

City Council Budget Adoption Reading Transcript – 09/08/2015

Title: ATXN 24/7 Recording

Channel: 6 - ATXN

Recorded On: 9/8/2015 6:00:00 AM

Original Air Date: 9/8/2015

Transcript Generated by SnapStream

=====

[9:51:26 AM]

>> Mayor Adler: Are we ready? Good morning. Today is Tuesday, September 8th, 2015. We are in the city council chambers, 301 west second street. The time is 9:50. We have both set today a regular meeting and a working meeting. The working meeting concerns the land use cases that are available for us to take up and set right now for Thursday. Whether or not we can actually take up land use cases on Thursday is going to depend on where we are with the budget at the end of today and at the end of tomorrow. Whether or not we get to the work session or how we get to the work session will be decided on how we do today. Because we're going to start with budget. We're going to start with the budget by working off of item number 1, which is the operating budget. On August 20th and 27th, the council took public comment about the city's proposed budget and then closed the public comment part of the budget hearing. We now need to conclude the hearing by discussing and voting to adopt the city's budget for fiscal year 2015-2016. At this time we're going to take action to adopt the city's budget for fiscal year 2015-2016. So this is what I would propose that we do, which I think will get us from here to there most quickly. And recognize that we're trying something new and doing this so everybody's patience will be greatly appreciated as we figure out and see how this works.

[9:53:28 AM]

Obviously there are glitches and unanticipated glitches already this morning and we haven't even started. But this is the intent if it's okay for the council. I'm going to ask for a motion to adopt the manager's recommended budget. I'll ask for that motion, hopefully I'll get a second. Then we'll start amending that budget. The first amendment that we'll take will be the staff's recommended amendments that we got two weeks ago when the new Numbers came in for property value. Hopefully that motion will be made and seconded and then adopted. And then our working budget then is the budget as amended by the manager's staff two weeks ago. I will entertain global motions with respect to matters -- just cutting spending to the levels that they were a year ago, taking all the money that's undesignated and assigning that as tax relief because there are several members on the dais that would like to make those motions and get a vote on those motions, and we'll go ahead and do that. Once we're done with that we'll start moving to the concept menu. We posted a concept menu on Friday. That is what I just handed out to you. It is number 1. It was posted on Friday. It was also posted on the bulletin board this morning as number 1. It's been handed to you, there's a number 1 in the right-hand corner of what was handed out. Our budget staff has handed out a different concept menu this morning, which is that budget on Friday with some things that came up Saturday and Sunday.

[9:55:37 AM]

Which I tried to incorporate into what is budget number two, which I haven't handed out yet. We're going to do it in order. But we need -- we're going to take a few seconds to kind of reconcile where the differences are between what the managers -- what ed's handed out and number one so we can see where the differences are so we can place ourselves and so that we're reconciled so that ed and his staff can make changes as we make changes and keep the budget constant. My hope is that we'll get -- once we handle concept 1 and 2, Ms. Garza made some changes that were fairly significant with respect to -- suggested changes on the health and human services budget. We're then going to talk about those so that we can resolve that issue at least for a little bit. Which will get us then to what was concept number 3, which was posted today, and I'll hand out at that point. That should get us to a place where we are significantly far down the road with respect to the kinds of things that people talked about during our straw pole and then have communicated to me after meetings with staff. At that point then we'll do what we had talked about in the setup that was posted on Friday, we will call up areas and we'll address those areas globally. It is our hope that we will have a process that does two things. One, it happens and tries to take advantage of the work that we have done thus far. And two, it minimizes any strategy advantage that might come from being called first or last or having a section of the budget called first or last consistent with how we're trying to do things.

[9:57:40 AM]

So if it's okay with council we'll proceed that way. I have hard copies of concepts 1, 2 and 3, which I'll hand out with what changes so that we can follow. Slowly on this. If anybody's not following this, wants to double back, please raise your hand and let's make sure that everybody is following what we're doing. We're going to go slowly to get that done. Okay. We are going to -- item number 1 is an ordinance adopting the city's operating budget for physical 2015 and 2016.

-- For fiscal year 2015 and 2016. Is there a motion to adopt the proposed budget from the manager? Ms. Tovo mows it? Is there a second to that motion? Mr. Renteria. Okay. I'm now entertaining amendments. The first amendments I will entertain are the city manager's recommended amendments. Is there a motion to amend with the city manager's recommended amendments? Those are the ones that were given to us that came out -- Ms. Garza moves that amendment, seconded by Mr. Casar. If there's no discussion I'm going to ask a vote to put those as part of the main motion.

>> Zimmerman: Mr. Mayor, could I have staff very briefly just explain some of the terms in here of the fiscal year '16 proposed and approved. I think that could be a public explanation of what those columns have meant. Are we saying that fy '16 proposed column was what was in the July 31st budget? He says yes. And then the fiscal year '16 approved, that would be if we voted for these amendments, that's what it would be. That's what it would change to.

[9:59:41 AM]

>> That's correct. If I could add one point of clarification that we provided you with this presentation. It's only the two -- the first two slides of that presentation after the cover slide, pages two and three, that say staff recommended operating budget general fund and staff recommended operating budget special revenue funds. Those are the only two staff amendments to item 1 on your agenda, the operating budget. The remainder of the slides had to do with amendments to the capital budget and amendments to the fee schedule, which we'll take up on items two and three when we get there.

>> Zimmerman: Okay. And one more quick note. Under where it says increased sales tax revenue, it's just as you revise the prediction for what the sales tax amendment is going to be when it comes in.

>> We received two additional sales tax payments since we gave you the budget on July 30th. And so we've accounted for those two additional payments, that actual data that came in higher than we projected. We projected five percent growth. Those payments came in at about 9.9 and 14.9, so they came in quite a bit above what we projected, so we're updating those figures.

>> Zimmerman: That's real tax money, not a projection for the future?

>> That's right.

>> Mayor Adler: Ms. Pool?

>> Pool: I just have one question. Does the operating budget amendment document reflect unexpended balances from the current fiscal year?

>> It does. It's down there in that asterisk that is -- well, it does. And then the sales tax revenue increase that we're projecting, that does flow down. That increases our unexpended balance and that's why I say down there in the footnote that this also generates an \$866,704 of additional one time funds relative to this one-third policy about the use of those funds.

[10:01:42 AM]

>> Mayor Adler: Okay. Ms. Tovo?

>> Tovo: I just want to make a comment if any staff want to weigh in on a potential solution here. I just want to say we're poised to increase the temporary food permit revenues to reflect the new rates. And our council action was to send this -- this is the same issue that we had asked to have sent to the impact fee advisory committee to see if there was a more nuanced approach that could be reached for temporary food permits. Mr. Van eenoo --

>> If I could explain this one because this was actually one that we added. It wasn't in the memo that I sent you. The reason we added it is the fy15 budget had those fee increases in place and during the year council decided to not apply the increases, but to actually -- you never approved an ordinance to change the fees back. So the fees that are in place are still the higher level of fees that's in the fy16 budget. So I didn't realize that until late that the revenue projections in health and human services are assuming a lower level of fees, but the fees that are in budget are still the fees council approved in the fy '15 budget so that's why I've reflected this avenue. And that revenue will need -- we'll need to take that line item out if council so chooses to lower the fees as part of this budget on item 3. But this is really a true-up item to reflect that the fees being charged for these temperature food permits in the fy '16 budget are the same way that council approved them in the fy15 budget. I know this is a concept menu item.

>> Tovo: It doesn't need to be a concept menu item unless we wanted to lower the fees. If we wanted to have them set at what the staff had proposed last year, which was the 100% recovery, then we would keep them. We would make no changes today other than to reenact that would actually yield more revenues than you actually anticipated.

