

2017-2018 BUDGET QUESTION

Response to Request for Information

DEPARTMENT: Fire and Financial Services – Budget Office

REQUEST NO.: 41

REQUESTED BY: Alter

DATE REQUESTED: 5/13/17

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REQUEST: Regarding the \$3.5 million budget amendment for the Austin Fire Department (AFD), what are the opportunity costs of this decision? Please provide responses to the following questions as well.

1. Please provide a list of all the one-time items we funded last year and that we already are trying to include in next year's budget (FY 2018).
2. Are these type of expenditures particularly likely to be precluded by using up reserves now?
3. Within the AFD budget, how might spending this money on overtime now impact our ability to make decisions that mitigate for wildfire preparedness at the budget cycle - or other desired AFD expenditures?
4. How might we impact future budgets in terms of likely overtime expenditures by agreeing to this budget amendment now?
5. Please verify that without the \$5.8 million reserve added per the fiscal notes we would not be able to grant \$3.5 million without dipping into our 12% reserve.
6. What would have happened had we arrived at this point in the year and our budget reconciliation had not yielded an extra \$5.8 million?
7. If the extra reserves weren't available, how would this have been covered within the existing AFD budget?
8. What would happen within the AFD budget and the larger City budget if we didn't fund the \$3.5 million?

RESPONSE: Below in blue are responses to each of the questions:

1. Please provide a list of all the one-time items we funded last year and that we already are trying to include in next year's budget (FY 2018). A list of all of the items funded in FY17 through the Budget Stabilization Reserve Fund can be found in the 2017 Approved Budget, Volume II, page 767. A copy of that page is attached. In addition, the Financial Forecast Presentation includes an abbreviated list of items funded on a one-time basis in FY17 that are likely to be in consideration for additional funding in FY18. A copy of those pages is also attached.
2. Are these type of expenditures particularly likely to be precluded by using up reserves now? The forecast does project limited funding to be available from the Budget Stabilization Reserve Fund to meet one-time needs in FY18.

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3. Within the AFD budget, how might spending this money on overtime now impact our ability to make decisions that mitigate for wildfire preparedness at the budget cycle - or other - desired AFD expenditures? Firefighters volunteering to work wildfire mitigation are already limited to working on their days off so Operations doesn't experience double overtime – for the Wildfire project assignment and the backfill created in Operations if the firefighter was scheduled to work. If the overtime funding is not provided, AFD would need to curtail large scale mitigation efforts like prescribed burns.
4. How might we impact future budgets in terms of likely overtime expenditures by agreeing to this budget amendment now? Approval of the amendment to the FY17 budget will not impact future overtime budgets. Overtime expenditures in future budgets will continue to be dictated by the number of vacant positions in the department and adopted operating practices such as mandatory 4-person staffing.
5. Please verify that without the \$5.8 million reserve added per the fiscal notes we would not be able to grant \$3.5 million without dipping into our 12% reserve. Without the additional funding added to the reserves as a result of a year-end surplus in the General Fund, we would not have been able to increase the total General Fund operating budget by \$3.5 million without dipping into our 12% reserve.
6. What would have happened had we arrived at this point in the year and our budget reconciliation had not yielded an extra \$5.8 million? The City has the option of reducing Fire's operations and thus budget requirement to cover the overtime cost overrun internally or to require other General Fund departments to generate savings sufficient to cover the cost overrun by Fire.
7. If the extra reserves weren't available, how would this have been covered within the existing AFD budget? AFD cannot stop paying firefighters. The most that can be saved by rolling back 4-person staffing to 2007 levels over the final quarter of the current fiscal year is roughly \$900,000. For AFD to come in at budget this year, outreach and recruiting programs would be scaled back to civilian personnel only by sending firefighters back to work in Operations. The sworn positions in Wildfire would also return to Operations, which would eliminate the ability to perform prescribed burns over the summer (burn season). Finally, while training has already been substantially curtailed, the remaining training related to certifications would be postponed even though delaying certification training just creates more expense in the future.

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8. What would happen within the AFD budget and the larger City budget if we didn't fund the \$3.5 million? If Council does not approve the \$3.5 million budget amendment, the Fire Department is projected to exceed its approved budget by this amount. Overall General Fund expenditures may or may not exceed the approved budget depending upon the level of year-end savings realized by other departments. Alternatively, the City Manager could implement a mid-year budget reduction plan to offset the \$3.5 million overage.

