



MEMORANDUM

DATE: June 27, 2017
TO: Honorable Mayor and Members of the City Council
FROM: Chuck Springer, Director of Finance
SUBJECT: City Council Budget Questions and Responses

Information regarding the FY 2017-18 Preliminary Budget was presented to the City Council on June 5th. Department presentations have been presented on June 5th, 6th, 13th and 20th, 2017. Below is a summary of the most recent questions and requests, from the City Council as I understand them, and the responses compiled to date.

1. Please provide historical information on dollars recovered from all City Vehicle accidents for the past three years.

The following amounts have been recovered from City vehicle accidents:

2014 - \$13,429.64
2015 - \$14,453.20
2016 - \$ 9,279.15
2017 - \$50,000.00
Total - \$87,161.99

2. Please provide information on amount of cash payments versus other forms of payments at the Linda McNatt Animal Adoption Center.

The average monthly payments received at the Linda McNatt Animal Adoption Center is approximately \$16,000 per month. Of the total, 23% of the payments were in cash or an average of \$3,700 per month. The remaining payments were approximately 59% credit or debit cards and 18% checks.

3. Please provide additional information on the metrics used to evaluate the performance of the recruitment efforts for the Fire Department.

Since 2014, we have required that at the time we offer a firefighter position, recruits must be firefighter certified through the Texas Commission on Fire Protection (TCFP) and paramedic certified through the Texas Department of State Health Services. Typically, requiring both certifications results in a low number of registrants who take the civil service exam. One measure of success of our recruitment efforts is to compare the number of exam registrants who took the test in the current year to previous years that we have required the same certifications. In 2014, we had 84 registrants take the test. In 2015, we had 87

registrants take the test. In 2016, we had 59 registrants take the test. In 2017, a new Community Service Officer (CSO) administered the test and we had 101 registrants take the test.

After our 2017 civil service exam, our CSO distributed a survey asking exam registrants where they heard about our exam. Out of 101 registrants who took the exam, 92 registrants responded to the survey. The results showed that many registrants heard about the exam online: 53 registrants from the TCFP website, 15 registrants from the City of Denton website, and 7 registrants from other job search websites. Seventeen registrants responded they found out about the exam through word of mouth from fire department employees, friends, or family. The 75 registrants who heard about the exam from websites was due to the efforts of the CSO who creates the job announcement and distributes it to be posted on fire and emergency medical service (EMS) related websites.

The CSO keeps continual contact with the exam registrants up until the day of the exam by sending reminders that include the test date and the job qualifications. After the test, the CSO manages each step of the hiring process through the first day of hire. The CSO coordinates and oversees the background investigations and the polygraph examinations. She schedules the physical ability test and the interviews. She creates and sends out all of the conditional letters of employment as well as the rejection letters. She schedules the psychological evaluations, the medical examinations, and the physical examinations. She creates and sends out appointment letters for the new recruits and coordinates getting paperwork filled out with Human Resources. She ensures all new hires have uniforms, logins and passwords for Vision, Inform, Intermedix, and email accounts and passwords for their first day of work.

We have also identified that our previous diversity recruitment efforts had short-term goals and did not consider long-term interest from the community in fire service careers. We were not fully engaging with all areas of the community, particularly areas that were not requesting our services. Since public education programs were by request, we often missed out on community involvement opportunities because we were unaware of many community activities. Our public education was reactive and disjointed from our diversity recruitment program, which is mostly geared towards certified or soon-to-be-certified firefighters and paramedics. To address this, we have combined diversity recruitment with public education in order to more effectively and efficiently reach all demographics within the community and increase our community involvement and presence. This program included assembling a team of firefighters to assist with diversity recruitment, public education, and community engagement. The program is multifaceted to target all demographics in all areas of the city. We have developed programs for adults, college students, high school students, middle school students, and elementary school students.

Other initiatives associated with our community engagement program include:

- Organizing a study group class before the next civil service entrance exam. This class would be available to anyone who has registered for the exam and would eliminate the need for applicants to purchase an exam study guide from the testing

company. It would also give applicants confidence and another point of contact, which would encourage them to attend and pass the exam.

- Partnering with UNT and TWU and our diversity team will develop diversity recruitment activities targeting students in nursing, engineering, chemistry, criminal justice, emergency management, and public administration.
- Implementing summer camp activities for middle school students where they can try hands-on firefighting tactics.
- Creating monthly social media videos highlighting different functions of the Fire Department each month.
- Partnering with Denton ISD on their Emergency Medical Technician program.

