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No need to introduce yourself.
We'll begin the webinar shortly!



Your City, Your Way: Managing the Budget Crisis in the City of Las Vegas

**Betsy Fretwell, City Manager
William Aaron, Weidner Inc.**

June 12, 2011



Welcome to the Webinar!

- We'll be one hour at most
- Time for questions at the end
- Please watch the background noise ... we can hear you!
- The webinar will be recorded and available later at weidnerinc.com

Who We Are: Weidner, Inc.

- More than 50 jurisdictions served over 12 years at all levels of government
- Wisdom and experience
- Replicable, scalable approaches to meet customer needs
- Achieve Best Practices
- Managing for Results creates pace and sustainability

Who We Are: Weidner, Inc.

- **\$35 billion** budgeted each year connected to results by Weidner customers
- Our methods and tools have enabled governments to manage through the economic downturn in smart, customer-focused ways
- Our customers are national leaders in accountability & transparency

Betsy Fretwell

City Manager

City of Las Vegas, NV





WELCOME





Presentation Overview

- I. City of Las Vegas Budget**
- II. Your City, Your Way**



Overarching Goals

1. Maintain critical services – Ensure residents and visitors have essential services
2. Ensure fiscal integrity – Avoid budget shortfalls, and worst case, bankruptcy
3. Preserve city jobs – Ensure staff is available to provide critical services, not contributing to an already high unemployment rate



Changing Landscape

	<u>FY08</u>	<u>FY11</u>	<u>Change</u>
Assessed Value	\$24.6 B	\$14.3 B	- 42%
Property Tax Revenue	\$114 M	\$92 M	- 19%
Consolidated Tax Rev.	\$251 M	\$198 M	- 21%
General Fund Exp.	\$519 M	\$485 M	- 7%
Population	590,321	591,422	0%
Average Gross Wage	\$60,022	\$71,051	18%



Budget Overview

- ❑ Cut \$115 million over the last three years, a 20% reduction in General Fund expenditures
- ❑ Eliminated 615 positions with 270 separations
- ❑ Cut management and administration by 25%, saving over \$3 million
- ❑ Saved \$36 million over 2 years in union concessions
- ❑ FY12 structural deficit is between \$10 and \$15 million



FY12 Budget Overview

Reductions since FY2008:

	<u>Total</u>	<u>% Cut</u>
Public Safety	\$33,697,000	9.8%
General Government	\$37,164,000	43.6%
Culture & Recreation	\$14,106,000	24.6%
Judicial	\$8,824,000	27.2%
Public Works	\$15,816,000	49.2%
Economic Assistance	<u>\$5,609,000</u>	<u>41.8%</u>
	\$115,216,000	20.0%



Impacts of Budget Cuts

- Closed Community Schools
- Reduced regular maintenance of sports fields
- Privatized Amanda and Stacy Darling Tennis Center
- Eliminated “Xtreme” Sports Unit
- Eliminated Leisure on the Go program for low income seniors
- Reduced cultural events
- Scaled back Victim Witness Program
- Increased some fees and fines in Municipal Court
- Downsized records management team
- Downsized rapid response team
- Delays in issuing business licenses
- Delays in responding to business license complaints



Concessions

Biggest Impact on Budget

- Labor Agreements/Concessions
- All Four Employee Unions
- Representing 2,355 Employees
- Savings of **\$36 million**



Concessions

Concession Negotiations

Due to the city's financial status, we were able to open union contract articles even though labor agreements had not expired.

- Wage rollbacks (3 major unions)
- Wage schedule reductions for the new employee
- Benefit eliminations/reductions for the new employee



Concessions

Outsourcing

The city considered outsourcing as a way to reduce expenses while continuing the service.

Reductions in Force (RIFs)

The city's largest union lost 150 employees through a RIF. They then negotiated a large concession with the city.



Your City, Your Way

The city engaged citizens on how best to deal with budget reductions.

FY 2010

- Survey conducted by Cannon Survey Center at UNLV
- 5 focus groups conducted by UNLV Dept of Sociology
- 13 town hall meetings

FY 2011

- Survey conducted by Cobalt Community Research
- 6 town hall meetings



FY10 Final Report

Findings

1. Overall, residents were satisfied with 28 city services.
2. All city services currently provided were important to their quality of life.
3. Services for human health, safety and at-risk populations are most important.
4. Smart economic strategies are required



FY10 Final Report

Findings, continued

5. Parks, community centers, and neighborhood supports are important for quality of life.
6. A majority of citizens are willing to pay to sustain important services.
7. Focused communication is important.



FY11 Survey

Benefits of the Cobalt Citizen Engagement and Priority Assessment:

- Uses the science of the American Customer Satisfaction Index, considered the gold standard in customer and citizen satisfaction measurement.
- Builds up-to-date baseline indices each year, allowing for performance comparisons to similarly-sized governments across the country and region.
- Has significantly lower fees due to Cobalt's nonprofit status.



FY11 Survey Results

High Performing Areas in Las Vegas

- Shopping opportunities [80]
- Library [75]
- Fire and emergency medical services [74]
- Utility services [69]
- Parks and recreation [68]
- Telecommunication services [67]

On a scale of 1 to 100



FY11 Survey Results

Improvement in these areas will strengthen citizen engagement and satisfaction:

Economic health

- Availability of jobs [18]
- Stability of property values [18]
- Strength of the local economy [19]
- Quality of jobs [34]

Public schools

- Preparation for college [34]
- Preparation for careers [34]

Local government management

- Wisely spend money [35]

On a scale of 1 to 100

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THE MAYOR'S RACE:

Oscar's mailer: City business or politics?



STEVE MARCUS

Mayor Oscar Goodman and his wife, Carolyn, candidate for mayor, walk together during a tour of new businesses in downtown Las Vegas on Tuesday, April 26, 2011.

By **Delen Goldberg (contact)**

Thursday, May 19, 2011 | 2:01 a.m.

Every resident and business in Las Vegas received a glossy blue mailer last week extolling the successes of Mayor Oscar Goodman's administration — cutting administrative bloat, winning union



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HOMENEWS



FEATURED GALLERIES





Conclusion