

Four-person Staffing and Overtime

Austin Fire Department



Overview

- All apparatus staffed with four persons on every shift
- Mandatory staffing requires vacancies to be filled with firefighters on overtime
- Number of vacant firefighter positions is unusually high
- Fire will go over budget this year due to the need for overtime

RESOLUTION NO 20071101-038

WHEREAS, the City Council Recognizes public safety as a top priority,
and

WHEREAS, the Austin Fire Department is tasked with protecting the lives
and property of the citizens of Austin, and

WHEREAS, many studies, including one carried out here in Austin, have
shown that increasing firefighter staffing levels has a positive impact on safety and
efficiency during Fire Department Operations, and

WHEREAS, the National Fire Protection Association's NFPA 1710
Standard requires a minimum of four firefighters per each firefighting apparatus,
NOW, THEREFORE,

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

The City Council adopt Austin Fire Department Staffing, as defined below,
as the minimum staffing requirement of the Austin Fire Department and direct the
City Manager implement this standard, and

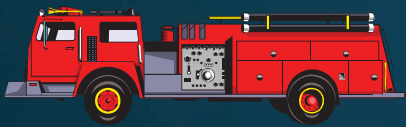
BE IT FURTHER RESOLVED

Beginning in January 2008, the City will implement a minimum staffing
policy for the Austin Fire Department and that staffing model will be completed by
2019 or sooner, if at all possible, and

Staffing Policy

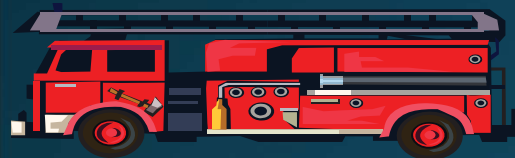
- Council passed a resolution in 2007 supporting four-person staffing
- Resolution plan achieved four-person staffing by 2019 for all apparatus, except Ladders and Rescues
- Council approved acceptance of a SAFER grant in 2013
- Grant plan achieved four-person staffing on all apparatus by 2014, including Ladders and Rescues

Current Required Staffing on Apparatus



Engine

42 Engines: 1 Lieutenant, 1 Specialist/Driver,
2 Firefighters



Ladder

3 Ladders: 1 Captain, 1 Specialist/Driver,
2 Firefighters

Quint - Ladder & Carries Water

10 Quints: 1 Captain, 1 Specialist/Driver,
2 Firefighters

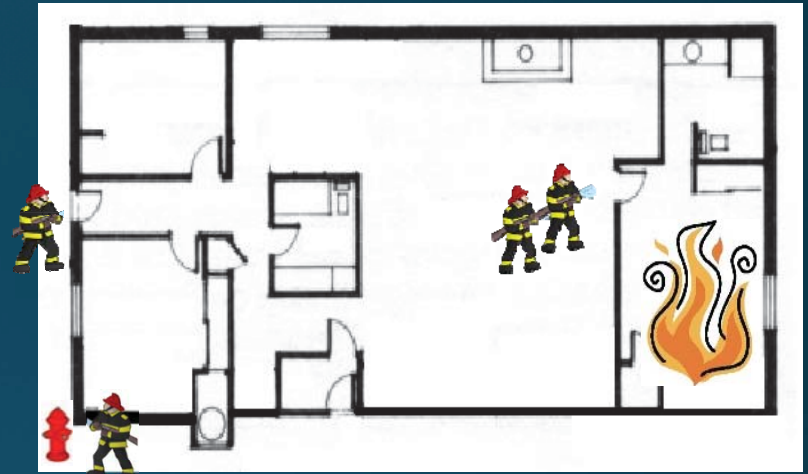


Rescue - Special Operations

4 Rescues: 1 Captain, 1 Specialist/Driver,
2 Firefighters

Four-Person Staffing Background

- ▶ Firefighter task assignments changed based on National Fire Protection Association (NFPA) 1710
 - Firefighters have less time to react
 - Employ new operational practices
 - All four firefighters have assigned tasks
- ▶ Occupational Safety and Health Administration (OSHA) 29 CFR 1910.134 requires “two-in and two-out” safety measures for Immediately Dangerous to Life or Health (IDLH) situations and use of respirators



Four-Person Staffing Background

- ▶ National Institute of Standards and Technology (NIST) found modern homes and their contents can burn eight (8) times faster than homes of a decade ago
- ▶ Underwriters Laboratories (UL) tested lightweight building components and found faster deflection, charring and heat sensitivity



Performance Enhancement

Four-person crews compared to three-person crews:

- 6% difference in the “water on fire” time
- complete all tasks on the fire ground nearly 25% faster on a low-hazard structure fire (on average 5.1 minutes)
- complete a primary search 6% faster
- occupants rescued by early-arriving crews has less exposure to combustible products than occupants rescued by late-arriving crews.

National Institute of Standards and Technology (NIST) research, April 2010 Report

Performance Measures: Before & After

Measure	FY2006-2007	FY2015-2016
% of emergency incidents where time between call receipt and arrival is 8 minutes or less	82%	83%
% of fires confined to room of origin	81%	83%
Number of incident related on-the-job injuries	88	56
Number of fire deaths	8	5
Fire deaths per 100,000 population	1.10	.53

