

Memorandum



CITY OF DALLAS

DATE August 16, 2019

TO Honorable Mayor and Members of the City Council

SUBJECT **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 on Tuesday, August 13. Below is the first set of responses to questions not answered at the time of the budget workshop. Additional responses will be provided over the next few weeks.

1. What percentage of our certified property tax roll is in dispute?

The Collin, Dallas, Denton, and Rockwall Central Appraisal Districts are required by state law to certify property values by July 25 each year. The total value for the 2019 tax year (FY 2019-20) is \$140,237,631,635. Of this amount, \$1,917,306,989 (1.4 percent) was in dispute at the time values were provided by the appraisal districts.

2. How many code inspector positions in Code Compliance are vacant?

Of the 178 code inspector positions, there are 24 vacancies as of August 15. This is for a number of reasons but primarily because of internal promotions, retirements, and resignations. We plan to have a continuous posting on the City's website advertising the position. We have also been exploring ways to expedite the onboarding process with Human Resources and Civil Service.

3. How many police officers live in Dallas?

As of August 12, 640 police officers (21 percent) and 350 firefighters (18 percent) reside in Dallas. In addition, almost 50 percent of our civilian employees reside within the city.

4. Who is on the IT Governance committee?

The new IT Governance process was put in place this fiscal year (FY 2018-19). The process allows the committee to discuss and make decisions related to IT issues from a citywide perspective. The IT Governance committee consists of all Assistant City Managers and Chiefs reporting directly to Mr. Broadnax: Kimberly Tolbert, Liz Cedillo-Pereira, Michael Mendoza, Elizabeth Reich, Nadia Chandler Hardy, Jon Fortune, Joey Zapata, Majed Al-Ghafry, and Laila Aleqresh.

DATE August 16, 2019

SUBJECT Responses to Questions on Proposed FY 2019-20 Budget

5. How have contingency funds been used in the current fiscal year?

During FY 2018-19, City Council has approved the use of \$2.6 million from Contingency Reserve. The below table provides information related to each use.

Department	Date Passed	Item Number	Purpose	Amount
Elections	11/14/2018	18-1641	District 4 runoff	\$155,132
Office of Arts and Culture	2/13/2019	19-0296	Statue removal	\$480,000
Park and Recreation	4/24/2019	19-0596	Funding for youth programs as a result of youth curfew	\$500,000
Police	4/24/2019	19-0596	Police staffing study	\$250,000
Elections	5/15/2019	19-0737	Runoff election for districts and Mayor	\$1,250,000

6. Provide a comparison of the General Fund allocation by strategic priority from the FY 2018-19 budget to the proposed FY 2019-20 budget.

The table provides the year-to-year comparison by strategic priority. Additional information is provided in the budget document behind the tab titled Summary of Services by Strategic Priority. This section will further detail the departments and services aligned to each strategic priority.

Strategic Priority	FY 2018-19 General Fund Adopted	FY 2019-20 General Fund Budget	Year-to-Year Change
Public Safety	\$820,795,231	\$873,743,297	\$52,948,066
Mobility Solutions, Infrastructure, and Sustainability	145,664,762	148,686,930	3,022,170
Economic and Neighborhood Vitality	66,147,944	76,143,977	9,996,033
Human and Social Needs	20,026,110	22,160,166	2,134,056
Quality of Life	204,036,305	202,743,668	(1,292,637)
Government Performance and Financial Management	109,295,921	119,371,960	10,067,039*
Total	\$1,365,966,274	\$1,442,850,000	\$76,883,727

*This includes \$2 million in public safety-specific IT projects and \$2.25 million for the police hiring reserve.

