

PLANO CITY COUNCIL
Budget Retreat
November 24, 2008

COUNCIL MEMBERS

Pat Evans, Mayor
Jean Callison, Mayor Pro Tem
Harry LaRosiliere, Deputy Mayor Pro Tem
Pat Miner
Scott Johnson
Mabrie Jackson
Sally Magnuson
Lee Dunlap

STAFF

Thomas H. Muehlenbeck, City Manager
Frank Turner, Executive Director
Bruce Glasscock, Executive Director
Rod Hogan, Executive Director
Diane C. Wetherbee, City Attorney
Diane Zucco, City Secretary

Mayor Evans convened the Council into the open session at 8:30 a.m. on Monday, November 24, 2008, in Training Room A of the Plano Municipal Center, 1520 K Avenue. All Council Members were present with the exception of Council Member Magnuson.

Discussion and Direction regarding future City Budget issues to include review and prioritization of City Core Businesses

City Manager Muehlenbeck spoke to staying ahead of concerns regarding the City's budget, work done by department and executive directors in putting together estimates of services provided and ideas regarding whether or not they are done by choice. He spoke to becoming more familiar with all the services provided by the City, validating or changing Staff priorities and categories of "no choice" (mandated), "choice" (may do but other service options are possible), "quality of life" (distinguishes Plano), and "add-ons" (recommendations of citizens).

Lyle Sumek, of Lyle Sumek Associates, Inc. facilitated the worksession and spoke to the Mayor and Council determining areas of importance and prioritization, recognizing the interrelationship between services and value added to the lives of residents along with expectations. He spoke to the Council as a board of directors who set a vision for the future and direct how the budget will apply and what goals to address in the next five years. Mr. Sumek spoke to the model of a sustainable city which is a balance of environmental quality, economic opportunity, and the opportunity to grow and the impact of the quality of life. He spoke to social equity, Plano as a community and balancing areas in the future. Mr. Sumek spoke to the categories of "no choice," "choice," "quality of life," and "add-ons" for services and a foundation made up of the Finance, Human Resources and Technology departments. He spoke to consideration of services rather than departments as a whole, the value contributed to residents' lives, and balancing sustainability. Mr. Sumek spoke to thinking about the future and the possibility that taxes may need to be increased to meet the vision and determining the value to citizens in terms of time, safety and aesthetics.

Executive Director Glasscock spoke to the Public Safety Services/Technology Business Center, administration, community outreach and legislative functions and the Sister Cities as “choice” programs. He responded to the Council that costs for the Multi-Cultural Outreach Roundtable (MCOR) are related to printing and minimal Staff time for meetings and the value is a “best guess.”

Director of Health Collins spoke to Animal Services, whose primary purpose is rabies control. He spoke regarding the number of service calls and animals taken in and adopted, and to the number of visitors to the shelter. Mr. Collins spoke to completion of an addition by Summer 2009 and responded to the Council regarding the cost for traps and their administration along with issues related to requiring micro-chipping of animals in the City. He spoke to becoming more proactive in registering animals in the City and issues of receiving paperwork verifying care by a veterinarian. Mr. Collins responded to Council Member LaRosiliere regarding the City’s low euthanasia rate and advised regarding Staff openings. The Council concurred to accept the core business matrix and priorities.

Director of Health Collins spoke to Environmental Health and its primary purpose to prevent disease and pollution and cost centers including Environmental Health, Water Quality, and Storm Water Quality. He spoke to staying competitive with other cities with regard to fees, addressing issues of noise along with the Police Department and administrative costs. Mr. Collins advised that if services were cut, the state would assume functions but there may be citizen frustration and spoke to regulation of body art. Mr. Collins advised that if the cost for food establishment inspections were increased, there may be some migration out of the City. Mr. Glasscock advised that the removal of add-on programs would result in some fluid movement of dollars and may move employee costs to another program. Mr. Collins spoke to his office dealing with issues of pandemics.

