

ADMINISTRATION AND REGULATORY AFFAIRS

Department Description and Mission

The Administration and Regulatory Affairs (ARA) Department provides efficient and logical solutions to administrative and regulatory challenges. Our goal is to provide increasing value to Houston via a customer-driven team that pursues continual improvement to operational efficiency and service excellence.

The department's objectives are to:

- Demonstrate integrity, accountability, consistency, and professionalism.
- Provide excellent customer service.
- Emphasize strategic financial planning and performance reporting.
- Maximize the effective and efficient use of public funds.
- Follow directives and policies of City Council and City management.
- Build a cohesive team based on trust, respect and mutual support.

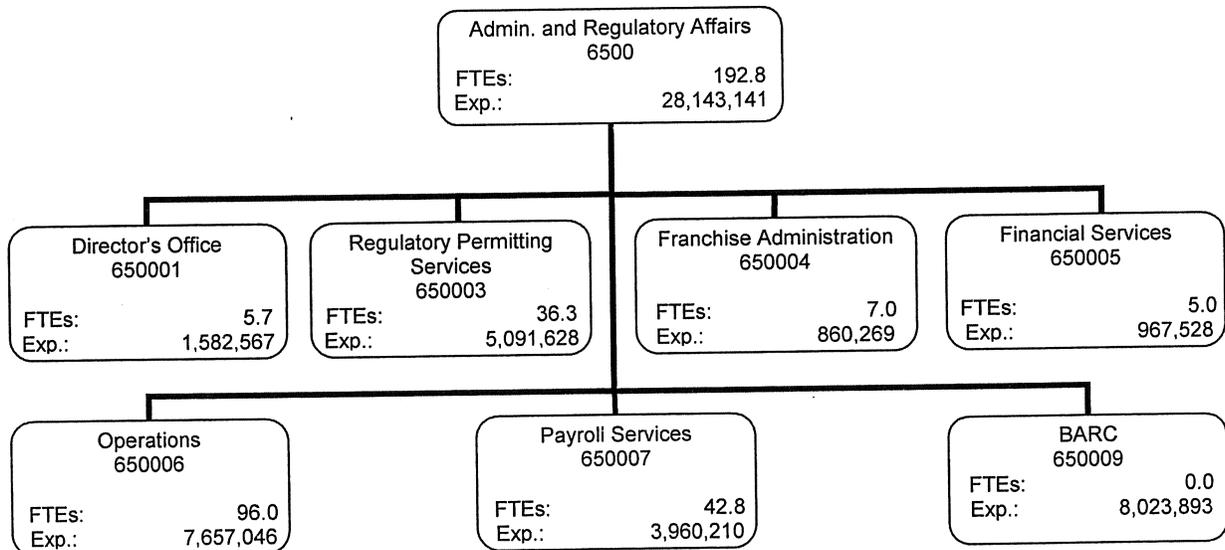
Department Short Term Goals

- Examine vehicle-for-hire licensing requirements to determine whether any can be streamlined or eliminated to make onboarding of drivers faster and more efficient, and make recommendations to the Mayor.
- Continue the transformation of 311 Help & Information to develop additional two-way communication functions between 311 and citizens, and implement citizen call-back assist.
- Continue the transformation of Bureau of Animal Regulation and Care (BARC) to focus on expanding targeted low-cost spay neuter program, focus on increasing animal wellness programs to increase positive outcomes, and work with Houston BARC Foundation for successful fundraising efforts related to the Pet Walk and annual Gala.
- Complete installation of first phase of the 5-year replacement program for parking meters, renew technology contract, implement and evaluate pilot carshare program, and recommend changes to Chapter 26 to accommodate residents in mixed-use development.
- Continue the excellent customer services in ARA Divisions.

Department Long Term Goals

- Transform BARC into the top municipal Animal Shelter and Adoptions Center in the United States.
- Transform 311 Help & Information into the top municipal citizen engagement center in the United States.
- Identify and implement cost-effective technology solutions to facilitate Park Houston's ability to provide wayfinding and parking availability information to customers; leverage Park Houston's infrastructure for economic development purposes.