7. Provide details of the \$24.9 million service included in the FY 2019-20 Non-Departmental budget.

Various costs that cross multiple departments or are not specific to any one department may be included within Non-Departmental. This includes the General Fund cost for Tax Increment Financing, Contingency Reserve, Commercial Paper and Master Lease, Liability/Claims Transfer, Salary and Benefits Reserve, and a

DATE August 16, 2019

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

miscellaneous service known as Non-Departmental. This service totals \$24.9 million for next year and includes items such as:

- Payments to the four appraisal districts
- Payment to the Dallas County Tax Office for collecting property taxes
- Payments to Dallas Water Utilities for collecting revenues for the General Fund
- The cost of sales tax audits managed by the City Auditor's Office
- The bank contract
- Costs related to franchise rate cases, fee studies, cost allocations, property and sales tax forecasts, and actuarial audits
- Payment to the Downtown PID
- Citywide memberships (such as to NCTCOG)
- Unemployment insurance
- Legislative services contracts
- Contract wrecker servicers

New to this service in FY 2019-20 is \$4.5 million to implement citywide IT projects, including \$2 million specifically earmarked for public safety, and \$2.25 million for the police officer hiring reserve.

8. What is causing the \$5.8 million increase in the Management Services budget from \$31.8 million for FY 2018-19 to \$37.6 million planned for next year?

The table below provides a breakdown of the increase by Management Services division. Please refer to the attachment for an explanation of the major budget items within each division (\$4.8 million total). The FY 2019-20 budget also includes adjustments for costs such as employee/retiree health benefits, civilian merit pay, and civilian employee retirement, and internal service charges such as information technology, fleet maintenance, fuel, workers' compensation, liability, and property insurance, which are not included in the attachment.

	FY 2018-19 Budget	FY 2019-20 Budget	Variance
Management Services			
311 Customer Service Center	\$4,713,915	\$4,835,776	\$121,861
City Agenda Process	219,414	246,824	27,410
Emergency Management Operations	877,113	1,122,695	245,582
Office of Homeless Solutions	11,688,503	12,126,340	437,837
Office of Business Diversity	894,165	1,080,709	186,544
Office of Community Care	5,375,877	6,675,920	1,300,043
Office of Community Police Oversight	0	475,000	475,000
Office of Environmental Quality and Sustainability	2,734,360	3,524,863	790,503
Office of Equity	0	492,264	492,264
Office of Ethics and Compliance	0	227,912	227,912
Office of Fair Housing and Human Rights	998,436	561,786	(436,650)

DATE August 16, 2019

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

	FY 2018-19 Budget	FY 2019-20 Budget	Variance
Office of Historic Preservation	0	626,199	626,199
Office of Innovation	603,668	963,030	359,362
Office of Resiliency	0	384,706	384,706
Office of Strategic Partnerships and Government Affairs	1,053,433	1,134,554	81,121
Office of Welcoming Communities and Immigrant Affairs	623,124	861,003	237,879
Public Affairs and Outreach*	1,973,745	2,213,730	239,985
Management Services Total	\$31,755,753	\$37,553,311	\$5,797,558

*FY 2018-19 budget reduced by \$125,000 in the FY 2018-19 mid-year ordinance.

9. Provide the City Manager's proposed budget in Excel format.

The Summary of Services by Department and the Summary of Services by Strategic Priority provided in the FY 2019-20 and FY 2020-21 proposed biennial budget are available in Excel format online at <https://dallascityhall.com/departments/budget/financialtransparency/Pages/Upcoming-Budget.aspx>.

We will provide additional responses to your questions in the upcoming weeks. 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
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, 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

MANAGEMENT SERVICES

MAJOR BUDGET ITEMS

The FY 2019-20 budget and FY 2020-21 planned budget include adjustments for costs such as employee/retiree health benefits, civilian merit pay adjustments, civilian employee retirement adjustments, and internal service charges such as information technology, fleet maintenance, fuel, workers' compensation, liability, and property insurance. The table below lists funding levels for major budget items for each year of the biennial.

