

Memorandum



CITY OF DALLAS

DATE August 29, 2019

TO Honorable Mayor and Members of the City Council

SUBJECT **Further Responses to Questions on Proposed FY 2019-20 Budget**

Thank you for your questions regarding the City Manager's proposed FY 2019-20 and FY 2020-21 budget. Below is the fourth set of responses to questions thus far. Additional responses will be provided on a rolling basis.

Mobility Solutions, Infrastructure, & Sustainability

1. How much funding (operating and capital) is in the FY 2019-20 budget for alley maintenance and improvement?

The proposed FY 2019-20 budget includes \$35.8 million for alley maintenance and improvements, including \$1.6 million in operating funds for maintenance of 100 unimproved alleys (about eight miles) and \$34.2 million in capital funds for alley reconstruction.

2. How much does the City pay to maintain TxDOT rights-of-way vs. what the state pays? What service level does this provide?

TxDOT provides \$1.2 million annually for approximately three mowing cycles and 12 litter cleanup events on TxDOT right-of-way next to City entry points. The City has historically contributed an additional \$1.2 million for another five mowing cycles in those areas (each mowing cycle costs about \$200,000), for a total of eight. The proposed FY 2019-20 budget reduces the City's funding by approximately \$400,000.

The City benefits from keeping those areas clean and presentable year-round and can access those areas without TxDOT's permission each time. Limiting funding could adversely impact the appearance of entry points to Dallas, as well as the City's relationship with TxDOT (as they allow us to use underpass areas for paid parking and other needs).

3. If we increased the landfill gate rate to market rate, what would the increase be and how much more revenue would it generate?

Sanitation Services (SAN) is working with a solid waste consultant to develop landfill rates using a recently completed landfill market rate analysis. The nearest DFW market landfill most comparable to the McCommas Bluff Landfill in terms of customer

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types served is the City of Garland's landfill—Hinton Landfill. Hinton's gate rate is a minimum \$40 per ton, versus McCommas Bluff's gate rate of \$26.25 per ton.

Proposed rate changes in the biennial budget include an 8.6 percent increase from \$26.25 to \$28.50 per ton in FY 2019-20, plus an additional 5 percent increase to \$29.92 per ton in FY 2020-21.

Beginning January 1, 2020, the landfill will also charge a new \$2.00 per ton customer processing fee to customers who "pay per transaction" at the landfill scale house. The effective rate for this customer group, which accounts for approximately 41 percent of our commercial tonnage, will be \$30.50 per ton.

Beginning January 1, 2021, the landfill will charge a new \$2.50 per ton environmental fee to begin developing the landfill's closure and post-closure liability reserve. The effective gate rate will then be \$34.42 per ton for "pay per transaction" customers and \$32.42 per ton for other non-contract commercial customers.

If customer types and volumes do not decrease due to the rate increase, there is potential for an additional \$8 million in annual landfill revenues. Currently McCommas Bluff receives significant traffic from small haulers, leading to longer processing times for customers. Many customers accept the processing times due to current rates. Rapidly increasing gate rates may lead to a loss in business volume (tons) and potentially increase illegal dumping.

If the gate rate increased to \$40 per ton, SAN estimates the tonnage from non-contracted customers, which is approximately 68 percent of total commercial tons, could decrease to 30 percent. As a result, FY2019-20 revenues could increase by as much as \$3 million or decrease by as much as \$1.5 million.

Additionally, the estimates above assume current short-term contract rates remain discounted to the current proposed contract rates. These customers represent annual revenues of approximately \$2 million, and SAN estimates most of these customers would leave for surrounding landfills if contract rates were increased by percentages similar to non-contract customers.

Near-term changes in economic conditions could also significantly affect revenues and revenue projections. If Dallas experiences a slowdown in construction activity, this will directly impact tonnage volume to the landfill. If construction activity slows and surrounding private landfills adjust rates to attract additional tonnage, McCommas Bluff could experience an even further reduction in annual tonnage.

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Human & Social Needs

4. What is the City's definition of equity?

Equity is when Dallas residents have the resources and services needed to thrive in our city. This happens when we eliminate disparities among people of various identities and circumstances, so outcomes improve for all.

