



GENERAL SERVICES DEPARTMENT

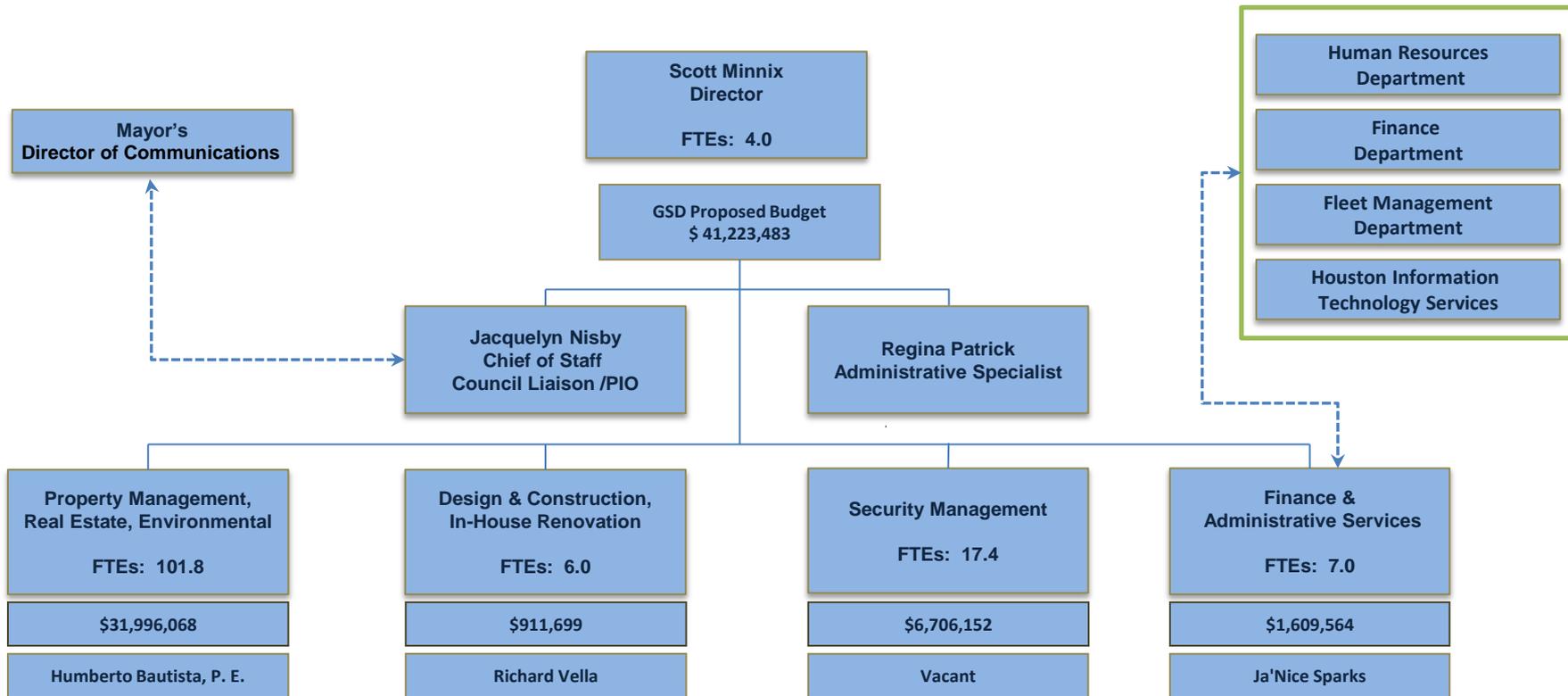
FY2017 Preliminary **GENERAL FUND** BUDGET PRESENTATION

