

To: City Council Members

From: Council Members Anne Clutterbuck
and Stephen C. Costello

Cc: Mayor Annise Parker; Kelly Dowe,
Finance Department

Date: March 1, 2011

Core Service Assessment Work Sessions

Background

In response to several council members who expressed an interest in having greater and earlier involvement in the budget process, the Budget and Fiscal Affairs Committee has instituted a series of Core Service Assessment Work Sessions. Facing a projected general fund budget gap of over \$100 million for FY2012, city council must take an in-depth look at the activities, programs and services currently being provided by the City. Because it is city council's responsibility to pass the budget each year, it is imperative that council members be well equipped with the information they need to make sound decisions regarding budget priorities. Which activities, services and programs are considered "core" to the City's mission? Which ones should be reduced or eliminated? Facing the significant budget gap, it is clear the City will be unable to continue to provide each service at its current level. The Core Service Assessment Work Sessions are set up to: 1) provide a forum for department directors to provide complete information on current activities, associated costs, and potential impacts of reductions and cuts; 2) allow council members to comment on and question the information presented; 3) enable council members to evaluate the information, formulate opinions, and make recommendations on which activities they consider "core;" and 4) provide guidance to the Administration for use in formulating the proposed budget.

Summary

To date, seven departments have presented and council member participation has been high. Each of the department directors has presented a service matrix and back up documentation. Since directors have already been making significant cuts to their budgets, they view all of the current activities their departments perform as "core." The following attempts to capture and summarize comments, concern, questions and suggestions presented by council members at each session.

HOUSTON PARKS AND RECREATION DEPARTMENT

Discussion of urban park rangers. Need to make better use of them. What exactly are their responsibilities? What is the annual cost of the park rangers? Are there better ways to open/close parks?

Finance consolidation – concern over proposed new reporting structure.

Need Director’s expertise in identifying what areas he would cut and what impact/value to City would be.

Need usage statistics for community centers and pools. What are potential impacts of closing any of the community centers/having them run by nonprofits?

Strong support indicated for community centers and the positive impact they have in poorer communities.

Need to look at services in a horizontal/vertical manner. What does each community center offer and what’s offered city-wide? Need to look at mapping centers similar to the way HFD maps fire coverage city-wide.

Concern over negative balances at golf courses – need to show carry forward balances.

Need to know how/why each service is core and what the impacts of any cuts would be.

Need to explore privatization of the maintenance of parks, fields and golf courses.

Questions about HPARD’s role in maintaining esplanades.

Need information on how many people are served by HPARD activities (by council district).

Discussion of HPARD programs and services – past Councils set the policy to provide programs for free or at subsidized levels.

GENERAL SERVICES DEPARTMENT

Concern over how long real estate sales may take to close.

When comparing overall operating costs per square foot (GSD vs. BOMA), are true costs being reflected? Do these costs reflect pensions/health benefits? Need standard methodology when making comparisons. Concern that GSD’s costs are not truly represented.

Concern over customer service and best practices related to property management.

Need to look at outsourcing some services. There may be a greater knowledge/skills base and better training outside of City.

Why do some departments do their own maintenance/janitorial/security? GSD has the expertise so why does HPARD maintain park facilities? Where can GSD provide services (at cheaper cost) to other departments?

Questions about janitorial services and cleaning schedules. How often do facilities need to be cleaned? Why not alternate to every other day?

Discussion of doing background checks – this activity is performed by three departments - HPD/HFD/GSD.

Questions about GSD's investigative work, security services – concern over best use of resources. Has security force been tested? Are there emergency drills?

Questions about GSD's need for design and construction team when City hires outside firms to do this.

Concern over whether improvements to and maintenance of fire stations is adequate.

Need to continually assess the services being provided to make sure GSD is competitive.

Questions about special funds and how they relate to the General Fund.

Questions about large number of executive level employees on org chart. Need for specialized skills and expertise.

Questions about REEP dollars – why are we significantly behind in spending these? Concern over possibility of losing grant funding.

Questions about generators, how are we tracking, who needs them.

Need for strategic portfolio management/preventive maintenance. Deferred maintenance costly - need strategic planning for building maintenance. Large upfront costs associated with assessing each building.

Need to renegotiate all of GSD's contracted out services to make sure City getting best deal.

Need to know impacts of cuts. What can GSD do without? Need input from directors on what they plan to cut and then council members can prioritize. Need guidance in order to make the political decisions. Departments must show what returns are gained for citizens' investment.

Finance consolidation – concern over new reporting structure.

Situation similar to 1980s when everyone had to justify job/existence. Need department's help in making decisions.

Policy decisions come from council – need to look at all activities of each department to prioritize.

ADMINISTRATION AND REGULATORY AFFAIRS DEPARTMENT

Support for flat org chart and the word “customer” in mission statement. Need to also list department goals.

Need timelines for all consolidation efforts.

Concern over pay raises to employees. What is criteria used to determine raises?

Discussion of CMC and City Savvy related activities as being “non-core.”

Interest in learning what services could be delayed or eliminated.

Discussion of top three functions as being: 1) payroll; 2) purchasing; and 3) regulatory affairs.

Questions about new Collections operation – where will it be housed?

Question on number of certified payroll employees.

Concern over BARC (lack of) funding. Discussion of role/goals of 501 (c) 3. Need to incorporate best practices learned from other cities. Interest in public/private/no-profit partnerships

Concern over large number of payroll employees (70).

Discussion of payroll consolidation/automation process. Need timeline.

Questions about online permitting and new permitting center. Go live date June 17 – full service four months later.

Concern over Petdata contract. Discussion of effort underway to bring licensing in-house.

Discussion of necessity of department council liaisons. Concern over duplication of responsibilities – department council liaisons and mayor’s council liaison.

How long will cost saving measures take to implement? Payroll consolidation? Strategic Purchasing consolidation? Salary reductions?