5. How many authorized inspectors did Code Compliance have in the last three fiscal years?

The number of inspectors by position are listed below, and a summary of their respective responsibilities is attached.

Position	FY 2017-18	FY 2018-19	FY 2019-20
Inspector	29	27	27
Inspector II	114	113	113
Inspector III	39	38	38
Total	182	178	178

6. How many inspections can each inspector complete in a day?

Inspectors complete an average of 25 inspections per day.

7. What is the total cost of the mow/clean service? What is the average cost per lot mowed?

	# of Lots Mowed/Cleaned	Expenditures	Average Cost/Lot
City	22,866	\$2,516,310	\$110
Contractor	7,704	\$218,000	\$28
Total	30,570	\$2,734,310	-

8. Please provide more information about the spay/neuter program, including performance data.

The Let's Fix This program is the largest privately funded spay/neuter effort ever attempted in the U.S. The three-year project began in April 2017, and a total of 38,332 dogs have been altered by nonprofit partners, the SPCA of Texas and The Spay/Neuter Network. Although the program targets specific zip codes within Dallas and our residents benefit from the program, Dallas Animal Services (DAS) is not part of the funding or service delivery. The \$16.2 million in funding was all privately raised, and the nonprofit partners listed above are the providers. Please refer to the attachment for performance data on the program.

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From April 1, 2017, through June 30, 2019, DAS performed an additional 30,563 spay/neuter surgeries outside of the scope of the private program for animals entering the DAS shelter.

9. How much money is budgeted for senior transportation and senior dental care?

The FY 2019-20 budget for senior transportation is \$148,000, matched by 1:1 grant funding from the North Central Texas Council of Governments. Currently, the Senior Medical Transportation Program (SMTP) provides transportation services for seniors to medical appointments and facilities. The Office of Community Care (OCC) is exploring partnerships with DART and the City's Department of Transportation to ensure the City is strategically addressing true service gaps.

The FY 2019-20 budget for senior dental care is \$370,000, a \$30,000 decrease in funding from last fiscal year. Advancing age puts our senior residents at risk for oral health conditions, but Medicare does not cover most dental care, procedures, or supplies, like cleanings, fillings, tooth extractions, dentures, dental plates, or other devices.

10. Please provide additional information about the Landlord Subsidized Leasing Program in the Office of Homeless Solutions.

The City Council awarded the contract for the Landlord Subsidized Leasing Program to CitySquare in the amount of \$1.3 million. The contract term is July 1, 2019, through September 30, 2020. CitySquare, in partnership with Family Gateway, will hire a Community Relations/Landlord Engagement Specialist who will engage landlords and work directly with leasing management offices in high-opportunity neighborhoods to ensure payments are made on time and lease agreements are followed. In addition to having a lease agreement with the tenant, participating properties will have an agreement with CitySquare guaranteeing payment of rent and utilities.

The program will offer up to 100 families and individuals support for up to one year, including assistance with move-in costs (deposits, fees, etc.) and visits from case managers at least twice per month. This ongoing support will allow clients to build household income incrementally and sustain housing long-term. Participants will be selected from the MDHA Housing Priority List and will be primarily from emergency shelters.

11. What is the average cost of cleaning a homeless encampment?

On average, cleaning a homeless encampment costs \$2,000, but the cost can range from \$600-\$5,500, depending on the size of the area, amount of debris, and personnel and materials needed to mitigate the site.

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Quality of Life

12. What is left in the plastic bag ordinance fund? What can it be used for?

The City previously collected environmental fees on plastic bags, but it no longer does so. The balance in the Carryout Bag Fund is \$518,002 as of July 29, 2019. Per ordinance #29307, fees may be used for costs of the registration program, the purchase and distribution of reusable carryout bags, public education on reducing the use of single-use bags, or environmental cleanup programs.

