



**AUSTIN CITY COUNCIL
MINUTES**

**BUDGET WORK SESSION MEETING
WEDNESDAY, AUGUST 9, 2017**

The City Council of Austin, Texas convened in a Budget Work Session Meeting on Wednesday, August 9, 2017, City Hall at 301 W. Second Street, Austin, Texas.

Mayor Adler called the Council Meeting to order at 9:12 a.m. Council Member Renteria was absent.

DISCUSSION ITEMS

1. Discussion on fiscal year 2017-2018 proposed budgets for city departments.
Presentation was made by: Elaine Hart, Interim City Manager and Ed Van Eenoo, Deputy Chief Financial Officer.

The following topics were covered:

Fire Strategies to Address Escalating Overtime Costs

Presentation was made by Rhoda Mae Kerr, Fire Chief, Tom Dodds, Assistant Fire Chief and Ronnelle Paulsen, Assistant Director, Austin Fire Department.

Direction was given to staff to provide Council with the following: the amount of overtime costs for FY17 compared to FY16 overtime costs for the Fire Department; information detailing all City departments experiencing overtime costs; analysis of adopting a option of requiring employees assigned to staff positions; information on the use of public-private partnerships as a method of funding additional fire stations and; details on the plans and timeline relating to renovation of existing fire stations to add women restrooms.

AISD Prospective Service Agreement

Presentation was made by Ed Van Eenoo, Deputy Chief Financial Officer.

Direction was given to staff: to provide Council with options relating to the senior exemption that shows the calculation used to establish the median senior valued home, the fiscal impact on seniors if the agreement with AISD is adopted; provide other options in addition to the three options that were presented that provide funds for other expenses not necessarily related to AISD; to provide the date of the AISD meeting at which this topic will be discussed; to engage other school districts within the City in similar discussions that were held with AISD regarding a service

agreement; provide the percentage increase of the proposed maximum rate; a list of services that the City will be able to provide to offset this increase that could possibly happen; options that would address the “generational wealth” caused because the senior exemptions are not transferrable to children; and solicit feedback from the Commission on Seniors regarding the impact on seniors.

3. Approve a resolution adopting a maximum proposed property (ad valorem) tax rate of 46.51 cents per \$100 taxable value that the City Council will consider for Fiscal Year 2017-2018; and setting the date that the Council will adopt the Fiscal Year 2017-2018 property (ad valorem) tax rate (Suggested date and time: September 11, 2017 at 9:30 a.m. Austin City Hall, 301 West Second Street, Austin TX). (Public comment will be allowed on this item.)

The motion to adopt the maximum proposed property (ad valorem) tax rate of 46.51 cents per \$100 taxable value was approved on Mayor Pro Tem Tovo’s motion, Council Member Casar’s second on a 6-4 vote. Those voting aye were: Mayor Adler, Mayor Pro Tem Tovo, Council Members Alter, Casar, Kitchen and Pool. Those voting nay were: Council Members Flannigan, Garza, Houston and Troxclair. Council Member Renteria was absent.

The motion setting the date that Council will adopt the Fiscal Year 2017-2018 property (ad valorem) tax rate was set for September 11, 2017 at 9:30 a.m., Austin City Hall, 301 West Second Street, Austin, TX on Council Member Houston’s motion, Council Member pool’s second on a 10-0 vote. Council Member Renteria was absent.

Resolution 20170809-003 was approved on the motions listed above.

4. Set public hearings on the proposed property (ad valorem) tax rate for Fiscal Year 2017-2018 (Suggested dates and times: August 17, 2017 at 4:00 p.m. and August 31, 2017 at 4:00 p.m., Austin City Hall, 301 West Second Street, Austin, TX). (Public comment will be allowed on this item).

The public hearings were set for August 17, 2017 and August 31, 2017, 4:00 p.m. at 301 W. Second Street, Austin, TX on Council Member Pool’s motion, Council Member Alter’s second on a 10-0 vote. Council Member Renteria was absent.

Mayor Adler recessed the meeting at 12:00 p.m.

Mayor Adler reconvened the meeting at 1:12 p.m.

1. Discussion on fiscal year 2017-2018 proposed budgets for city departments – continued.

Aviation Capital Expansion and Staffing Increases

Presentation was made by Jim Smith, Executive Director, Department of Aviation.

Direction was given to staff to provide details on options for applying living wage requirements to the airlines doing food preparation at the airport.

Austin Code Staffing and Service Enhancements

Presentation was made by Cora Wright, Acting Director, Austin Code Department

Direction was given to staff to provide Council with the following: information on which department is responsible for responding to noise issues outside of normal business hours; information on the method for which neighborhoods provide additional code enforcement personnel; an analysis of the fiscal impact on the FY19 budget of the additional staff being requested in FY18; the amount of revenue collected from Short Term Rental fees compared to the expenses related to

administration of the STR program; how many of the new positions are being funded through fees assessed to participants in those programs; the amount of increase in the clean community fee is due to services that are no fee generating programs; a historical analysis of the budget increases for the department; number of STR's that were suspended rather than denied by the former director and how many were allowed to continue operating; an analysis of how long it would take to respond to the to complaints received with existing staff compared to the time it would take to respond with the additional staff; and the parameters used to determine the fee for the repeat offender program.

Development Services Continued Implementation of Zucker Study Staffing and Service Enhancement Plan

Postponed to August 16, 2017 without objection.

Human Resources Civilian Employee Pay and Benefits

Postponed to August 16, 2017 without objection.

Direction was given to staff to add the following topics to the August 16 Budget Work Session:

- Development Services Continued Implementation of Zucker Study Staffing and Service Enhancement Plan
- Human Resources Civilian Employee Pay and Benefits
- Convention Center
- Austin Visitor and Convention Bureau funding
- AISD Prospective Service Agreement
- Briefing on defeasing of the bonds over the last five years
- Briefing about the magnitude of the City's vulnerability relating to potential loss of federal and state funding including how many programs or positions may be stake.

2. Discussion and possible action on the Council Budget Concept Menu.
Withdrawn without objection.

Mayor Adler adjourned the meeting at 2:57 p.m. without objection.

The minutes were approved on this the 17th day of August 2017 on Council Member Flannigan's motion, Council Member Houston's second on an 11-0 vote.