

Memorandum



CITY OF DALLAS

DATE August 31, 2018

TO Honorable Mayor and Members of the City Council

SUBJECT **Further Responses to Council Questions on the FY 2018-19 Proposed and FY 2019-20 Planned Budgets**

Thank you for your questions regarding the City Manager's recommended budget. Due to the number of questions, we will provide answers on a rolling basis.

A. Public Safety

- 1. What is the timeline for the security study? What facilities will be included in the first phase?*

Our goal is to complete a study of all buildings by the end of FY 2018-19. Based on a previous framework, the security study will be conducted in two phases, focusing first on the most-used facilities in the city, including libraries, courts, recreation centers, City Hall, and other municipal buildings. The second phase will follow shortly after. We plan to refine the list of buildings during the next few months as we consult with staff and move forward with the procurement process.

- 2. Please provide a breakdown of the Meet & Confer budget.*

The City Manager's recommended FY 2018-19 and FY 2019-20 biennial budget includes over \$40 million for increased police and fire pay based on the December 2016 Meet and Confer Agreement. This includes \$25.7 million in FY 2018-19 to implement the double step pay increases, add an additional 2 percent top step, and bring starting pay to \$51,688. FY 2019-20 includes an additional \$15 million to provide full-year funding for these increases in the second year of the biennial.

- 3. Please provide a regional comparison of the starting salary of new police recruits*

The table below provides a comparison of the minimum and maximum starting salaries and steps in each rank for police officers and fire-rescue officers in competitor cities in the Dallas-Fort Worth region, as well as other major cities in Texas. As many cities are in the process of finalizing their salary ranges, the information provided is the most current data available, based on a regional survey conducted earlier this year.

Per the survey, the average starting salary for police officers is \$59,217 and for fire-rescue officers is \$57,034, which is 14.57 percent and 10.34 percent higher,

respectively, than the proposed starting pay of \$51,688 for Dallas police and fire-rescue officers.

Police Officer Starting Salaries (as of May 2018)			
City	Minimum	Maximum	Number of Steps
Arlington	\$61,991	\$83,115	7
Austin	\$58,681	\$83,211	13
Carrollton	\$60,229	\$83,292	8
Denton	\$65,136	\$83,445	N/A
El Paso	\$42,888	\$49,648	4
Fort Worth	\$57,741	\$85,509	11
Frisco	\$64,705	\$94,370	7
Garland	\$59,047	\$81,866	8
Grand Prairie	\$59,532	\$81,782	8
Houston	\$49,918	\$65,826	7
Irving	\$62,076	\$83,160	5
Lewisville	\$63,113	\$79,737	7
McKinney	\$62,552	\$82,488	9
Mesquite	\$60,105	\$76,713	8
Plano	\$67,644	\$88,824	11
Richardson	\$60,672	\$79,824	7
San Antonio	\$50,664	\$69,024	6
Average	\$59,217	\$79,520	8
Dallas*	\$51,688*	\$77,169*	11
Difference	(14.57%)	(3.05%)	

*Salary effective starting Oct. 1, 2018 per Meet and Confer agreement

Fire-Rescue Officer Starting Salaries (as of May 2018)			
City	Minimum	Maximum	Number of Steps
Arlington	\$59,300	\$79,546	8
Austin	\$52,069	\$89,808	N/A
Carrollton	\$60,420	\$72,732	5
Denton	\$63,068	\$81,428	N/A
El Paso	\$40,269	\$62,474	10
Fort Worth	\$53,477	\$74,339	11
Frisco	\$63,117	\$77,626	6
Garland	\$61,004	\$76,260	6
Grand Prairie	\$56,936	\$78,227	8
Houston	\$43,528	\$61,226	N/A
Irving	\$55,104	\$77,028	6
Lewisville	\$59,764	\$75,507	7
McKinney	\$59,534	\$76,022	3