Concern over amount of time it will take to implement changes/reductions.

Interest in looking at weekend/holiday staffing during weekday.

Interest in helping ARA generate additional revenue.

Interest in helping BARC foundation raise money.

Concern over possible duplication of BARC/HPARD dispatch responsibilities.

Concern over economic development budget FTEs and costs housed at ARA.

Discussion of 3-1-1 department – need to improve customer service/streamline.

Need to ask departments/mayor for direction on ways to reduce costs.

Who will be in charge of new Permitting Center?

Discussion of taxi registration process.

Need information on impact of reducing services.

Questions about Neighborhood Services being housed under Economic Development.

Need to focus not on the numbers, but on the activities and prioritizing them.

FINANCE DEPARTMENT

Discussion of placement of Economic Development budget/FTEs.

Concern over salaries of TIRZ executive directors.

Need to look city-wide at contracted-out services. Where can we bring things in house?

Interest in considering operating on weekend schedule 1 weekday per month.

Discussion of Finance Consolidation. Support for centralizing AP/AR, but not for taking “right hand” financial/operations employee from departments.

Questions on timing of FTE and dollar transfers to new Fleet Management Department.

Need to look at consolidating budget planning duties (Operating Budget/CIP).

Need to better leverage/coordinate audit services with Controller’s office.

Interest in better coordination between management districts and TIRZs.

Need direction from department on what can be cut.

Concern over outdated technology and cost of not making necessary upgrades to increase efficiency. Need to look not just at Finance, but at all departments to get an inventory/assessment of what we have and what we need.

Related to forthcoming budget target numbers – interest in having policy drive the numbers, not having the numbers driving policy.

HOUSTON PUBLIC LIBRARY DEPARTMENT

Strong support for matrix showing prioritized list of activities and impact of possible reductions.

Need to use this matrix as a model for all departments.

Interest in helping bring additional revenue to HPL. “Status” library cards, wall space advertising, raise money for foundation, providing “Kinkos-like” services, bringing business office resources to conventions, selling reproduced/digitized artifacts.

Discussion of number of students (40,000) benefiting from structured after school programs (tool for crime prevention).

Interest in encouraging partnerships (with Parks and other departments).

Need to communicate with school districts – cuts at state level may lead to decrease in school-sponsored after school activities to create even greater student demand on libraries.

Discussion of library IT support/network. Need effective coordination with Central IT. State cuts will impact grants for broadband.

Need to look at possibly outsourcing website management.

Interest in having communities/nonprofits involved in establishing/running coffee shops in libraries.

Need to look at data collected since library hours reduced.

PLANNING AND DEVELOPMENT DEPARTMENT

Concerns about overlap of responsibilities between Planning and Development’s Neighborhood Services Division, Mayor’s Citizen Assistance Office, and Council Offices.

Question about why PD (not PWE) handles Transportation coordination/implementation and not PWE. (PD handles planning activities/PWE handles “hard” side of transportation/engineering, etc...).

Discussion of role of Neighborhood Services. Disseminate information, capacity building, also Neighborhood Tools (yard parking, other ordinances), SNAP plans, matching grants.

Question about where to cut 10%? Would probably be across board cut.

Concern over IT/GIS personnel and whether it might be better to consolidate into Central IT.

Need for inventory of IT-related resources across City departments.

Questions about duties related to Emergency Management. These duties seem to be performed by different people in various departments.

Discussion of GIS/EGIS duplication with other departments (HPD). Question about possible outsourcing of GIS services. Support for keeping GIS in-house (less expensive).

Question about role of PD in HAZMAT business.

Discussion/concern about responsibilities of PD staff on H-GAC matters. Mayor's governmental affairs point of contact for H-GAC.

Concern over possible overlap of many PD services. Suggestion for a "think tank" to be centralized to perform many of the neighborhood services duties.

Need direction from PD Director on what services could be cut.

Need for GIS crime data by superneighborhood. Discussion of capability of PD working with HPD to map crime data. Need for citizens to be able to access this data.

Need information about the cost of city services by geographic area.

Interest in coordinating sign language activities across departments with needs for these services.

HUMAN RESOURCES DEPARTMENT

Questions about responsibilities of client relations vs. employee services.

Discussion of HR consolidation – only employees having over 50% HR responsibilities were brought over. (Currently 125 employees/down from 175 previously thought to have needed).

Goal is to have 1 HR employee for every 100 City employees.

Question about where to cut 10%? Probably would be across board.

Need information from HR Director on impact of reductions/eliminations of services.

Interest in outsourcing drug testing.

Need for a plan – when will we pull the trigger on a plan for addressing budget gap? Must have a strategy in place. When will plan be implemented?

Council Member _____

Houston Parks and Recreation Department

HIGHEST priority activities (list up to five):

LOWEST priority activities (list up to five):

Comments/Recommendations:

**Houston Parks and Recreation Department
General Fund Activities**

Director's Office

Administrative
Council Liaison
Mgmt. Support
Mayor's 3-1-1

Grants, Legislation and Development

Grants
Legislation
Fed. Govt. Projects
Sponsors
Partnerships

Lake Houston

Wilderness Park
Nature Center

Urban Park Rangers

Security
Safety
Alarms
Dispatch
Front Desk

Community Centers

Adaptive Recreation.
Enrichment Programs
After-School Programs

Zoological Gardens

Zoo Contract

Utilities/Services

Electricity
Sewer
Natural Gas
Fuel
Property Insurance

Management and Finance

Administrative
Budgeting
Human Resources
Finance
Payroll
Procurement
IT
Training

Park Administration

Planning, Design and Management
Hermann Park
Memorial Park
Signature Parks

Communications Office

Communications
Media
Public Relations
Marketing
Web
Graphic designs
3-1-1
Ask Parks