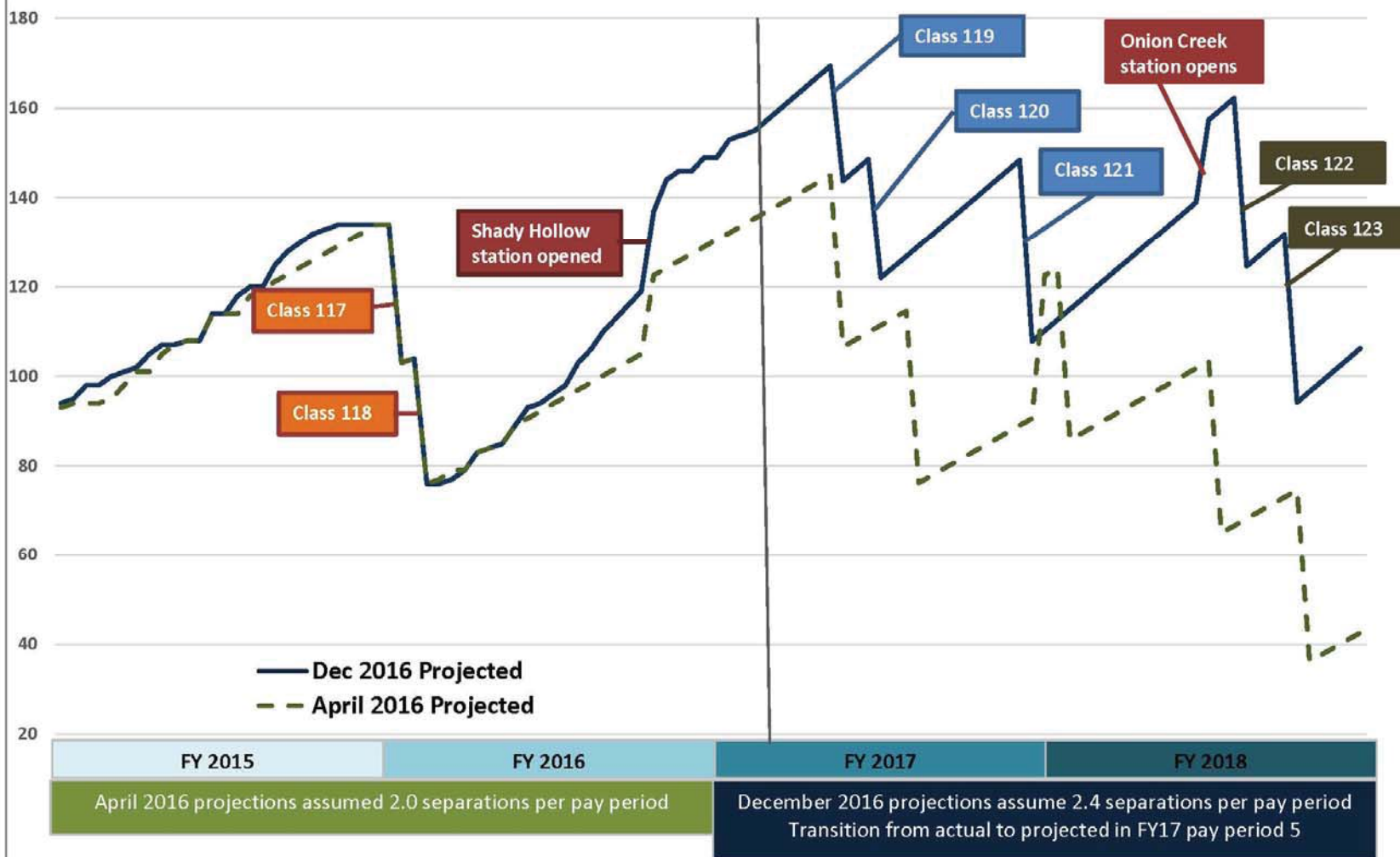
Performance Measures: Before & After

Measure	FY2006-2007	FY2015-2016
All Emergency Incidents	75,748	81,973
Fires	2,241	1,034
Number where ladder or rescue was first on scene	31 (1.4% of fires)	29 (2.8% of fires)
Average delay for pumper to arrive, assisting first-in ladder or rescue	1 minute, 47 seconds	1 minute, 46 seconds
Medical emergencies	55,054	55,211
Hazardous Materials	1,081	1,459
Operations' Firefighters/ # Fire Stations	923 / 44	970 / 47

Performance Measures: Before & After

Measure	FY2006-2007	FY2015-2016
Found Structure Fires	731	618
One & two family dwellings	313	263
Multi-family dwellings	286	201
Commercial/ industrial structures	119	97
Other/no data	13	57

AFD Vacancies and Vacancy Projections (FY15-FY18): REVISED PROJECTIONS



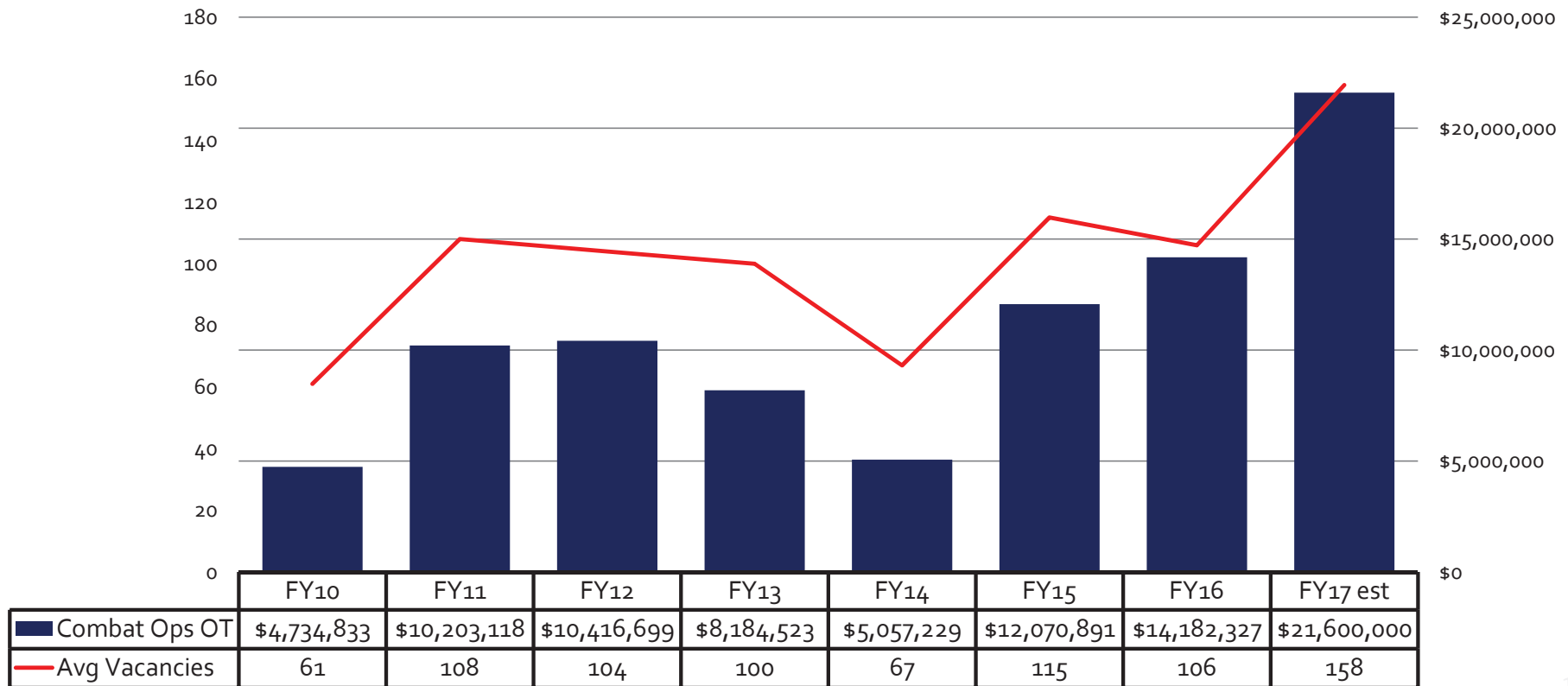
Vacancies
are Higher
than
Projected

Contributing Factors to Higher Vacancies

- Retirement rate increased from 4 to 5+ per month
- Department of Justice consent decree regarding cadet hiring caused:
 - Delay in starting cadet classes
 - Smaller cadet class sizes
 - Limited number of candidates to 200 on the hiring list.
 - 90 cadets will graduate by September 2017 instead of 115 or more projected in the FY 2017 Proposed Budget.