Mesquite	\$60,106	\$76,713	6
Plano	\$67,077	\$79,103	3
Fire-Rescue Officer Starting Salaries (as of May 2018), continued			
City	Minimum	Maximum	Number of Steps
Richardson	\$62,634	\$82,446	5
San Antonio	\$52,164	\$61,392	N/A
Average	\$57,034	\$75,405	6
Dallas*	\$51,688*	\$77,169*	11
Difference	(10.34%)	2.29%	

*Salary effective starting Oct. 1, 2018 per Meet and Confer agreement

4. *Is Fire Station #53 included in the capital bond funds for HVAC replacement?*

Through Proposition G (Public Safety Facilities) of the 2017 Bond Program, the City will fund \$74,000 for HVAC and Electrical Improvements at Fire Station #53, as part of the FY 2018-19 budget.

B. Economic & Neighborhood Vitality

5. *Please provide an update on the City’s economic development plan, projects, and specific initiatives.*

City Manager T.C. Broadnax provided an update on the Comprehensive Economic Development Strategic Plan via [Council memo](#) on Friday, August 24. The Office of Economic Development (OED) currently has a pipeline of 100+ projects. Job estimates are based on this pipeline and the probability of OED closing these projects, along with the marketing efforts of OED on the international, national, and local level.

6. *Please provide an explanation of the Chapter 380 authority and how the City uses the program? Will Park and Recreation use any of this program?*

Chapter 380 is a statutory authority to make loans and grants of public funds. Any funding source can potentially be used for a Chapter 380 loan or grant so long as the public purpose of the loan or grant complies with the statutory language of Chapter 380 of the Texas Local Government Code. The Office of Economic Development makes such loans and grants using Public Private Partnership funds, general obligation bond funds, TIF increment, and other sources. The amount of Public Private Partnership funds included in the FY 2018-19 budget for the Office of Economic Development is approximately \$11.2 million. These funds are generally used for Chapter 380 loans and grants but are also used for council-approved items such as the annual payment to the South Dallas/Fair Park Opportunity Fund of up to \$500,000 and the annual payment to the World Affairs Council for International Business and Protocol Services. The Park and Recreation Department has no specific

funding allocated for Chapter 380 loans and grants but may from time to time identify funds for this purpose.

C. Quality of Life

7. *What is the amount of the remaining plastic bag fee? How else can the plastic bag fees be used? Is a "tire recycler" item possible?*

Approximately \$1.1 million exists in the plastic bag fund from the City's carryout bag ordinance. The ordinance was repealed on June 3, 2015, but the City intended these funds to be used for plastic bag mitigation (outreach, education, and program registration costs) and environmental cleanups. Given the purpose and nature of the funds, staff supports the use of funds for a comprehensive environmental and climate action planning to facilitate a cleaner community with better quality of life. This planning effort will result in strategic action items that will provide City Council a framework for the best use of the remaining amount in the fund.

D. Government Performance and Financial Management

8. *What is the FY2018-19 Position Summary, including civilian vs. uniformed?*

Please see the attached summary of positions by department.

9. *Please provide an update on the City's Compensation Study.*

Please see the attached memo.

Thank you for your engagement in the budget process, and as always, let us know if you have additional questions.



M. Elizabeth Reich
Chief Financial Officer

[Attachments]

c: T.C. Broadnax, City Manager
Larry Casto, City Attorney
Craig D. Kinton, City Auditor
Billierae Johnson, City Secretary
Preston Robinson, Administrative Judge
Kimberly Bizzor 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, Chief of Community Services
Raquel Favela, Chief of Economic Development & Neighborhood Services
Theresa O'Donnell, Chief of Resilience
Directors and Assistant Directors

Memorandum



CITY OF DALLAS

DATE August 24, 2018

TO Honorable Mayor and Members of the City Council

SUBJECT **Comprehensive Economic Development Strategic Plan – Updated Timeline**

The Office of Economic Development (OED) has engaged AngelouEconomics to draft the City's first externally generated economic development strategic plan. City Council approved the \$195,000 contract with the consultant on June 13, 2018. Since then OED staff and the consultant have actively been working to develop a timeline for the series of steps essential to creation of the plan. The plan will be developed in four (4) phases.