Facilities Management and Development

Park Development, Enhancement and
Expansion
Bldg. Maintenance
Carpentry
Plumbing
Electrical
Graffiti/Fencing
Heavy and Light Construction

Recreation and Wellness

Youth Sports
Adult Sports
Teen Leadership
Senior Programs
Aquatics
Tennis
Golf
Summer Food
Permits

Greenspace Management

Ground Maintenance
Field Operation
Park and Esplanade
Library Grounds
Sports Field Mgmt.
Urban Forestry
Tree Maintenance
Planting Services
Tree Ord. Enforce
Community Involvement
Fleet Management



A CAPRA Accredited Agency

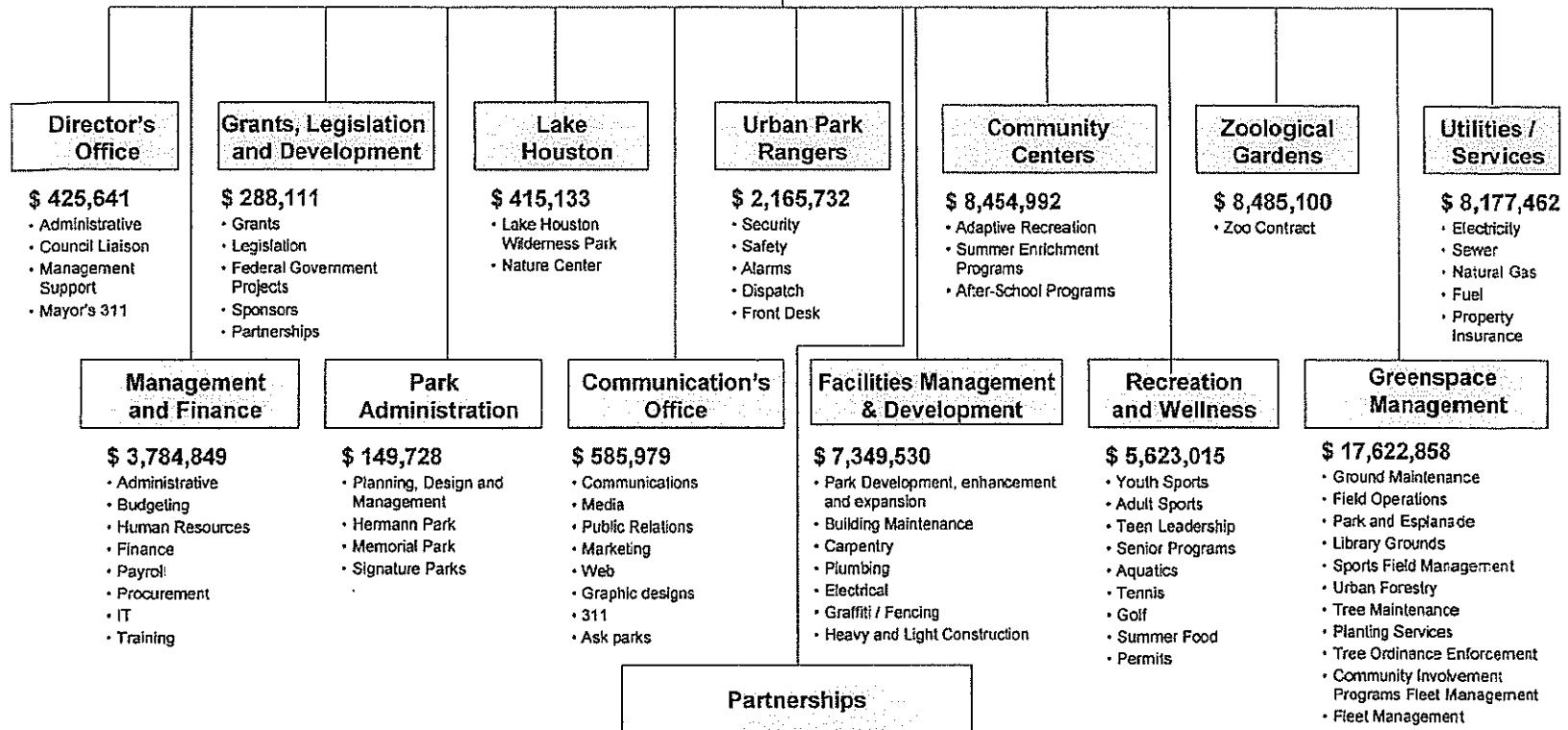
General Fund



Mayor Annise D. Parker

Houston Parks and Recreation Department Director

63,528,130



2/14/2011

Cash - \$ 29,911,423

In-Kind - \$22,279,302

Council Member _____

General Services Department

HIGHEST priority activities (list up to five):

LOWEST priority activities (list up to five):

Comments/Recommendations:

General Services Department
General Fund Activities

Property Management

Janitorial
Repair/Maintenance
In-house Renovation
Ground Maintenance
Graffiti Abatement Program

Design and Construction

CIP Planning
Capital Design Project Management
Capital Construction Project
In-house Planning and Design
Civic Art

Security Management

Access Control
Physical Control
Investigations
Security Contract Management
Security Budgeting and Purchasing
Security Training