SCOTT MINNIX
DIRECTOR

April 28, 2016

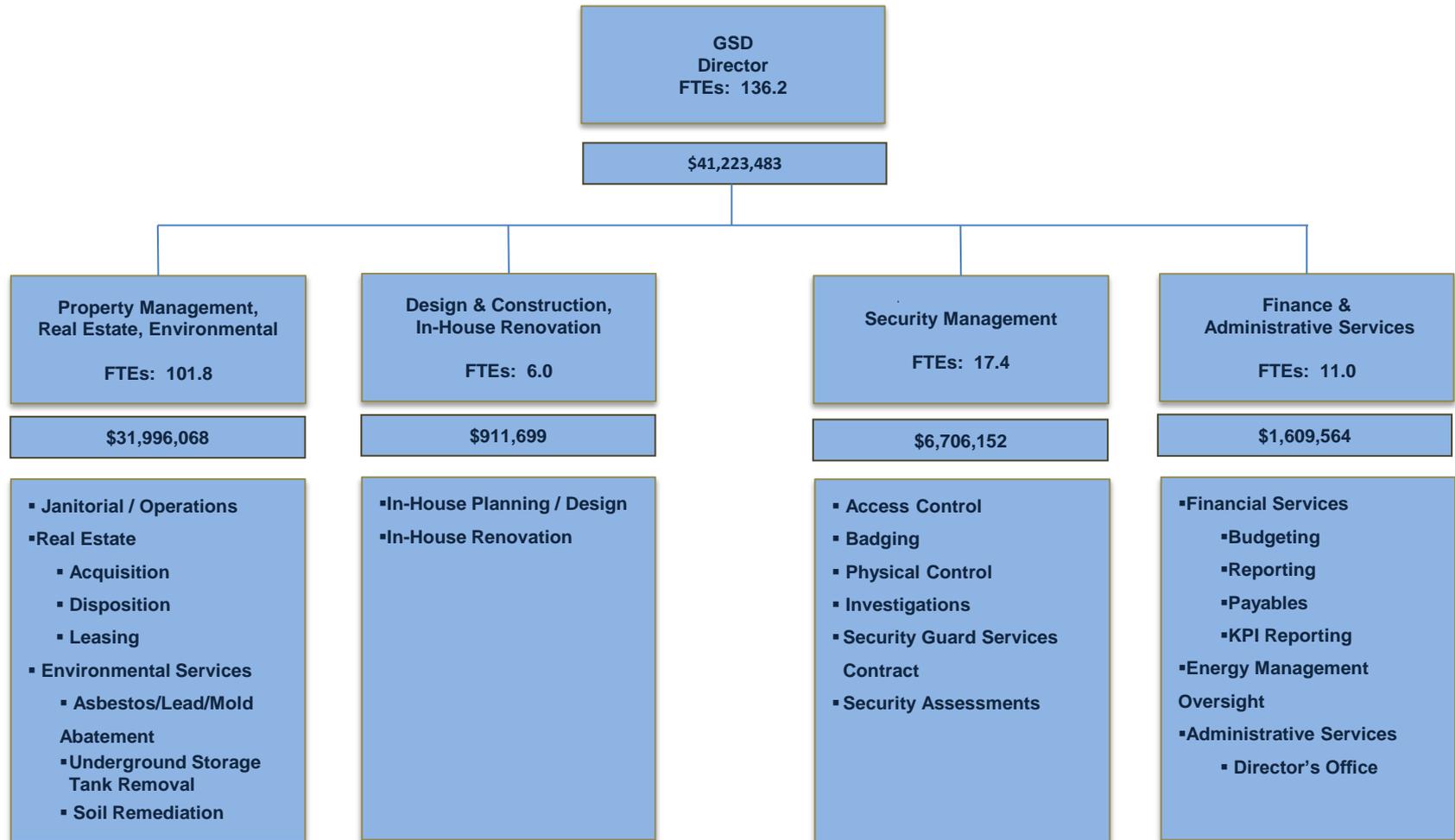


ORGANIZATIONAL STRUCTURE



TOTAL NUMBER OF FTEs: 136.2

FUNCTIONS-GENERAL FUND



FY2016 ACCOMPLISHMENTS



- Completed a Space Planning Study which evaluated the use of space in key City office buildings.
- Upgraded CCTV systems at five HPD Jail locations.
- Replaced over 275 security analog cameras with digital upgrades communicating over Ethernet lines, which can be viewed live on remote monitors. This upgrade increased storage capacity and investigation capability.
- Installed nearly 2,200 “Smart Key” electronic lock systems in over 17 properties, which provides greater tracking of building access, prevents unauthorized entry and deactivates electronic keys if lost or stolen.
- Implemented a new performance based facility maintenance contract to manage key operational buildings: Houston Emergency Center (HEC), TranStar, Libraries, Municipal Courts, Houston Permitting Center, Holcombe Health Lab, 611 Walker, and PWE water facilities.
- Added new concessionaires at City Hall Annex and the Permitting Center.
- Trained HVAC technicians on the Building Automation System (Metasys®) used in City buildings.