Phase 1: Stakeholder Engagement. On August 13, the consultant visited Dallas to interview City of Dallas elected officials which included Mayor Rawlings, CM Kingston, CM Callahan, CM Narvaez, CM Gates, CM Atkins, and CM Clayton. During the week of August 26, the consultant shall make a second visit to the City of Dallas to host the 1st steering committee on August 27, 2018 at the Bill J. Priest Center. The consultant will also conduct a series of focus group meetings, and individual interviews with councilmembers and other economic development stakeholders during the week. The focus groups that have formed as part of OED's outreach efforts include: workforce development, innovation, creative industries, small business development, young leaders, real estate development, and local business chambers. This is list is not an exhaustive list but is intended to provide a general idea of the groups. Phase 1 will be on-going as needed, but the initial interviews shall be completed by August 31, 2018.

Phase 2: Market Assessment. This phase will include a market assessment of the City of Dallas, along with benchmarking the City of Dallas against peer cities. A SWOT analysis shall also be conducted during Phase 2 along with assessing the following items in the City of Dallas:

- Business Climate
- Workforce Development and Education
- Marketing and Economic Development Efforts
- Industrial/Commercial Real Estate Sites and Infrastructure
- Quality of Life

This phase is expected to take four weeks and will be completed by September 30, 2018.

Phase 3: Target Industry Recommendations. Key industry sectors shall be identified that have and will drive sustainable growth for the City of Dallas. The industries selected will be based on the strength of the City's existing industry clusters, competitive assets, and our infrastructure to support new and emerging businesses. Additionally, this phase shall entail a labor analysis which will evaluate the availability of labor and associated workforce training programs. Phase 3 should take approximately 4 weeks and the targeted date for completion will be October 31, 2018.

DATE August 24, 2018
SUBJECT Comprehensive Economic Development Strategic Plan – Updated Timeline

Phase 4: Strategic Planning. The final phase for the completion of the plan shall outline the goals, strategies, and actions the City of Dallas should undertake to develop a sustainable economic development plan for the next five years. Additionally, an organizational analysis will be conducted to determine OED's ability to implement the goals of the economic development plan. The consultant expects this phase to take 4 weeks and should be completed by November 30, 2018.

Once all phases are complete, the consultant will present its findings to the Economic Development and Housing Committee. This presentation is planned to occur no later than January 2019. Based on feedback from the Committee, staff and the consultant will either continue to refine the plan, will solicit additional public feedback on the plan, or will present the plan for adoption by the City Council.

Should you have any questions, please contact Raquel Favela, Chief of Economic Development & Neighborhood Services or Courtney Pogue, Director of the Office of Economic Development.



T. C. Broadnax
City Manager

c: Larry Casto, City Attorney
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Directors and Assistant Directors