History of Vacancies and Overtime

Average Firefighter Vacancies and Actual Operations Overtime:
FY10 - FY16, FY17 estimated





QUESTIONS?



AUSTIN CITY COUNCIL
MAY 3RD , 2017

GOLF ENTERPRISE FUND OVERVIEW

Parks & Recreation
Department

Golf ATX Golf Courses

Lions Golf Course “Muni” est. 1934

- Recently added to the National Register of Historic Places
- Under lease from UT thru May 2019.



Hancock Golf Course est. 1899

- One of the oldest golf courses West of Mississippi
- Site of original Austin Country Club
- Became City operated in 1951

Morris Williams Golf Course est. 1964

- Major renovations in 2013



Jimmy Clay Golf Course est. 1974

- Shares club house with Roy Kizer
- Greens renovated in 2015



Roy Kizer Golf Course est. 1994

- Site of former Waste Water Treatment plant
- Shares club house with Jimmy Clay
- Shared driving range and 3 hole short course

Grey Rock Golf & Tennis est. 1992

- Acquired by the City in June 2014
- Operated by Management Contract



Golf Enterprise Fund - Recent Challenges



3 Major Floods: Oct 2013, May 2015 and Oct 2015

2013
Morris Williams Maintenance Barn Fire



Droughts



Construction/Renovation



Nematode Damage

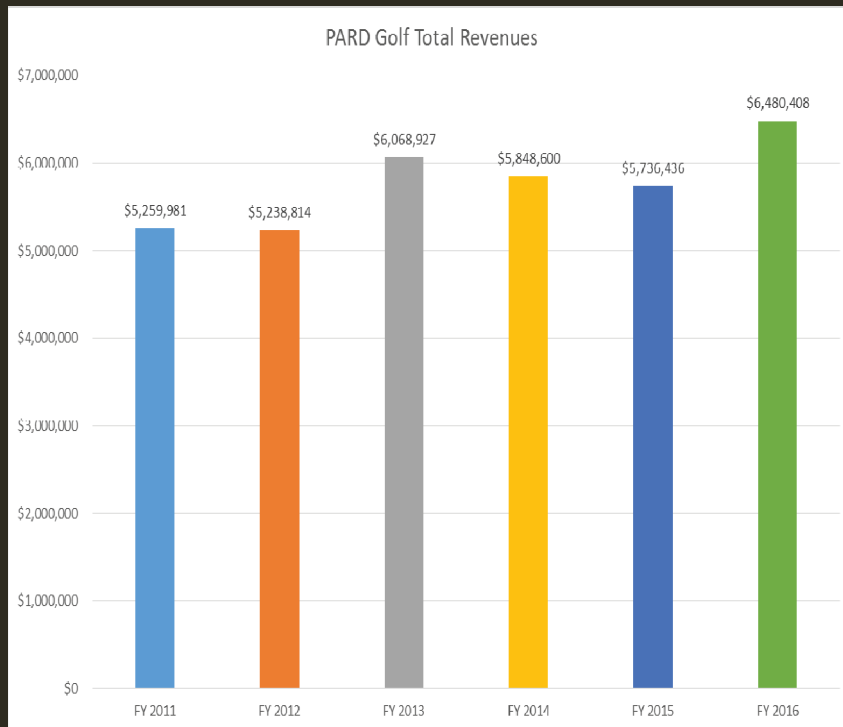
2016

Selected Revenues vs Expenditures by Course

	<u>Expenditures</u>	<u>Revenues</u>
Golf Administration	\$ 538,573	\$ 645,938
Lions Golf Course	\$1,509,283	\$1,524,452
Morris Williams	\$1,291,535	\$1,288,119
Jimmy Clay/Roy Kizer	\$2,472,869	\$2,460,981
Hancock	\$ 431,961	\$ 362,475
Grey Rock	\$ 100	\$ 175,000
Golf Maintenance Equipment	\$ 118,360	\$0
Transfers/Other Requirements	\$ 650,883	\$0

Notes:

1. All revenue and expenditures include both golf course and pro shop operations
2. Grey Rock Golf Course is operated by a management agreement and therefore not subject to the same mandates as City-owned courses, i.e. living wage. Expenditures and revenues are reported separately from the Golf Operating Fund. The course transfers surplus revenues prior to each annual fiscal close.
3. Transfers/Other Requirements Include: Debt Service, Administrative Support, Workers Compensation, Liability Reserve.



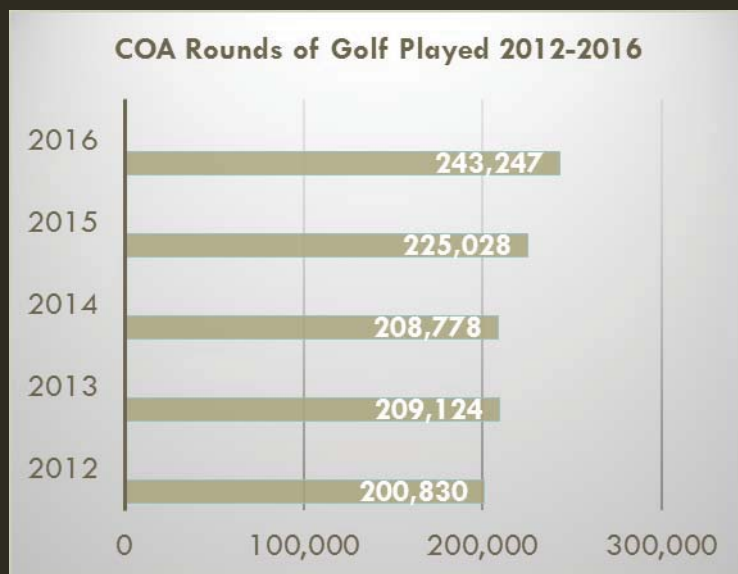
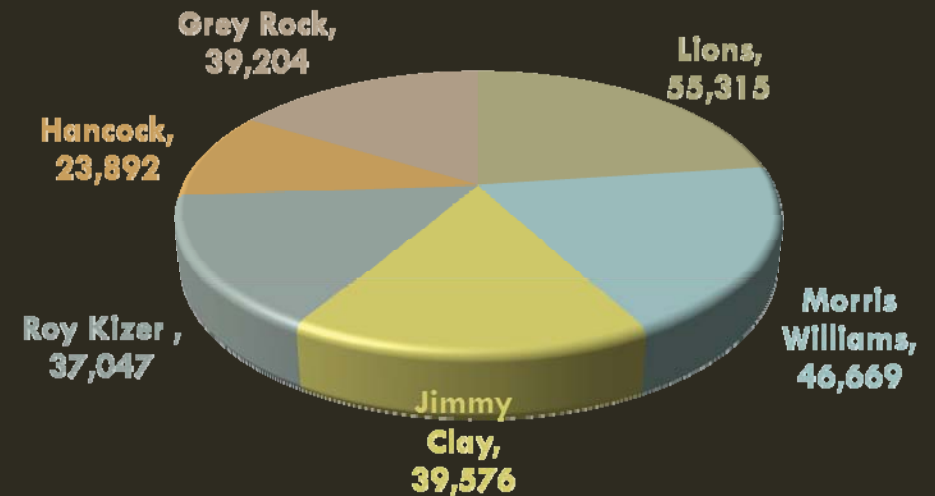
NOTES:

