

# Memorandum



CITY OF DALLAS

DATE July 31, 2015

TO The Honorable Mayor and Members of the City Council

SUBJECT Response to Questions from June 24<sup>th</sup> Budget Briefing

Attached is the second set of responses to questions asked during the June 24<sup>th</sup> budget briefing. If you have any questions, please let me know.

  
A.C. Gonzalez  
City Manager

## Attachment

c:	Warren M.S. Ernst, City Attorney	Mark McDaniel, Assistant City Manager
	Craig D. Kinton, City Auditor	Eric Campbell, Assistant City Manager
	Rosa A. Rios, City Secretary	Jeanne Chipperfield, Chief Financial Officer
	Daniel F. Solis, Administrative Judge	Sana Syed, Public Information Officer
	Ryan S. Evans, First Assistant City Manager	Elsa Cantu, Assistant to the City Manager
	Jill A. Jordan, P.E., Assistant City Manager	
	Joey Zapata, Assistant City Manager	

## June 24<sup>th</sup> Budget Workshop – Council Questions and Responses

### 1) Provide departmental summaries on slide 107-158 in an excel file.

Excel file provided to Council Members on Friday, June 26<sup>th</sup>.

### 2) What is the cause of the \$2.6m increase in Reserves/Transfers?

As part of the June 24<sup>th</sup> budget briefing, page 45 showed a summary of the General Fund with Reserves and Transfers increasing by \$2.6m from FY15 adopted budget to the FY16 preliminary budget. Page 157 provided additional detail. Reasons for the year to year change are indicated and explained below:

	FY15 Adopted	FY16 Preliminary	
Salary and Benefit Reserve	\$1,800,000	\$1,800,000	No change included at time of preliminary presentation on June 24 <sup>th</sup> .
Contingency Reserve	\$450,000	\$3,078,101	\$2,628,101 increase in order to replenish Contingency Reserve to approximately \$5.8m and comply with City's Financial Management Performance Criteria (FMPC). Contingency Reserve is being replenished as a result of Council approved uses during FY15.
Liability Fund Transfer	\$4,169,788	\$4,169,788	No change had been included at time of June 24 <sup>th</sup> preliminary update. Adjustments will be made prior to presenting a recommended budget.
Total	\$6,419,788	\$9,047,889	

### 3) What is the timeline for implementing Neighborhood Plus?

The Neighborhood Plus Plan is, first and foremost, a policy plan that will establish clear policy direction with immediate effect upon adoption by City Council. In addition, Neighborhood Plus identifies a total of 76 action items organized by Strategic Goals, some short term (1 year), some medium-term (2 to 3 years), and some long term (3 to 5 years). The intent is for these action items to be initiated and substantially advanced within the stated time period, assuming resources continue to be committed to these efforts over the time frames. However, many of these actions will require sustained work and resource commitments beyond these stated time periods.

#### **4) How much property damage is caused by Sanitation using the alleys?**

Risk Management paid \$45,633 last fiscal year (FY14) for claims associated with property damage for the Department of Sanitation Services. Additionally, the Sanitation department expends an estimated \$25,000 a year performing small repairs with City staff. These amounts reflect the total losses paid whether in an alley or outside of the alley for property damage caused by Sanitation vehicles. It does not include any amounts for damages to alleys themselves which are owned by the City.

#### **5) What will be included for security of police headquarters and sub-stations?**

Security for Jack Evans Police Headquarters and the sub-stations is being evaluated. Below are some preliminary considerations although a recommendation is not available at this time. A recommendation will be included in the upcoming budget to be presented on August 11<sup>th</sup>.

- Jack Evans HQ:
  - Lobby window repair/replacement and perimeter analysis for additional ballistic window wall.
  - Reconfiguration of security area in lobby—arrangement of scanner and x-ray machines with queuing to fit new security process to enter building.
  - Information desk to be retrofitted with ballistic glass.
  - Site review around building to determine additional bollard and fencing needs.
  - Building Fire Alarm and security system updates (cameras, card access control, etc).
- Patrol Stations (sub-stations)-7 stations:
  - Ballistic glass at public facing exterior lobby and/or offices.
  - Site review around buildings to determine bollard and fencing needs.
  - Building Fire Alarm and security system updates (cameras, card access control, etc).
- The conceptual cost estimate for all proposed work at Jack Evans headquarters and the sub-stations is estimated at \$6.8m.