Notable FY17 One-time Funding Items

General Fund

Initiative	Amount
AISD: Parent Support Specialists and Primetime	(\$2.2M)
Housing Trust Fund	(\$0.5M)
MEEEL Justice Center (QoL)	(\$0.3M)
SNAP Education and Outreach	(\$0.3M)
Youth Harvest Foundation (QoL)	(\$0.2M)
Affordable Housing Linkage Fee	(\$0.2M)
Tenant Relocation Funding	(\$0.2M)
Montopolis and Del Valle Community Health Assessment (QoL)	(\$0.1M)
Total	(\$4.0M)

QoL – Quality of Life Item

Notable FY17 One-time Funding Items

Budget Stabilization Reserve Fund

Initiative	Amount
Translation and Interpretation (QoL)	(\$0.3M)
Affordable Care Outreach (QoL)	(\$0.3M)
Mamis Ayudan, Teen Pregnancy Prevention, Con Mi Madre, Tejano Monument Anniversary Celebration, Las Comrades (QoL)	(\$0.2M)
Public Event Leader for the AARC Facility (QoL)	(\$0.1M)
Health Equity Service Contract with the Asian Family Support Services of Austin (QoL)	(\$0.1M)
AARC Facility Transportation (QoL)	(\$0.1M)
Greater Austin Asian Chamber of Commerce (QoL)	(\$0.1M)
Pilot Community Health Navigator (QoL)	(\$0.1M)
Total	(\$1.3M)

QoL – Quality of Life Item

Budget Stabilization Reserve Fund Appropriations

Department	Description	Amount	Fund
Building Services			
	Facility Maintenance	\$ 1,200,000	BSD CIP
Total Building Services		<u>\$ 1,200,000</u>	
Communications & Public Information			
	Translation and Interpretation	\$ 250,000	Budget Stabilization Reserve Fund
Total Communications & Public Information		<u>\$ 250,000</u>	
Communications & Technology Management			
	Public Safety XTL/XTS Radio Replacement	\$ 2,370,000	Wireless CIP
Total Communications & Technology Management		<u>\$ 2,370,000</u>	
Development Services			
	Development Fee Study	\$ 100,000	Budget Stabilization Reserve Fund
Total Development Services		<u>\$ 100,000</u>	
Economic Development			
	Colony Park Master Plan	\$ 177,335	Budget Stabilization Reserve Fund
	Greater Austin Asian Chamber of Commerce	\$ 50,000	Budget Stabilization Reserve Fund
Total Economic Development		<u>\$ 227,335</u>	
Emergency Medical Services			
	Stretcher Power Load System	\$ 250,000	Budget Stabilization Reserve Fund
Total Emergency Medical Services		<u>\$ 250,000</u>	
Fire			
	Replacement of Airpacks (SCBAs) and Accessories	\$ 1,694,356	Budget Stabilization Reserve Fund
Total Fire		<u>\$ 1,694,356</u>	
Health & Human Services			
	Health Equity Service Contract	\$ 75,000	Budget Stabilization Reserve Fund
	Affordable Care Outreach	\$ 300,000	Budget Stabilization Reserve Fund
	Pilot Community Health Navigator	\$ 137,775	Budget Stabilization Reserve Fund
Total Health & Human Services		<u>\$ 512,775</u>	
Management Services			
	Innovations Office Idea Accelerator	\$ 100,000	Budget Stabilization Reserve Fund
Total Management Services		<u>\$ 100,000</u>	
Municipal Court			
	Security Scanners	\$ 80,000	Budget Stabilization Reserve Fund
Total Municipal Court		<u>\$ 80,000</u>	
Non-Departmental			
	Quality of Life Funding	\$ 7,001	Budget Stabilization Reserve Fund
Total Non-Departmental		<u>\$ 7,001</u>	
Parks & Recreation			
	AARC: Facility Transportation	\$ 82,558	Budget Stabilization Reserve Fund
	AARC: Public Event Leader	\$ 58,000	Budget Stabilization Reserve Fund
	Automated External Defibrillators	\$ 45,906	Budget Stabilization Reserve Fund
	Hepatitis B Vaccinations for Staff	\$ 30,000	Budget Stabilization Reserve Fund
	Park Master Plan	\$ 250,000	PARD CIP
	Zilker Botanical Garden Conservancy	\$ 107,500	Budget Stabilization Reserve Fund
Total Parks & Recreation		<u>\$ 573,964</u>	
Planning & Zoning			
	CodeNEXT (Land Development Code revision)	\$ 500,000	PAZ CIP
	Downtown Density Bonus Program	\$ 300,000	Budget Stabilization Reserve Fund
Total Planning & Zoning		<u>\$ 800,000</u>	
Telecommunications and Regulatory Affairs			
	Funding for Gas Utility Rate Case Reviews	\$ 25,000	Budget Stabilization Reserve Fund
Total Telecommunications and Regulatory Affairs		<u>\$ 25,000</u>	
Total Budget Stabilization Reserve Appropriations		<u>\$ 8,190,431</u>	