



CITY OF HOUSTON
City Council

Interoffice

Correspondence
Dave Martin
District E

To: Mayor Sylvester Turner
Mayor Pro - Tem Ellen Cohen
Vice Mayor Pro - Tem Jerry Davis
Council Member Brenda Stardig
Council Member Dwight Boykins
Council Member Steve Le
Council Member Greg Travis
Council Member Karla Cisneros
Council Member Robert Gallegos
Council Member Mike Laster
Council Member Martha Castex-Tatum
Council Member Mike Knox
Council Member David Robinson
Council Member Michael Kubosh
Council Member Amanda Edwards
Council Member Jack Christie

Subject: 2019 Proposition B Implementation
Suggestions

From: Council Member Dave Martin

Date: February 6, 2019

Dear Mayor Turner,

On January 2, 2019 the request was made to hold a Special Called Budget and Fiscal Affairs (BFA) Committee meeting to discuss ways to address and implement Proposition B. On Thursday, January 31, 2019, I held the Special Called BFA and am happy to report that all offices were represented during the meeting.

After a very lengthy discussion and information provided by the City of Houston Finance Department along with the City Controller, a robust list was created. The below twenty suggestions have been compiled for your review and represent all ideas that were posed by City Council Members.

The following suggestions are listed in the order they were discussed during the BFA meeting and have not been prioritized.

1. Implement changes that are recommended by the City of Houston Fire Chief, Samuel Pena (recurring benefit).
2. Explore all enterprise funds for additional revenue that are not restricted by law or ordinance to apply to the implementation of Proposition B (one-time benefit).
3. Explore expediting and increasing reach of claw-back process for special revenue funds and further investigation of low hanging fruit (recurring and one-time benefit).
4. The City of Houston is required by law to keep 7.5% reserve funds on hand in the event of an emergency. Currently, the City of Houston has an estimated 8.9% funds in reserve, which amounts to approximately \$83.5 million. It was suggested the excess reserves be utilized immediately to implement Proposition B (one-time benefit).
5. Phase in the implementation of Proposition B over 5 years (recurring benefit).



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6. Currently if City Departments continue to spend at the same rate through the end of fiscal year 19, which ends in June 2019, there will be an estimated \$88 million in surplus funds. It was suggested that the budget surplus be used to immediately implement Proposition B (one-time benefit).
7. Immediately begin the Request for Proposal process in preparation for managed competition in departments like Solid Waste Management and Emergency Medical Services (recurring benefit & PFM Report item).
8. Explore the options of privatization in the departments of Solid Waste Management and Emergency Medical Services (recurring benefit).
9. Increase employee contribution to monthly medical plan from current rate to 25% of total monthly cost (recurring benefit).
10. Implement a City of Houston garbage fee (recurring benefit).
11. Zero Based Budget (recurring benefit).
12. Equitable distribution of Capital Improvement Project Funds.
13. Develop and implement a real estate strategy that calls for the creation of overarching guiding strategies associated with the acquisition and sale of City of Houston properties. This strategy in part would call for the leveraging of City assets for public private partnerships.
14. Review opportunities to collaborate with the County for ongoing maintenance and operations.
15. Implement all findings contained within the November 2017 PFM Report immediately instead of phasing in over ten years (recurring benefit).
16. Layoff 950 Houston Firefighters.
17. Add a monthly Firefighter fee to water bills (recurring benefit).
18. Cut Council District Service Funds to \$5.5 million.
19. Explore the option of furloughing City of Houston employees in lieu of layoffs.
20. Research the legality of accessing restricted funds and restricted special revenue funds that have a surplus to immediately implement Proposition B.

Sincerely,

Council Member Dave Martin, Budget and Fiscal Affairs Chair