FY 2012/13 — Morris Williams closed for renovations

FY 2014 — City of Austin Purchased Grey Rock Golf Club

FY 2015 — Jimmy Clay Golf Course for greens renovation

**2016 TOTAL GOLF DIVISION
ROUNDS - 243,247**



Rate Comparison to area golf Courses

	Weekday	Weekend	Senior Mon-Fri	Junior Mon-Fri
Shadow Glen	\$ 37	\$ 55	\$ 35	\$ 25
Plum Creek	\$ 42	\$ 54	\$ 33	\$ 23
Terra Vista	\$ 49	\$ 69	\$ 36	\$ 25
Riverside	\$ 31	\$ 37	\$ 25	\$ 17
Avery Ranch	\$ 65	\$ 85	\$ 49	\$ 39
Falcon Head	\$ 75	\$ 89	\$ 60	\$ 35
COA Courses	Weekday Mon - Thur	Weekend	Senior Mon-Fri	Junior Mon-Fri
Grey Rock	\$ 65	\$ 79	\$ 45	\$ 35
Roy Kizer	\$ 41	\$ 50	\$ 35	\$ 33
Jimmy Clay	\$ 37	\$ 42	\$ 28	\$ 24
Morris Williams	\$ 37	\$ 42	\$ 28	\$ 24
Lions	\$ 37	\$ 42	\$ 28	\$ 24
Hancock - 9 Hole Fee	\$ 24	\$ 26	\$ 22	\$ 20
Note: All fees shown include cart rental				

<u>2016</u>	
<u>Avg COA Green Fee Rev Per Round</u>	
Walking only	
Hancock:	\$10.59
Lions:	\$15.71
Morris Williams:	\$15.78
Jimmy Clay:	\$16.45
Roy Kizer:	\$21.09
Grey Rock:	\$37.59

Golf courses continue to discount/compete
advertised fees through various online providers



GOLF ENTERPRISE FUND REVENUES VS EXPENDITURES FY07-FY16

	<u>Revenue</u>	<u>Expenses</u>	<u>Profit/(Loss)</u>
FY07	\$ 4,269,612	\$ 5,014,743	\$ (745,131)
FY08	\$ 5,262,177	\$ 5,094,536	\$ 167,641
FY09	\$ 5,560,344	\$ 5,474,156	\$ 86,188
FY10	\$ 4,879,571	\$ 4,707,946	\$ 171,625
FY11	\$ 5,259,981	\$ 4,941,636	\$ 318,345
FY12	\$ 5,238,814	\$ 5,191,288	\$ 47,526
FY13	\$ 6,068,927	\$ 6,233,314	\$ (164,387)
FY14	\$ 5,848,600	\$ 6,324,003	\$ (475,403)
FY15	\$ 5,736,436	\$ 6,162,380	\$ (425,944)
FY16*	\$ 6,480,408	\$ 7,018,587	\$ (538,179)
*2016 Living Wage Impact \$478,000			
Golf Enterprise FY16 Ending Fund Balance:			\$(1,912,449)

Revenue Generation — Outside the “Tee” Box



Lions Special Events



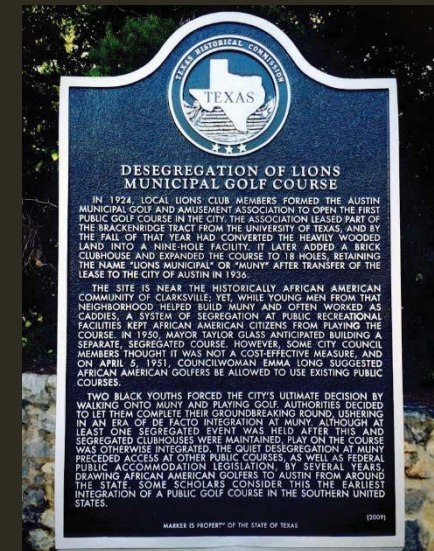
Jimmy Clay Hosted Big 12
Cross Country



Cross Country Running
Events at Hancock₈

Issues Facing City Operated Golf

1. Aging Facilities
2. Living Wage Impact
3. Lions Lease — Expires May 2019
4. Major Weather Changes
5. Hancock Profitability
6. Cost of Service Increases
7. Competitive Pricing
8. Controlling Insect Infestations
9. Maintenance equipment and Golf Carts



2017/18 Golf Enterprise Fund Focus

Player Development



Grow the Game Initiative



Expanding Brand Recognition

facebook®



Small Scale Infrastructure Improvements

QUESTIONS/DISCUSSION

The Golf Enterprise Fund has a significant negative ending fund balance.

Implementing an alternative business model for Hancock Golf Course has historically been unpopular, is there a desire to implement an alternative model in the future?

Should the Golf Enterprise Fund consider significant changes to the current fee structure?



Plummers



Oakwood



Oakwood Annex



Austin Memorial Park



Evergreen

CITY OF AUSTIN

HISTORIC CEMETERIES

2017

Cemetery Operations

Background and History

- Shortly after the City of Austin was founded in 1839, the State of Texas deeded land to the City, which is now known as **Oakwood Cemetery**.
- Currently, there are five historic cemeteries being operated by the City:
 - **Austin Memorial Park Cemetery**
 - **Evergreen Cemetery**
 - **Oakwood Cemetery**
 - **Oakwood Cemetery Annex**
 - **Plummers Cemetery**

Cemetery Operations

Background and History

- The City Cemeteries were initially managed by Public Works Department
- Since 1987, the Austin Parks and Recreation Department (PARC) has been responsible for municipal cemetery management, 23 years of which were done through a contract vendor

Effective April 2013, Cemetery services include:

- Sales administration and management (PARC)
- Cemetery operations and maintenance (PARC)
- Interment and burial services (Contractual)

The Austin Parks and Recreation Department manages five historic municipal cemeteries that host more than 75,000 burials

Cemetery Operations

Business Challenges

- Limited personnel resources
- Aging infrastructure, including an antiquated, manual irrigation system at all properties
- Aging visitor amenities with accessibility challenges