POSITION SUMMARY BY DEPARTMENT

Department	FY 2017-18 Forecast	Adds	Deletes	Transfer In	Transfer Out	FY 2018-19 Proposed ¹
General Fund						
Building Services ^{2,4}	298	0	(4)	6	(91)	209
City Attorney's Office	156	1	0	1	0	158
City Auditor's Office	26	0	0	0	0	26
City Controller's Office	61	1	(3)	7	0	66
City Manager's Office	16	0	0	1	0	17
City Secretary's Office	20	4	0	0	0	24
Civil Service	29	0	0	0	0	29
Code Compliance Services	384	9	(4)	0	0	389
Court and Detention Services ²	179	2	(9)	81	0	253
Dallas Animal Services	146	20	0	0	0	166
Fire - Civilian	121	0	0	0	(3)	118
Fire - Uniform	2,171	6	0	0	0	2,177
Housing and Neighborhood Revitalization	21	0	(2)	0	0	19
Human Resources	74	0	0	4	0	78
Judiciary	57	1	(2)	0	0	56
Library	436	0	0	0	0	436
Management Services ³			0			0
Agenda Office	3	0	0	0	0	3
Office of Business Diversity	9	0	0	0	0	9
CPE	11	0	0	0	(11)	0
Office of Equity and Human Rights	3	2	0	2	0	7
Office of Strategic Partnerships	11	1	0	0	0	12
Office of Emergency Management	7	0	0	0	0	7
Office of Innovation	0	0	0	4	0	4
Public Affairs & Outreach	15	2	0	3	0	20
311	110	0	(4)	0	(1)	105
Office of Environmental Quality and Sustainability ³	41	0	0	61	0	102
EMS Compliance	3	0	0	0	(3)	0
Ethics and Diversity	1	0	0	0	(1)	0
Office of Homeless Solutions	36	0	(4)	0	0	32
Office of Community Care	43	2	0	1	(1)	45
Internal Control Task Force	0	0	0	0	0	0
Resiliency Office	2	0	0	0	(2)	0
Welcoming Communities & Immigrant Affairs	3	0	0	0	0	3
Mayor and Council	54	14	(1)	0	0	67
Non-Departmental and Reserves and Transfers	0	0	0	0	0	0
Office of Budget	32	3	0	0	0	35
Office of Cultural Affairs	110	0	0	0	0	110
Office of Economic Development	45	0	(3)	0	0	42
Park and Recreation ⁴	1,470	4	0	0	(14)	1,460
Planning and Urban Design	32	0	0	0	0	32
Police - Civilian	671	34	0	0	(3)	702
Police - Uniform	3,222	0	0	0	0	3,222
Procurement Services	25	0	(1)	0	0	24
Public Works ⁴	600	0	(12)	0	(105)	483
Sustainable Development and Construction	41	0	0	0	0	41
Transportation	179	4	0	0	0	183
Trinity Watershed Management ³	14	0	(7)	0	(7)	0
	10,988	110	(56)	171	(242)	10,971

POSITION SUMMARY BY DEPARTMENT

Department	FY 2017-18 Forecast	Adds	Deletes	Transfer In	Transfer Out	FY 2018-19 Proposed ¹
Enterprise Funds						
Aviation	302	17	0	9	(9)	319
Convention and Event Services	134	2	(1)	0	0	135
Office of Cultural Affairs – Municipal Radio	15	0	(1)	0	0	14
Sanitation Services ³	564	0	0	0	(6)	558
Storm Drainage Management ³	276	0	0	0	(276)	0
Sustainable Development and Construction -	304	3	0	0	0	307
Water Utilities ³	1,554	0	0	240	(12)	1,782
	3,149	22	(2)	249	(303)	3,115
Internal Service/Other Funds						
Communication and Information Services	238	4	(9)	1	(2)	232
Employee Benefits/Wellness	11	0	0	0	0	11
Equipment and Fleet Management ²	261	15	0	3	(6)	273
Management Services ⁴	0	35	0	125	0	160
Express Business Center	11	0	0	0	0	11
Risk Management Services	37	1	(2)	6	0	42
	558	55	(11)	135	(8)	729
Grant/Private/Special Funded Positions¹						
City Attorney's Office	14	0	0	0	(1)	13
Office of Budget	10	0	0	0	0	10
Dallas Animal Services	3	0	0	0	0	3
Police - Civilian	38	0	0	0	0	38
Police - Uniform	12	0	0	0	0	12
Office of Economic Development	1	0	(1)	0	0	0
Housing and Neighborhood Revitalization	68	0	0	0	0	68
Library	7	0	0	0	0	7
Management Services			0			
Fair Housing Office	11	0	0	0	0	11
Intergovernmental Services	3	0	0	0	0	3
Office of Emergency Management	8	0	0	0	0	8
Office of Homeless Solutions	13	0	(7)	0	0	6
Office of Community Care	204	0	0	0	(1)	203
Office of Cultural Affairs	1	0	(1)	0	0	0
Park and Recreation	140	0	0	0	0	140
	533	0	(9)	0	(2)	522
	15,228	187	(78)	555	(555)	15,337

Notes:

¹ FY 2018-19 reflects preliminary estimate for Grant/Private/Special Funded positions.