#### **6) What is the cause for reduction in Community Outreach?**

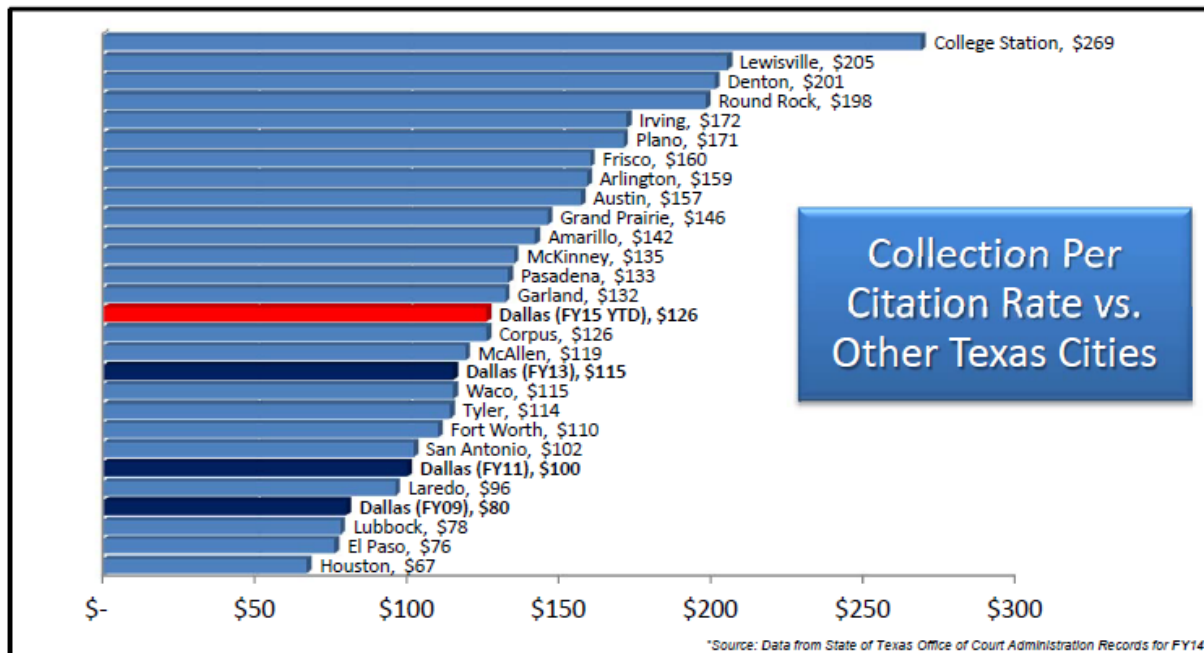
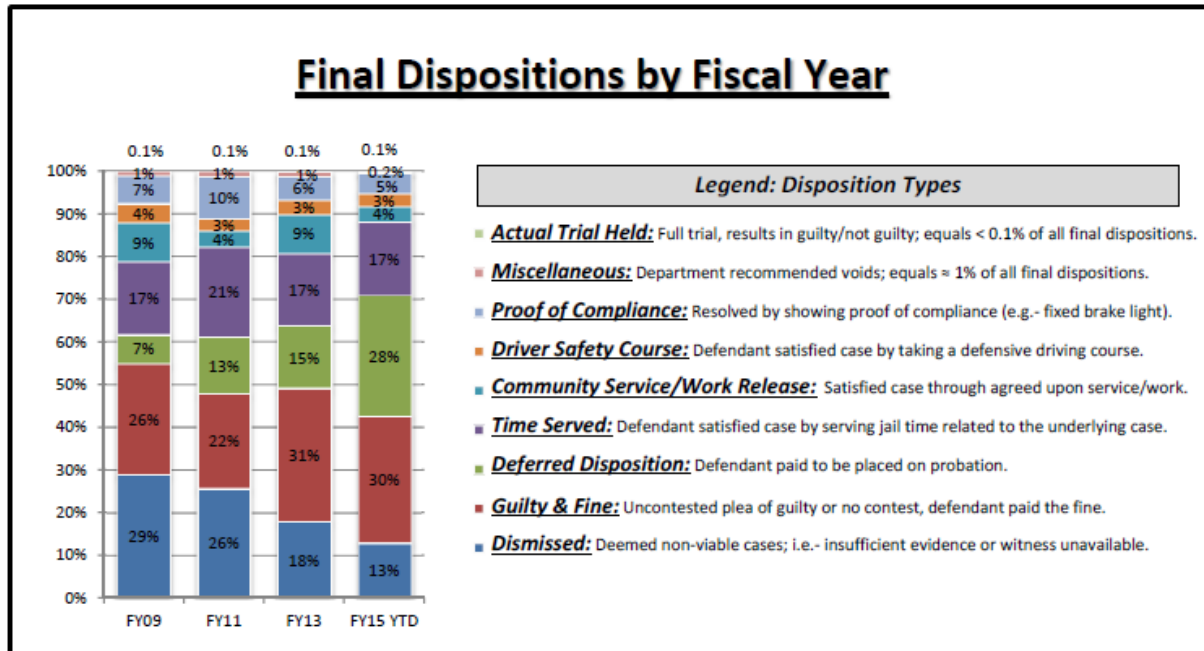
There is no service reduction for Community Outreach in the proposed FY16 budget. The service maintains the same number of civilian and sworn FTEs. The \$17K variance shown in the June 24<sup>th</sup> briefing document is primarily due to departmental allocations in salary related costs. The Police Department is still in the process of developing the FY16 budget and departmental allocations. Additional adjustments are still being made and the final budget will be recommended in early August.

