

PROGRAM HIGHLIGHTS**FINANCE PURCHASING**

<u>SERVICE INDICATORS</u>	<u>Actual 2011</u>	<u>Actual 2012</u>	<u>Estimated 2013</u>	<u>Projected 2014</u>
1. Purchase Orders Issued to Bids/RFPs/Waivers	69	70	70	70
2. Dollar Value of Bid/RFP/Waiver Purchase Orders	\$20,207,153	\$20,385,931	\$20,300,000	\$20,300,000
3. % of Total Transactions/% of Total Dollar Value	0.8/65.3	1.0/63.9	1.1/61.3	0.9/64.5
4. All Other Purchasing Transactions	8,467	7,059	6,960	7,500
5. Dollar Value of all Other Purchasing Transactions	\$10,743,147	\$11,515,660	\$11,200,000	\$11,150,000
6. % of Total Transactions/% of Total Dollar Value	99.2/34.7	99.0/36.1	99.0/35.6	99.1/35.5
7. Total Number of All Purchasing Transactions	8,536	7,129	7,030	7,570
8. Total Dollar Value of all Purchasing Transactions	\$30,950,300	\$31,901,591	\$31,500,000	\$31,450,000
9. Number/Value of Surplus Sales Conducted	9/\$19,693	12/\$81,757	14/\$53,550	12/\$30,000

2014 GOALS

1. Continue to work with City management and staff to centralize the City's purchasing process to achieve efficiencies, proficiencies and cost reductions in order to address the City's financial needs.
2. Continue to measure and analyze the ten Purchasing benchmarks and performance measures identified and adopted from the Center for Advanced Purchasing Studies and ICMA (Purchasing headcount/total dollars as a percent of City headcount/budget, etc.). Develop strategies to improve service delivery.
3. Continue to work with the City's energy consultant, City stakeholders and our current and potential aggregation partners to analyze the commercial marketplace for energy and, when advantageous, negotiate contracts for the supply and delivery of electricity, natural gas, gasoline, diesel fuel, kerosene, #2 fuel oil and propane.
4. Continue membership on the City's Enterprise Resource Planning (ERP) System Steering Committee. Assist with the continued implementation and upgrade of ERP software for financials, human resources, payroll and utility billing.
5. Continue to investigate and utilize selected competitively solicited intergovernmental cooperative purchasing contracts that maintain a high level of service and quality while reducing overall costs to the City.
6. Update the City Purchasing Ordinance, policies and procedures; as appropriate. Continue to train City staff on the use of Logos and City purchasing policies and procedures.
7. Continue to co-chair the Accounts Payable/Purchasing Continuous Improvement Team in order to share working knowledge of Logos, improve and streamline City accounts payable and purchasing processes, and suggest improvements to the functionality of corresponding Logos modules.
8. Work with the General Services Department and the City's energy consultants to ensure that the City implements, monitors and reports on all awarded American Reinvestment and Recovery Act (ARRA) Energy Efficiency Conservation Block Grants.

FINANCE PURCHASING**PROGRAM HIGHLIGHTS**

2013 GOALS STATUS

1. Continue to work with the City management and staff to centralize the City's purchasing process to achieve efficiencies, proficiencies and cost reductions in order to address the City's financial needs.
9-Month Status: Accounts Payable and Purchasing continue to work with City departments to assist them in modifying their purchasing and invoice payment processes by using Logos more effectively. The Purchasing staff is currently investigating the potential for changing the electronic process for issuing and approving purchase orders in Logos.
2. Continue to measure and analyze the ten Purchasing benchmarks and performance measures identified and adopted from the Center for Advanced Purchasing Studies and ICMA (Purchasing headcount/total dollars as a percent of City headcount/budget, etc.). Develop strategies to improve service delivery.
9-Month Status: Current benchmark, performance measures and statistics are posted at Q:Common\20 Purchasing\FY13 Statistics.
3. Continue to work with the City's energy consultant, City stakeholders and our current and potential aggregation partners to analyze the commercial marketplace for energy and, when advantageous, negotiate contracts for the supply and delivery of electricity, natural gas, gasoline, diesel fuel, kerosene, #2 fuel oil and propane.
9-Month Status: Contracts are currently in place for the purchase of electricity supply, natural gas supply and the various fuels used by the City. The City's Fuel Team meets monthly to review the spot and forward markets for 87 octane gasoline and premium ultra-low sulfur diesel fuel. Currently the City is under a combination of fixed and indexed price contracts for these fuels through June 30, 2013.
4. Continue membership on the City's Enterprise Resource Planning (ERP) System Steering Committee. Assist with the continued implementation and upgrade of ERP software for financials, human resources, payroll and utility billing.
9-Month Status: This committee continues to meet monthly. Logos was successfully upgraded to V7.0 SP9 in January. A major upgrade to NextGen is being discussed and planned for FY 2014.
5. Continue to investigate and utilize selected competitively solicited intergovernmental cooperative purchasing contracts that maintain a high level of service and quality while reducing overall costs to the City.
9-Month Status: The Purchasing staff continue to meet with our counterparts from other NH municipalities on a quarterly basis. The ultimate goals of these meetings are to share information and investigate the opportunities to collectively bid commodities, equipment and services we all purchase. Recently, the City entered into a contract with McKesson Medical Surgical, via the State of NH Bureau of Purchase & Property and the Minnesota Multistate Contracting Alliance for Pharmacy for the purchase of select ambulance supplies.
6. Update the City Purchasing Ordinance, policies and procedures, as appropriate. Continue to train City staff on the use of Logos and City purchasing policies and procedures.
9-Month Status: The Purchasing Manager is investigating the potential for creating a new job description, Purchasing Agent II, with the goal of providing the opportunity for merit based advancement for the Purchasing Agent position.