Cemetery Operations

Business Challenges

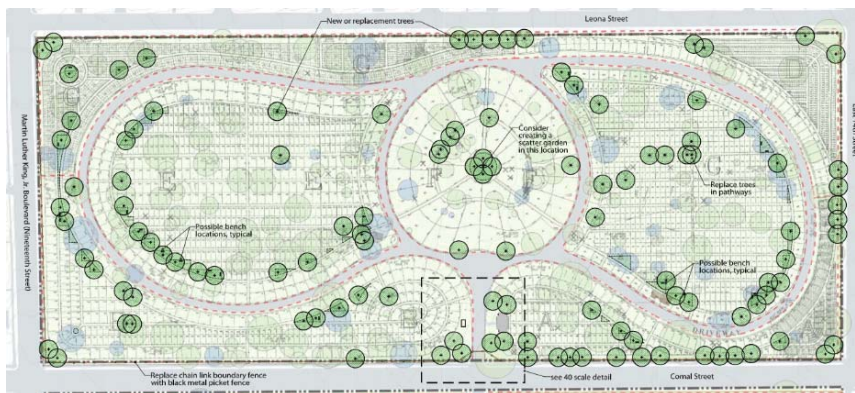
- Maintenance of monuments, including correction of fallen headstones of families who cannot be identified



Cemetery Operations

Cemetery Master Plan

Following a lengthy review by the community and key City Boards and Commissions, the Historic Cemeteries Master Plan was approved by City Council on September 17, 2015.



July 2014

www.cityofaustin.org/parks

FIVE

FIVE HISTORIC CEMETERIES
FIVE TEAM PARTNERS
FIVE COMMUNITY MEETINGS
HUNDREDS OF STAKEHOLDERS
ONE MASTER PLAN

THE MONTHLY NEWSLETTER
OF THE CITY OF AUSTIN
CEMETERY MASTER PLAN

Issue 3, July 2014


Next Meeting

Saturday, August 23, 2014
10:30 a.m. - 12:30 p.m.
Ruiz Branch, Austin Public Library
1600 Grove Blvd., Austin, TX 78741

Conditions Report

Join historical landscape architect Laura Knott on Saturday morning, August 23, when she will present the current conditions of Austin's five municipal cemeteries. Ms. Knott and landscape designer Christina Osborn, from John Milner Associates, Inc., have spent the summer evaluating each cemetery's vegetation, infrastructure, site plan, and other above-ground elements. According to Ms. Knott, "Although some issues are common to all five cemeteries, each cemetery is unique." Although the team will not be discussing specific recommendations at the August meeting, they will be available to answer questions. Have a question, concern, or comment that you'd like to see included? Send your questions or comments in advance of the meeting to Kim McKnight at (kim.mcknight@austintexas.gov).

AUSTIN PARKS & RECREATION
Cultural Places, Natural Spaces

Cemetery Operations

Capital Improvements

- Restored the 1928 Caretaker Complex at Austin Memorial Park Cemetery, which serves as the main office for cemetery operations
- Restored the 1923 Oakwood Cemetery Annex restroom building
- In the process of restoring the 1914 Oakwood Chapel
- Updated fencing at Evergreen Cemetery



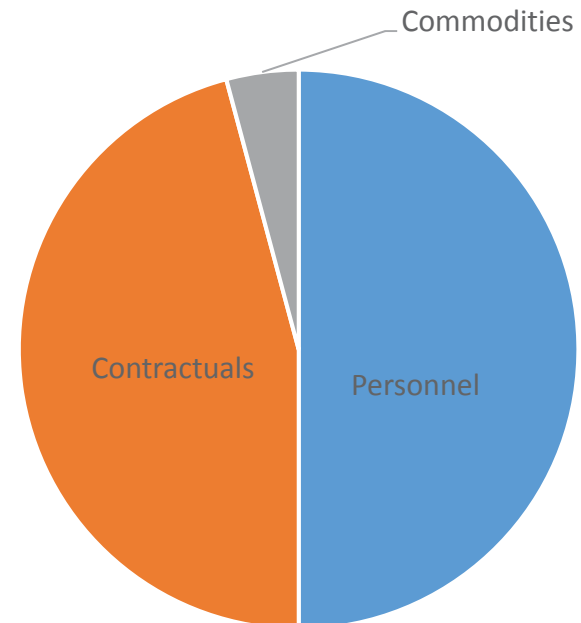
Oakwood Annex Restroom Before and After Restoration

Cemetery Operations

Budget Overview

FY 2016 Operations Budget - \$2.4 Million

- \$1.2 M Personnel Costs
19 FTEs, 3 Temps
- \$1.2 M Contractuals and Commodities
 - \$775 K for Interment Services, Inc.
Interment and burial services
 - \$30 K for AGH2O
Spoils Removal
 - \$133 K for Utilities

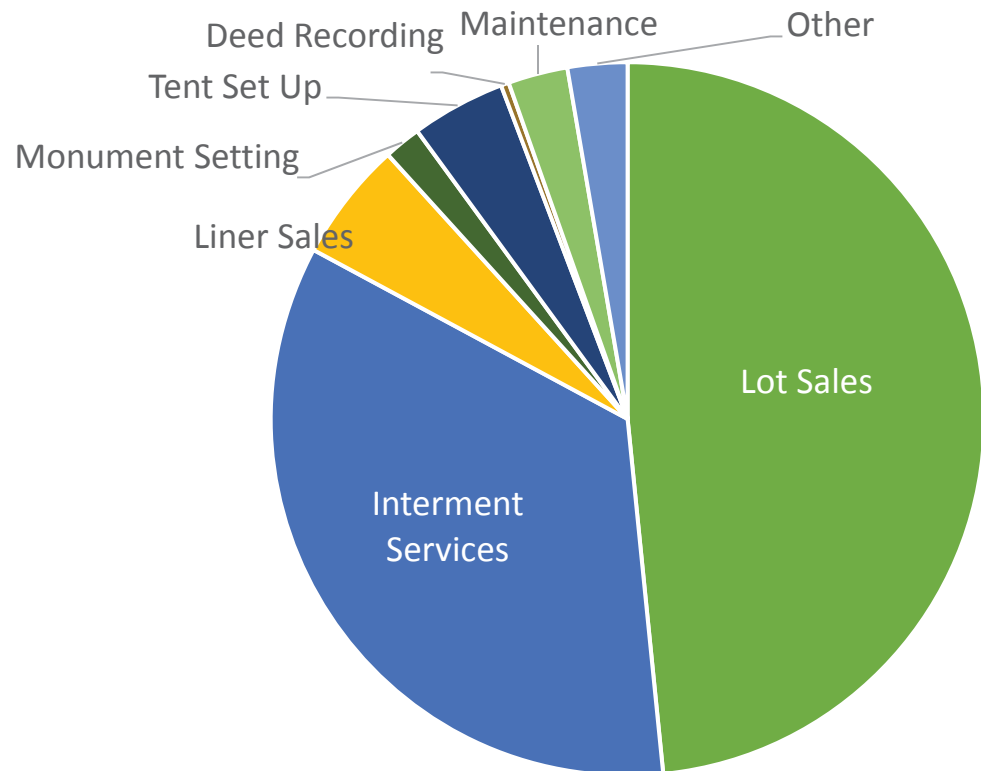


Cemetery Operations

Budget Overview

FY 2016 Revenue - \$1.66 Million

- Cemetery Sales: **\$805K**
- Interment Services: **\$573K**
- Liner Sales: **\$ 90K**
- Tent Set-up: **\$ 71K**
- Lot Maintenance: **\$ 45K**
- Other: **\$ 35K**
- Monument Settings: **\$ 28K**
- Deed Recordings: **\$ 14K**



