RESOLUTION NO.

WHEREAS, the safety of our community and of our public safety officers is of utmost importance; and

WHEREAS, Austin Fire Department (AFD) budget appropriation overages driven by overtime have been a reoccurring issue since 2015, including $2,400,000 in Fiscal Year (FY) 2015 and $3,600,000 in FY 2016, both covered by real time unplanned inter-departmental savings transfers from other departments; and

WHEREAS, a $3,000,000 increase in AFD's base budget in FY 2017 was incorporated in order to accommodate the anticipated overtime needs; and

WHEREAS, on May 18, 2017, the City Council amended the City's General Fund Operating Budget by $3,500,000 by transferring funds from the Budget Stabilization Reserve Fund for unexpected overtime expenses of AFD above the already incorporated $3,000,000; and

WHEREAS, the City's Financial Policies, which are meant to protect the City's bond rating, specifically state that the Budget Stabilization Reserve Fund may be appropriated to fund one-time and capital expenses, and the history of the fire overtime spending indicates an ongoing fiscal request; and

WHEREAS, the current excess to the Budget Stabilization Reserve Fund of $6,132,033 represents the City Council's primary opportunity to appropriate one-time funding needs, and the May 18, 2017 $3,500,000 budget amendment represents more than half of the excess to the reserve, thus leaving the City Council with a diminished funding capacity for necessary expenditures in the 2017-2018 budget; and

WHEREAS, the ongoing need for overtime for AFD is complex, primarily due to an extraordinarily high number of vacancies of sworn personnel; and

WHEREAS, vacancies and the need for overtime have remained high over the past two fiscal years, yet the average hourly overtime rate has increased significantly over the same time period; and

WHEREAS, it serves the City and its taxpayers best when we have a fire department that provides the best public safety possible while also utilizing tax dollars in the most responsible way; and

WHEREAS, responsible spending of all City departmental funds, including the Budget Stabilization Reserve Fund, should be fully transparent to the City Council and taxpayers; and

WHEREAS, the current City Council has a unique opportunity due to the timing of the public safety contract negotiations and the annual budget approval process to improve the long term sustainability of our public safety spending commitments; **NOW, THEREFORE,**

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

In addition to conducting a special request project regarding provisions of the AFD Collective Bargaining Agreement, the City Auditor is directed to amend the City Auditor's Fiscal Year 2017 Audit Plan to include an audit of AFD overtime. The audit should include but not be limited to:

1. How do AFD policies and practices affect personnel expenditures, including overtime and call-back expenditures?

2. How do these operational practices, rules, staffing models, or other factors differ from comparable cities' fire departments?

BE IT FURTHER RESOLVED:

The City Auditor shall provide an update to the City Council of work to date by August 18, 2017, for use during the 2017 AFD Collective Bargaining Agreement negotiations and annual budget process. The audit may be completed in phases as per the time sensitive nature of the work.

ADOPTED: _____, 2017 **ATTEST:** _____
Jannette S. Goodall
City Clerk