Real Estate

Dispositions
Acquisitions
Leasing
Consulting

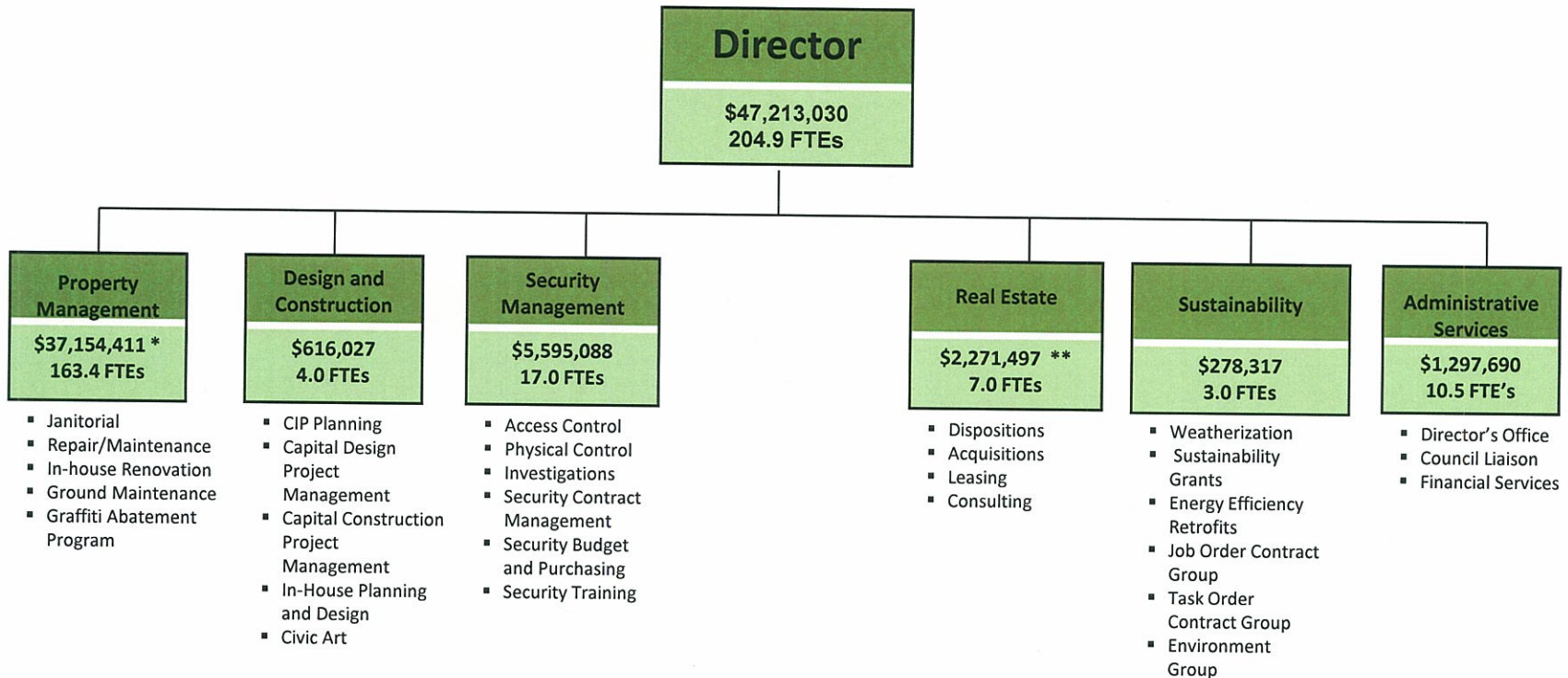
Sustainability

Weatherization
Sustainability Grants
Energy Efficiency Retrofits
Job Order Contract Group
Task Order Contract Group
Environment Group

Administrative Services

Directors Office
Council Liaison
Financial Services

GSD FUNCTIONS – GENERAL FUND REPORTING TO DIRECTOR



*Of the total amount \$15,458,323 represent non-discretionary or restricted accounts e.g. electricity, natural gas, water and sewer services.

** \$1,489,344 represents Real Estate lease payments

Council Member _____

Administration and Regulatory Affairs Department

HIGHEST priority activities (list up to five):

LOWEST priority activities (list up to five):

Comments/Recommendations:

Administration and Regulatory Affairs
General Fund Activities

Director's Office

ARA General Mgmt
One-Stop Permitting/
Houston Permitting Center
BARC Transformation
Council Liaison
PIO
Emergency Officer
Administrative
Safety Office

Regulatory Affairs

Franchise Administration
Commercial Permitting
Burglar Alarm Administration
Transportation
Utility Regulation: Electricity,
TV, Telephone, & Gas
49% of all City Permits

Strategic Purchasing

Total Procurement \$1.2 Billion
RCA Admn
Supply Proc.
Services Procurements
Formal Procurements (Over \$50K)
Informal Procurements (under
\$50K)
Material Master and P-Cards

Payroll Services

Citywide Payroll Operations &
Configurations
Time & Attendance Management
Project

Operations

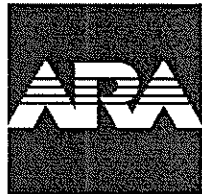
311 Call Center
Asset Disp
Records Mgmt
EMS Billing & Collection
Mail Svcs