² FY 2018-19 proposed budget separates Equipment and Building Services (EBS) into two distinct departments: Buildings and Equipment and Fleet Management; and transfers Security Services from EBS to Court and Detention Services.

³ FY 2018-19 proposed budget integrates Storm Drainage Management/Trinity Watershed Management into Dallas Water Utilities; and transfers regulation and enforcement to Management Services - Office of Environmental Quality and Sustainability.

⁴ FY 2018-19 proposed budget creates a new division in Management Services - Office of the Bond Program; and reallocates positions from Public Works, Park & Recreation, and EBS.

Memorandum



CITY OF DALLAS

DATE August 27, 2018

TO Honorable Mayor and Members of the Dallas City Council

SUBJECT **Update on 2019 Compensation Study**

This document is to provide background information in response to questions related to the need to conduct a compensation study and salary survey at the City of Dallas in the upcoming year.

Background

A public sector organization must examine its compensation philosophy and structure from time to time to ensure it can successfully compete for existing and future employees. Current and well-designed salary structures have compensation levels that are internally equitable, externally competitive, and cost-effective and deliver a positive impact on the organization. Although the technical steps are the focus, the underlying process requires a cross-functional team of stakeholders working collaboratively to create a competitive salary structure.

Typically, *Compensation Surveys (Internal and Market)* are conducted every other year. The most recent formal Compensation Survey conducted at the City of Dallas took place six years ago, in 2012. The most recent *Comprehensive Compensation Study/Review* for the City (full structure review) began in 1991 and concluded in 1995, over 23 years ago.

The delay in conducting a comprehensive *Compensation Study/Review* to update the structure, added to the lack of periodic surveys, has resulted in significant salary compression affecting employees across the organization and creating inequities that may result in legal challenges and moral issues. Further, it has rendered the City not competitive as it struggles to attract and retain talent for critical positions which include public safety officers, technical, managerial, and professional staff.

Benefits of a Compensation Study

It is widely considered a best practice to use third-party experts to conduct *Compensation Surveys* and *Compensation Studies/Reviews*, as they lend transparency and credibility to the outcomes. Investing in these management tools help public sector organizations (and all employers) achieve talent related objectives such as employee recruitment, retention, pay satisfaction, and contain labor costs as it ensures the classification and compensation plan is current, fair, and comprehensive.

DATE August 27, 2018
SUBJECT Compensation Study

A *Comprehensive Compensation Study* will organize positions based on uniform criteria (i.e., hierarchy, job duties, and knowledge requirements and appropriately allocate positions to salary grades that reflect their relative worth to the organization. Salary grades will have corresponding salary ranges and job titles that are aligned with the external labor market.

Study deliverables will include new job descriptions and job hierarchies (ranking), position evaluation tools, a market-competitive wage, and salary structures. Classification and compensation plans can be implemented in one fiscal year or over several fiscal years to alleviate cost concerns.

Conclusion

Remaining market competitive is critical for any organization to attract and keep the talent needed to achieve organizational goals. To ensure a fair and sound compensation framework and to remain market competitive, organizations engage expert third-parties to conduct periodic compensation studies. At the City of Dallas, a comprehensive Compensation Study is long overdue.

Further delaying the compensation study at the City of Dallas will contribute to the unintended perception among employees that pay is distributed unfairly (increasing the risk of litigation and low-morale), further salary compression, and exacerbate the vacancy crisis we are currently experiencing.

Should you have questions, please contact Nina Arias, Director of Human Resources, at (214) 671-9050.



Kimberly Bizzor Tolbert
Chief of Staff to the City Manager

c: Honorable Mayor and Members of the City Council
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