



Town of Fairfax

DRAFT

Fiscal Sustainability Plan

November 8, 2010

The Fiscal Sustainability Plan's primary goal is to eliminate a long term structural deficit that is threatening the financial health of the Town. This draft document is a starting point for discussion and review today to address potential re-organizational possibilities in the short term and in the long term. Any reorganization plan must always strive to achieve the following to be successful and enduring:

1. Best use of resources and funds
2. The most efficient and effective method of providing services to the Town of Fairfax
3. Balancing the workload and matching the experience and abilities of each staff person with all the work that needs to be accomplished

To maximize the use of a decreasing revenue stream the Town has decreased the overall payroll the last two years, and this trend will continue. The challenge for all cities and counties is that the cost of retirement and health care has far outpaced the increase in revenue. Thus, the Town of Fairfax will be required to reorganize the staff in a way that uses the fewest possible full time permanent positions, particularly those positions that require the most compensation. Thus the proposed short term and long term reorganization charts depict fewer department heads which allows for leveraging more support staff throughout the organization.

These proposed changes are based on the opportunities that become available through natural turnover.

The following draft options were created based upon current evaluation of needs, resources, and positive trends with other municipalities, efficiency and long term service options.

Short Term Proposed Re-Org:

Short Term Proposed Re-Org #1 represents the voluntary retirement of the Public Works Director which will allow the Town to maintain the needed Maintenance Worker position. This presents the following opportunities:

Efficiency & Effectiveness

- The Town Manager also functioning as the Public Works Director.
- Chief Building Official is combined with a newly created position - Public Works Manager.
- A part-time inspector is hired as needed.
- Maintenance Worker I is hired to fill the vacancy (Senior Maint. Worker)

Town of Fairfax Fiscal Sustainability Project

Financial Effect: Savings of \$131,724

	Current 2010	Short Term (Per Year)	Net Change
Reduce Public Works Director	\$153,623	\$0	(\$153,623)
Reduce Senior Maint Worker	\$ 88,125	\$0	(\$ 88,125)
Add Public Works Manager	\$ 0	\$15,514	\$ 15,514
Add Maint Worker I	\$ 0	\$64,510	\$64,510
Add Part Time Inspector	\$ 0	\$30,000	\$30,000
Net Financial Change	\$214,748	\$110,024	(\$131,724)

Long Term (3-5 years) Proposed Re-Org #2 (as the re-organizational opportunities become available through natural turnover). This would present the following opportunities:

Efficiency & Effectiveness

- Town Manager functions additionally as the Community Services Director encompassing Public Works & Building & Planning Director positions.
- The Town Clerk is an elected \$300/month position.
- The Assistant to the Town Manager functions as the Grants/CIP manager re: compliance, reporting, tracking plus management analyst and special projects.
- An Assistant Planner joins the Senior Planner providing succession planning and project support.
- Admin Services Director (Fiscal Officer) encompasses Finance, HR, PR, Risk Mgmt, IT, Admin, Front Desk, and Customer Service.
- The PT Accountant goes to Full Time
- An additional Admin Assistant is added to provide support for the Town Clerk duties first, and then admin support for all the departments.

Financial Effect: \$17,463 Utilized

	Short Term Implemented	Long Term (Per Year)	Net Change
Reduce Building & Planning Director	\$147,201	\$0	(\$147,201)
Reduce Finance Director	\$147,201	\$0	(\$147,201)
Add Admin Services Director	\$ 0	\$147,201	\$147,201
Separate Elected Town Clerk	\$ 0	\$ 3,600	\$ 3,600
Assistant to Town Manager	\$ 116,934	\$116,934	\$ 0
Add Assistant Planner	\$ 0	\$ 38,642	\$ 38,642
Pt Accountant to FT	\$36,000	\$ 81,138	\$ 45,138
Add Admin Assistant	\$ 0	\$ 77,284	\$ 77,284
Net Financial Change	\$447,336	\$464,799	\$ 17,463

Overall Financial Effect: Savings of \$114,261

\$114,261 is the net annual savings to the Town in the long term from reorganization.

