



5. Minimize Fuel Expenditures

ISSUE - Increasing fuel costs have stressed many of the City’s operating funds. Strategies will be implemented to conserve fuel, containing the impact of rising fuel prices.

The rising price of fuel is perhaps the most volatile factor affecting City expenses. Fuel costs have increased by 44.9% between June 2010 and June 2011. The City uses 1.3 million gallons of fuel annually, so price increases create considerable financial stress.

The budget assumes increases in the price of fuel since last year and also includes the assumption of continued price increases. For comparison purposes with market prices, it is important to remember the City prices are often lower than the market price for consumers, since the City is not required to pay certain excise taxes.

BUDGETED FUEL ASSUMPTIONS				
	2010	2011	2012	2013
Price	\$2.49	\$2.70	\$2.90	\$3.10
Gallons	1.3 million	1.24 million	1.24 million	1.24 million

(5% reduction)

In addition to increasing the budget based on fuel pricing, City staff will also strive to reduce consumption in the future. The budget assumes a 5% reduction in fuel usage beginning in 2011. Strategies to reduce fund consumption are currently being developed.

Those strategies may include consideration of the number and usage of City take-home vehicles, reviewing the type of equipment being purchased to ensure that the smallest and most fuel efficient vehicles are purchased, and eliminating any unnecessary idling of City vehicles.

In addition, the use of compressed natural gas (CNG) technology will be reviewed. Although a CNG-based fleet would require additional infrastructure, the new system could potentially result in significant decreases in operating costs. The City’s diesel fleet, including the buses used for transit routes, would particularly benefit from a transition to CNG.

6. Strengthen Performance Measurement

ISSUE - The City of Wichita earned the special performance measurement recognition from GFOA for the first time in its history last year. This budget utilizes an outcomes-based model in allocating resources.

Last year, the City updated its model of managing performance through data that better measure service outcomes. That model resulted in the GFOA presenting the City with its special performance measurement recognition.

This budget includes all of the elements that earned the GFOA recognition last year, but it also has strengthened the metrics used to make funding decisions. In many cases, measures that focus on outputs have been replaced with outcomes or efficiency measures, and the transition to benchmarks based on industry standards continues.

More importantly, performance data have driven resource allocation decisions. A comprehensive report was developed and shared with the governing body and the public in a special City Council workshop. The performance data were central to the creation of departmental operating plans that map how services will be provided over the next two years.

The performance measurement system resulted in changes that have aligned City expenses with available revenues so the organization can better serve citizens while maximizing resources.

BENCHMARK SOURCES: 2012 ADOPTED BUDGET