FY2016 ACCOMPLISHMENTS



- Procured Project Management Software to improve planning, scheduling and budget for all design and construction projects.
- Completed 444 Facility Condition Assessments Priority 1 & 2 building deficiencies.
- Implemented Citywide Furniture Procurement process.
- Established Citywide Office Furniture Standards.
- Completed energy sustainability retrofit program at 20 libraries and HEC.

FY2017 INITIATIVES



Initiatives	Plan Houston Strategy	Plan Houston Goal/Action
Establish mentor-protégé program to provide more opportunities for small businesses.	Partner with others, public and private. Champion learning. Support our global economy.	Collaborate with partner organizations on infrastructure solutions and other opportunities. Support mentorship programs that teach applied skills. Support local and historically disadvantaged businesses.
Develop Citywide Office Space Master Plan of all office space, reduce square footage in office city portfolio, create significant savings through consolidations, be proactive in space management and become a value-add service internally.	Partner with others, public and private. Spend money wisely. Grow responsibly.	Ensure coordination among City departments to identify efficiencies and share facilities and resources. Encourage cost sharing among departments and partners agencies. Anticipate growth and plan for it, ensuring that infrastructure and services accommodate growth.
Continue to address Facility Condition Assessments (FCA) Priority 1 & 2 building deficiencies.	Sustain quality infrastructure. Spend money wisely.	Adequately maintain existing infrastructure to reduce capital replacement expenditures and provide ample, efficient, and well-maintained infrastructure; seek means to accelerate infrastructure repair and reconstruction; provide efficient, cost-effective infrastructure. Adequately maintain City assets to reduce capital replacement expenditures.
Facilitate development of a Citywide portfolio master plan.	Grow responsibly. Partner with others, public and private. Spend money wisely.	Anticipate growth and plan for it, ensuring that infrastructure and services accommodate growth. Ensure coordination among City departments to identify efficiencies and share facilities and resources. Ensure that long-term growth supports the City's fiscal viability.
Restructure GSD to align employee responsibilities and enhance customer responsiveness.	Champion learning.	Support partnerships that provide adult education and job training at all skill levels.

FY2017 INITIATIVES



Initiatives	Plan Houston Strategy	Plan Houston Goal/Action
Continue to evaluate building security, access control, intrusion systems and CCTV security capabilities.	Sustain quality infrastructure. Spend money wisely.	Adequately maintain existing infrastructure to reduce capital replacement expenditures. Adequately maintain City assets to reduce capital replacement expenditures.
Implement a security guard tracking tool to enhance building security and contract guard accountability.	Partner with others, public and private.	Collaborate with partner organizations on infrastructure solutions.
Implement power demand response system for load shedding during peak demand periods.	Protect and conserve our resources. Partner with others, public and private.	Encourage sustainable energy practices. Collaborate with partner organizations on infrastructure solutions and other opportunities.
Work with the Mayor's Office of Education and Houston Community College to develop an apprenticeship program for crafts and trades staff to enhance employee skills and attract qualified candidates.	Champion learning. Partner with others, public and private. Support our global economy.	Partner with organizations to improve education and related support services. Collaborate with partner organizations on other opportunities. Encourage programs that help job seekers connect with potential employer.
Convert the former HPD Property Room into citywide warehouse (87,000 Sf).	Spend money wisely. Partner with others, public and private. Grow responsibly.	Distribute services and investments equitably based on need and benefit; and encourage cost sharing among departments. Ensure coordination among City departments to identify efficiencies and share facilities and resources. Anticipate growth and plan for it, ensuring that infrastructure and services accommodate growth.
Rate and register city buildings in the Energy Star Program and train staff as professionally accredited energy star evaluators.	Protect and conserve our resources. Sustain quality infrastructure.	Encourage green building and sustainable energy practices. Encourage development of green infrastructure and low impact development.