Department Organization

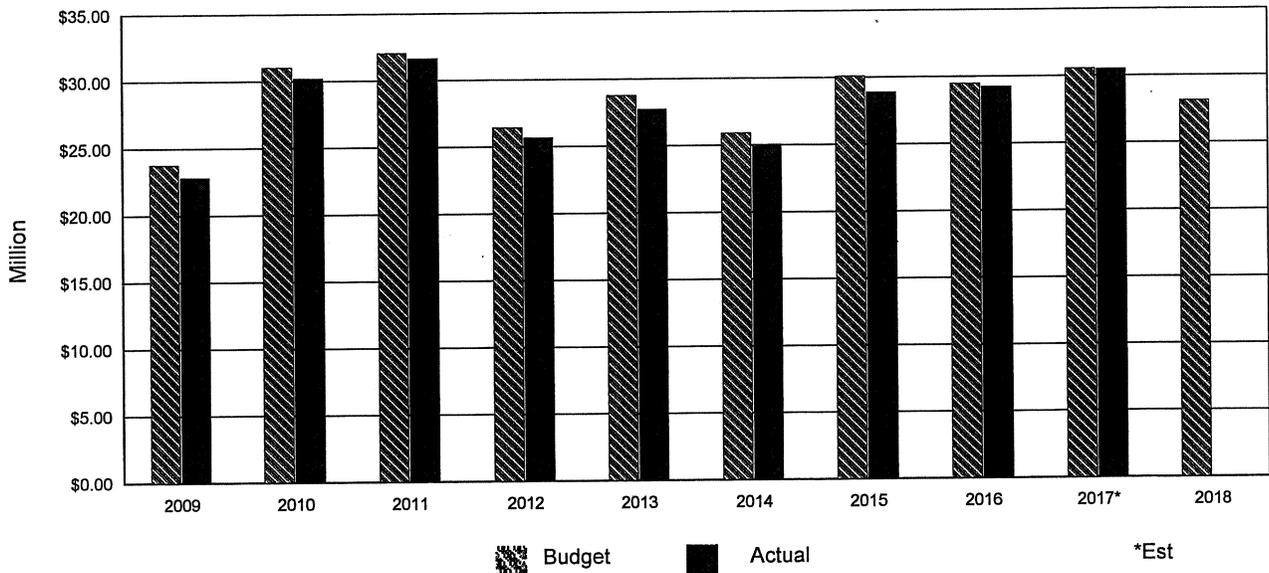


FISCAL YEAR 2018 BUDGET

Business Area Budget Summary

| | | | | | |
|---|--|--|----------------------------------|----------------------------|--------------------------|
| Fund Name : | | General Fund | | | |
| Business Area : | | Administration and Regulatory Affairs | | | |
| Fund No. /Bus. Area No. : | | 1000 / 6500 | | | |
| | | FY2016 Actual | FY2017 Current Budget | FY2017 Estimate | FY2018 Budget |
| Expenditures | Personnel Services | 15,544,003 | 16,881,736 | 16,824,712 | 15,895,203 |
| | Supplies | 112,685 | 138,004 | 138,004 | 114,830 |
| | Other Services and Charges | 4,056,533 | 3,946,601 | 3,946,601 | 4,109,215 |
| | Equipment | 0 | 52,800 | 52,800 | 0 |
| | Non-Capital Equipment | 4,120 | 11,700 | 11,700 | 0 |
| | Total M & O Expenditures | <u>19,717,341</u> | <u>21,030,841</u> | <u>20,973,817</u> | <u>20,119,248</u> |
| | Debt Service & Other Uses | <u>9,523,893</u> | <u>9,523,893</u> | <u>9,523,893</u> | <u>8,023,893</u> |
| Total Expenditure | <u>29,241,234</u> | <u>30,554,734</u> | <u>30,497,710</u> | <u>28,143,141</u> | |
| Revenues | | 211,153,381 | 213,354,581 | 209,983,720 | 197,840,666 |
| Staffing | Full-Time Equivalents - Civilian | 203.7 | 214.3 | 209.2 | 192.8 |
| | Full-Time Equivalents - Classified | 0.0 | 0.0 | 0.0 | 0.0 |
| | Full-Time Equivalents - Cadets | 0.0 | 0.0 | 0.0 | 0.0 |
| | Total | <u>203.7</u> | <u>214.3</u> | <u>209.2</u> | <u>192.8</u> |
| | Full-Time Equivalents - Overtime | 1.2 | 1.1 | 1.4 | 1.1 |
| Significant Budget Changes and Highlights | <ul style="list-style-type: none"> o The FY2018 Budget provides funding for health benefits, pension contribution, and municipal employees contractual pay increase. o The FY2018 Budget includes a reduction of \$576,081 for department savings initiatives. o Includes a \$1.5 million budget reduction in the General Fund Transfer to support BARC. o Includes a net increase of \$331,250 in the restricted accounts. o FY2018 Revenues decreased by \$9 million primarily due to lower franchise fees. | | | | |

**Administration and Regulatory Affairs
Current Budget vs Actual Expenditures**



FISCAL YEAR 2018 BUDGET

| Business Area Performance Measures | | | | |
|---|----------------------|----------------------|------------------------|----------------------|
| Fund Name : General Fund Business Area : Administration and Regulatory Affairs Fund No. /Bus. Area No. : 1000 / 6500 | | | | |
| Performance Measures | FY2016 Actual | FY2017 Budget | FY2017 Estimate | FY2018 Budget |
| 311 Average Speed of Answer (seconds) | 73 | 75 | 75 | 75 |
| Alcohol Site Survey Completion (days) | 8 | 10 | 9 | 10 |
| Houston Permitting Center (HPC) Wait Time (minutes) | 25 | 25 | 32 | 15 |
| HPC Customer Satisfaction Survey Rating | 100% | 98% | 100% | 98% |
| HPC Vehicle-for-Hire Customers Served | 30,683 | 25,000 | 100,000 | 18,000 |
| Expenditures Adopted Budget vs Actual Utilization | 99% | 98% | 100% | 98% |
| Revenues Adopted Budget vs Actual Utilization | 103% | 100% | 98% | 100% |
| | | | | |

