program costs and improve effectiveness.	Study completed in 2004. All recommendations implemented with anticipated Citywide savings of \$4.9 million (\$3.2 million in the General Fund) through FY 06, and a reduction in direct costs of \$2.0 million annually (\$1.3 million in the General Fund). Workers' Compensation Business Process Improvement Final Status Update submitted by CM and City Attorney to the Economic Development and Finance Committee on December 13, 2005. Improvements have been made in the areas of lag time (3 point contact), number of claims, dollars spent on claims, technology, case management, employee safety, governance, and communication to departments and with injured employees. A review of the implementation status and results has been completed by Deloitte.	Continue efforts to implement best practices, conduct an annual assessment, and fully develop a carve-out program (allowing employers to carve out areas of their workers' compensation program involving medical disputes).		Yes