13. How much does the City charge in golf fees?

Type	Stevens Park	Tenison Highlands	Luna Vista	Keeton Park	Cedar Crest	Tenison Glen
Weekday	\$28	\$38	\$25	\$18	\$24	\$14
Weekend	\$40	\$45	\$30	\$23	\$28	\$15
Weekday after 12 p.m.	\$23	\$30	\$19	\$14	\$18	\$9
Weekend after 12 p.m.	\$28	\$35	\$22	\$16	\$21	\$15
Weekday after 4 p.m.	\$17	\$22	\$14	\$11	\$13	\$8
Weekend after 4 p.m.	\$20	\$27	\$14	\$11	\$13	\$8
Senior green fee (after 1 p.m.)	\$17	\$22	\$14	\$11	\$13	\$9
Junior green fee (after 1 p.m.)	\$12	\$20	\$11	\$8	\$10	\$7
Senior card	\$6	\$11	\$6	\$3	\$6	\$4
Junior card	\$3	\$7	\$3	\$3	\$3	\$3
Punch card (8 rounds)	\$178	\$248	\$158	\$118	\$148	\$128
Junior cards (summer)			\$30			
Junior cards (annual)			\$100			
Senior cards			\$200			

14. How much is budgeted for the position to oversee the park land dedication ordinance?

The proposed budget includes \$80,000 for a position to oversee the park land dedication ordinance, including salary, pension, FICA, and benefits.

15. Is the soccer park under I-345 included in the FY 2019-20 budget?

No, this park is not included.

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Government Performance & Financial Management

16. What are the estimated property taxes on a home appraised at \$500,000 in (a) Dallas County and Richardson ISD and (b) Collin County and Plano ISD?

Taxing Entity	Tax Rate (per \$100 in valuation)	Estimated Tax Bill
City of Dallas	0.77670	\$3,107
Dallas County	0.25310	\$1,012
Richardson ISD	1.52000	\$6,080
Dallas County Community College District	0.12400	\$496
Parkland Hospital	0.27940	\$1,118
Total	2.95320	\$11,813

Note: Calculations also assume a 20% homestead tax exemption.

Taxing Entity	Tax Rate (per \$100 in valuation)	Estimated Tax Bill
City of Dallas	0.776700	\$3,107
Collin County	0.180785	\$723
Plano ISD	1.439000	\$5,756
Collin County Community College	0.081222	\$325
Total	2.477707	\$9,911

Note: Calculations also assume a 20% homestead tax exemption.

17. Are we retaining employees replaced by the FMLA contract?

As shared at the May 20, 2019 Government Performance and Financial Management Committee, implementing the FMLA contract will not result in an FTE or position reduction. FMLA administration at the City was not centralized, and no individual FTEs were dedicated to FMLA administration full-time.

The third-party administration of FMLA will allow the City to better manage compliance, protect the privacy of affected employees, and improve tracking of absences. In addition, we will gain efficiencies from better controls on eligibility and absence management.

The four individuals from Park and Recreation, Dallas Fire-Rescue, Dallas Police Department, and Human Resources who were assigned to FMLA administration part-time will continue their non-FMLA responsibilities in their respective departments.

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We will provide additional responses to your questions on a regular basis. Please contact me or Jack Ireland, Director of the Office of Budget, if you have more questions.



M. Elizabeth Reich
Chief Financial Officer

[Attachments]

c: T.C. Broadnax, City Manager
Chris Caso, City Attorney (Interim)
Mark Swann, City Auditor
Biliera Johnson, City Secretary
Preston Robinson, Administrative Judge
Kimberly Bizar Tolbert, Chief of Staff to the City Manager
Majed A. Al-Ghafry, Assistant City Manager
Jon Fortune, Assistant City Manager

Joey Zapata, Assistant City Manager
Nadia Chandler Hardy, Assistant City Manager and Chief Resilience Officer
Michael Mendoza, Chief of Economic Development and Neighborhood Services
Laila Alequresh, Chief Innovation Officer
M. Elizabeth (Liz) Cedillo-Pereira, Chief of Equity and Inclusion
Directors and Assistant Directors

LET'S FIX THIS



Combined the organizations have booked more than 42,000 surgery appointments and completed 36,740 dog spay/neuter surgeries