311 Customer Service Center	Number of Positions	FY 2019-20 Budget	FY 2020-21 Planned
Add eight Spanish-speaking Customer Service Agent positions in FY 2020-21 (6.00 FTEs).	8	\$0	\$358,216
Department Total	8	\$0	\$358,216

Office of Business Diversity	Number of Positions	FY 2019-20 Budget	FY 2020-21 Planned
Add one Manager III position for the Broadening Urban Investment to Leverage Dallas (BUILD) initiative (0.75 FTE).	1	\$88,468	\$120,909
Funding for advocacy group membership dues and overtime to enhance M/WBE outreach efforts and allow staff participation in M/WBE advocacy group outreach initiatives.	0	\$27,716	\$27,716
Support of citywide marketing initiatives related to diversity and inclusion. These events include monthly Diversity University classes and City-hosted Diversity Outreach Mixers with M/WBE advocacy groups.	0	\$15,000	\$15,000
Department Total	1	\$131,184	\$163,625

MANAGEMENT SERVICES

Office of Community Care	Number of Positions	FY 2019-20 Budget	FY 2020-21 Planned
Add funding to partner with nonprofit and community partners to address the drivers of poverty (\$153,868 in Community Development Block Grant funds and \$846,132 from the General Fund).	0	\$846,132	\$846,132
Transfer the Earned Income Tax Credit program from the Office of Economic Development to Management Services – Office of Community Care.	0	\$200,000	\$200,000
Transfer Senior Services programming budget from Community Development Block Grant (CDBG) funds to the General Fund.	0	\$300,000	\$300,000
Eliminate funding for the End Panhandling Now pilot project.	0	\$(415,000)	\$(415,000)
Add funding for the annual Martin Luther King, Jr. parade.	0	\$50,000	\$50,000
Department Total	0	\$981,132	\$981,132

Office of Community Police Oversight	Number of Positions	FY 2019-20 Budget	FY 2020-21 Planned
Establish the Office of Community Police Oversight.	3	\$475,000	\$475,000
Department Total	3	\$475,000	\$475,000

Emergency Management Operations	Number of Positions	FY 2019-20 Budget	FY 2020-21 Planned
Add six additional warning sirens in FY 2019-20 (\$176,069 one-time) and fund ongoing maintenance.	0	\$226,069	\$50,000
Department Total	0	\$226,069	\$50,000

MANAGEMENT SERVICES

Office of Environmental Quality and Sustainability	Number of Positions	FY 2019-20 Budget	FY 2020-21 Planned
Transfer funding and one position in FY 2019-20 from Code Compliance to Management Services – Office of Environmental Quality to work on the Urban Agriculture program (1.00 FTE).	1	\$210,677	\$210,677
Add funding to support the Spill Response Team focused on (1) response and investigation of spills and environmental incidents and (2) Consent Decree and high-risk facilities sections.	0	\$103,552	\$103,552
Funding for three unfunded positions assigned to lead the development and implementation of the Comprehensive Environmental and Climate Action Plan (2.40 FTEs).	0	\$205,000	\$205,000
Department Total	1	\$519,229	\$519,229

Office of Equity	Number of Positions	FY 2019-20 Budget	FY 2020-21 Planned
Reallocate funding from Management Services – Fair Housing and Human Rights (formerly Equity and Human Rights) to create the Office of Equity (3.00 FTEs).	3	\$392,264	\$392,264
Add two Equity Analysts in FY 2020-21 to provide analytical information to management, employee racial equity training, and program monitoring (1.50 FTEs).	2	\$0	\$137,249
Add funding for equity consulting services.	0	\$100,000	\$100,000
Department Total	5	\$492,264	\$629,513

MANAGEMENT SERVICES

Office of Ethics and Compliance	Number of Positions	FY 2019-20 Budget	FY 2020-21 Planned
Move Ethics Officer position and funding from Human Resources to a new division in Management Services – Office of Ethics and Compliance. Add funding in FY 2019-20 for a new Values Ambassador Program (\$19,500).	1	\$227,912	\$227,912
Department Total	1	\$227,912	\$227,912

Office of Fair Housing and Human Rights	Number of Positions	FY 2019-20 Budget	FY 2020-21 Planned
Transfer one position previously funded by a grant to the General Fund to support Management Services – Fair Housing and Human Rights.	1	\$190,779	\$190,779
Add one Manager II to oversee the paid sick leave program.	1	\$78,413	\$78,413
Funding to conduct Americans with Disabilities Act professional development Citywide.	0	\$36,065	\$36,065
Transfer Equity functions and funding to the Office of Equity (3.00 FTEs).	(3)	\$(392,264)	\$(392,264)
Transfer Resiliency functions and funding to the Office of Resiliency (2.00 FTEs).	(2)	\$(205,994)	\$(205,994)
Department Total	(3)	\$(293,001)	\$(293,001)