Cemetery Operations

Estimated Cost of Service

Cost estimates for City of Austin to provide all cemetery services:

Additional Annual Estimated Expenses: \$400K

- **Personnel**

5 additional FTEs would be needed at a cost of \$326K

- **Commodities**

2 excavators/loaders, etc., at a cost of \$74K

Annual Estimated Savings by eliminating Contractuals: (\$805K)

- ISI Contract Agreement, savings of \$775K
- AGH2O Contract Agreement, savings of \$30K

Annual Estimated Savings\$405K

Cemetery Operations

Revenue Opportunities

Potential for Increasing Revenue

- Increase service fees and space sales fees
- Facility rental fees for memorials and community events
- Construction of a columbarium and scatter gardens for cremated remains



Cemetery Operations

Questions/Discussion

The Department identified options for the Cemetery Operations to become closer to cost neutral.

How desirable is a fee increase for cemetery services?

The Department utilizes contractual services for Cemetery Operations and has concluded that elimination of the contract in the future could potentially save money.

Would Council support eliminating the contractual services, knowing it will require additional personnel and equipment but allow for savings reallocation to long-term maintenance and improvements at the Cemeteries?

Austin Parks and Recreation Department Aquatics Operations Policy Discussion

May 3, 2017

Kimberly A. McNeeley, CPRP, Acting Director



OVERVIEW

- The Aquatics Division operates within an unstable and unsustainable business model
- Deteriorating and failing infrastructure and mechanical systems severely impact the stability of Parks and Recreation Department aquatics operations
- Even with the implementation of improved seasonal hiring strategies, recruiting adequate staffing remains a top concern

Parque Zaragosa 4/28/2017



Swim ATX – Reagan HS Fall 2017

Liz Carpenter 4/7/2017



GENERAL INFORMATION

51 AQUATIC FACILITIES

- 10 SPLASH PADS
- LIZ CARPENTER FOUNTAINS AT BUTLER PARK
- 40 POOL FACILITIES (INCLUDING BARTON SPRINGS)
 - 30 OPERATIONAL
 - 5 NON-OPERATIONAL (ST. JOHN'S, KEALING, ODOM, COMMONS FORD, PALM)
 - 5 YEAR-ROUND (BARTON SPRINGS, DEEP EDDY, BIG STACY, BARTHOLOMEW, SPRINGWOODS)

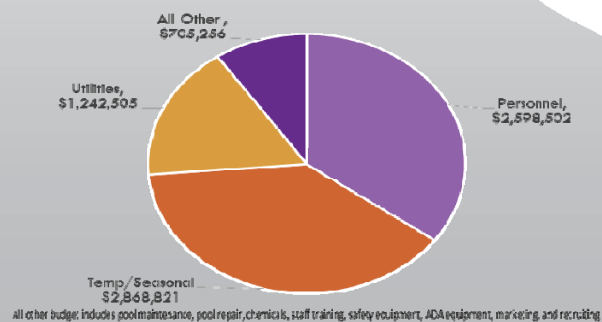


GENERAL INFORMATION

BUDGET

- Instructional Swim Program: \$240,273
- Aquatics Administration: \$753,944
- Public Pools: \$3.2 Million
- Barton Springs Pool: \$1.0 Million
- Aquatics Maintenance: \$2.1 Million

TOTAL FY17: 7.4 Million



REVENUE

2016 \$2.3 Million

2015 \$2.1 Million

POOL CHARGING SEASON:

- Pool Charging Season
 - March – September
- Pools Where Fees Collected
 - Barton Springs Pool
 - Bartholomew
 - Deep Eddy
 - Garrison
 - Mabel Davis
 - Northwest
 - Springwood
 - Walnut Creek

STAFFING NUMBERS

- FTEs: Operations 23, Maintenance 11
- Temporary/Seasonal
 - 2017 current Ready-to-Work 276
 - 2016 total 780
- Aquatic Programming Offered at 33 Locations

Swim ATX – Reagan HS Fall 2017



GENERAL HISTORY

- Aquatics Division operational challenges were communicated at the Open Space Committee in 2014
- Challenges associated with operating aging aquatics systems are both state and nationwide issues
- PARD has historically relied on bond funding to make short term mechanical and infrastructure repairs; foregoing system-wide improvements that would improve overall efficiency and effectiveness
- Currently, aquatic repairs are done reactively instead of proactively just to make it through the season

REPAIR HISTORY

For 10 years PARD has operated with a “*make it through the season*” philosophy expecting repairs to be considered in future budgets that never materialize

2006 Bond

- Conversion of fill and draw pools to splash pads, and installation of surge tanks to meet TCEQ standards
- Replacement of recirculation lines to decrease leaks
- Adherence to Code: Virginia Graham Baker Act (VGBA)
- Major Rebuilds/Renovations at Westenfield and Deep Eddy

2012 Bond

- ADA Improvements required to meet Code
- Pump and motor rebuild/replacement
- Major Rebuild/Renovations at Bartholomew

Recent One-Time CIP Funding

- Northwest (repair), Shipe and Govalle (rebuild)

WATER LEAK ESTIMATES AND CONSEQUENCES

- System Leak Test Identified Water Losses Per Day:
 - 2014 – 305,000 gallons
 - 2015 – 365,000 gallons
 - 2016 – 350,000 gallons
- The total system is estimated to have leaked approximately 350,000 gallons of water a day during the swim season, equating to the daily household water usage of approximately 1700 households
 - The “season” is approximately 12 weeks long, meaning 153,000 households

2017 MAINTENANCE FUNDING CHALLENGES

CURRENT 2017 PROJECTS

- Parque Zaragoza pool- repair leak , install safety feature and repair pool fencing **\$48,900**
- Metz pool – repair leaks and replace drain lines **\$57,500**
- Patterson pool – refurbish pool shell, replace pump and refurbish sand filter **\$59,500**
- Baily splash pad – replace filtration and upgrade system **\$111,900**
- Givens pool – engineer and structural assessment **\$121,479**