[10:03:45 AM]

>> I think that's right. The concept menu item was to reinstate them. What we're saying here is that doesn't need to happen. They were never officially lowered, so they already are they higher level and this revenue accuracy reflects the fact that the fees are at the higher level. So that concept menu item doesn't need to be discussed. It sounds like maybe there needs to be a discussion of do we want to officially lower them from how they are in the '16 budget.

>> Tovo: My comment still applies that at our council discussion we asked that this go to the impact fee advisory committee. It's my understanding that when started to have that discussion that wasn't the

appropriate body, so no body, no commission has in fact discussed this issue so we still don't have the nuanced approach that would benefit some of the smaller non-profit organizations that are going to be in the same position they were last fall when they reached out to council and said look, this huge increase in fees senior going to hurt our business. And our events. So I don't know that we have a solution here today, but I still think we need a more nuanced approach and it is unfortunate that we haven't been able to use our council committees or any other existing body to have that discussion.

>> Mayor Adler: In fact, during the budget period we had asked code as we were going through the budget process if they had a discussion for how we could handle that fee in order to pick up that nuance. Do you know if that's been looked at.

>> Health and human services. Whoever we asked that someone helped us with a more nuanced deal. And the second thing I would note, first glitch, is in our concept menu as we've been carrying it we've been identifying that as giving us about another \$400,000 in general funds. What you're saying is the concept menu then oversight states general funds by about \$400,000.

[10:05:52 AM]

>> It does, but we're putting them here as a staff amendment. The \$400,000 that's on the concept menu, what we're saying here is that that revenue is already going to come in if you continue with the fees that are currently in the proposed budget.

>> Mayor Adler: Let me ask the question differently. The concept menu has the bottom line position after amendments in one-time monies that are spent and \$1,091,106 in monies that are not designated, is that correct?

>> That's correct.

>> Now, if we decide to take the permitting fees back to the originally approved level, do we raise an additional \$404,430 on top of that? You will see that additional \$400,000.

>> So with that change there's 866,804 in one time monies not designated and we have about \$6,300,000 in general fund money not designated.

>> That's correct.

>> Mayor Adler: Okay. I wanted to know if we were losing \$400,000. And what I hear you say is no, we're not.

>> No, sir.

>> Mayor Adler: Good. Ms. Houston?

>> Houston: And I just need to ask a question. And it may not be at this point because we're already going down a rabbit hole and it's going to come up at a later time. But could the health department at some point, health and human services, talk to us about the impact of the fees that are in place now on the small non-profits.

[10:07:53 AM]

That's been the concern is that if the fees are raised, but they've already been raised --

>> Mayor Adler: Let's go ahead and do it. Rather than getting lost on it now --

>> Houston: But I want them to know what I'm going to be asking at the point that we're going to be asking. Have there been any complaints or concerns about paying the current fees as implemented.

>> Mayor Adler: So with respect to item 3.04, with respect to this budget we'll need a better conversation about whether or not we can pick up the nuances there so that we're not charging that fee to the small non-profits who are trying to raise \$250 so the little league team can travel. That's the question that we have. So we've noted that as something we need to come back to. Ms. Troxclair?

>> Troxclair: I have a question on a different tricycle just for clarification. You said that you have adjusted the Numbers to include the sales tax revenue that the city has received on the projected budget. How does that I guess co-exist with the budget concept 3.15 by councilmember Garza which talked about increasing our sales growth expectation to seven percent, which is included in our council concept budget. I think that money is the two months that end the year -- not the ones where there's actually history at this point, is that correct?

>> That's correct. Staff is still in the proposed budget, we're projecting five percent growth and that would increase it to seven percent. So it would generate additional revenue over and above the actual additional revenue that we've already received.

>> Troxclair: So that 382,000-dollar number is not overlapping.

>> Mayor Adler: It is not overlapping.

[10:09:54 AM]

So it's been moved and seconded to add the manager's amendments.

>> Gallo: So we had received back what the staff's recommended amendments would do the average homeowner's tax bills. If someone could restate that, please. If we were to adopt the budget based on off of also adopting the staff amendments to it, what that result would be in a tax bill to the average homeowner. I think somewhere there was a 12-dollar reduction. I just wanted to make sure that my memory through this whole process is still correct and appropriate and that this amendment, if adopted with no other changes, would process that.

>> That is correct. With the revised certification we sent out a memorandum saying that the tax bill impact to a homeowner was a reduction of \$12 annually for the property tax bill.

>> Gallo: And the median homeowner value of home would be -- I think it was 270 something, along that line?

>> The median taxable value before exemptions was 232,000.

>> Gallo: So the 12-dollar reduction would be based off a a home that was 2,032.
-- 232,000.

>> Houston: Mayor, I would like to ask when we're talking about these items that you tell us what page you're on or give us the concept menu number so that we can track because we've got lots of papers over here.

>> Mayor Adler: We'll do that. Ms. Tovo?

>> Tovo: It will be very short. Just to tie up this temporary food permit issue, I will not be proposing that we lower the fees today. I don't think we have a proposal that's been discussed at all, but I think it's something that after today we should ask our staff to come up with some learn proposals so we can come up with a more nuanced permit schedule or we will hear from the same non-profits that the same council heard from last fall as soon as the fees went into place.

[10:12:15 AM]

>> Mayor Adler: It's been moved and seconded to add the manager's amendments to on the budget. Those in favor raise your hand? Those opposed? It's unanimous on the dais. The main motion on the floor right now is the manager's budget as amends. My understanding is it has \$866,000 undesignated and about -- of one time funds and about \$6.3 million in general funds undesignated. Is that correct?

>> That is correct.

>> Okay. At this point if someone wanted to make a motion that we strike spending in this budget to last year's levels I would explain entertain that motion. Let me say this differently. Does anybody want to

make any global motions at this point before we start talking about more detail to how we spend money? Mr. Zimmerman.

>> Zimmerman: Mr. Mayor, I'm going to move something I suggested I think back in may. That we limit the budget increases to an inflation and an increase in the population of the city. I suggested that back in may, but I'll make that motion now. That the spending increases in the budget be limited token nation plus an indexed amount for the number of new residents in the city.

>> Mayor Adler: Do we know about what that number is? Ms. Troxclair?

>> Troxclair: I'll second that motion for discussion.

>> Mayor Adler: It's been moved and seconded to limit spending to inflation plus population growth. Mr. Van eenoo do we know what that number would be?

>> I think we do. I had a question from councilmember troxclair about this last night. So looking at population growth, the way I think it's relevant to talk about population growth as part of this budget conversation is the population growth that was projected as part of developing the fy15 budget relative to the population growth that we have for 2016.

[10:14:29 AM]

So this number moves as the year goes along, but we have seen a 4.2 percent growth in population from the population figures we used in crafting the fiscal year 15 budget to the population figures that we're projecting for if fy16. So 4.2% growth there. Looking at the most recent information, the consumer price index has actually developed 0.1% over the course of the last year. I think that would net out to a 4.1% increase in the budget. The general fund budget that staff proposed is growing by 6.2 percent.

>> Mayor Adler: So the budget we have in front of us as amended shows a 6.2% growth.

>> Not as amended, as proposed. Wednesday have to run the Numbers. I wasn't prepared to do it northwards to the amends, but it would be slightly less than 6.2% based on the amendments you've already added.

>> Mayor Adler: Okay. It's been moved and seconded that we reduce spending from the approximately 6.2% down to [indiscernible]. It's been seconded. Any discussion on this? Ms. Troxclair?

>> Troxclair: Mr. Van eenoo, do you know what that dollar number is if we wanted to match -- we wanted to make sure those Numbers weren't aligned, that we weren't increasing more than the population had increased, so if we wanted to get the 6.2 number down to 4% do you know what the dollar figure would be?

>> I don't have it exactly, but it's roughly a 906-million-dollar budget before you and we're looking for a two percent reduction, so it would be about \$18 million.

>> Zimmerman: I think the biggest driver in the budget was the pay increases and then the additional costs that were invoked and the health care payments and social security payments.