Office of Historic Preservation	Number of Positions	FY 2019-20 Budget	FY 2020-21 Planned
Move Historic Preservation from Sustainable Development and Construction to a new division in Management Services – Office of Historic Preservation. Increase contractual services to support service delivery.	6	\$626,199	\$626,199
Add Senior Planner position to support historically underserved and underrepresented historic districts in FY 2020-21 (1.00 FTE).	1	\$0	\$69,979
Department Total	7	\$626,199	\$696,178

MANAGEMENT SERVICES

Office of Homeless Solutions	Number of Positions	FY 2019-20 Budget	FY 2020-21 Planned
Add funding for temporary inclement weather shelters for the homeless during winter and summer months.	0	\$200,000	\$1,000,000
Transfer one Operations Research Analyst position from Management Services – Office of Homeless Solutions to Management Services – Office of Resiliency (1.00 FTE).	(1)	\$(78,711)	\$(78,711)
Transfer one Grant Compliance position in FY 2019-20 from Management Services – Office of Homeless Solutions to the Office of Budget to manage compliance for Housing Opportunities for Persons with AIDS (HOPWA) (1.00 FTE). The position is fully reimbursed from grant funds.	(1)	\$0	\$0
Add funding for the Pay-to-Stay program under Track 1 of the Homeless Solutions Strategy to increase emergency shelter capacity.	0	\$200,000	\$200,000
Develop Site Reclamation Neighborhood Grant Program to maximize resources for maintenance and repurposing of chronic encampments.	0	\$298,798	\$298,798
Reallocate funding for cleaning and clearing hazardous materials, debris, and litter at recurring homeless encampments to the Site Reclamation Neighborhood Grant Program.	0	\$(200,049)	\$(200,049)
Department Total	(2)	\$420,038	\$1,220,038

Office of Innovation	Number of Positions	FY 2019-20 Budget	FY 2020-21 Planned
Add a Data Analyst, Project Specialist, and Graduate Intern to fulfill the strategic vision of the Office of Innovation (3.00 FTEs).	3	\$221,414	\$221,414
Transfer one Office Assistant from the Police Department and upgrade to Executive Assistant (1.00 FTE).	1	\$84,058	\$84,058
Add funding for contract services.	0	\$50,000	\$100,000
Department Total	4	\$355,472	\$405,472

Public Affairs and Outreach	Number of Positions	FY 2019-20 Budget	FY 2020-21 Planned
Add funding for professional services to support the development and implementation of new City employee engagement initiatives.	0	\$30,000	\$30,000
Department Total	0	\$30,000	\$30,000

MANAGEMENT SERVICES

Office of Resiliency	Number of Positions	FY 2019-20 Budget	FY 2020-21 Planned
Transfer Resiliency functions from the Office of Fair Housing and Human Rights (2.00 FTEs).	2	\$205,994	\$205,994
Add funding for consulting services.	0	\$100,000	\$150,000
Add funding for training and travel.	0	\$0	\$45,000
Transfer an Operations Research position from Management Services – Office of Homeless Solutions to Management Services – Office of Resiliency.	1	\$78,712	\$78,712
Department Total	1	\$384,706	\$479,706

Office of Strategic Partnerships and Government Affairs	Number of Positions	FY 2019-20 Budget	FY 2020-21 Planned
Reduce travel budget for the U.S. Conference of Mayors and Youth Commission.	0	\$(43,973)	\$(43,973)
Department Total	0	\$(43,973)	\$(43,973)

Office of Welcoming Communities and Immigrant Affairs	Number of Positions	FY 2019-20 Budget	FY 2020-21 Planned
Transfer one Assistant City Manager position to Management Services to create the Chief of Equity and Inclusion (1.00 FTE).	1	\$218,896	\$218,896
Department Total	1	\$218,896	\$218,896