ADDITIONAL MAINTENANCE ISSUES

These issues were discovered as we began opening pools this season:

- Northwest pool– valve and pump issues requiring repair estimated **\$26,550**
- Walnut creek pool – leak found that can be patched for the season but requires a permanent fix estimated **\$4,000**
- Garrison pool– a minimum of four (4) leaks, coming through the pool wall into the pump room, requiring an immediate patch and future long term fix. Additionally, water is flowing behind the pool area indicating a major leak. Cost of repair is still unknown. **As of 4/27 leaking 49,000 gallons/ day**
- Liz carpenter fountains- currently leaking average 10,000 gallons per day. Repair for leaks **\$8,900**. Currently, 49 of the 96 features are not operational cost for repairs estimated at **\$52,000**

OPERATIONAL CHALLENGES

The Aquatics Maintenance Team is logistically challenged to provide preventative maintenance and mechanical repairs twelve (12) hours a day, seven (7) days a week, city-wide.

- As aging mechanical systems struggle to maintain acceptable water quality, swimming pools:
 - Have increased closures
 - Have longer wait times for mechanics

The department has not yet secured the 700 lifeguards required to efficiently and effectively operate this season.

FUNDING CHALLENGES

Bond funding

- Existing bond funds for 2017 season repairs
- Reserve a minimum of \$450,000 for 2018 season repairs
- Preliminary estimates for Shipe and Govalle rebuilds exceed allocation
- Future bond is needed to continue repairs after 2018

General funding

- Since 2013, PARD has exceeded allocated maintenance funding by an average of \$400,000 annually

BFY	Proposed	Amended	CYE	Actual	Balance	% of Budget
2013	\$ 1,430,011	\$1,473,500.00	\$ 1,881,375	\$1,821,502.59	(\$348,002.59)	123.62%
2014	\$ 1,527,764	\$1,726,121.00	\$ 1,978,542	\$2,260,939.91	(\$534,818.91)	130.98%
2015	\$ 1,757,940	\$2,003,897.00	\$ 2,003,897	\$2,235,002.13	(\$231,105.13)	111.53%
2016	\$ 2,033,145	\$2,134,881.00	\$ 2,161,161	\$2,622,195.57	(\$487,314.57)	122.83%

- CODE (Aquatic Facility Attendants) and Audit Compliance (ticketing machines) require an additional \$250,000 annually

CONSEQUENCES OF BUSINESS MODEL

Aquatics assessment identified \$47 million (in 2013 dollars) needed to effectively create a stable and sustainable aquatics system

- This amount is only to repair/replace or rebuild what currently exists – it does not include additional amenities or facility upgrades
- Seven pools were identified as “critical*” pools: Shipe, Govalle, Northwest, Givens, Gillis, Montopolis, and Civitan (not likely to survive the next five swim seasons)

*critical refers to infrastructure in critical condition- likely to fail

Aquatic Assessment identified \$22 million needed (in 2013 dollars) to build pools and close service gaps.

QUESTIONS/DISCUSSION

The current aquatics business model is not sustainable with regards to fiscal, operational and environmental responsibility.

What decisions could be made to bring the current business model into better compliance?

The current aquatics business model is not consistent with the proposed Council priorities.

What decisions could Council support to allow the Aquatics system to be in alignment with the proposed Council priorities?

The Aquatics Master Plan is scheduled for substantial completion in June, 2017.

How would Council like to see the future master plan used in making system-wide strategic decisions?

Civilian Wages & Benefits

Human Resources Department



May 3, 2017

City of Austin, TX



Purpose & Overview

This presentation highlights topics for a policy discussion around the City's pay and benefits philosophy that centers on competitiveness, affordability, fairness, and compliance.

- Civilian Wages
 - Austin as an employer of choice
 - Factors impacting pay
 - Compensation strategies
- Employee Benefits
 - Self Funded
 - Plan Compliance
 - Strategies to Maintain Affordability
 - Actions Taken
 - Enrollment and Costs
 - Retiree Monthly Premiums