In addition to overseeing recruitment and hiring, the CSO is also responsible for:

- Coordinating all community outreach programs and public education programs, such as fire station tours, fire apparatus demonstrations, conduct fire drills for schools and businesses, assist businesses in creating emergency preparedness plans, and provide fire safety education classes.
- Supervising three investigators/inspectors.
- Covering on-call for fire investigations periodically.
- Serving on the City's Incident Management Team.
- Serving as the Department's representative for special events; assessing event logistics for required code compliance; coordinating resources with event organizers for Emergency Management, Emergency Medical Service, Fire Protection, and Fire Inspection services.
- Acting as liaison to community groups and social organizations; performs community needs assessments and outreach functions.
- Managing website and social media content; gathering and facilitating the dissemination of information.
- Researching, writing, and designing the layout, and production of brochures, advertisements, and other promotional materials for recruitment campaigns.
- Facilitating the evaluation and selection of testing materials for the Civil Service exam with the Operations Division; responsible for the legal notices and posting for the Civil Service exam.
- Developing and maintaining recruiting and public education budgets.

- 4. Please provide more information on the number of buildings/ facilities with Code Violations that are on the list for demolition. And provide information on the criteria used to determine the facilities on the list. A goal of 30 buildings to repair or demolish is a performance measure for FY 2016-17 in the Strategic Plan. Please provide information on how the goal was established. And provide a five year history of how many structures have been demolished verses repaired.**

a. How many dangerous buildings are in our City?

A windshield survey, a visual assessment from public right-of-way, of private property structures is conducted every two years by Community Improvement Services (CIS) staff. The objective is to identify potentially dangerous structures in the City. The most recent survey was completed in May 2017 and resulted in the identification of 68 structures needing further assessment. They include one commercial structure, 22 primary residential structures, and 45 accessory structures. This count does not include dangerous structures in mobile home parks. That assessment will be performed in October 2017. Additionally, complaints received from tenants regarding interior conditions can also result in a dangerous structure determination. Currently, CIS has 12 active dangerous building cases.

b. What is the criteria used to determine if a building is considered dangerous?

The criteria for dangerous structures is outlined in Chapter 17, Division 3, Section 181 of the Denton Property Maintenance (DPM) Code. A structure can be deemed dangerous if “conditions or defects exist to the extent that the life, health, property or safety of the public or its occupants are endangered.” Common standards in deeming a structure dangerous are:

- Defective foundations, walls, and roofs
- Dilapidated/ deteriorated/decayed portions of structures that likely will lead to partial or complete collapse of the structure
- Warped/unsafe flooring
- Air or sanitation facilities that make a structure unsanitary
- Structures damaged by fire, wind, earthquake or flood
- Dilapidated or deteriorated as to become an attractive nuisance to children, a harbor for vagrants, criminals or enables persons to resort thereto for the purpose of committing unlawful acts
- Unfit for human occupancy or are likely to cause sickness or disease

c. What is the number of repaired dangerous buildings versus demolished buildings? What is the current year performance measure?

Since the beginning of the Dangerous Building Program in May 2009 through March 2017, 467 dangerous buildings have been addressed – 370 demolished and 97 rehabilitated. All of the rehabilitations were performed by the building owner. A majority of the demolitions were also completed by the building owner with only 46 demolitions performed by the City contractor at a total cost of \$177,184 to the City. The initial identification and abatement of structures produced a high number of cases which has gradually decreased over the years.

Two CIS officers, one primary and one back-up, with specialized training are assigned to handle dangerous building cases. Enforcement of dangerous buildings

is specifically outlined and regulated by the Texas Health and Safety Code Chapter 343 and the City's DPM Chapter 17. Cases are resource intensive and involve comprehensive research with protracted timelines given the nature of the work. The number of abated buildings is tracked to monitor the status of structures that pose an unsafe or hazardous environment.

The current year performance measure is to complete repairs or demolitions of 30 structures for FY 2016-17. Through the second quarter, 16 structures were repaired or demolished. The goal of 30 structures for the fiscal year was based on the number of identified structures, the prioritization of need and the case load capacity of the division.

5. Please provide information code enforcement mailing costs, the timeline to reach the recipient, as well as information on lost mailed notices. And provide information on other options and alternatives for notice of code violations.

The annual expenditure to mail notices via the United States Post Office is approximately \$11,500 - \$12,000. When a violation is observed, a notice of violation is issued allowing 10 days to correct the violation. This exceeds the State's seven day minimum requirement. A re-inspection is performed 12 days after mailing to allow for delivery. Vacant and open structure violations, per code, receive a three day notice. Minimum building standard violations can receive up to a 120 day notice.

If the violation still exists after a re-inspection, CIS officers attempt to make contact with the occupant to provide verbal notice. If they are unable to make contact, a 24 hour notice is given requesting the resident contact the officer to arrange a deadline for compliance. The notice is posted on the door or made by phone call if a number is available. The 24 hour notice also advises that if no contact is made, a work order to abate the property will be issued and court action will be taken. If no contact is received from the resident, a work order and affidavit are prepared. Extensions are granted as appropriate for the work required to be completed.

In addition to written and verbal notices, fax and email are utilized to notify businesses. Direct contact with real estate agents and property managers is made when the information is available. Certified mail service is used for dangerous building and junk vehicle notifications. CIS performs extensive research to determine the responsible party and/or owner of a property. The Denton County Appraisal District records, Public Data records, Secretary of State Records, City of Denton utility records, and tax records are sources used by CIS. When there is a violation on a rental property, both the tenant and owner are notified.