Director of Emergency/Disaster Response Stovall spoke to preparedness, response and recovery and hazard mitigation coordinating across the City. He spoke to work among Staff and citizen volunteers and improvements made following Hurricane Katrina. Mr. Stovall spoke to community outreach, the importance of response efforts to save money, and seeking reimbursement. He spoke to possible grants and income that may be accrued to other departments. Mr. Muehlenbeck spoke to this department being an outgrowth of the Fire Department and Mr. Stovall responded to Council Member Jackson regarding certifications and services to be provided by the county if not by the City. Council Member Johnson spoke to the importance of tracking recoverable expenses and Mr. Muehlenbeck spoke to Federal Disaster Mitigation as a “no choice” service. Mr. Glasscock spoke to the need for a department outside of the Fire Department to address issues and to centralize costs and coordination. Mr. Stovall responded regarding the City’s actions during the storms in April 2008 and advised that no additional Staff will be required when the new center opens.

Fire Chief Esparza spoke to protecting and enhancing the quality of life through a comprehensive program of services and public education, aligning functions and determining priorities. He responded to the Council that ambulance service could be contracted out but it may affect the quality of response. He spoke to the breakdown of services between fire and health, items covered by “technical rescue,” inclusion of grant monies, and educational programs.

Chief Esparza stated that while the school district is a partner, they do not participate in funding educational programs and spoke to grants that may offset costs. City Manager Muehlenbeck spoke to Council's direction to preserve the ISO I rating and associated costs and a review planned for April, 2009. He spoke to the difference in insurance rates based on an ISO rating and the Council concurred to accept the core business matrix and priorities.

Police Chief Rushin thanked Staff for their efforts in preparing the matrix, spoke to citizen prioritization of needs and core "choice" functions of patrol/response, investigative services, traffic enforcement and professional standards. He responded to the Council that the school district is unable to contribute any further to the school liaison program and spoke to officer pay incentives. Chief Rushin spoke to the cooperative efforts between the Police and Emergency Services Departments and Mr. Sumek spoke to revising the "Emergency Services and Homeland Security" category to "choice" so that it is in line with Mr. Stovall's department. The Council concurred to accept the core business matrix and priorities with one revision.

The Council took a break at 10:08 a.m. and resumed discussions at 10:20 a.m.

Executive Director Glasscock spoke regarding Public Information and functions including records management ("no choice"), mail processing, web site coordination, PTN Cable, and Print Shop. He provided background regarding the Print Shop, the movement to more electronic materials for the Council packet and provision of Staff support. Council Member Jackson spoke to opening up studios for local businesses in exchange for revenue and Council Member Dunlap spoke to revenue that could be generated from outside print jobs. The Council concurred regarding the business matrix and priorities.

Director of Public Safety Timmons spoke to emergency and dispatch as core functions, public alerting responsibility, radio/data network and regional collaboration with other municipalities. He spoke to revenue, and the quality of life provided by public education and the *Are You Okay* program that checks on homebound and mobility impaired individuals. Mr. Timmons responded regarding 9-1-1 revenues being included on telephone bills, and Executive Director Glasscock responded to Council Member Dunlap regarding the Fusion Center providing integration to other agency information and which is funded through homeland security grants. The Council concurred regarding the core business matrix and priorities.

Director of Technology Services Stephens spoke to services provided to all departments, network security and integrity, stability of infrastructure, reliability and application uses. He spoke to purchasing applications that fit the needs of the City and costs including software/maintenance, operational management and the possible expansion of the data center. Mr. Stephens spoke to desk-top support, implementation of the mesh network and support for Staff connectivity. Director of Budget and Research Rhodes-Whitley advised that funding comes from both the General and Water/Sewer funds and to future chargebacks. Mr. Stephens spoke to the need for desk-lines, and costs included in support and services. Council Member LaRosiliere spoke to "Cellular Phone and Wireless Data Services" as being a "choice" program. The Council concurred regarding the core business matrix and priorities with one revision.

Executive Director Hogan spoke regarding Public Services/Operations Business Center, administration, the large enterprise fund and the retirement of the Director of Public Works.

Director of Customer Utility Services Israelson spoke to services being provided by choice including field services, billing and collections, quality control and implementation of a new reading system with future payback. He spoke to Intergovernmental Relations work with franchise utility companies in collection of revenues and addressing rate cases. Council Member Jackson recommended moving this item up in priority as it is a revenue producer. Mr. Israelson spoke to implementation of a utility kiosk at the Municipal Center with possible expansion, electronic collections, the number of citizens who pay-in-person, and replacement of meters. He spoke to his department responding to citizen calls as necessary and Mr. Hogan spoke to reviewing a customer relations management system to direct incoming calls.