Admin Services

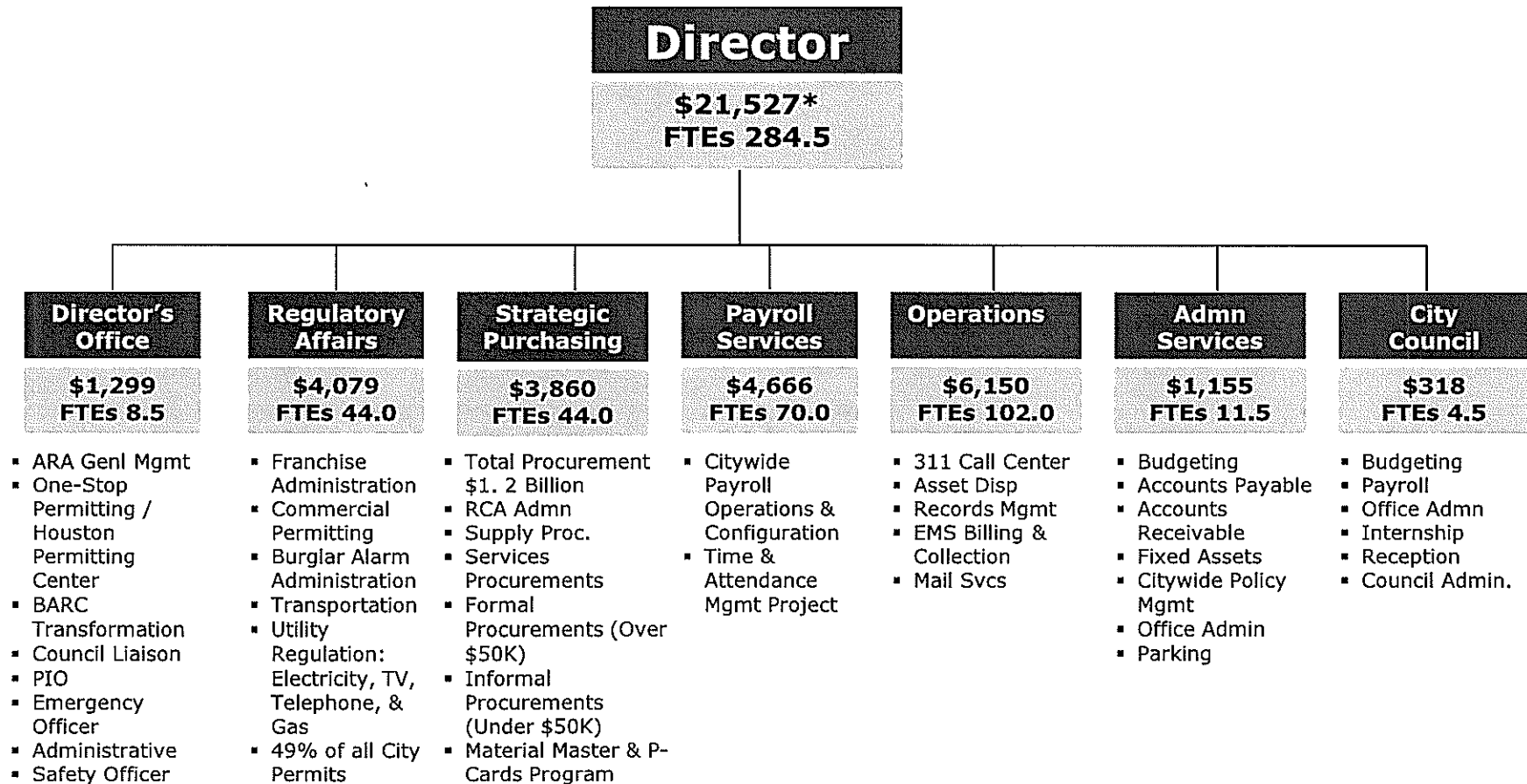
Budgeting
Accounts Payable
Accounts Receivable
Fixed Assets
Citywide Policy Management
Office Admin
Parking

City Council

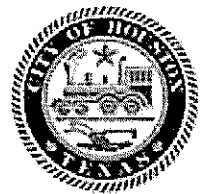
Budgeting
Payroll
Office Admin
Internship
Reception
Council Admin



General Fund (in Thousands)



Note: This chart does not include the five cost centers in the Mayor's Services group, which has a total budget of \$4.4 million and 45 FTEs.



Council Member _____

Finance Department

HIGHEST priority activities (list up to five):

LOWEST priority activities (list up to five):

Comments/Recommendations:

Finance Department
General Fund Activities

Director's Office

Administration
Business Office
Deferred Compensation
Legislative Analysis
Pension Systems Management
Treasury Management

Budget Management

Annual Budget Preparation
Five-Year Forecast
General Appropriation
MFOR/Budget Management
Mid-Year Review
MFOR/Budget Management
Revenue Management

Economic Development

Administrative Services
Cultural Affairs
Economic Development
TIRZ Management

Fleet Management

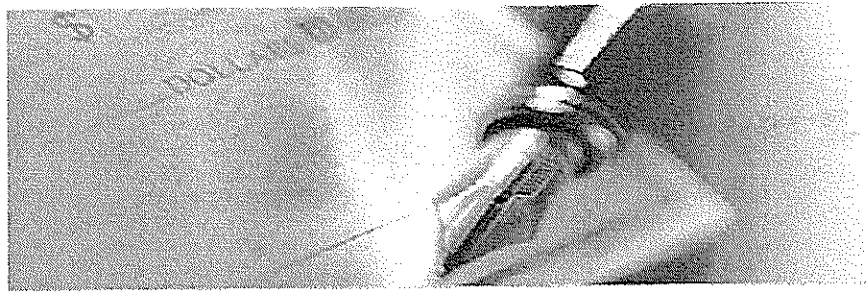
Equipment Acquisition Planning
Fleet Capital Planning
Fleet Management

General Accounting and Internal Controls

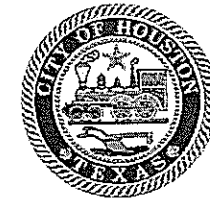
Auditing
General Accounting
Grants Management
Tax and Revenue Accounting

