

RESOLUTION NO.

WHEREAS, Austin was recently ranked as the most economically segregated metro area in the country, the 4th in the country for occupational segregation, and the 5th in the country for educational segregation according to a study by the Martin Prosperity Institute; and

WHEREAS, adverse health conditions including obesity, cancer, heart disease, diabetes, HIV/AIDS, infant mortality and teen births disproportionately impact communities of color and low-income residents; and

WHEREAS, the City of Austin provides services that directly combat these disparities and address community health needs through the Health and Human Services Department and social service contracts; and

WHEREAS, social services have been proven to have a significant return on investment, with between \$4.10-9.20 in benefits for every dollar invested in early childhood services according to the School Readiness Action Plan for Austin/Travis County, up to 17% annual return on investment over 20 years for workforce development training according to the University of Texas Ray Marshall Center, additional \$500,000 in lifetime earnings for high school graduates compared to high school dropouts according to United States Census Bureau, \$8,509 in savings for each schizophrenia treatment avoided through prevention

according to the Center for Medicare, \$37,000 saved annually for each premature institutionalization in a publicly supported nursing home avoided according to Meals on Wheels and More; and

WHEREAS, a strong public health workforce to protect and promote the health of the public is sustained through appropriate staffing standards; and

WHEREAS, the National Association of County and City Health Officials Local Public Health Workforce Benchmarks May 2011 Report indicates that .60 full-time epidemiologists, eight full-time environmental health workers, and 50 total public health employees per 100,000 population are needed to ensure that infrastructure is sufficient to support the growing Austin population; and

WHEREAS, the return on investment for many social services demonstrates that investments for our most vulnerable populations have the potential to result in cost savings in addition to significantly improving the quality of life for residents that utilize services; and

WHEREAS, understanding the importance of adequate funding for safety net services, Council adopted Resolution 20140626-078 which directed staff to work with a stakeholder group to develop a metric and recommendations regarding funding levels for the Health and Human Services Department; and

WHEREAS, based on the recommendations of Health and Human Services staff and the stakeholder group, Council passed Resolution 20141211-114 (Resolution) which established “a budget policy that requires the City Manager to develop as part of the annual budget process for Council consideration an annual increase to existing social service and workforce development contracts in an amount equal to, or greater than, increases in the Consumer Price Index, and an annual increase for the Health and Human Services Department in the amount equal to, or greater than, the annual percent increase of population growth, in addition to any proposed budget increases for cost of living salary adjustments, health care costs, or fuel costs in future proposed budgets for Council consideration;” and

WHEREAS, the annual increases for Health and Human Services and social service contracts were intended to ensure that organizations that contract with the City and the Health and Human Services Department “are able to continue to provide the same level of services despite continuing increases in costs of operation;” and

WHEREAS, social service providers have expressed concerns about basing annual contract increases on the Consumer Price Index because it does not provide predictability in increases, with the annual CPI ranging from 0.1 to 4.1 between the years 2000 and 2014; and

WHEREAS, social service providers have significant increases in their cost of operations incurred annually related to personnel and health care costs, increased rent, higher costs of materials, and other requirements; and

WHEREAS, providing an annual 3% increase for existing social service contracts would provide more stability for future budget planning; and

WHEREAS, the Resolution took additional action to adopt “a formal policy goal of investing \$15,763,307 of additional funding for social service contracts and investing \$12,840,870 of additional funding for the Health and Human Services Department within 3-5 years;” and

WHEREAS, the approved City of Austin budget for fiscal year 2015-16 included an additional \$3,121,753 in funding for the Health and Human Services Department which included \$429,000 to convert 5 grant funded staff to General Fund staff for Chronic Disease Prevention and Control, \$81,304 for two security guards to improve safety conditions at neighborhood centers, and \$67,162 for an Environmental Health officer to assist in the Development Services One Stop Shop, and \$3.79 million for social service contracts including \$1.05 million for public health programs aimed at decreasing health inequities, \$1.825 million for existing social service contracts, \$175,000 to support the Rundberg community’s

efforts to minimize health issues, and \$740,000 for social service contracts to provide rental assistance for dislocated families; and

WHEREAS, to reach the funding goals established in the Resolution, an additional \$11,973,307 should be invested in social service contracts and an additional \$10,340,870 should be invested in the Health and Human Services Department over the next two to four years; and

WHEREAS, the City Council is committed to investing in services that help the most vulnerable populations in the community, and sees utility in amending the Resolution to reflect funding passed in the FY 2015-16 budget and amending the method of increasing contracts annually to incorporate stakeholder feedback and provide more stability for social service providers; **NOW, THEREFORE**

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF AUSTIN

Resolution 20141211-114 is hereby amended to reflect that the Council adopts a formal policy goal of investing \$11,973,307 of additional funding for social service contracts and investing \$10,340,870 of additional funding for the Health and Human Services Department within 2-4 years.

BE IT FURTHER RESOLVED:

The budget policy adopted by Resolution 20141211-114 is amended to direct the City Manager to develop as part of the annual budget process for Council consideration an annual increase to existing social service and workforce development contracts in an amount equal to, or greater than 3%, and maintains the policy goal to incorporate an annual increase for the Health and Human Services Department in an amount equal to, or greater than, the annual percent increase in population growth in addition to any proposed budget increases for cost of living salary adjustments, health care costs, or fuel costs in future proposed budgets for Council consideration.

ADOPTED: _____, 2016

ATTEST: _____

Jannette S. Goodall
City Clerk