Other Cost Savings Measures for Eliminating the Structural Deficit

Employee Portion of PERS:

One possibility that seems more equitable for all employees in terms of compensation deductions is deducting the full portion (8%-9%) of the employee portion of PERS from employee paychecks and returning a portion of this back to employees with a one-time COLA of 3.5%. Here is the net effect of this possibility for all SEIU and Management Employees:

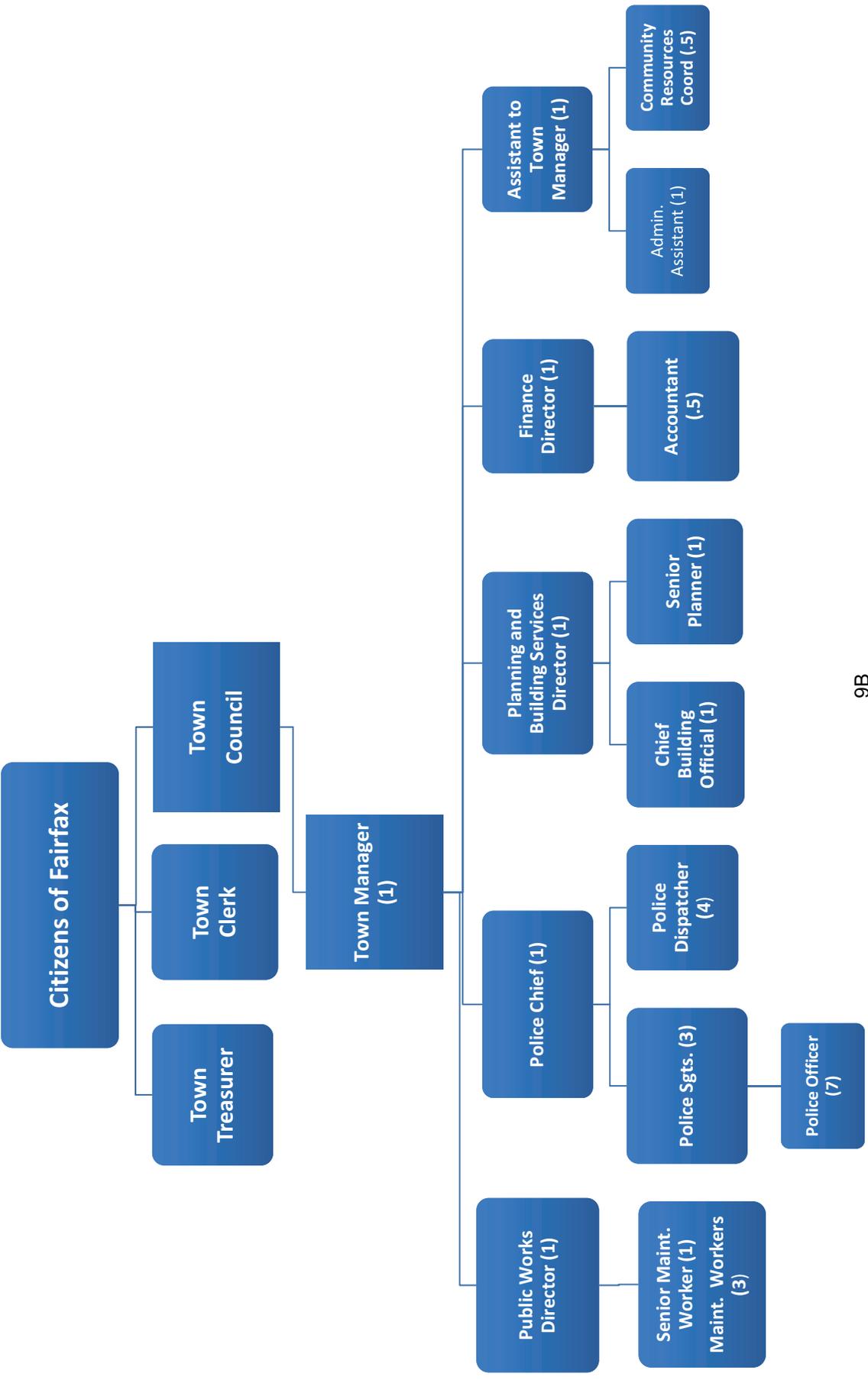
Savings to Town if employees pay the remaining 6.5% employee portion:	\$ 82,047
Cost of one-time 3.5% COLA for all employees in SEIU and Management:	\$ 44,179
Net Savings to the Town for the employee portion of PERS (for one year):	\$ 37,868