Director of Human Resources Ross spoke to compliance with work-related regulations (“choice”), “no choice” items including recruitment and retention, and “quality of life” issues including employee development and management preparation. She spoke to the use of technology in recruiting, electronic records, changes in staffing needs and responded that educational costs are in-house classes. City Manager Muehlenbeck spoke to the educational opportunities provided by the management preparation program and Ms. Ross responded to the Council regarding interlocal agreements with area institutions to provide courses. The Council concurred regarding the core business matrix and priorities.

Director of Libraries Baumbach spoke to circulation, collection management, computer access, self-check machines, children’s outreach and to providing basic library functions. She spoke to programs including genealogy, municipal reference library, Literacy for Life and Adult Outreach and responded regarding Staffing levels for the genealogy area limiting hours of operation and it’s growth from an “add-on” to a “quality of life” category. Ms. Baumbach spoke to increased usage of computers at the libraries, and Mayor Evans spoke to the Adult Outreach Program as an “add-on.” Ms. Baumbach spoke to the challenges when requesting private funding and Mr. Muehlenbeck spoke to funding received from Collin County for use of libraries by those in unincorporated areas.

The Council took a break at 11:30 a.m. and resumed discussions at 11:38 a.m.

Director of Parks and Recreation Wendell spoke to diverse facilities and programs offered a majority of which are “quality of life.” He spoke to the importance of both fields and recreation centers, maintenance of assets, operations/maintenance, providing programs to diverse groups, and planning and development including land acquisition. Mr. Wendell spoke to the golf course fund, public arts fund and Plano Centre which is funded through revenues generated by the facility and the hotel/motel tax fund. He responded regarding maintenance of fields internally to meet expectations of sports groups and preparation of reports for the hospitality community to encourage use of Plano Centre. Mr. Muehlenbeck advised Staff would review alcohol/concessions revenues. Council Member Dunlap spoke to programs becoming “choice” once a decision is made to provide park services. Council Member Jackson spoke to determining the Centre’s cost for equipment replacement, breaking out the costs for operation/maintenance and to following up with the school district regarding the cost for the summer lunch program. Mr. Wendell spoke to the General and Recreation Revolving funds covering different services. The Council discussed the difference between programs provided by “choice” and those that are “quality of life” (mowing of rights-of-way versus care of fields).

Director of Sustainability and Environmental Services Nevil spoke to being fee-based, comparisons of rates and services to other municipalities, and cost of service analysis. She spoke regarding the goals for *Texas Pure*, including processing trimmings from other cities and marketing goals. Council Member Jackson spoke to making promotion a priority to increase revenues. The Council concurred with the core business matrix and priorities.

The Council took a recess for lunch at 12:27 p.m. and resumed discussion at 12:55 p.m.

Executive Director Hogan spoke regarding the programs of the Public Works Department-Utility Operations and those recommended as “no choice” (water and sewer main repair, meter installation, utility cut service, fire hydrant metering, inspections and reviews, costs estimates and compliance efforts along with contracting with the North Texas Municipal Water District). He spoke to “quality of life” areas and advised that revenues are generated through the Water and Sewer Fund. He spoke to the use of contractual labor for areas utilizing the Capital Reserve Fund to maintain a low staffing level. Council Member Dunlap spoke to areas that may be “no choice” once a decision is made to provide a service. Ms. Rhodes-Whitley spoke to proportionally moving Water and Sewer revenues from Customer Utility Services to Public Works. The Council discussed revising the categories of all functions under Utility Operations with the exception of Community Outreach to “no choice.”

Mr. Hogan spoke regarding pumping facilities and the ramifications if left in disrepair and responded regarding the choice to have Staff provide water flow testing services to ensure accuracy. He spoke to municipal drainage and the need for mowing and sweeping as “quality of life” issues. Ms. Rhodes-Whitley spoke to the need to reflect revenues in the municipal drainage account. City Engineer Upchurch spoke to sweeping as “no choice” and mowing as “choice” items and City Manager Muehlenbeck requested expansion of the description of storm water pipe and bridge repairs. Mr. Hogan responded to the Council regarding the use of permitted herbicides for grass control.