CIS continues to explore new and innovative approaches in providing information to residents from raising awareness through public education to issuance of notices. Alternative methods such as door hangers have been used in the past with mixed results. While door hangers provided some time efficiencies compared to preparing mailed notices, costs in materials and printing were equal to mailings. Residents also often expressed

concern with not seeing or receiving the hangers. In converting to mailed notices, CIS complies with the Texas Health and Safety Code Sec. 342.006 and local Chapter 17 code regarding issuance of notices of violation and method of service. Neither law requires confirmation of receipt. In the absence of an efficient and reliable method to confirm notice of receipt, the voluntary compliance rate of 93% to 95% for abating property violations is a strong indicator of the effectiveness of mailed notices.

6. Please provide reduction targets for water and electric use for municipal operations

This information will be provided to the City Council at a subsequent City Council meeting. Staff is working on developing targets for water and electric use for municipal operations. The targets will be taken to the Committee on the Environment (COE) for recommendation. The COE will forward their recommendation to City Council for adoption.

7. Please provide an update on the street light LED pilot program.

Denton Municipal Electric's LED street light study is well underway. So far, we have completed the purchasing processes associated with the RFP and several other administrative tasks. The response from potential vendors was greater than anticipated with near 30 submittal products. This was almost 3 times greater than what was originally expected. All of the vendor products have been vetted and requests for test products were sent out and have been received. The high number of responses required a re-examination of the proposed design on the DME campus as well as the need to order additional poles to mount the fixtures. The tools required to properly test and evaluate the products have been received by DME. DME is currently staging in preparation for installation of the poles and fixtures in an expanded area than what was originally needed to contain the study. The number of responses also created the need for us to find an alternative to the lighting control system so each proposed fixture gets equal use throughout the study for better comparison. We are closing in on this solution. DME is excited about this study and look forward to providing results during the process.

8. Please provide information regarding issues recycling LEDs bulbs.

LED bulbs may be recycled through the HCC curbside collection program for residential customers. <https://www.cityofdenton.com/residents/services/trash-recycling/hazardous-waste>

Bulbs are also accepted through many e-waste recycling drop off programs. Streetlight bulbs would be recycled through local avenues or manufacturer takeback programs.

- 9. Please provide a three year breakdown of the Operations section in the Non-Departmental (Finance Miscellaneous) budget.**

Staff has provided the requested breakdown on Attachment 1.

EXPENDITURES	2014-15 ACTUAL	2015-16 ACTUAL	2016-17 BUDGET	Year-to-Year Variance Details
DUES & PUBLICATIONS	58,388	56,956	69,563	
CMO CONTINGENCY	52,490	25,039	100,000	
BAD DEBT EXPENSE	877	-	-	
PROFESSIONAL SVCS	180,678	271,578	188,100	
ELECTRIC ENERGY STUDY	-	195,012	-	
AUDIT EXPENSE	-	162,000	93,500	
CONS ENG DESIGN/BID	592,511	607,055	505,057	
COLLECTION EXPENSE	-	3,624	2,000	
TEMPORARY PERSONNEL SERVICES	-	-	15,940	
APPRAISAL DISTRICT	-	384,830	385,000	
OUTSIDE CONTRACT SERVICES	79,301	145,549	149,465	
BANK DEPOSITORY	-	242,362	164,500	
SALES TAX REVIEWS	-	10,121	-	
OPERATIONS	\$ 964,245	\$ 2,104,126	\$ 1,673,125	

ITEMIZED RECONCILIATION:

PROFESSIONAL SVCS	89,642	Prior City Manager consulting fee
ELECTRIC ENERGY STUDY	195,012	One-time expense
AUDIT EXPENSE	162,000	Previously in Finance Budget
APPRAISAL DISTRICT	384,830	Previously in Finance Budget
OUTSIDE CONTRACT SERVICES	66,248	Previously in Finance Budget
BANK DEPOSITORY	242,362	Previously in Finance Budget
MISCELLANEOUS	(214)	
	<u>\$ 1,139,880</u>	
CMO CONTINGENCY	74,961	Budget set at \$100,000 annually
PROFESSIONAL SVCS	(83,478)	Prior year one-time expense not budgeted
ELECTRIC ENERGY STUDY	(195,012)	Prior year one-time expense not budgeted
AUDIT EXPENSE	(68,500)	Reduction in new contract
CONS ENG DESIGN/BID	(101,998)	Reduction in charges for internal Engineering services
BANK DEPOSITORY	(77,862)	Prior year included one-time purchase of check/card processing hardware
TEMPORARY PERSONNEL SERVICES	15,940	Accounts Payable temporary personnel
MISCELLANEOUS	4,947	
	<u>\$ (431,001)</u>	