Public Finance

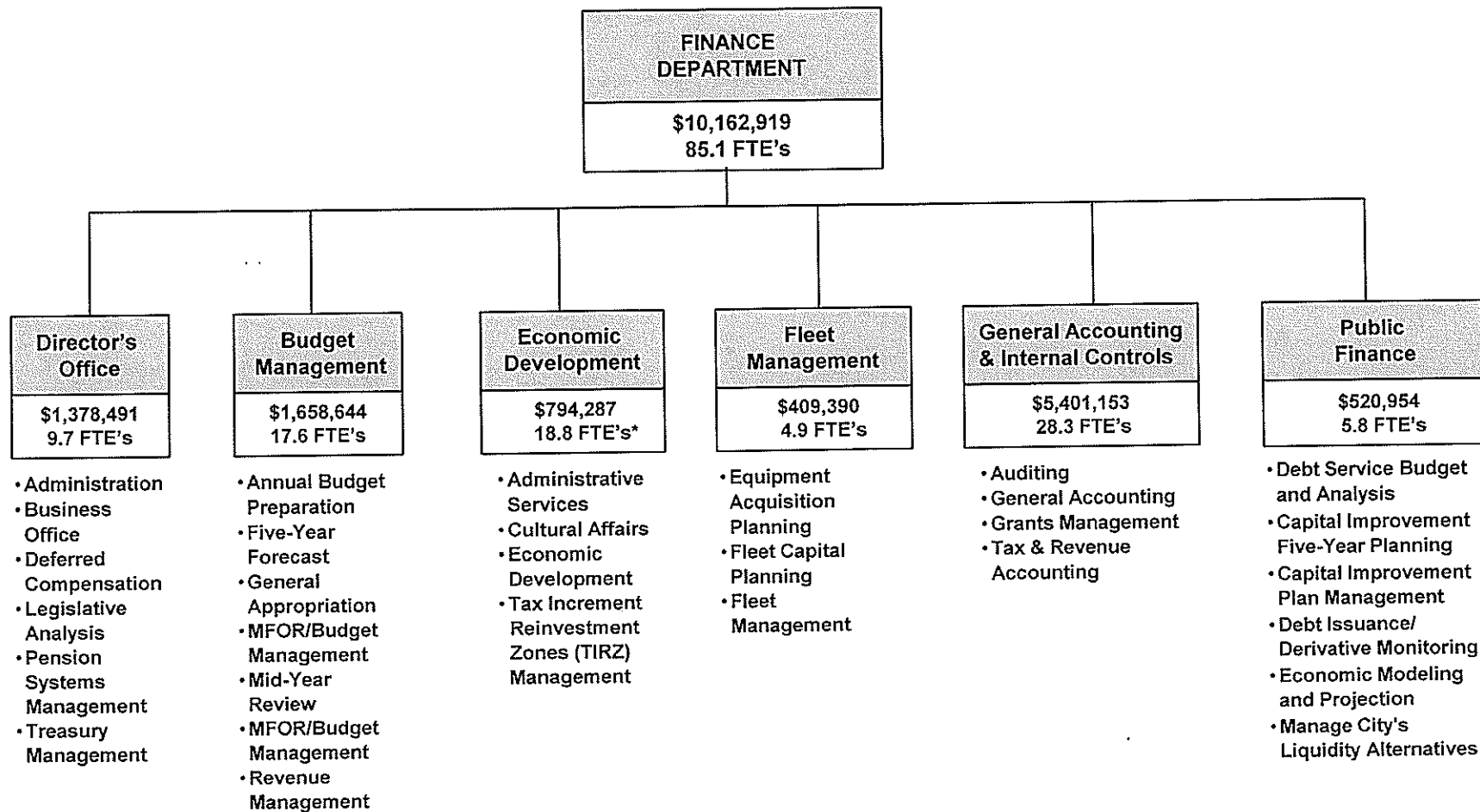
Debt Service Budget and Analysis
Capital Improvement 5-yr. Planning
CIP Management
Debt Issuance/Derivative Monitoring
Economic Modeling and Projection
Manage City's Liquidity Alternatives



Finance Department



FY2011 Organizational Chart



* Includes Economic Development/TIRZ FTEs for ARA, C&E & GSD. Budget Has Not Been Transferred.

Council Member _____

Houston Public Library

HIGHEST priority activities (list up to five):

LOWEST priority activities (list up to five):

Comments/Recommendations:

Houston Public Library
General Fund Activities

Director's Office

Oversight and Management
Administration/Reception

Library Administration

Financial Services
Distribution Services
Volunteer Services
Human Resources
Training and Development

Public Services

Central Library
Neighborhood Libraries
Library Materials and Information Resources
Special Collections
Programming

Information Technology

Equipment Deployment
Maintenance and Repair
Help Desk Service
Public Computer Training Classes
Programming
Software/Inventory
Digitization