[10:16:45 AM]

And that added up to in the ballpark of \$50 million. So we have put several proposals up that could easily cover the -- about 18 million of that increase. So it is really is possible to realize that 18 million in savings. And of course, I would support generally reallocation of existing budget according to my leagues. I know that -- I don't think we have the votes for fiscal conservatism here, but I will tell my colleagues I would be much more considerable voting for spending allocations from my elected colleagues because all of you answer to the voters. So I would feel a lot more comfortable allocating our budget according to what the councilmembers would like to do. I would ask that we have a vote and consider the 18 million savings and then reallocating what's left.

>> I'm going to vote to reduce spending from the 6.2% to the 4.1% because I think there's a third issue to take into account in addition to inflation and population growth and that is the increased property value. When we have an economy like the one that we have, where we had the growth like we are seeing, that results in increased property values and approved market. And I think the citizens for a long time have been asking where is the growth dividend. Where is the reservoir of ability to be able to address unmet needs in the city. Shouldn't this growth and economy be shared all across the city? I think that the situation we find ourselves in this year is one where we're finally able to pay or obtain those services and support, the growth dividend for the wider community.

[10:19:00 AM]

I think at the same time we need to live within our means and we set a goal to reduce the tax rate and to reduce absolute taxes. So if we're able to reduce the tax rate and reduce taxes in an absolute way, then I think we are in fact living within our means, but being able to provide support in those areas that we have not been able to before by way of this growth dividend that the citizens of Austin are now entitled to collect. Any further debate on Mr. Zimmerman's motion? Those in favor of Mr. Zimmerman's motion, raise your hand? One, two, three. Those opposed, please raise your hand. The three voting no are Zimmerman, troxclair and Gallo. That would have turned the world upside down real fast.

>> Houston: I know you've laid out how you want this process to go, but when councilmember Zimmerman mentioned the cost drivers wouldn't it be better to have that conversation before we went into other categories of services and supports.

>> It was my hope to let on the dais to make more global motions make them. Then having those motions not prevail then we would they would they would be able to participate with the rest of us in determining where money goes. I wanted to give them the opportunity to say don't have this much money being spent, to have the votes on those so then they could participate. Since it was already decided we were going to spend the money, then they can -- then they can participate with the rest of us, otherwise they would have to keep voting no to all spending things for fear of making it look like they wanted to spend money when they don't.

[10:21:06 AM]

But we're going to get back to the particulars here real fast. This is just a brief pause for that global motion. Okay? If we're past the global motion then, then we'll continue where we are. Ms. Gallo?

>> Gallo: I just have a clarification question. So you mentioned undesignated funds that we have in the staff -- actually, budget that we're looking at right now. And you mentioned a 6.3 million in the general fund. But my question is if you go to page 3 it talks about another two million in expenditure charges, so I guess my question is if the true undesignated, the 866 one time plus the 6.3 minus the two. Could we get some clarification on that, please? I'm looking for the net undesignated fund amount in the general - - in the operating budget for both the general fund and the special revenue funds? Are we just -- I think as we look at the scope of things it's important to note kind of the total of those undesignated funds that we have to work with.

>> There are different funds here. The undesignated is the 3-point of million dollars. In regards to slide 3 those are two special revenue funds, so the undesignated funds wouldn't be anything to do with the general fund. This is a pass through fund where the tax increment from that development gets in to the corporation. We didn't get that number right. And the tax increment financing revenue projections and passing that revenue with the corporation and the second one is the special revenue fund I believe related to a grant for \$925,000 for this specific project. By the way, you will see that item again on a capital -- in the capital budget.

[10:23:10 AM]

We'll be making an amendment to our capital budget for that exact \$925,000 related to that project, but from an all funds perspective you could add them altogether, but from really looking at your general fund operating budget and how much room you have to maneuver within that operating budget following staff's amendment it is the \$3.6 million.

>> Mayor Adler: Continuing on, there was a council concept budget that was posted last Friday. It is also handed out to everyone as number 1 in the upper right-hand corner. Also handed out to us was an updated September 7 council concept budget by ed and that's what they have on their computer that they're tracking. I want to go through this concept budget that you've presented and compare it to number 1 so that I can see where the changes are, where the deltas are. So ed, if you will follow with me.

>> When was that --

>> Mayor Adler: It was at your desk -- it was at most of our desks when we sat down. You got it?

>> Kitchen: Is this yours or mine? Okay.

>> Mayor Adler: Do you have any extra copies of this? Are we okay? I'm just comparing those two because we want to see what the differences are. So I'm looking past the roll-up page, ed, I'm looking at the first section, which is employees and benefits. In the concept budget that was posted on Friday, number 1, there are slightly different Numbers with respect to item 1.02, which was the \$13 for temporary employees.

[10:25:23 AM]

What I had done in the concept menu number 1 highlighted in yellow at the top of the page if you all have that, after talking to the sponsor, Mr. Casar, that had argued for this, it was suggested that we start it in January. So I had taken Numbers that were indicated as being the January start date, which is why the number went down from -- went down to 908698 and 39520. But you have a 194 and 195. Are those Numbers you have, the 194 million and 195 million, are those that represent a January start date?

>> I can't believe those Numbers do not -- they do represent a January start date? I think the other -- so it looks like the total is the same. The other difference then between yours and our item is that -- I thought this was in our Friday update that we sent out to the concept menu, I don't I can't remember at this point in time. There are two funds that were simply not able to absorb is the living wage. The child safety fund already receives

[indiscernible] From the general fund to keep in balance. If they're cost structure increases it needs to be a general fund cost. So that had initially been presented as another fund and it is indeed an other fund, but in increasing the wages for those crossing guards, we would need to increase the general fund transfer. In a similar fashion the golf enterprise fund would be significantly impacted by a higher living wage. That is an enterprise that is currently in a negative balance. They have been in a negative bag for many years. So increasing their cost structure likewise would necessitate a general fund transfer to the enterprise to keep them sustainable. I think that one, mayor, that's why our Numbers are slightly different than yours.

[10:27:27 AM]

>> Mayor Adler: That's fine. Now I understand that difference. It does mean that for what it's worth at this point after the first one we've lost about \$180,000 in the general fund. But we'll keep track of those totals. The next item I think is the same with respect to health insurance for workers, working over 12

months. Those Numbers appear to be the same. Then we had the delay of the civilian market analysis. We had when we talked -- highlighted this in yellow, this was my item, we had voted this on the dais.

>> Houston: Please make sure you tell us the page and the number so we can keep up.

>> Mayor Adler: I'm on page two of both documents. And I am at item 2.057, which is highlighted -- 2.05, which is highlighted on number one. It's the same number as shown on the update. In doing the concept budget menu as we had discussed briefly on the dais, I moved that to three-month delay as opposed to a one-month delay. But that's what was reflected and what was handed out on Friday, okay? No other changes with respect to employees as I see. That gets us to parks and open space. That section.

>> Pool: Mayor, I have a change on item 1.53 that I posted on the --

>> Mayor Adler: We'll get do all those in a second.

>> Pool: It's not on yours, but it is on the one that staff sass passed out. So I'll just draw your attention to it. And this is item 1.53.

>> Mayor Adler: So on 1.53, I have --

>> Pool: I'm sorry, it is not changed on staff's. I was looking at the wrong line. We'll come back to that.

[10:29:28 AM]

Thanks.

>> Mayor Adler: Okay. So in the park section on budget increases it seems to be the same. Is that right? It looks like the first change is on page 7 of number 1 and page 5 of the update. You have \$96,000 in one-time expenditures -- no, number 1 \$96,000 for one-time expenses for the tajano walking trails, and you've made that a total of \$150,000 split evenly between one-time fund and general fund. Is that correct?

>> Zimmerman: Mr. Mayor?

>> Mayor Adler: Yes

>> Zimmerman: Could we back up? I'm still confused, why did this happen? Why are we going through the exercise?