Net annual Savings to the Town for the employee portion of PERS (including PD)	\$162,876
Net Savings to the Town for all staff (including Fire)	\$242,947

The net loss equates to about a 3% reduction in base salary for each employee. This is a large impact to absorb in one year. This idea could be phased in over three years to lessen the impact of a 3% reduction in base pay – all in one year.

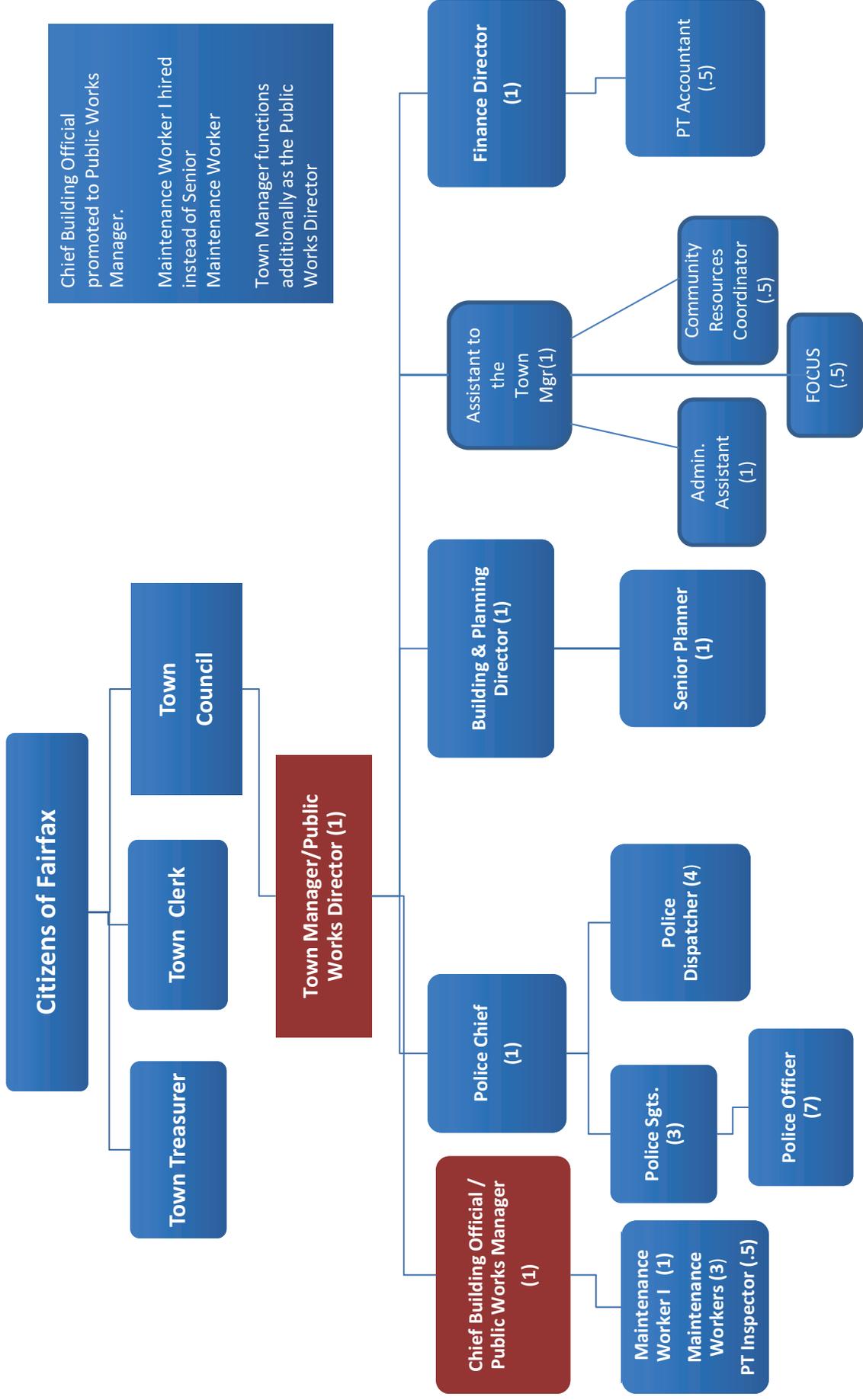
The Town and employees will explore other equitable ways to control the costs of overall compensation as we move into the next year of labor negotiations. The employee portion of PERS will be discussed with Police and Fire bargaining units as well.