Planning and Facilities

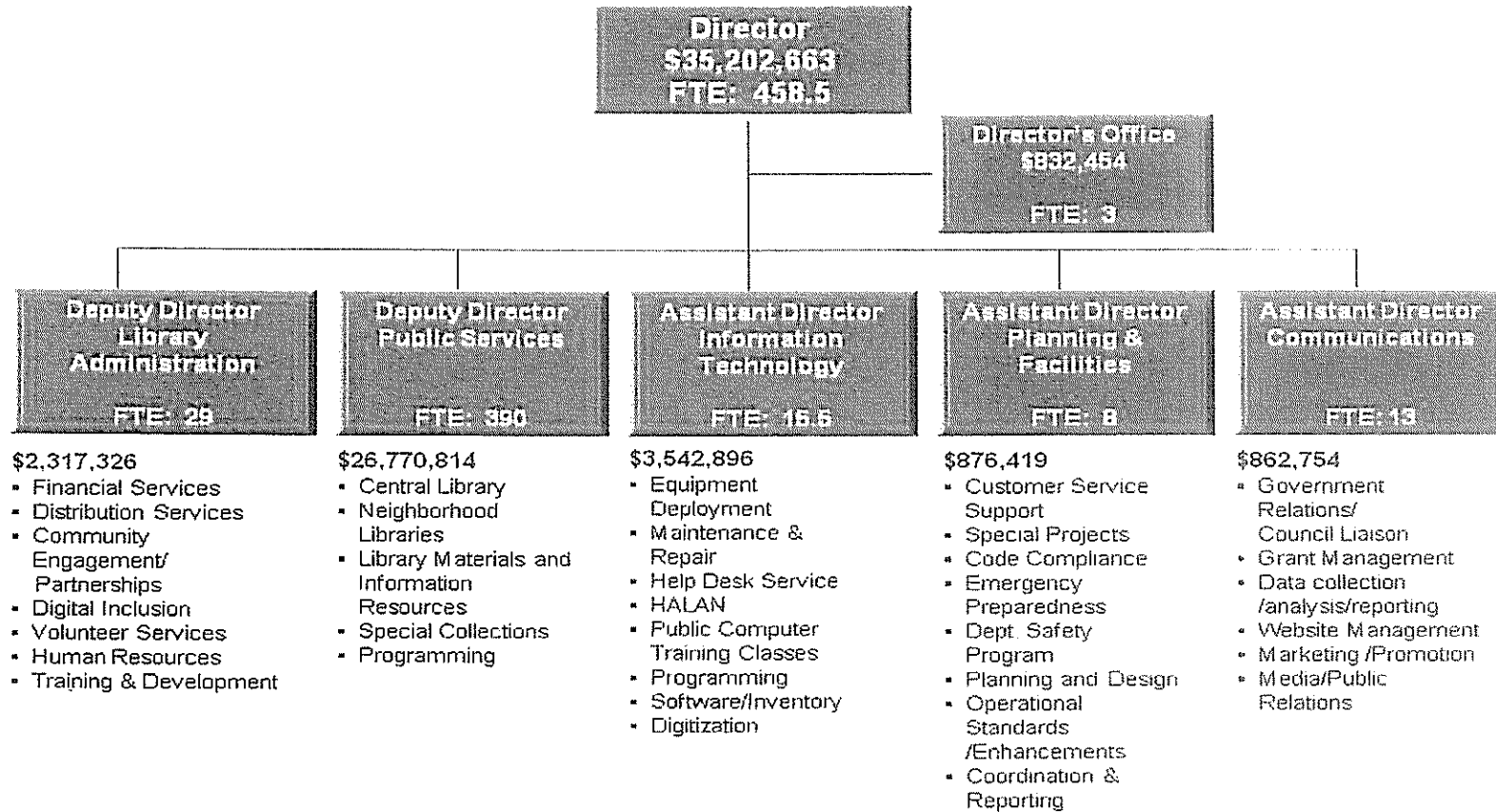
Customer Service Support
Special Projects
Code Compliance
Emergency Preparedness
Department Safety Program
Planning and Design
Operational Standards/Enhancements
Coordination and Reporting

Communications

Government Relations/Council Liaison
Grant Management
Data Collection/Analysis/Reporting
Website Management
Marketing/Promotion
Media/Public Relations



Department Functions - All Funds



Council Member _____

Planning and Development Department

HIGHEST priority activities (list up to five):

LOWEST priority activities (list up to five):

Comments/Recommendations:

Planning and Development Department
General Fund Activities

Management Services

Accounting
Budget
Human Resources
Purchasing

Development Services

Subdivision Plats
Development Plats
Free-Stand Ordinances
Administrative

Neighborhood Services

Neighborhood Support
Neighborhood Tools
Citizen Net Database
Administrative

Public Policy

Strategic Partnership Agreements
Annexation & Dis- annexation Analysis
Redistricting
Management District
Consent to Create/
Special Districts
Legislative Review
ETJ Boundary Change
Demographic Data Analysis
Process Documentation
Administrative

Director's Office

Emergency Prep.
Customer Service
Dept Improvements
Intern/Volunteers
Public Info/Education
Open Records

