

Efficiency Discussion

Council Auditor's Office

March 11, 2025

Overall Task

We were asked to provide examples of areas and items that could be evaluated for efficiency, streamlining, or other cost savings. Below is a list of different things that could be evaluated by City Council to determine whether there are efficiencies and/or potential cost savings.

Note - Just because an item or idea is listed does not mean that after evaluation that it would make sense to make any adjustment.

Efficiency Ideas

- Analysis to evaluate Program/Non-Profit Funding
 - Consideration as to whether there is any overlap between City Departments, Public Service Grants, Cultural Service Grants, Opioid Grants, and Direct Contracts.
 - Consideration as to whether there is any overlap between KHA; Parks, Recreation and Community Service Program Funding; Library Program Funding; and Direct Contracts.
- Utilization and proximity of City Facilities for Programs
- Oversight and evaluation of economic incentives – OED/DIA
- Analyze various banking, investment, and credit card processing services

Other Things to Consider

- Review Capital Projects to identify projects that have not had financial activity for over a year per the financial system. Then analyze to determine whether the project is still needed.
- Reducing Mayor's transfer authority could create more savings by limiting the dollar amount of transfers, which would result in more dollars going to Operating Reserves; however, it could take additional time and resources for transfers to be made through legislation.
- Analyze recent growth in city departments and programs.
- Identify and evaluate services provided to Independent Authorities to determine whether the City is charging the correct amounts.
- Place lapses within the current year.

Summary of FY 2007/08 Ad Hoc Committee on Budget Efficiencies

- The FY 2007/08 Budget Ordinance:
 - placed two percent (2%) of General Fund/GSD department budgets, excluding the Sheriff's Office and the Fire and Rescue Department, into a designated contingency for the operating lapse.
 - tasked the Council Auditor's Office with "performing efficiency reviews of these departments to determine what changes if any, could be made that would enable the department to provide a higher level of service and/or lower expenses."
 - formed an ad hoc committee to "convene as necessary to hear and act on recommendations from the Council Auditor's Office regarding the two percent of non-public safety general fund departmental appropriations placed in a designated Council contingency."

Summary of FY 2007/08 Ad Hoc Committee on Budget Efficiencies

The Council Auditor's Office process included the following:

- Provided a standard questionnaire to the appropriate personnel within each activity of the lapsed Departments.
- Reviewed current and prior years' budgeted and actual expenditures for each activity.
- Obtained additional financial information from budget documents and the City's accounting system.
- Followed up and asked additional questions as needed.
- Requested all contracts, professional services, miscellaneous services and other information that was ambiguous in budget line items.
- Reviewed contracts.
- Based on all information obtained and analysis performed, formed conclusions as to whether each activity could withstand the 2% reduction and identified areas of potential future savings.

Summary of FY 2007/08 Ad Hoc Committee on Budget Efficiencies

- The Ad Hoc Committee held seven meetings with department and division staff present. Meeting attendees were provided with a summary of the Council Auditor's Office findings for each activity and recommendations. Staff from each area were given the opportunity to answer questions and voice opinions concerning the restoration of their lapse.
- In the end, the committee recommended, and City Council approved restoring \$3,982,771 of the \$4,868,598, or 82%, that was placed into the designated contingency. Of the \$885,827 that was not restored, \$125,000 was suggested and approved by City Council to be provided to the Jacksonville Area Legal Aid for foreclosure assistance.