Providers expect to complete 52,750 dog surgeries by the end of the project (March 31, 2020) and a total of 63,634 dog & cat surgeries



Dog Surgeries Completed By Year
Year 1: 13,411 (Goal: 18,079)
Year 2: 18,076 (Goal 22,786) +34.8% vs YR1
Year 3 Projection: 21,263 (Goal 17,920) +17.6% vs YR2
Total Projected Dog S/N: 52,750 (Goal 58,785)



Spay Neuter Transport programs assisted 6,201 dogs, accounting for approximately 16.4% of all surgeries completed



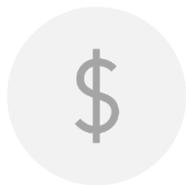
Outreach staff reached nearly 90K households with more than 25K face to face interactions through door to door and event based efforts



DAS Spay Neuter Citation Compliance rates have increased to 54% from 49% in 2018



DAS Intact Dog Altered rates increased from 15% in 2016 to 19.47% in 2019
Microchip rates for dogs coming into DAS have increased from 14.7% in 2016 to 36.3% in 2019



The estimated cost of the three year project is \$16.2M*, and is the largest investment made in providing FREE spay neuter services to dogs in the US



The project is seeking additional funding to ensure it remains fully funded through the end of Year 3



**SPAY NEUTER
NETWORK**

Spay Neuter Surge Summary
April 1, 2017 – June 30, 2019

*Includes \$880,334 for 10,884 cat surgeries offered between April 1, 2017 thru Nov. 2018

**SPCA
OF TEXAS**

Summary of Code Compliance Inspector Responsibilities

Inspector I:

1. Conducts inspections to determine health/safety and property maintenance compliance with applicable codes and ordinances.
2. Investigates alleged violations of local codes, ordinances, and regulations. Requires corrections be made when deficiencies are discovered and assists in determining methods to achieve conformance.
3. Issues notices of violation and conducts follow-up inspections to ensure corrections are made.
4. Provides information to customers regarding codes and other regulatory requirements.
5. Investigates code violations involving premise code standards such as litter, junk motor vehicles, high weeds, graffiti, illegal signs, and illegal dumping to enforce city's code regulations and ordinances.

Inspector II:

1. This level of Inspector is responsible for investigation and compliance enforcement in one or more of the functional areas of city property and maintenance codes, zoning codes, water conservation, and land use ordinances.
2. Inspects a broad range of more complex projects. Seeks advice on only the more complex/difficult technical problems from a supervisor. The Inspector II works independently in the field and is responsible for making decisions requiring technical discretion, sound judgment, and familiarity with a broad variety of problems. May advise/assist Inspectors.
3. Conducts inspections in an assigned geographical area to determine compliance with safety, structural, zoning, plans, and/or applicable codes and ordinances.
4. Provides information to customers regarding codes and other regulatory requirements.
5. Investigates code violations involving premise code standards such as litter, junk motor vehicles, high weeds, graffiti, illegal signs, and illegal dumping to enforce city's code regulations and ordinances.
6. May act as onsite leader on large/complex inspections.
7. Investigates complex violations of City codes to enforce ordinances and maintain neighborhood integrity.

Inspector III:

1. This level Inspector is responsible for very specialized inspection, investigation and enforcement in one of the specialized functions: Boarding Homes, Single Family Registration, Multi-family registration, or Intensive Case Resolution Team. Inspects very complex projects. Works under limited

supervision. The Inspector III works independently and is responsible for making decisions requiring technical discretion, sound judgment, and familiarity with specialized problems where the inspector may be the City's final technical authority.

2. Investigates alleged violations of federal, state, and local codes, ordinances, and regulations. Requires corrections be made when deficiencies are discovered and assists in determining methods to achieve conformance. May approve alternate methods for compliance.
3. May issue notices of violation and/or citations or closures, conducts follow-up inspections to ensure corrections are made.
4. Provides information to customers regarding codes and other regulatory requirements.
5. May provide testimony during hearings and trials for prosecution of violators of applicable Dallas City Codes or state and federal regulations.
6. Writes citations when necessary to correct violations of code or ordinances.