#### **7) Why do we have so many fees as opposed to just eliminating the fee and work?**

As part of the Sunset Review process, ordinances related to Code Compliance are being reviewed (by Quality of Life Committee) for possible changes or repeal. If a given ordinance is changed/repealed, the fee could be eliminated. Examples of ordinances/fees that have been identified for potential elimination are the Electronic Repair License and Wood Vendor Permit.

8) Provide information about municipal court cases and how cases are disposed.

The Dallas Municipal Court adjudicates Class C misdemeanors and fine only offenses. Below are two charts showing both current and historical disposition types and collection per citation rates in comparison to other Texas cities.



**9) What is the timeline for Lean/Six Sigma program and how will this address opportunities found in Sunset Review?**

Lean Six Sigma uses a structured methodology to problem solving. The methodology that is used is based on five phases. These phases are Define, Measure, Analyze, Improve and Control. Lean Six Sigma is different from other methodologies in that it identifies the true root cause of an issue and fosters innovative solutions to the problem. Typically a Green Belt will have approximately 140 days to complete assigned projects. A Green Belt will work about 20% of time on projects, therefore, projects that fall in line with the Green Belt's normal job duties are identified and assigned. A Black Belt is full time and will typically have approximately 90 days to complete a project. The first two weeks of Green Belt training has been completed. Five of 22 projects currently identified for the first wave of training are associated with the Sunset Review Process. As more individuals are trained and experience gained, work on 24 other Sunset Review opportunities will begin.

**10) Why are there only \$1.5m savings included after Sunset Review looked at departments totaling \$505m?**

Sunset Review was initiated by City staff for the first time beginning in the fall 2014. This is a new initiative and will take time before the full benefit is realized. During the first year, seven departments/offices were reviewed. They included police, courts, judiciary, emergency management, code compliance, 311, and parts of the attorney's office. The budget for these departments/offices is \$505m or 25% of the total FY15 operating budget.