Mr. Hogan spoke regarding street operations (1,000 lane miles and 517 alley miles) with a the majority of maintenance accomplished through the Capital Reserve Fund. He spoke to retaining a core Staff to respond to emergencies and spoke regarding traffic signals, signs and markings as “no choice” areas along with administration. Council Member Dunlap requested clarification that pot hole patching refers to City-owned property and City Manager Muehlenbeck spoke to alley, sidewalk, pavement undersealing and pothole patching as areas of “choice.” Mr. Dunlap spoke to inclusion of all items under street operations, traffic signals and administration as “choice.” Mr. Hogan spoke to fleet and equipment services as “choice” and regarding the levels of certification for vehicle technicians. Fleet & Equipment Services Manager Choat spoke to contracting out some of the maintenance and cutting back on services offered to other municipalities and Ms. Rhodes-Whitley advised that maintenance is included within different department budgets.

Executive Director Turner spoke regarding the Development Business Center administration and legislative functions to communicate goals and act as a liaison. He spoke to oversight of operations, project and personnel management, strategic planning, budgeting, customer service and special projects. Ms. Rhodes-Whitley spoke to the standardization of expenses between the business centers responsible for legislative functions.

Chief Building Official Mata advised that the department's purpose is the protection of life and property through administration and enforcement of codes and to the department acting as "first preventers." He spoke to auxiliary services and inspections as "no choice" being mandated by the state. Mr. Mata spoke to the choice of operational procedures and quality of life issues related to records and information management, sign enforcement, and committee management and "add-ons" represented by investigation/arbitration and community education. He responded to the Council that sign enforcement revenues would be seen in the Municipal Court funds, and spoke to the movement towards arbitration, and expenses of builder's luncheons hosted by the City. Mr. Mata spoke to the level of inspections done by the City, services provided to smaller cities, and Council Member Dunlap spoke to records management as a "choice" rather than a "quality of life" program. Mr. Mata spoke to the reduction in the number of employees, utilization of part-time workers rather than full-time and the impact single-family rental inspections will have on the department. He spoke to services provided with a permit and Council Member Jackson requested citizens be provided with information defining the value of services.

Chief Engineer Upchurch spoke to Storm Water as a "no choice" category followed by "choice" areas of maintenance and operations, transportation systems and traffic management, private development and CIP inspections, facilities, and regional transportation. Council Member Dunlap spoke to the Safe Streets Program as an "add-on" rather than a "quality of life" program.

Director of Planning Jarrell spoke to areas of "choice" including development review, Geographic Information Systems, long-range planning and CDBG/HOME Grant programs. She spoke to "quality of life" areas including Heritage Preservation, Buffington Community Services Grant Program, Day Labor Center, Neighborhood Planning and Downtown Plano. Ms. Jarrell spoke to providing assistance to Downtown merchant groups and tenants and Mr. Sumek recommended including this information in the item description. Executive Director Turner spoke to items added over the years including addressing neighborhood revitalization, Day Labor Center and Heritage Preservation and the impact should they be discontinued. In response to City Manager Muehlenbeck, Ms. Jarrell spoke to tampering down expectations of those participating in the Neighborhood Planning Program and to the knowledge gained by citizens. The Council concurred to revise the program's name to "Community Building." Following discussion the Council concurred to leave the Buffington Grant Program, Day Laborer Center, Community Building and Downtown Plano as "quality of life" issues and revise Heritage Preservation to "choice."

Director of Property Standards O'Banner spoke to public nuisance and substandard structure inspections and neighborhood assessments as areas of "choice" along with judicial hearings. She advised that an "add-on" was professional development curriculum and providing in-house sessions. Council Member Jackson spoke to opening training to other municipalities as a revenue source and Council Member Dunlap spoke to the possible combination of resources between the Building Inspections and Property Standards Departments for overlapping services. Ms. O'Banner spoke to the costs incurred with enforcement of abandoned shopping carts and the Council discussed fees and the value of keeping the City free of unsightly items. Mayor Evans spoke to the importance of Community Service Spruce-Up and moving the item up to number nine in priority.