>> Mayor Adler: Because councilmembers have been looking at the concept menu, 1, 2, 3, people have been manipulating those Numbers, working on those speeds, but what our finance people are working off of is a slightly different spreadsheet and it probably includes some of the Numbers on my concept number 2 because my number 1 was fixed in time on Friday, concept number 2 was as of Monday. I'm just trying to get us to one document.

>> Zimmerman: So, okay. It sounds like -- so this -- the second revision here, is it correct to say that what you're trying to do is just get a better accounting of the dollars as to -- it's an accounting measure?

You're not really trying to change the spending or alter the spend you're just showing that the money, if we're going to spend this money, has to come from different directions or -- I'm still trying to --

>> Mayor Adler: Or they have better estimates

>> Speaker2: More accurate

>> Mayor Adler: That kind of stuff but they're being responsive to the items we had

[10:31:31 AM]

>> Zimmerman: Okay, thanks

>> Mayor Adler: Ms. Tovo

>> Tovo: Quick question. I'm trying to correlate about three different concept menus here. The concept menu that you distributed here today identified as one is the same as Friday with the exception of the

>> Tovo: Okay, all right. Thank you.

>> Mayor Adler: Any changes I would highlight -- they were already apparent on Friday
>> Tovo: You just highlighted those
>> Mayor Adler: See?
>> Tovo: I already annotated my Friday so just needed to know whether I needed to pay attention to that one. Thank you
>> Mayor Adler: Okay. So with better information, you're saying that the trail is 75 and 75 rather than the 96. Is that correct?
>> No, sir. I believe the 75 and 75 was the information on there since councilmember Renteria launched that item. I know 96 was your --
>> Mayor Adler: Right. You had indicated you thought the number was coming down. Did I remember that incorrectly?
>> It went down -- would you talk into your microphone?
>> Renteria: Sorry. It went down from 150 to 96 because they added in the health benefit and everything else. The taxes and --
>> Mayor Adler: Okay. Do you have -- ed, were you aware of -- Mr. Renteria was told that the \$75,000 number needed to go up to \$96,000 in order to cover benefits to the fte, I think. Are you familiar with this at all? So let's identify this as an item to come back and look at, which would be item 1.77, to make sure that we have the right number there.

[10:33:32 AM]

Okay? I'm now going to continue on. The budget right now has the 75 and 75, but that may need to change. Okay? So continuing on, the next area, I think, is -- I had parks -- oh, no, let's see here. In parks, I don't see any changes. That gets us then to -- mine is stapled in a little bit different order than yours. Let's stay with yours, which is public safety. We'll come back to fees in just a second. So public safety I'm now on page 10 of number 1 and page 8 on the update. Okay? So one change -- yes?
>> Kitchen: I'm sorry, I'm jumping ahead of you. I just wanted to note that your version includes the 1.3 million under one-time funds for 1.26, which is the traffic safety improvements.
>> Mayor Adler: Right.
>> Kitchen: And that number is not included on --
>> Mayor Adler: Correct.
>> Kitchen: The version that Mr. Van eenoo was working with.
>> Mayor Adler: Correct. So the first change that we run into on this page is the \$1.3 million. This is something that we voted on. It was a \$3 million item as you discussed it, I think, when we were together. And there was support for that. It's been moved down to 1.3.

[10:35:34 AM]

So Mr. Van eenoo, would you please make that change, \$1.3 million being designated as one-time funds on item 1.26.
>> Mayor, I believe our understanding on that is that \$1.3 million was funded out of the fy15 budget.
>> Kitchen: That's not my understanding. My understanding from working with the transportation department is that that one-three is coming out of this budget.
>> Mayor Adler: Okay. For right now I want to note 1.26 as something to talk about later. But for now, Mr. Van eenoo, so that we have things that tie, would you please put \$1.3 million into one-time funds for the dangerous intersections, okay? Continuing on, there was an amount that was added that we discussed for \$250,000 for community policing. When we were discussing what the police Numbers

would be. I don't -- that actually was 1.74. It was listed at 300. So 1.74, Mr. Van eenoo, is on page 10 of number 1 and page 8 of the concept menu. Would you put \$250,000 in one-time funds?

>> Yes.

>> Mayor Adler: Okay.

>> Pool: Mayor.

>> Mayor Adler: Yes.

>> Pool: Do we drop out the one with a new exclamation point down at the bottom?

>> Mayor Adler: Yes, that would go away.

>> Pool: That's the same as 1.74.

[10:37:36 AM]

>> Mayor Adler: That's correct. That line would go out. 250 would get added to 1.74. Now we're on the police measure. When we talked last time, Ms. Kick -- kitchen, you and some other councilmembers were in the middle of conversations with the law enforcement folks. The number that is in number 1, it's on page 11, it's item 2.30 --

>> Kitchen: Do you want me to read those out?

>> Mayor Adler: Yes. It was -- so on your updated, you have 2.18, and you have Numbers in there for 2.18. Those Numbers would come out. And in 2.30, would you tell us what the Numbers are?

>> Kitchen: In two-point -- so the Numbers in 2.18 come out, and then you add down at 2.30.

>> Mayor Adler: Okay.

>> Kitchen: Under one-time funds one-time funds it's 120 billion --

>> Pool: Say it slower.

>> Mayor Adler: It's the Numbers that you see on page 11 of number 1.

>> Pool: Thank you.

>> Kitchen: Sorry.

>> Mayor Adler: Page 11, number 1, 1,032,640.

>> Kitchen: As a reduction. Under general fund reduction it's 3,708.

>> Mayor Adler: Okay. So it's the Numbers as were posted, ed, on Friday. So if you'd make those changes

>> Kitchen: That's not right.

>> Mayor Adler: Yes?

[10:39:37 AM]

>> Kitchen: That 3,708 is not correct, but I think you were going to change it in your version number 2.

>> Mayor Adler: Okay. So we'll get back there in a second. For right now.

>> Kitchen: Okay.

>> Mayor Adler: Maybe it the 3708.

>> Kitchen: Okay.

>> Mayor Adler: Okay? Also, a difference between the two is on 2.25, you've taken out the 132828 number. And that was not part of what was posted. So that number -- that reduction comes out on 2.25. Everything we're doing now, of course, we'll get back to when people can add things back, make amendments to it. We're not making any final decisions on anything. We're just trying to get down the road with a working budget to work off of.

>> Houston: Excuse me, mayor. It looks like 2.25 has to do with the fire department.

>> Mayor Adler: It does it was in the public safety section. It was a question of whether or not we funded the lieutenant that is working on the federal tax force. The chief came up and explained why she

thought it was necessary and we got benefit from that. My records indicated it didn't have the votes to end that position. So in the concept menu, we don't end that position. We can certainly discuss that later orientation but the destruction -- later on, but the reduction is not shown.

>> Zimmerman: Mr. Mayor, I was supporting councilmember Houston. I think councilmember troxclair was not present so I would like --

>> Mayor Adler: We'll get there.

>> Zimmerman: -- To go back in.

>> Mayor Adler: Make a note we want to come back and visit 2.25.

>> Zimmerman: Thank you.

>> Mayor Adler: Yeah, we can certainly do that. So we can certainly come back and visit that. Did you pick up those two changes, Mr. Van eenoo?

>> Kitchen: There's one other change.

>> Mayor Adler: Yes.

[10:41:39 AM]

>> Kitchen: That's 2.31, which is the other part of the police. That should include a budget reduction in the general fund of 333,700 in order to match the two documents that we're comparing. That number will need to be discussed later, but in order to match --

>> Mayor Adler: Okay.

>> Kitchen: -- That's what it should show.

>> Mayor Adler: Do you see that change, Mr. Van eenoo? So on the budget posted on Friday, which is number 1, it showed a reduction of 333,700 on line 2.31 in general fund.

>> Pool: Mayor.

>> Mayor Adler: Yes.