BUDGET SUMMARY

(\$ IN THOUSANDS)



Revenue FY2016 Current Budget	Revenue FY2017 Preliminary Estimates	+/- Variance	% Change	Expenditure FY2016 Current Budget	Expenditure FY2017 Preliminary Estimates	+/- Variance	% Change
5,650	4,503	(1,147)	(20.3%)	41,383	41,224	(159)	(0.4%)



GENERAL SERVICES DEPARTMENT

TOTAL REVENUES DETAIL

(\$ IN THOUSANDS)



Category	FY2015 Actual	FY2016 Budget	FY2016 Estimates	FY2017 Preliminary Estimates	Variance +/- FY2017 Preliminary Est./ FY2016 Est.	% Change
Building Space Rental Fees	753	839	764	640	(124)	(16.3)%
Cell Tower Revenue	4	0	0	0	0	0.0%
Facility Rental Fees	27	26	35	36	1	0.3%
Miscellaneous Revenue	0	0	1	0	(1)	(100.0)%
Other Interest Income	300	302	301	300	(1)	(0.3)%
Other Inter-fund Services	2,579	2,863	2,863	2,882	19	0.7%
Prior Year Expenditure Recovery	11	0	0	0	0	0.0%
Prior Year Revenue	0	0	40	0	(40)	(100.0)%
Recoveries & Refunds	2		6	0	(6)	(100.0)%
Sale of Capital Assets-Land/Streets	2,654	1,000	1	0	(1)	(100.0)%
Transfer from Component Unit	366	366	366	366	0	0.0%
Vending Machine Concessions	222	254	258	279	21	8.1%
Total	6,918	5,650	4,636	4,503	(133)	(2.9)%

TOTAL EXPENDITURES

(\$ IN THOUSANDS)



Category	FY2015 Actual	FY2016 Adopted Budget	FY2016 Current Budget	FY2016 Estimates	FY2017 Preliminary Estimates	Variance +/- FY2017 Preliminary Est./ FY2016 Est	% Change
Personnel Services	10,619	10,889	10,758	10,635	11,148	513	4.8%
Supplies	1,150	946	836	1,058	883	(175)	(16.5)%
Other Services and Charges	26,269	26,268	26,642	26,386	26,050	(336)	(1.3)%
Equipment	80	0	0	0	0	0	0.0%
Non-Capital Equipment	64	1	6	1	1	0	0.0%
Debt Service and Other Uses	3,635	3,142	3,142	3,142	3,142	0	0.0%
Total	41,817	41,246	41,383	41,222	41,224	2	0.0%



FY2017 EXPENDITURE HIGHLIGHTS



- (\$419,287) decrease as approved in GSD's budget reduction submission ;
- (\$400,000) decrease for citywide space utilization study;
- (\$775,069) decrease due to savings in restricted accounts; e.g., electricity and natural gas;
- (\$99,357) reduction in maintenance costs for deletion of three Health Department leases;
- \$379,535 to support contract escalation costs for pest control (\$82,119), security guard services (\$265,160) , and lease rental increases (\$32,256);
- \$105,000 for project management software;
- \$261,052 to support HOPE allowances; and
- \$789,095 for the transferred lease payment for 7125 Ardmore Street from the Department of Neighborhoods.