The Council took a recess at 2:42 p.m. and resumed discussion at 2:55 p.m.

Municipal Court Judge Stevenson spoke to the case load for judges, the number of magistrate warrants issued per year and categorization as “choice.” He spoke to the downside should services not be provided including issues of enforcement and lost revenues. Judge Stevenson spoke to administration of the Building Security Fund for the Justice Center which is covered by fees added to fines. He spoke regarding the technology fund as an area of “choice” with no personnel costs and covered by a fee paid with fines and programs for juveniles and teens listed as “quality of life” areas provided at no cost to the City. Ms. Rhodes-Whitley advised that court cost revenues appear in the Finance Department budget.

City Attorney Wetherbee spoke to charter requirements for a City Attorney, services provided for litigation, the outsourcing of some cases, and participation in the Loaner Attorney Program. She spoke to legal advise provided to departments and boards/commissions. Ms. Wetherbee spoke to services provided as “quality of life” including collection of monies for property damage and personal injury, external work for other organizations, and initiation of litigation to recover potential sums. Council Member Jackson spoke to litigation initiation as a “choice” and Ms. Wetherbee spoke to consideration of legislative assessment as an “add-on.”

City Manager Muehlenbeck spoke to the his role of oversight and management of all City operations, project management, personnel management, strategic planning, budgeting, customer service and advising the Council as a “choice.”

Director of Budget and Research Rhodes-Whitley spoke to programs provided by choice including customer services, financial forecasting, and tax assessor services. Council Member Miner spoke to revising the area of property tax to a “no choice” item. Ms. Rhodes-Whitley spoke to special projects, including ICMA Performance Measurement and development of the Core Matrix document and the workload managed by Staff.

City Secretary Zucco spoke to “no choice” programs required by state statute or the City’s charter including preparation of Council agendas and packets, legal publications, coordination of elections, alcohol beverage permitting, codification of ordinances, annexation processing, and records management and support provided to boards and commissions.

City Manager Muehlenbeck spoke regarding economic development adding to the quality of life in attracting, retaining and expanding businesses and to technology marketing and redevelopment.

Director of Finance Tacke spoke regarding federal regulations that require functions to be “no choice” and the City as the best provider of some services including court’s administration and general accounting. City Manager Muehlenbeck requested the area of accounting be changed from “no choice” to “choice.” Ms. Tacke spoke regarding the Youth Advisory Committee as an add-on program and personnel cost, purchasing operations as a “no choice, asset management and treasury functions as “choice” items. She spoke to finance systems administration and its costs and Ms. Rhodes-Whitley spoke to addition of risk management functions. Mr. Sumek spoke to the need for an infrastructure guided by a legal framework.

City Manager Muehlenbeck spoke regarding the choice to perform audits/reviews and special projects through the Internal Audit Department.

Director of Budget and Research Rhodes-Whitley spoke to the projected shortfall for 2009-10 of \$22 million, the importance of sales tax revenues during the holiday season and preliminary appraisal district information received in February. Deputy Mayor Pro Tem LaRosiliere spoke to making decisions regarding the quality of life in the City and the need for Staff to prioritize. Mr. Muehlenbeck advised that Staff will be preparing the three-year look ahead in April and the possibility of providing two budgets (one reflecting many cuts and the other increased revenues with fewer cuts). Council Member Jackson spoke to receiving revenues on services currently provided at no cost. Mr. Sumek responded to Mayor Pro Tem Callison, advising that he would provide alternative models as a follow up to the worksession and spoke to relationships among departments. Council Member Dunlap spoke to areas that might be considered “no choice” once services are provided and City Manager Muehlenbeck responded to Mayor Pro Tem Callison regarding balancing the quality of life issues with the budget and to a future session following receipt of information regarding sales tax receipts and property tax projections. Mr. Sumek spoke to the relationships among departments.

Nothing further was discussed. Mayor Evans adjourned the meeting at 3:52 p.m.

Pat Evans, MAYOR

ATTEST:

Diane Zucco, City Secretary