>> Pool: Since we are actually making changes on both of the documents now, when we finish going through this first, I do want to circle back around and make the reductions that I came up with in the parks area.

>> Mayor Adler: And I think they're going to be highlighted in this concept number 2, which is -- as soon as we get through number 1 we're going to do this on number 2 and I think this will reconcile us.

>> Pool: I just want to make sure we pick them up because we're doing both of those things now.

>> Mayor Adler: I think we're going to catch that. Are you with us, ed.

>> I think Diane is. You lot of me.

>> Mayor Adler: I'm looking at line 2.31 on page 9 of concur update.

>> And I think we've got some concern here that that item is double counting the item above it, and I'd just need to point out the budget staff have not had the opportunity to vet or check any of these Numbers that were added up over the weekend.

[10:43:39 AM]

>> Mayor Adler: I understand. And we'll -- as we make changes, I'm sure you'll have to look at things and vet them. Ms. Kitchen?

>> Kitchen: Yeah, this is the number we're understanding. And this number has been in there a while, actually, the 333. 2.31 relates to the non-sworn employees and 2.30 is the sworn. But we'll have a discussion about all this. We're just trying to reconcile the two documents right now.

>> Zimmerman: Thank you, Mr. Mayor. I had the same impression, these Numbers have been in here for sometime.

>> Kitchen: They have been.

>> Zimmerman: Sworn versus non-sworn. I don't think there's any confusion here.

>> Kitchen: Right.

>> Mayor Adler: Certainly, Mr. Van eenoo, let's mark 2.31 as something to check. It was a number that we were carrying in on Friday but if there's a concern -- our feeling up here, perception, is those are different items. But we're going to talk more about public safety, I'm sure, at length later.

>> Kitchen: Right.

>> Mayor Adler: We can mark 2.31 as something we need to come back to but for right now would you please put the 333, carry that over from the concept menu into the council concept budget, okay? Let's now double back and get with fees. Those Numbers appear to be the same to me as in both the update and the -- update and number 1. That then takes us to utilities. And utilities, you have \$500,000 on 3.18, and that was not in the concept menu that was posted on Friday.

[10:45:46 AM]

So that \$500,000 in general funds would need to come out. I think there was some conversation about whether there was sufficient funds already in the budget to cover that. I think that's right, you told us that. So, Mr. Van eenoo, on 3.18 you should take out that other fund item, okay? That gets us to financial policy. The budget increases are the same. The 2.27, as you can see -- back up. 2.04, look at -- I'm sorry, 2.04, this you have a reduction in both C.I.P. And one-time funds. This was the money that we were going to try to see if we could debt finance the spending. And you said rather than debt finance -- I'm looking at line 2.04 on page 15 of your update and on page 14 of number 1. I guess that number stays the same. I just didn't have the C.I.P. Number. Okay?

>> That's correct.

>> Mayor Adler: 2.27, I highlighted that in yellow. That was the number that was different than the concept menu. I took that number from Mr. Casar as he was balancing out those Numbers. Continuing in financial policy, we have the same number on line 3.07, the 2,060,474, that was an updated number post last Tuesday from Mr. Van eenoo.

[10:47:47 AM]

Okay?

>> Gallo: Makers I could ask a question of clarification from staff? On page 14, on number 1.01, it's the increased tax exemption for seniors over 65 and disabled. The amount that's showing up in that, I believe we were talking about raising raising it to 100,000 and that doesn't seem to correspond with the amount. So could you clarify what that dollar amount represents?

>> Can you say the number again?

>> Mayor Adler: It is line 1.01. It's on page 15 of the concept -- of the update, page 14 of the other one. I understood the conversation, Ms. Gallo, to take it up to where it was last year, and that's to hold harmless, which got us up to the \$78,000 number. And that's what a million five 93 represents. We could certainly increase that if people wanted to increase it farther than that. That's what the number represents.

>> Gallo: I'm trying to remember the conversation last week when we voted on it. I thought what we were voting on was raising it up to the one thund thousand dollars, but the current -- hundred thousand, but the current budget took it up to 70,000. Is that correct.

>> It's currently at \$70,000.

>> Gallo: Mayor -- this would be over the 70 that we would be increasing it. So that was my question, is what does this amount represent?

>> That increase it's to \$80,000.

>> Gallo: To 80,000. And so help me with my memory, but I think when we were talking about this last week, we were actually talking about a larger increase over \$10,000. And I was assuming that the amounts that would come in that would show up would represent that.

>> Mayor Adler: That would be my fault if there was one.

>> Gallo: Okay.

>> Mayor Adler: And I may have made mistakes as I was working on the dais.

[10:49:48 AM]

>> Gallo: How you keep all this clear to begin with is amazing, so --

>> Mayor Adler: I took that up to 80,000 because that's what my recollection was, but we can certainly amend that and change that.

>> Gallo: Okay.

>> Mayor Adler: But the number represented is one that gets us up to \$80,000 and that gets us up to, I guess, given the increase in house value, it basically serves as just a little bit more than a hold harmless. Okay? So let's note that we want to come back and discuss item 1.01.

>> Gallo: And would staff be able to help us with those Numbers for the additional amounts? It should -- you've presented that before but it would you make sure we have that information again, that would be great, with the increases to 90 and the increases to -- so it sounds like your number here is for an increase to 80.

>> Yes.

>> Gallo: If we could get the Numbers for 90 and 100. I think you've done that already, if we could just have that available again, that would be great.

>> To increase it to \$90,000 would be 3,165,352, 3,065,352. To increase it to \$100,000 would be a revenue reduction of 4,704,068.

>> Gallo: Thank you.

>> Mayor Adler: We can come back to that item. Continuing on, I think we're still in financial policy 3.15, 382, and 259. I think we're the same on all the financial policy ones. That gets us to quality of life item.

>> Mayor.

>> Mayor Adler: Yes.

>> Tovo: Later you'd like us to go back and talk about things like three-point circulation on the concept menu but about which we've never voted?

[10:51:54 AM]

>> Mayor Adler: Yes.

>> Tovo: Okay.

>> Mayor Adler: We'll get to all those and additional amendments in a bit. I'm now on the quality of life the first Numbers are the same on line 1.19 as they are on 1.22. 1.36.

>> Houston: Mayor, at the appropriate time, I have some reductions to some of the items that were posted.

>> Mayor Adler: Yes, and we'll get to those in just a second. I'll be handing out another concept menu. I don't see any other changes on the quality of life menu. That gets us to the economic development budget. I've highlighted in yellow 1.30 on number 1. That's because I moved the 350,000 from general fund to one-time fund, consistent with the conversation that we had from the dais. That was an additional change that I made.

>> Kitchen: I'm sorry. Which item was that?

>> Mayor Adler: This was the capital idea, 1.30, page 21 of the update or page 19 of number 1. I moved the 350,000 from general fund to one-time funds. The conversation that we had at the time was to -- there's some question about whether to include it and then the mention was to include it but with an urging to work with capital idea to get a model that might scale better.

[10:53:56 AM]

>> Tovo: I'd like to flag that for discussion.

>> Mayor Adler: That would be fine. That's item 1.30. Any -- it's good to flag items now. But don't feel like you need to flag items to bring it up later. Everything will continue to remain in play. That then is -- that economic development. That gets us to, then, health and human services. Okay? Got it, page 23, 2,000 -- now, on this you'll note that some of these items were moved from general fund to one-time fund on number 1, but as you'll see in a second, as we move through the concept menus, many get moved back to general fund. But for right now, the Numbers reconcile the two documents. Okay. I think now we've reconciled those two documents. Just for -- before we get to number 2, would you tell us what the roll-up page shows? Is this something you can do in realtime this way?

[10:56:06 AM]

>> We're showing \$2.8 million general fund available.

>> Mayor Adler: What about one-time fund?

>> One-time we're over by, you know -- relative to the one-third draw down policy by 397,000.

