

Department of Cable and Consumer Services

LOB #13:

MAIL SERVICES

Purpose

Mail Services processes incoming and outgoing U.S. mail and inter-office mail. As the County's centralized mail provider, Mail Services obtains the lowest possible rates for the County by qualifying for postal discounts associated with presorting and bar-coding outgoing U.S. mail. The County obtains discounts by processing and presorting large bulk mailings such as tax notices at the Mail Services central facility. Mail Services provides prompt and accurate daily mail deliveries, takes maximum advantage of discounts available to large volume mailers, and stays current with changing technology in the mail industry.

Description

Mail Services processes incoming and outgoing U.S. mail and inter-office mail.

Mail Services operates four daily delivery routes, requiring vehicles to drop-off and pick-up mail at 263 stops across 106 addresses. During FY 2015, Mail Services processed over 11.6 million pieces of mail or over 44,000 pieces of mail each day. Items delivered by Mail Services include Board of Supervisors packages, Print Shop boxes, Archives and Records Management boxes, building plans, Office of Elections mail, and Fairfax County Public Library Talking Books for the Blind. Mail Services processes Board of Supervisors newsletters, County purchase orders, County vendor payments, court documents, and all accountable mail including Certified Mail, Express Mail, and UPS package delivery.

Mail Services annually processes approximately 2.6 million tax notices, representing over \$1.7 billion in County revenue, meeting state and County code requirements for tax notice mailings. Mail Services operates two high-volume inserters, two mail metering machines, one tabbing/labeling machine, and one table-top inserter.

Mail Services consults with customer agencies on mail design and format in order to maximize available postage rate discounts. Of the 5,977,011 pieces of outgoing U.S. mail processed in FY 2015, 87.8 percent were sent at a discounted rate. These efforts resulted in savings of over \$2.1 million to the County's General Fund, with the average postage cost per piece of First Class mail at \$0.415 compared to a First Class stamp at \$0.49.

Fairfax County Mail Services is the second largest mail volume customer at the Fairfax County Post Office, behind only the Pentagon Federal Credit Union.

Benefits

Mail Services supports the *Exercising Corporate Stewardship* County Vision Element. It supports the Board of Supervisors, County agencies, Fairfax County Public Schools, and others by processing all incoming and outgoing U.S. mail. In addition, Mail Services effectively and efficiently leverages technology to improve mail service delivery and enhance the community's access to information. Mail Services operates in accordance with the United States Postal Service Regulations that mandate the class type of specific mailings, such as Personal Property Tax Notices and Real Estate Tax Assessment Notices. Mail Services coordinates with, and educates customer agencies on, the mailing industry and services provided by Mail Services staff, ensuring County mailings are professional, beneficial, and economical.

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Mandates

This Line of Business is not mandated but it complies with the United States Postal Service (USPS) mailing standards as published in the Domestic Mail Manual (DMM). The USPS DMM sets postage rates and all other aspects of the USPS service delivery. Changes to the DMM are announced in the Federal Register. Mail Services is regulated by and complies with these standards for U.S. mail.

Trends and Challenges

Mail Services assists agencies with efficient mailing options to directly reach target audiences. By using direct mailings, the County can more accurately share information with specific households.

As a result of budget challenges, Mail Services is operating with one less full-time merit position. The elimination of this position has caused Mail Services to reassign routes, assignments, and staff to ensure that mail is still processed in an accurate and timely fashion.

Changes in technology, specifically the Tax Modernization IT Project, will require upgrades to mailing equipment and will need to be addressed in future budgets.

Resources

Category	FY 2014 Actual	FY 2015 Actual	FY 2016 Adopted
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FUNDING			
<u>Expenditures:</u>			
Compensation	\$622,835	\$611,038	\$564,359
Operating Expenses	2,496,622	2,636,361	3,295,605
Work Performed for Others	(2,342,168)	(2,465,830)	(3,110,987)
Total Expenditures	\$777,289	\$781,569	\$748,977
General Fund Revenue	\$0	\$0	\$0
Net Cost/(Savings) to General Fund	\$777,289	\$781,569	\$748,977
POSITIONS			
Authorized Positions/Full-Time Equivalents (FTEs)			
<u>Positions:</u>			
Regular	13 / 13	13 / 13	12 / 12
Total Positions	13 / 13	13 / 13	12 / 12

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Metrics

Metric Indicator	FY 2013 Actual	FY 2014 Actual	FY 2015 Actual	FY 2016 Estimate	FY 2017 Estimate
Pieces of mail processed	11,668,145	11,085,883	11,617,850	11,631,136	11,150,541
Pieces of mail processed per FTE	897,550	852,760	893,681	969,261	929,212
Pieces of mail processed per day	44,877	42,638	44,684	44,735	42,887
Savings to County General Fund due to processing outgoing U.S. mail at a discounted rate	\$2,008,353	\$1,932,719	\$2,138,832	\$2,000,000	\$2,000,000

Pieces of mail processed

Mail Services processed over 11.6 million pieces of mail in FY 2015. In both FY 2013 and FY 2015, Mail Services processed one-time bond referenda mailings which accounted for approximately 400,000 pieces of additional outgoing U.S. mail in each fiscal year. A bond referendum is scheduled in FY 2016 and is reflected in the estimate; however, it is unknown if a bond referendum mailing will occur in FY 2017.

Pieces of mail processed per FTE

In FY 2015, Mail Services had 13 FTE positions that each contributed to processing the 11.6 million pieces of mail, or an average of approximately 894,000 pieces of mail per FTE. From FY 2016 forward, these calculations are based on 12 FTE positions, and therefore reflect an increase.

Pieces of mail processed per day

Mail Services processes, on average, approximately 44,000 pieces of mail each day. Due to the FY 2016 budget reduction that resulted in the elimination of a position, Mail Services processes the same volume of mail with fewer staff resources.

Savings to County General Fund due to processing outgoing U.S. mail at a discounted rate

Mail Services saved the County General Fund \$2,138,832 through qualifying postal discounts in FY 2015. Annual increases in discounted mail reflect the expertise of Mail Services staff to identify mailings that qualify for discounted rates.