Town of Fairfax Organizational Chart



Town of Fairfax

Proposed Organizational Chart Effective July 1, 2011



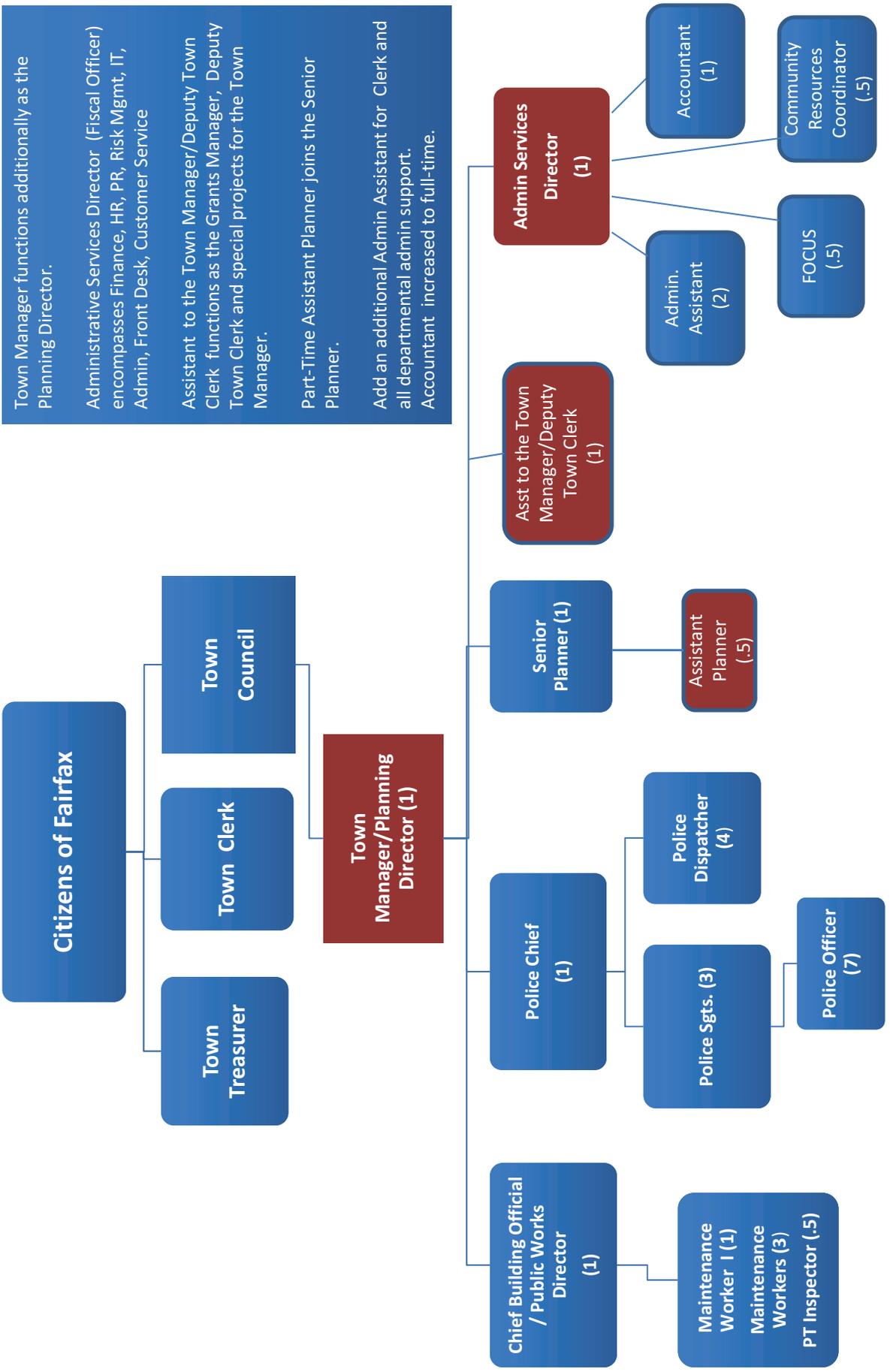
Chief Building Official promoted to Public Works Manager.

