



Conor Baldwin  
Data Analyst

**MEMORANDUM**

**TO:** Bernard F. Lynch, City Manager  
**FROM:** Conor Baldwin, Data Analyst  
**DATE:** April 9, 2013  
**SUBJECT:** Follow-up to Verbal Request of April 2, 2013 by C. Kennedy

The following is intended to supplement the report submitted to the City Council in the 4/2/13 packet in an attempt to quantify the benefits of the LowellSTAT program. Below is a summary of the specific cost-saving measures initiated by LowellSTAT to-date, followed by a brief description of each.

<b>Grant funding and one-time revenues</b>	<b><u>Expenses</u></b>	<b><u>Revenue/ Savings</u></b>
<i>DIA Safety Grant</i>		\$21,135.00
<i>Community Innovation Challenge Grant</i>		\$47,000.00
<i>Parks OT</i>		\$20,000.00
<b>Recurring Revenues and Efficiency Savings</b>		
<i>21D Ticketing – Development Services</i>		\$157,293.40
<i>Human Relations Operational Efficiencies</i>		\$41,000.00
<i>Workers Comp Savings</i>		\$230,592.03
<i>Cemetery Maintenance Privatization</i>		\$609,724.79
<i>Sick Time Use Reduction</i>		\$435,085.57
<i>Regionalization of Sealer Function</i>		\$29,027.00
<b>Total Revenues, Savings, and Efficiencies</b>		<b>\$1,590,857.79</b>
<b>Expenses (To Date)</b>		
<i>Data Analyst Salary (3/2010 – Present)</i>	\$177,491.41	
<i>Jr. Data Analyst Salary (11/2012 – Present)</i>	<u>\$20,002.87</u>	
<b>Total Expenses</b>	<b>\$197,494.28</b>	

**Net Savings (to date) \$1,393,363.51**



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- **DIA Grant:** *(Revenue)* **\$21,135**
  - The City has actively sought to prevent employee injuries. LowellSTAT was awarded a grant from the **Department of Industrial Accidents**, allowing the City to provide over 240 hours of safety training to its employees. An employee safety manual was compiled soon thereafter.
  
- **Community Innovation Challenge Grant** *(Revenue)* **\$47,000**
  - Lowell, Somerville, Amesbury, Woburn and Worcester, were the joint recipients of a \$373,000 funding award through the state's Community Innovation Challenge grant program. Lowell served as the lead community in developing a "performance management" system that all Massachusetts municipalities can use. Lowell used a portion of this grant award to fund a Junior Analyst position in LowellSTAT
  
- **Parks Overtime** *(Savings)* **\$20,000**
  - In late 2010, LowellStat identified a potentially large deficit in the overtime budgets of specific DPW divisions. Discussions during LowellStat meetings resulted in several control measures being put in place. These measures resulted in a savings of \$20,000.
  
- **21D Ticketing:** *(Revenue)* **\$157,293.40 - to date**
  - Analysis through the LowellStat program found that approximately **\$300,000** in unpaid fines outstanding. Perhaps more importantly, the statutory authority to put these fines on owners' tax bills was revealed, giving the City more enforcement power. Development Services has since taken the lead in placing liens and collecting these unpaid fines.
  
- **HR Operational Efficiencies** *(Savings)* **\$41,000**
  - LowellSTAT identified and implemented several different policy/ procedural changes during the period when the Data Analyst was also Acting Assistant HR Manager. Examples of these changes include the elimination of redundant procedures in the hiring process and the consolidation of labor contracts. Savings were calculated by quantifying time saved by relevant staff, multiplied by their hourly wage.
  
- **Workers Compensation:** *(Savings):* **\$230,592.03**
  - As a result of the DIA grant, LowellSTAT has helped the City to realize savings through training and the dissemination of the Safety Handbook. In FY11, Worker's Compensation costs for the City were \$364,162.03. In FY13, the City's YTD cost for Worker's Compensation is \$133,570



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- **Cemetery Maintenance Privatization**: (*Savings*) **\$609,724.79 - to date**
  - In 2010 the cemetery department had shrunk by 50% to just six employees. As a result, the cemeteries were not being kept to the standard that they once were. LowellSTAT proposed that the maintenance & upkeep of the City's cemeteries be delegated to an outside contractor. The resulting savings have been significant (\$255,334.00 in year one and \$354,390.43 in year two). Furthermore, no employees were laid off through this effort.
- **Regionalization of Sealer Function** (*Savings*) **\$29,027 – to date**
  - In an investigation initiated during the beginning of the LowellSTAT program, inefficiencies in the City's sealer function were discovered. To reconcile this issue and improve this important service, the City regionalized the service as part of NMCOG. As a result, the tax payer subsidy to this service has decreased by nearly \$30,000, to date.
- **Sick Time Use Reduction** (*Savings*) **\$435,085.57**
  - One of LowellSTAT's initial areas of focus was on reducing the amount of sick time abuse throughout City departments. By monitoring usage and identifying trends, the amount spent by the City on sick time has decreased drastically. In FY11, the City's expenditures on sick leave were \$1,783,060.53. In FY13, the sick time expenditures are down to \$1,347,974.96. Also, the average hours of sick leave taken per employee as decreased by 23% during that same time.

## FUTURE PROJECTS AND INITIATIVES

- **Regional 911/ Emergency Dispatch** (*savings*) **\$522,718 annually**
  - LowellSTAT, in collaboration with the Lowell Police Department, has been actively participating in discussions with the Northern Middlesex Council of Governments (NMCOG) regarding a consolidated regional 911 program since 2011. According to the NMCOG feasibility study, the City of Lowell could save \$522,718 annually by participating in a fully consolidated Regional Emergency Communication Center (RECC).
- **Performance Based Management & Budgeting**
- **EnergySTAT** – Energy monitoring and efficiency management program
- **ResiSTAT** – Community engagement through Open Data