FISCAL YEAR 2018 BUDGET

| Division Summary | | | | | | | |
|--|--|----------------------|-----------------|------------------------|-----------------|----------------------|-----------------|
| Fund Name : General Fund | | | | | | | |
| Business Area : Administration and Regulatory Affairs | | | | | | | |
| Fund No. /Bus Area No. : 1000 / 6500 | | | | | | | |
| Division Description | | FY2016 Actual | | FY2017 Estimate | | FY2018 Budget | |
| | | FTEs | Costs \$ | FTEs | Costs \$ | FTEs | Costs \$ |
| Director's Office 650001 | | | | | | | |
| Executive head of Administration and Regulatory Affairs Department with authority over all department policies, procedures, and employees. Defines strategies to pivot operations and identifies opportunities to streamline customer service delivery. | | 5.0 | 1,796,526 | 5.1 | 1,411,893 | 5.7 | 1,582,567 |
| Regulatory Permitting Services 650003 | | | | | | | |
| Administers ordinances related to regulation of vehicles for hire, alcohol related businesses, dance halls, game rooms, etc. Issues permits for burglar alarms. | | 43.8 | 5,156,991 | 51.7 | 5,979,752 | 36.3 | 5,091,628 |
| Franchise Administration 650004 | | | | | | | |
| Regulates utilities such as electricity, natural gas, and private water companies. Manages franchises for the use of City right-of-ways. | | 7.2 | 832,011 | 5.9 | 812,313 | 7.0 | 860,269 |
| Financial Services 650005 | | | | | | | |
| Develops, manages, and monitors ARA's operating budget. Provides accounting services for ARA and various other departments. | | 6.0 | 920,672 | 6.0 | 992,108 | 5.0 | 967,528 |
| Operations 650006 | | | | | | | |
| Manages 311 Call Center and responds to citizens' questions and requests for service. Organizes and manages the citywide records program and HISD contracts. Sells surplus city property. Provides mailroom services to 611 Walker, City Hall and City Hall Annex. | | 95.6 | 6,951,145 | 96.2 | 7,490,975 | 96.0 | 7,657,046 |
| Payroll Services 650007 | | | | | | | |
| Provides time & attendance and payroll processing services to all City employees. | | 46.1 | 4,060,011 | 44.3 | 4,286,776 | 42.8 | 3,960,210 |

FISCAL YEAR 2018 BUDGET

| Division Summary | | | | | | | |
|---|--------|---|-------------------|-----------------|-------------------|---------------|-------------------|
| Fund Name | | : General Fund | | | | | |
| Business Area | | : Administration and Regulatory Affairs | | | | | |
| Fund No. /Bus Area No. | | : 1000 / 6500 | | | | | |
| Division Description | | FY2016 Actual | | FY2017 Estimate | | FY2018 Budget | |
| | | FTEs | Costs \$ | FTEs | Costs \$ | FTEs | Costs \$ |
| BARC | 650009 | 0.0 | 9,523,878 | 0.0 | 9,523,893 | 0.0 | 8,023,893 |
| BARC was moved to Special Revenue Fund 2427 in FY2011. The General Fund provides funding to BARC Special Revenue Fund (2427). | | | | | | | |
| Total | | <u>203.7</u> | <u>29,241,234</u> | <u>209.2</u> | <u>30,497,710</u> | <u>192.8</u> | <u>28,143,141</u> |

FISCAL YEAR 2018 BUDGET

Business Area Revenues Summary

Fund Name : General Fund
 Business Area : Administration and Regulatory Affairs
 Fund No./Bus. Area No. : 1000 / 6500

| Category | FY2016 Actual | FY2017 Current Budget | FY2017 Estimate | FY2018 Budget |
|-----------------------------|--------------------|--------------------------|--------------------|--------------------|
| Electric Franchise | 99,755,510 | 101,017,923 | 101,017,923 | 100,836,001 |
| Telephone Franchise | 43,060,701 | 42,000,000 | 40,906,069 | 37,215,000 |
| Gas Franchise | 14,839,561 | 15,015,585 | 15,015,585 | 13,790,581 |
| Other Franchise | 32,056,238 | 33,738,694 | 30,430,779 | 26,805,826 |
| Licenses and Permits | 17,745,319 | 17,679,603 | 18,606,098 | 15,244,402 |
| Charges for Services | 233,997 | 201,777 | 223,357 | 198,112 |
| Direct Interfund Services | 1,082,044 | 1,372,398 | 1,367,186 | 1,380,623 |
| Other Fines and Forfeits | 2,144,886 | 2,026,601 | 2,031,651 | 2,068,121 |
| Miscellaneous/Other | 235,125 | 302,000 | 385,072 | 302,000 |
| Grand Total Revenues | 211,153,381 | 213,354,581 | 209,983,720 | 197,840,666 |