Through the review, 67 potential opportunities were identified. The initial savings for potential opportunities that could be included in the FY16 budget were about \$1.5m as reported in the June 24<sup>th</sup> briefing. This number will continue to be refined prior to recommending the FY16 budget on August 11<sup>th</sup>. Most of the 67 potential opportunities are projects that are being referred to the new Center for Performance Excellence (CPE) and will go through the Lean/Six Sigma program to identify efficiencies and savings to include in a future year budget. This is an ongoing process that will involve identification of projects through Sunset Review and process improvement implementation through CPE's Lean/Six Sigma program.

Of the \$505.0m, salary and benefits for employees of the police and code departments total \$417.7m. These costs were excluded from significant consideration since staffing levels within police and code are considered critical to the delivery of their services and increases, not reductions are requested. Additionally, within the \$505.0m for the seven departments/offices, \$41.3m is an allocation for Communication and Information Services (CIS) for information technology and for Equipment Services (EBS) for fleet and fuel. EBS is scheduled to be reviewed as a whole in FY16 and CIS is scheduled to be reviewed as a whole in FY18.

If police and code personnel (\$417.7m), and technology and fleet/fuel (\$41.3m) are backed out of the \$505.0m, the remainder is \$46.0m. The preliminary reduction of \$1.5m represents 3.2% of the budget that was available for consideration. Savings will be increased as the 67 potential opportunities continue to be reviewed. In addition, savings beyond these are being considered during the FY 2015-16 budget process that will be presented to Council on August 11<sup>th</sup>.

**11) Provide positions and budget that City has for Children and Youth Services. Include both services provided by staff and services contracted.**

Park and Recreation

The Park and Recreation Department's FY16 preliminary budget for children and youth services is \$8,547,230. This includes 620 full-time, part-time and seasonal positions. Services include youth sports, Send a Kid to Camp, Community Development Block Grant (CDBG) after school programs, summer camp, recreation center children/youth programs, Mayor's Youth Fitness Initiative, community pools, Bahama Beach and Bachman pool.

Dallas Police Department

The Youth Outreach Unit (YOU) is responsible for managing the youth engagement programs of the Dallas Police Department, including: Police Explorer Program, Police Athletic/Activities League (PAL), Junior Explorer Program, Junior Police academy, and the Blue In The School (BITS) Program. This unit includes 43 positions and a budget of \$3,828,914.

Library

The Library's Outreach Services division, Bookmarks at NorthPark Center and Children's Center at the Central Library include 15 positions that are solely dedicated to children, citizens with children and youth services. In addition, 31 branch library employees at 27 branch library locations are tasked with promoting, coordinating and leading weekly children's storytimes and youth programs. This includes four DISD funded children's Librarians and customer service representatives at the two DISD co-locations, Hampton-Illinois and Arcadia Park branch libraries. Through grants, corporate donations, the Library's volunteer program and partnership with DISD; Library Outreach and branch staff are able to offer various literacy and early literacy programs for children and youth throughout the year, organize the Mayor's Summer Reading Club on an annual basis and storytime events each week. These services are provided through 46 total full-time and part-time positions at a total budget of \$2,404,121.

Housing and Community Services

The Housing and Community Services Department includes 3 positions and \$299,697 budget for City Child Care Services. Additionally, there are contracted services and \$198,129 budget for a Child Care Services Program. Both programs are funded through Community Development Block Grant (CDBG) funds. The City's Child Care Services Program through partnership with non-profits agencies, provides childcare subsidies for low-to-moderate-income working parents and teenage parents who are attending high school and do not qualify for any other form of public assistance.

**12) Provide information on all vacant positions in Code Compliance, especially Animal Services.**

There are a total of 63 general fund positions vacant in Code Compliance. Of these, 35 are vacancies not in Animal Services, and key positions include code inspectors, and sanitarians. Fourteen code inspectors were recently hired and will graduate from the Code Academy on August 14. Three sanitarian vacancies were reclassified to senior positions and are in the hiring process.

The Animal Services division has 28 vacancies as of July 2015, and has filled 15 positions but lost 13 through attrition this fiscal year. Key vacancies include 10 animal officers, 6 animal keepers, 2 customer service representatives, and 2 supervisors. Five animal officer positions have been reclassified into senior positions and are currently advertised, as are the animal keeper vacancies. All of these key positions are scheduled to complete hiring in September and October.