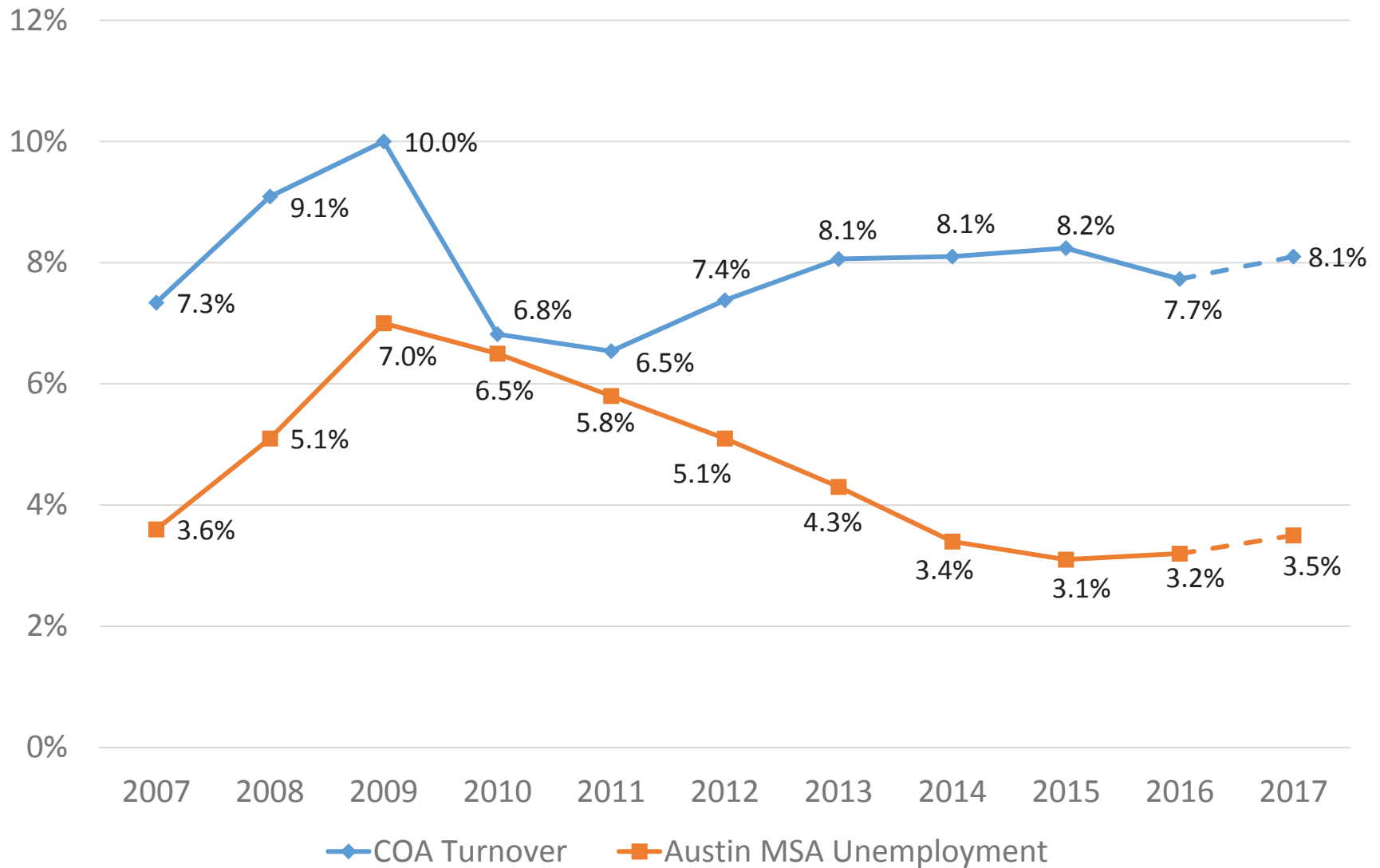
Civilian Wages

Current Philosophy

- To pay competitively based on market
- To pay fairly and equitably, internally and externally
 - Fund strategies supporting Compensation Philosophy
 - Implement an updated Compensation Philosophy and change policies and procedures to support



Turnover and Unemployment





Benchmark Information

- WorldatWork projects 3.0% increase in budget for salaries
 - Texas subset 3.0%
 - Public Administration national subset 3.0%
- Society for Human Resources Management (SHRM) compiled data projecting 3.0% increase in budget for salaries in 2017

Public Sector Pay

Municipality	FY17 Actual Increase	FY18 Proposed Increase
City of Austin	\$0.29 Across-the-Board (0.3% to 2.1%) + 2.0% Pay for Performance	Not yet determined
City of Dallas	3% Pay for Performance	3% Pay for Performance
City of Fort Worth	3% Pay for Performance	3% Pay for Performance
City of Houston	No increases for civilian (Last Pay in July of 2016)	1.74% tiered Across-the-Board
City of El Paso	2.5% earning less than \$50K 2.0% earning \$50K-\$100K 1.5% earning over \$100K (2.2% budget)	Not yet determined
City of San Antonio	3% Pay for Performance for professional & managerial + 1% COLA; step pay employees 2-4% step + 1% COLA	Not yet determined
Travis County	2.5% Across-the-Board	Not yet determined
AI SD	4% Across-the-Board	Not yet determined

Compensation Strategies

Market

Across-the-
Board

Pay-for-
Performance

Rezoning

Living Wage

Market

- Plan to conduct Citywide market studies every 3 years (last in FY16, next in FY19)
- Maintenance to pay plan during off-years
- Classification reviews as necessary

Recent Market Reviews	Implemented	# Impacted	Annual Cost
Austin Energy	2014	657	\$4.2M
Information Technology	2015	558	\$2.3M
Citywide Market Study (including Financial Classification Review)	2016	2,700	\$8.6M



Across-the-Board

- Helps with affordability and to maintain market competitiveness on market off-years
- Flat-dollar increases greatest impact to lower-wage earners

Pay-for-Performance

- Pay for Performance recognizes performance and differentiates between successful and unsuccessful performance; incentivizes higher performance

Rezoning

- Revises compensation philosophy and will place existing employees into revised pay structure
- Addresses internal equity and recruiting issues

Living Wage

- Current Living Wage for FY17 is \$13.50



Consideration

- Employer of Choice
- Prioritize pay increase
- Position in the market
- Ideal living wage
- Increase employee pay using budget strategies



Employee Benefits

- Self Funded
- Plan Compliance
- Strategies to Maintain Affordability
- Actions Taken
- Enrollment and Costs
- Retiree Monthly Premiums





Overview

- Three self-insured medical plans are offered to employees, retirees and their covered dependents
- National spotlight placed on healthcare in recent years
- Remained 100 % compliant with ACA and included additional benefits while keeping the plan competitive
- Actions taken in previous years have kept benefits affordable for both employees and the City.
 - Benefits package remains competitive when benchmarked against other cities



Strategy to Maintain Affordability



Workforce
Engagement



Consumerism



Plan Design

Plan Design Benchmarking

	2018 Increases Employee/Employer	2018 Plan Changes
City of Austin	To be determined	To be determined
AISD	5-10% – Both	None
Dallas	Unknown	Implement Health Savings Account
Forth Worth	5-10% – Employee Unsure – Employer	Employee clinics, stand-alone ER, no coverage for working spouses, increase deductibles, copays and OOPM, convert copays to coinsurance
El Paso	5-10% – Employees 0-5% – Employer	Considering Out-of-Pocket Maximum and Office Visit Copay Increases. Phasing out Buy-Up Option.
ERS	Unknown	None
Houston	0-5% – Both	Increase Out-of-Pocket Maximums
Travis	At least 5% – Both	Considering a CDHP with HRA or HSA for employees and Medicare Advantage for Post 65. Additional changes may be considered.

Historical City of Austin Plan Design Changes

Year	Plan Design Changes	Savings (cost avoidance)
2015	Implemented Consumer Driven Health Plan with Health Savings Account	\$286K
2016	Cancer Support Maternity Support Kidney Program	\$729K
2017	Introduced Tiered Benefit Structure offering lower copays on some health care services. Required PCP and Referrals on HMO plan	\$6.3M

2016 Enrollment and Per Member Per Month Costs

	Employees & Retirees Covered	Dependents Covered	Total Covered Lives	Paid Per Member Per Month
Active	12,324	14,176	26,500	\$364.34
Pre-65 Retiree	2,345	1,708	4,056	\$581.15
Post-65 Retiree	2,407	852	3,259	\$230.22

Retiree Monthly Cost - 20 years of service

Pre 65	2015 Premium	2016 Premium	2017 Premium	City Subsidy %
Retiree Only	\$144.10	\$157.66	\$166.17	83%
Increase		\$13.56	\$8.51	
Retiree and family	\$659.08	\$721.10	\$760.03	83% / 50%
Increase		\$62.02	\$38.93	

Post 65*	2015 Premium	2016 Premium	2017 Premium	City Subsidy %
Retiree Only	\$80.72	\$87.92	\$101.11	80%
Increase		\$7.20	\$13.19	
Retiree and family	\$526.96	\$571.22	\$652.21	80% / 49%
Increase		\$44.26	\$80.99	

*Medicare pays primary for Post-65 Retirees



Consideration

Continue to offer competitive and affordable benefits to attract and retain talent.





Questions/Comments/Discussion

For more information, contact:

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