FY2017 EXPENDITURE HIGHLIGHTS

FY2017 General Fund Budget Expenditures Net Change to FY2016 Current Budget

		<u>Growth (%)</u>
FY2016 Current Budget	\$ 41,382,514	
FY2017 Preliminary Estimates	41,223,483	
Incremental Increase/(Decrease)	(159,031)	-0.4%

Explanation of Incremental Increase/(Decrease)

Contractual or Mandated Increases:

HOPE Allowances	261,052	
Pension, Health Benefits	111,077	
Transfer lease payment - 7125 Ardmore Street	789,095	
Contract Escalations (including Lease Agreements)	379,535	
Project Management Software	105,000	
Subtotal Contractual/Mandated Increases	\$ 1,645,759	4.0%

Cost Savings (Decreases)

Budget Reduction Initiatives ¹	(419,287)	
Space Planning	(400,000)	
Utility Costs (Electricity and Natural Gas)	(873,162)	
Deletion of three Health leases (maintenance costs)	(99,357)	
Restricted Accounts	(12,984)	
Subtotal Cost Savings (Decreases)	\$ (1,804,790)	-4.4%

Incremental Increase/(Decrease)	(159,031)	-0.4%
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Notes:

1. Personnel (\$292,433 - 2.6 FTEs) and Supplies and Other Services (\$126,854).

GENERAL SERVICES DEPARTMENT

QUESTIONS & ANSWERS



APPENDIX