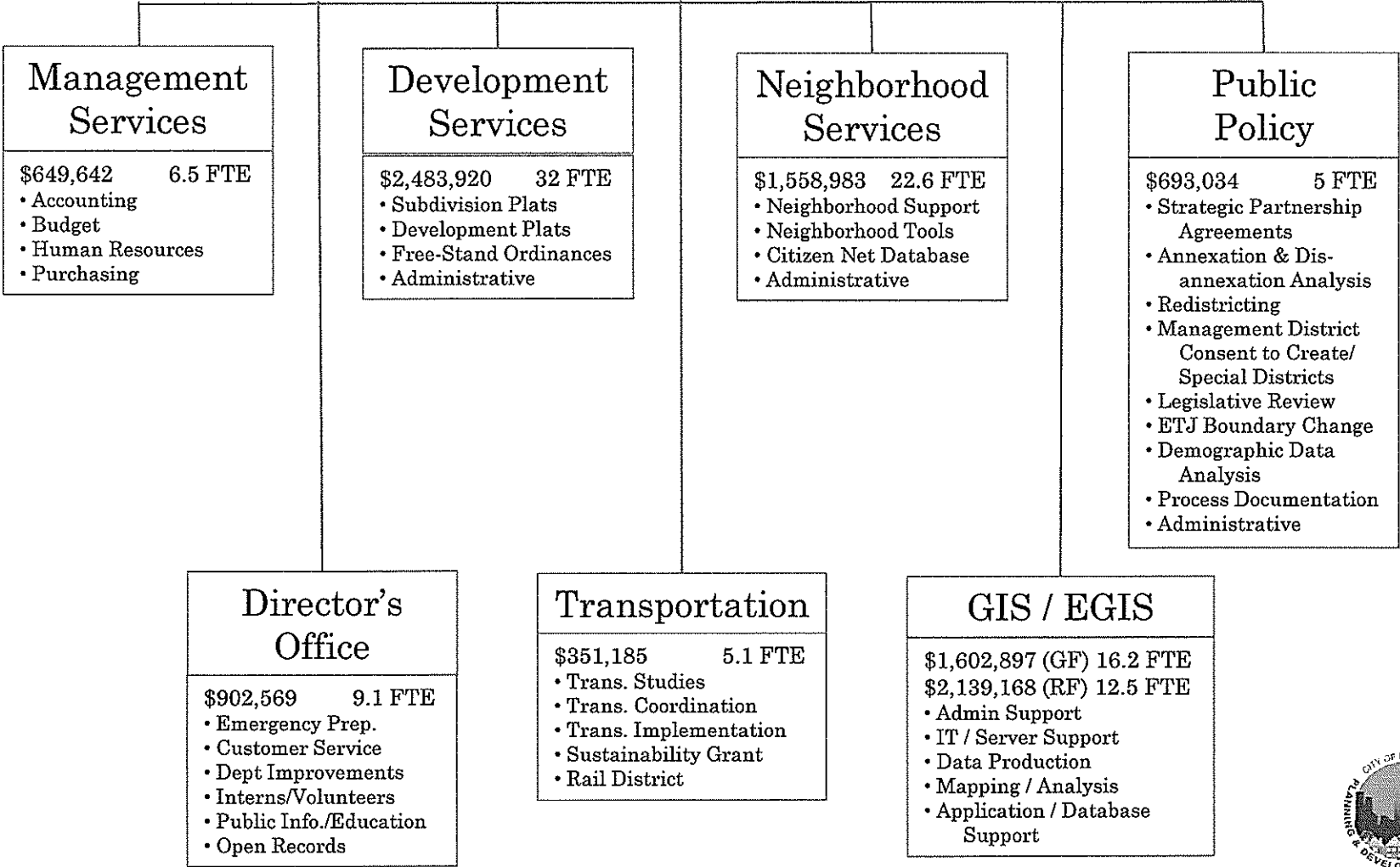
Transportation

Trans. Studies
Trans. Coordination
Trans. Implementation
Sustainability Grant
Rail District

GIS / EGIS

Admin Support
IT / Server Support
Data Production
Mapping / Analysis
Application / Database Support

Planning & Development Dept.	
Director	
\$8,242,229	96.5 FTE (GF)
<u>\$2,139,168</u>	<u>12.5 FTE (RF)</u>
\$10,381,397	109



Council Member _____

Human Resources Department

HIGHEST priority activities (list up to five):

LOWEST priority activities (list up to five):

Comments/Recommendations:

Human Resources Department
General Fund Activities

Director's Office

Overall HR System
Department Management

Selection Services

Application processing
Personnel Actions Preparation
Recruiting

Records Administration

Employee Personnel Records
Employee Personnel Evaluation Processing
Employee Job verification
Document receipt and retrieval

Salary Administration

Job Audits
Job Reviews
Salary surveys
Compensation System

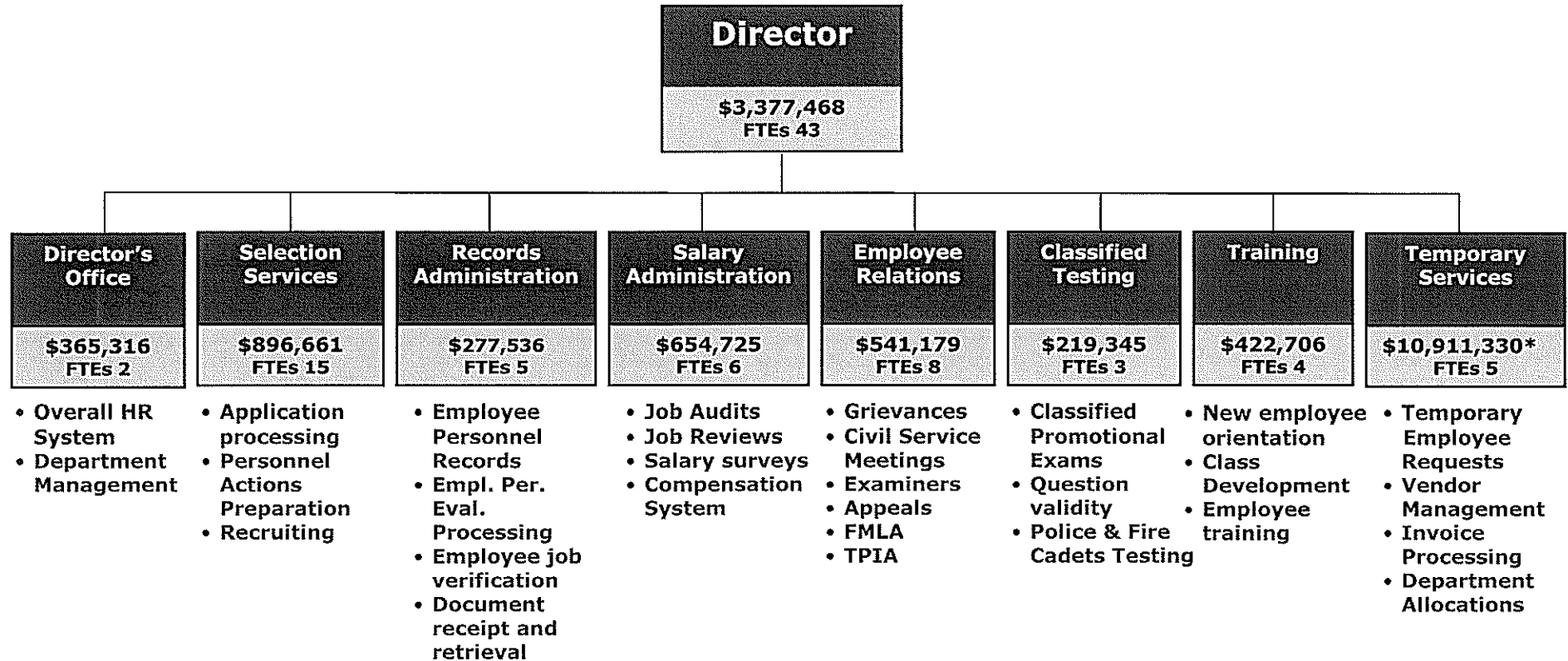
Employee Relations

Grievances
Civil Services Meetings
Examiners
Appeals
FMLA
TPIA



City of
Houston

General Fund



* Separate Revolving Fund