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7. Continue to co-chair the Accounts Payable/Purchasing Continuous Improvement Team in order to share working knowledge of Logos, improve and streamline City accounts payable and purchasing processes, and suggest improvements to the functionality of corresponding Logos modules.
9-Month Status: The Accounts Payable/Purchasing Continuous Improvement Team, co-chaired by the Assistant Finance Director and Purchasing Manager, continues to meet on an as-needed basis to discuss opportunities to improve our current policies and procedures.

8. Work with the General Services Department and the City's energy consultants to ensure that the City implements, monitors and reports on all awarded American Reinvestment and Recovery Act (ARRA) Energy Efficiency Conservation Block Grants.
9-Month Status: The following ARRA energy improvement projects, involving a total of \$374,372 in EECBG, \$15,255 in City funds and \$25,578 in utility and NHPUC rebates, have been completed: 1) Installation of anti-idling devices in 8 City vehicles; 2) Upgrading 982 lighting fixtures City-wide with state-of-the-art technology; 3) Replacing incandescent bulbs with LED bulbs in 116 crosswalk signals and replacing 42 crosswalk signals that used incandescent bulbs with new countdown signals utilizing LED bulbs; and 4) Installing solar domestic hot water heating systems at the Hall Street Wastewater Treatment Facility and Broadway, Central and Manor Fire Stations. Collectively these projects will result in a guaranteed annual reduction of 275,907 kwh of electricity, 699 therms of natural gas, 3,000 gallons of gasoline, and 382,579 pounds of CO2 emissions. Guaranteed annual savings are \$42,267 resulting in a return on investment of 9.8 years.

FINANCE PURCHASING**BUDGET DETAIL**

	2010 ACTUAL	2011 ACTUAL	2012 ACTUAL	2013 BUDGETED	2013 ESTIMATED	2014 BUDGET
REVENUE						
SALE OF ASSETS	\$78,226	\$18,080	\$78,985	\$30,000	\$34,690	\$30,000
130 PHOTOCOPY MACHINE	\$179	\$256	\$261	\$0	\$0	\$0
Total	\$78,405	\$18,336	\$79,246	\$30,000	\$34,690	\$30,000
APPROPRIATIONS						
COMPENSATION	\$116,594	\$125,659	\$132,400	\$133,540	\$134,090	\$138,250
OUTSIDE SERVICES	\$23,617	\$23,771	\$24,807	\$26,440	\$26,040	\$28,990
SUPPLIES	\$2,143	\$1,383	\$1,257	\$17,750	\$16,620	\$18,220
INSURANCES	\$1,314	\$1,743	\$1,679	\$1,900	\$1,900	\$490
FRINGE BENEFITS	\$33,608	\$43,341	\$45,169	\$45,740	\$46,100	\$49,390
Total	\$177,275	\$195,897	\$205,312	\$225,370	\$224,750	\$235,340

<u>POSITION TITLE</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
Purchasing Manager	1.00	1.00	1.00	1.00
Purchasing Agent	<u>1.00</u>	<u>1.00</u>	<u>1.00</u>	<u>1.00</u>
Total	2.00	2.00	2.00	2.00

FUNDING IMPACT

FINANCE PURCHASING

This budget contains no significant funding changes.

FINANCE PURCHASING

NOTES