>> Mayor Adler: 397k over drawn but 2.8 to the good in the general fund. Is that right?

>> That's right.

>> Mayor Adler: Okay. I'm now going to hand out a concept number 2, which was posted earlier, and we'll look at the highlighted changes on that. What's being handed out to the council right now is -- what was posted on the bulletin board is council concept budget number 2. Number 2 is in the upper right-hand corner. What I've done, where I am on the dais is I have now put on to the floor what was number 1 because we're not going to go back to that. I'm looking at the updated one, and I am also looking now at concept budget number 2. Now, what I tried to do was to highlight on this concept budget number 2 the changes to the work that we just -- the work that we just did.

[10:58:17 AM]

So everything should be the same on employee and benefits, but when we get to parks and open space, there were some changes that were given to us late. And, Ms. Pool, I think this is where we pick up some of the ones that you had posted. So if you look at page 4 of the update, page 4 of the update and page 6 of number 2.

>> Pool: Mayor, I had a --

>> Mayor Adler: Hang on. Let's get everybody to the place first. So on number 2, I'm on page 6, which is parks and open space. And on the updated from ed, it's page 4. The first two Numbers in lines 131 and 1.50 are the same, but 1.53, Ms. Pool, you indicated would come in at a lower number.

>> Pool: And the number is 357, 357,000.

>> Mayor Adler: Not 347, okay.

>> Pool: That's correct.

>> Mayor Adler: So, Mr. Van eenoo, would you please change line 1.53 to 357,000.

>> Pool: That's down from 712,000.

>> Mayor Adler: Okay.

>> Pool: And you can see that over there.

>> Mayor Adler: Good job.

>> Pool: Then I removed -- hang on a second, Ms. Houston?

>> Houston: Would you repeat that.

>> Mayor Adler: Yes, line -- I am now changing on my updated one line 1.53, it's on page 4, I'm changing the 712,428 number to 337,000. 357,000 all right.

>> Pool: And then I removed the next item, 1.54, you can take that off. I see it's been lined through. We'll look for that next year.

[11:00:19 AM]

And the third item was 1.6, where it was in at 1.5 million but we've been able to reduce that down to 210,000. And that's one that I would ask to have included. And I don't know that it would be C.I.P. Staff can tell us.

>> Mayor Adler: So we'll come back to 1.6.

>> Pool: Yeah.

>> Mayor Adler: We didn't vote on it the last time. So that's one of the things we'll come back to. But I had noted on number 2 that you had taken that number down.

>> Pool: And I looked to find a way to offset the costs so that hopefully the reductions that were made we'll be able to bring that lower number in on 1.6.

>> Mayor Adler: Okay. The next change was line 1.77. That's the number, Mr. Van eenoo, that you're going to be taking a look at again, in terms of what the trail cost is. But right now we're going to -- how are you carrying 1.77? On your deal?

>> We have it at the 75,000, one-time 75,000 general fund. I've asked staff to reconcile the two Numbers, the 96 versus 150 to find out what's going on.

>> Mayor Adler: Okay. That sounds good. Okay. I think that the -- that's all the changes there. Fees stay the same.

[11:02:20 AM]

Then on public safety, we had a change in body cameras. Mr. Casar, I think on Friday we had an indication that the number for body cameras with a phase in would be the Numbers that are shown in number 2, they're highlighted. But I think you've gotten some new information this morning?

>> Casar: Yes, we're working with APD on Friday, got some more information today, and I have the Numbers I think that would allow us to decide next year on whether we want to do a two-year or three-year phase in and it would give us the flexibility to do both. That would require 1.5 to 5 million in the one-time fund and 1.44 million in the operational recurring budget, but Austin police asked me to follow up with Mr. Van eenoo about one quick question right now. To make sure that we can pay for some of this out of the one-time fund. Mr. Van eenoo? The spreadsheet provided by the police department around operational costs, the police department thought that hardware maintenance, staff augmentation and coa personnel listed under operational costs could be paid out of the one-time expenditures and the only thing that would need to be put in the general fund for recurring would be the cloud storage at 1.144 million. Is that doable that way or would you caution against that and have everything listed there under operational costs be in the recurring general fund category?

>> From what you just read, I think that approach makes sense to me.

>> Casar: Okay. So I think the updated Numbers --

>> Mayor Adler: Give it to us again.

>> Zimmerman: One time is 1,525,000 and general is 1,144,000.

[11:04:26 AM]

That would fund 500 -- the implementation of 500 cameras and then would leave up to us for next year whether to purchase the remaining 950 or a thousand or whether to phase it in over two more years. But either way the Austin police department's recommendation is to fund it at that level for this year if we choose to do it, and that the decision about two or three-year phase in be made for next year so this gives us the flexibility to do either.

>> Mayor Adler: I'm on line 1.48 of page 8 of the update. It's also line 1.48 of page 10 of number 2. The number that was shown on the update was a million and a half, a million and a half and a million and a half on 1.48. We're now taking the C.I.P. Down to zero. The one-time fund is 1,525,000 and the general fund number is 1,144,000.

>> Pool: Mayor.

>> Mayor Adler: That gets us basically one-third of the cameras. Ms. Pool?

>> Pool: Could I ask staff also to give us a number that would have the -- have a phase in? I know that our police monitor has been appointed to the national task force that will be looking at this issue specifically and it may be that we can gain some good information from the work that she'll be involved in. And people nationally so that, coming back, we may look at something may be three months or six months out so that we may want to -- and I posted on the message board about this on Friday. We may want to wait on the implementation and not kick it off immediately at the start of the fiscal year. I support doing it. I would just like to see us take advantage of the work that our police monitor will be doing.

[11:06:36 AM]

>> Mayor Adler: And we'll go ahead and discuss that item later on when we're discussing items. I'm now continuing with the reconciliation.

>> Houston: Excuse me, mayor.

>> Mayor Adler: Yes?

>> Houston: I had a question about the funding for the cameras. Does that collide the grant money that we can get from the state?

>> I don't believe it does, but we need APD to respond to that.

>> Houston: Would somebody please ready?

>> Mayor Adler: So later on when we talk about this one, we can talk about whether we can access grant funding.

>> Rey Arellano, assistance city manager. To your question the requirements for the grant have not been posted so this money identified is within the general fund and one-time funds. Should the funding become available from the state then we would use those.

>> Mayor Adler: Okay. On -- let's not discuss cameras at this point.

>> Zimmerman: Okay.

>> Mayor Adler: Let's get to cameras later. The other things that highlighted on number 2 is the police Numbers, but Ms. Kitchen just gave us the Numbers that we're running with at this point. That gets us then to utilities. There were no changes in utilities on number 2. No changes on the financial policy. No changes on the quality of life. No changes on economic development. But whether we get to health and human services --

>> Houston: But do I have some changes on quality of life. You told me to wait and so --

>> Mayor Adler: Those --

>> Houston: Is this the time or is it a later time?

>> Mayor Adler: A later time. We posted things on Sunday and Monday that they wanted to talk about. These things don't collide any of those from anybody -- include any of those from anybody but we'll get to the place --

>> Houston: Mine were posted on Friday but I don't show them in either document.

[11:08:39 AM]

>> Mayor Adler: Right. What these really reflect mostly is the things we discussed last Tuesday when we were together with the changes. I'm trying to true up to Tuesday and then everything that happened basically after Tuesday we're then catching up on, okay? I'm just trying to get to us that place. That gets us then to the health and human services section.

>> Zimmerman: Is that page 24, Mr. Mayor?

>> Mayor Adler: Yes.

>> Tovo: If we can do page Numbers --

>> Zimmerman: Page Numbers help.

>> Mayor Adler: No problem. I just found it. It's page 21 of number 2 and it's page 23 of the updated. Okay? This number 2 moves the \$2 million for social service contracts into the general fund. It's undoing a change that I had made earlier. Mr. Van eenoo, if you could do that as well, please. So I'm on line 103 on page 23 of the update. And page -- and line 103 -- 1.03 of page 21 on number two.