Maintenance Worker I hired instead of Senior Maintenance Worker

Town Manager functions additionally as the Public Works Director

Town of Fairfax

Organizational Chart – Long Term Proposed Re-Org



Town Manager functions additionally as the Planning Director.

Administrative Services Director (Fiscal Officer) encompasses Finance, HR, PR, Risk Mgmt, IT, Admin, Front Desk, Customer Service

Assistant to the Town Manager/Deputy Town Clerk functions as the Grants Manager, Deputy Town Clerk and special projects for the Town Manager.

Part-Time Assistant Planner joins the Senior Planner.

Add an additional Admin Assistant for Clerk and all departmental admin support. Accountant increased to full-time.

TOWN OF FAIRFAX FY 2010

With Full Health Benefits for Position

<u>Job Title</u>	<u>Dept</u>	<u>Salaries & Benefits</u>
Town Manager	Admin	\$ 172,946
Community Resources Coordinator - PT HR	Recreation	\$ 33,833
Assistant to the Town Manager/Town Clerk	Admin	\$ 116,934
Finance Director	Finance	\$ 147,201
Accountant	Finance	\$ 81,124
Building & Planning Director	B&P	\$ 147,201
Senior Planner	B&P	\$ 122,385
Assistant Planner	B&P	\$ 77,284
Admin Assistant II	Admin	\$ 77,284
Building Official	B&P	\$ 122,385
Public Works Director	DPW	\$ 153,623
Senior Maintenance Worker	DPW	\$ 88,125
Maintenance Worker I	DPW	\$ 64,510
Maintenance Worker III	DPW	\$ 80,635
Maintenance Worker I	DPW	\$ 74,348
Maintenance Worker III	DPW	\$ 80,635
Police Officer	Police	\$ 116,829
Police Sergeant	Police	\$ 165,659
Police Officer	Police	\$ 129,547
Police Reserve Officer - PT	Police	
Police Dispatcher - GR	Police	\$ 87,084
Police Officer	Police	\$ 112,150
Police Dispatcher -GR	Police	\$ 98,860
Chief of Police	Police	\$ 214,201
Police Dispatcher - PT HR	Police	
Police Officer	Police	\$ 106,977
Police Sergeant	Police	\$ 158,828
Police Community Service Officer	Police	\$ 95,220
Police Dispatcher	Police	\$ 95,220
Police Officer -GR	Police	\$ 137,951
Police Dispatcher - PT HR	Police	
Police Dispatcher	Police	\$ 98,860
Police Officer -GR	Police	\$ 134,951
Police Officer	Police	\$ 112,150
Police Corporal/Officer	Police	\$ 143,626
		\$ 3,648,564