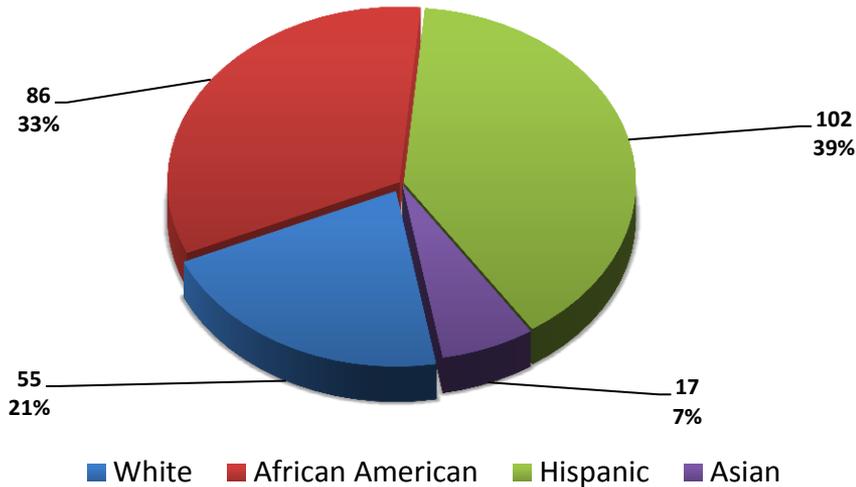


- **DEMOGRAPHIC PROFILE**
- **BUILDING PORTFOLIO**
- **PERFORMANCE MEASURES**

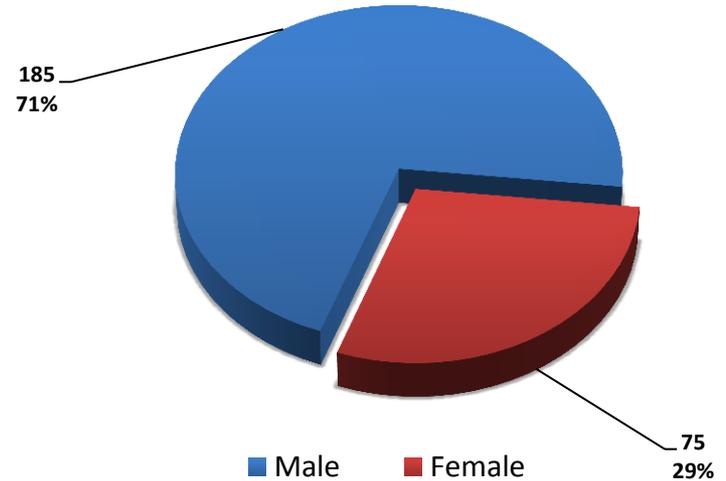
DEMOGRAPHIC PROFILE



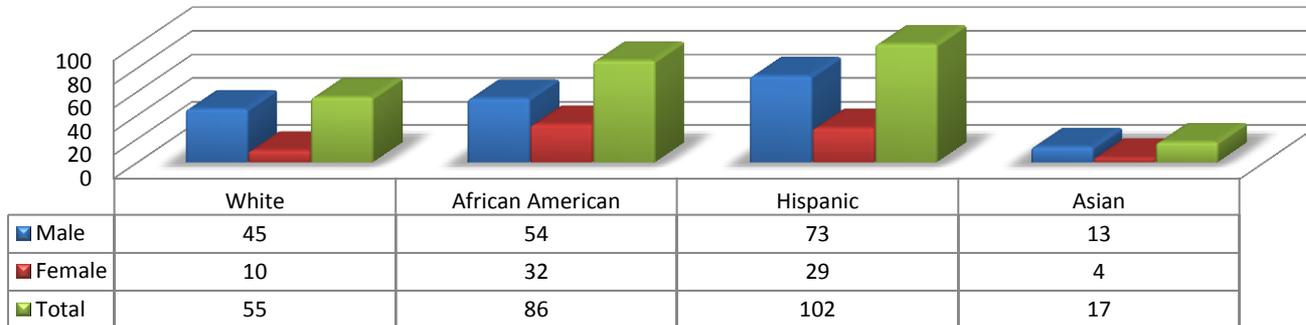
EMPLOYEE ETHNICITY PROFILE



EMPLOYEE GENDER PROFILE



EMPLOYEE ETHNICITY AND GENDER PROFILE



TOTAL NUMBER OF EMPLOYEES: 260

SNAPSHOT OF BUILDING PORTFOLIO



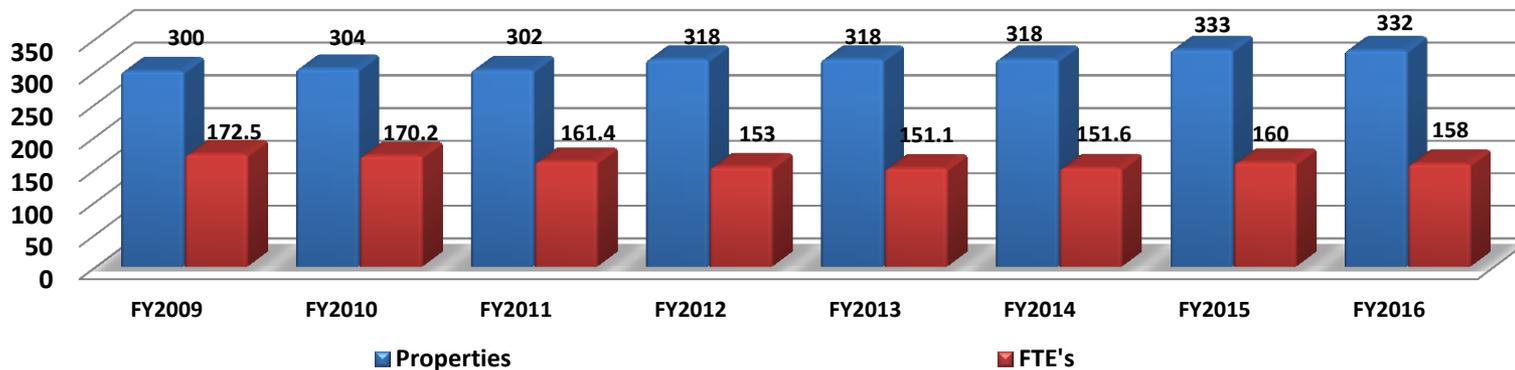
PROPERTY MANAGEMENT

Average Age of Buildings

City Building Characteristics	City of Houston	Nationwide *
Average Age	38	42
Median Date Built	1978	N/A
Built before 1950	4%	28%
Built between 1950 and 1969	30%	45%
Built between 1970 and 1984	33%	17%
Built after 1985	33%	10%

*2012 Parsons Facilities Condition Assessment Report

FTEs vs. Properties



PERFORMANCE MEASURES



Fund 1000	FY2015 Actual	FY2016 Budget	FY2016 Estimate	FY2017 Budget
Building Operations Work Orders Completed	4,106	2,000	4,415	5,000
Card Access Changes Processed	39,502	45,000	49,847	47,000
City Identification Badges Processed	10,933	9,800	10,439	10,650
Environmental Projects Completed	281	200	180	200
Special Events Requiring Security Staffing	91	85	95	80