>> Tovo: Again, mayor, these aren't highlighted, but when some of the amendments that were brought forward and discussed last week as concept menus, capital idea, the parent support specialist, the prime time, I didn't process those as one-time funds. I really proposed those as general funds so I really hope we can have that discussion at the appropriate time.

>> Mayor Adler: Absolutely.

>> Tovo: Again, they're not highlighted on here but I think they are different from what we talked about last week.

>> Mayor Adler: Okay. Let's make sure we talk about, then, 1.09 and 1.10. Okay? And I appreciate everyone's patience with -- as I was working through these lists.

[11:10:48 AM]

We have the -- on page -- on line 1.25, on page 23 of the update, and 1.25 of page 21, I'm moving it from one-time funds into general funds so that the total of the million 122854 is a general fund expense. Okay? Did you get that, ed? Okay.

>> Zimmerman: Mr. Mayor?

>> Mayor Adler: Yes.

>> Zimmerman: I guess the point of that implied that those would be perpetual funds year after year after year versus something we're going to do once? That's the basic idea of moving it in the general fund?

>> Mayor Adler: I think so. General fund is a recurring expense, one time is we're ready to do it for one year, we don't know what happens after that. The \$35,000 is the same. And then the \$250,000 for Asian chronic care, would you move that into the general fund section. Jeep just noticed something.

>> Mayor Adler: Yeah.

>> Pool: Item 1.29, healthy corner stores got moved from general fund to one-time, and we didn't -- I don't dish didn't intend to be a one-time. Definitely it's one -- it's 1.29. It's definitely a pilot but I think we were looking at expanding it based on the results of the program. But I don't recall that having shifted.

>> Mayor Adler: There was a conversation about a lot of the funding when we were talking about the -- when it was originally presented, I thought it was the healthy corner and then a lot of the money was the capital expenses associated with putting those things in the store.

[11:12:51 AM]

So I'm uncertain as to which is which, but let's mark that as 1.29 that we need to come back to.

>> Pool: Thank you.

>> Mayor Adler: With respect to general fund or one-time so we'll discuss that in greater detail. And then also with respect to the apportionment of that \$400,000, we need to talk about that as well. And then the last thing I had was the chronic care, which moved over to the general fund. That reconciles us through number 2. Just for grins, mic would you tell us what the roll-up is, Mr. Van eenoo?

>> That puts us at 145,000 over budget on the general fund and for the one-time funds, almost \$2.9 million of available one-time funds.

>> Mayor Adler: 2.9 available one-time funds but over 145k on general fund is that right?

>> That's correct.

>> Mayor Adler: Okay.

>> Kitchen: Mr. Mayor? Mr. Mayor? That -- this may not matter, but I do note that that's different than what you're showing on your number 2.

>> Mayor Adler: It is definitely different. That's why we're going through this exercise as tedious as it is right now, because we're truing up to his Numbers. So we're going from my charts to Mr. Van eenoo's charts.

[11:14:53 AM]

>> Casar: Makers if I could give an example of the reasoning for that. You can see, for example, in number 2, the general fund for bott cameras is at 265,000, which is the understanding that we got on Friday, but now actually to have real cloud storage and do this right it costs 1.1 million so you're going to see a difference from number 2 to the information that we've been presented with over the weekend.

>> Kitchen: I see. I got you. Thank you.

>> Mayor Adler: Okay. For the purposes of our conversation at this point, we've now gone through most of the changes that were dollar changes and the other things that I highlighted on number 1 and number 2. The next thing I want to talk about, then, are the changes that have come post Friday, probably starting with healthcare. Before we do that, is there a motion to amend our working budget with the work we just went through so that we change our base budget? Ms. Pool moves. Is there a second to that? Mr. Casar. Is there any -- Ms. Tovo?

>> Tovo: There are a few items that I believe are about to be included within this that I don't think we've had an opportunity to discuss yet, and I wonder if we could spend a few minutes talking about those.

>> Mayor Adler: Okay.

>> Tovo: And I'm going to need a few minutes figuring out where they are.

>> Kitchen: Mr. Mayor?

>> Mayor Adler: Yes, Ms. Kitchen.

>> Kitchen: Wouldn't it be appropriate, because there's a lot of items that we are going to be discussing, that we just -- if I'm understanding what the -- the exercise right now is to determine which document we're going to work off of.

>> Mayor Adler: Yes.

>> Kitchen: To then make changes to.

>> Mayor Adler: Then what I'd like to do then, if we can just adopt this budget as the working budget, then I would ask Mr. Van eenoo to print for us the document as it now exists, which I think would serve as a base budget for us to be able to look at and move from.

[11:17:03 AM]

>> Kitchen: Because I understand councilmember tovo has changes and others of us do too so it might be appropriate to do that after we are working off the base budget?

>> Mayor Adler: That would be my preference, Ms. Tovo.

>> Tovo: Yeah, we all have changes. I understand that. But there are a couple items that I think we're including in here that I don't recall actually discussing or voting on last week. So it would seem to me now is probably the time to talk about them. I'm happy to talk about it later if that's the preference. But

--

>> Mayor Adler: That would be my preference, just to get the budget so that ed can start making copies it&we can -- and we can work with it.

>> Houston: I have some reductions which might true up things differently.

>> Mayor Adler: I'm sure there will be lots of those but if we can get a document in front of us we can look at I think it will be more meaningful. Then we can look at all the concept ones except what people came in with notes. I know, Ms. Torch I didn't do this perfectly -- Ms. Tovo, I didn't do this perfectly and I know there are things, we're pedaling as fast as we can.

>> Houston: After this last round we can still pull --

>> Mayor Adler: Absolutely. My guess is we're going to spend the rest of the day doing that kind of stuff.

>> Tovo: Yes.

>> Mayor Adler: All right. So is -- there's been a motion and a second to incorporate what we have right now as amendments into the budget. Those in favor please raise your hand. Those opposed? It's unanimous -- and Mr. Zimmerman abstains. Okay.

[Laughter] Mr. Van eenoo, at this point can you print for us that document as it sits now? And hand it out to the people? Is that doable?

>> I think you may need to give us some time. Right now, Diane and I are not 100% reconciled. I'd want to be 100% reconciled before I send it to you. What we're tracking here is very different than what you've been looking at. What we're tabbing at has a level of complexity beyond anything we've provided you to thus far, taking changes that fabs all funds, spreading it across all funds, updating cost allocation funds.

[11:19:08 AM]

I'm happy to print it for you. You won't be seeing something that looks similar to what you've already been viewing. That's not how we're tracking it. We're tabbing at a more granular level than some of the information you've been going off of.

>> Mayor Adler: Let's hold off one second, we'll take a lunch break and maybe over that period of time you can print it. Before we take the lunch break let me see if the council wants to talk about the changes to the health part Ms. Gaza's posting or whether you want to do that after the document was printed.

>> Kitchen: Can I ask a question first.

>> Mayor Adler: Yes.

>> Kitchen: Mr. Van eenoo, I want to make sure we're on the same page. You're going to print us a document that looks like this?

>> Not without significant time to do it.

>> Kitchen: I understand that. I just wanted to make sure you weren't saying you were going to give us something in a different format. That's all I wanted to know. Okay, thank you.

>> Mayor Adler: Help me so that I can understand. We've made some changes in the budget. You've given us generally what the roll-up number is down at the bottom. Is it -- will it be relatively -- recognizing that there's fine-tuning that you have to do, will it be generally correct if you were to print that spreadsheet that you have in front of you now? How far off -- how exacting do you need more time to get to how close are we is now.

>> I think Diane and I can get reconciled very quickly and I have no doubt she's correct and I'm wrong. [Laughter] We're a little bit off right now.

>> Mayor Adler: Okay.

>> So the Numbers I quoted to you earlier in regard to one-time funds and general fund those were Diane's number because, again, I'm quite sure she's right but in order for us to print it off we just need to get on the same page and, again, I can print this off four and it may --

>> Mayor Adler: We can certainly have the time for the two of you to compare line items that you have. Before we break for lunch, do we want to discuss the health and human services component of this?

[11:21:13 AM]

Because that could be a substantial change. I'm thinking that if a budget was going to get printed and come back to us, it might be helpful to have that change incorporated if the council wanted to go in that direction. Mr. Zimmerman.

>> Zimmerman: Short answer to your question is yes, I would like to go ahead and have that discussion. But just one more time, so what we're going to expect to get back with an hour of time, however much time it takes, is the second revision you gave to us reconciled with everything that's been discussed? So we'll get -- that will be the master copy? Everybody will --

>> Mayor Adler: We'll get a new updated, which will be the document, then, that we're working off of when we come back from lunch.

>> Zimmerman: Terrific, thanks.

>> Mayor Adler: Let's talk for a second about health and human services and see if there's a way for us to get from here to there. Yes.

>> Tovo: I'm sorry, before we start that can I just clarify with our financial stuff one more time because ed was shaking his head just now when we standard. It seems like you're saying you don't have that information in the same format.

>> Everything we've just been discussing we don't have in that format because our spreadsheets are designed to do a whole bunch of calculation. That format was designed to try to match these nine categories and so we can take the information and we've all just reconciled and put it into this format. I suspect it will take more than an hour. Or we can use the sheet that I have. We have the same information. It's just not in this format. That's why I'm concerned about --

>> Mayor Adler: Okay. So over lunch, I think if you and I sat down with each other, I could take my excel spreadsheet and put in the Numbers that you think are appropriate and I could print out in the form that the council is used to seeing and you could continue to work off of your master list the way that you see it. So in that hour, we'll be able to come back with that reconciled list. Before we leave, let's talk about health and human services and see if there's a way to get from here to there. Ms. Garza, you made a post this weekend. Do you want to talk about it?

[11:23:16 AM]

>> Garza: Sure. I've given four different options. This originated from a resolution that was passed by the previous council because there was a study done that showed that there's a gap in funding to health and human services and in order to get us to where we should be with our growing populations and taking care of arrival numerical populations, there's a -- vulnerable populations, there's a lot of unmet needs and the goal was to get us closer to being able to address those many unmet needs. And so this first year we should have included 6.7 million from the general fund in this proposed budget. Unfortunately, that didn't happen. I understand the limitations, because of now the homestead exemption and general limitations we have to our budget and that's why I've proposed different options. My main concern with the budget concept was a lot of the concept items were kind of put into money allocated for health and human services and the intent of this resolution was very specific on how the funds would be allocated. Some should go towards contracts and some should go towards the health and human services department and help them get more ftes to administrator some of their programs. So we've been included four different options. Of course I would like option one, but if the support is not there for option one, which is the 6.7 million that the original resolution requested, I'd really like to stay as close to option

[indiscernible], which if -- do you want me to go in detail in the -- okay. So that's what's before us. And it allots basically option two is 2.5 million, which I believe is already -- should be in the concept budget now. We moved 2 million over, and 2.5 million would be for health and human services and 3.05 million -- yeah, 3.05 million would go towards social service contracts, allocated as I set forth in my bulletin post.

[11:25:35 AM]

>> Mayor Adler: Okay. Councilmembers, if you look at the page I just handed out to you, it is a -- it's a letter-sized page that got passed down the road.

>> Zimmerman: Mr. Mayor, can we put one up on the overhead? It might help.

>> Mayor Adler: We could. The letter-sized page.

>> Zimmerman: Just for point of reference, we are talking about the resolution 2014, 121114, item 1.03?

>> Mayor Adler: Yes.

>> Zimmerman: Okay.

>> Mayor Adler: And --

>> Zimmerman: Just for the bloggers that might be doing budget bingo.

>> Mayor Adler: Right.

>> Pool: Mayor?

>> Mayor Adler: Yes.

>> Pool: When we're talking about the 6.7 or other number, could we also tag whether some of the other initiatives in health and human services or in quality of life are included in that number? I know we have, for instance, teen pregnancy, which is a concern. And I don't know if that is a separate item from this or if that's rolled up in here or even -- I would like to retain some line item inspector E specificity on a number of the Nish infrastructures -- initiatives so we can track them and not have everything rolled up or if it is rolled up that we also have them as line items.

>> Mayor Adler: Okay. We can certainly do that to a degree what we're doing is some measure of blocking here. And this afternoon, when we go back and revisit things, we can specifically identify things or not and move things around. This mostly is just to try to get us to big picture formatting so that when we reprint the budget, we have a budget form that might work. Let me explain the page was that hand out. It's the page on the screen. The community concept budget, generally speaking, has what's on the left-hand side right now.

[11:27:36 AM]

Chronic diseases at a million and a half, line item for hispanic chronic diseases, there was \$250,000 for African-American chronic diseases. The current budget I think has about \$700,000 for African-American chronic diseases. That's in the manager's budget. In addition, the community concept budget as it now sits has about \$2 million in undesignated contracts, that's social service contracts. It includes the 1,000,122 approved by the health and human services committee and came back to the council. It includes the rundberg lane money, also includes the healthy food item Ms. Pool was talking about just a second ago, sobriety center, the aid wrap around functions, the money for uninsured ACA. That's the list of things that are included. They total seven -- dove springs, it includes the seven -- it totals to the \$7.332 million. That does not include the tenant assistant monies and the chronic care replacement grant that are also in the manager's budget. So that's what the -- what's in right now, in this community concept budget. Ms. Kitchen?

>> Kitchen: So if I'm understanding correctly, we -- we already have in the budget well over the 6.7 million. The problem may be how it's allocated in terms of that -- that ifc that was passed a while back.

>> Mayor Adler: I think that's true.

>> Kitchen: Okay. So it's not that we're not able to get to the dollars and it's not that our other spending or reductions have prevented us from getting to the dollars. It's just that we need to pay some attention here to how we've got it allocated, so thank you.

>> Mayor Adler: In fact I think you could reasonably argue between the 7.332 of additional spending that's in the community concept budget and the additional million dollars that's in the manager's budget of new spending we have almost eight and a half million dollars of new spending for this -- spending for this area of our budget, which I'm proud to see.

[11:29:57 AM]

But, yes, it is an apportionment question. Mr. Casar?

>> Casar: Mayor, I just wanted to know whether -- if we were going to be printing things out or if we decided that we wanted to be recognized for a motion or an idea for what to incorporate in the printout. We're discussing health and human services now so --

>> Mayor Adler: Right.

>> Casar: Procedurally, if I could bring forward an idea about how to make sure that we have both option 2 and the look at this possible reconciliation problem. That one, we increase the undesignated contracts number from 1.325 million to 1.825 million. Listed in councilmember Garza's option 2, that would be a \$500,000 increase. Then secondly that in the -- in the chronic disease column, which is -- which should be in that possible reconciliation column, councilmember Garza's option 2 includes nine months fund being for the different programs from the health department from chronic disease to communicable disease to epidemiology, et cetera. I would want to earmark that of those new ftes, I believe it's five ftes and chronic diseases listed in that option, in councilmember Garza's option 2, that four of them be designated to have a focus on chronic care issues in the Latino community and one of them focusing on chronic care issues in the african American community -- Asian American community. We have grants running out with councilmember Garza's option number 2 we are increasing by five more, we are getting 10 more and so I would want to lay out that four of them work on those Latino issues, one of them focused on the asian-american issues of those five staff persons which I think would cover our basis.

[11:32:05 AM]

In the original community concept budget that we just all voted on, mayor, you included some funding for Latino chronic care initiatives and asian-american chronic care initiatives, I think this motion would then roll all of that up. And avoid duplication. That's what I would move. One last point of explanation is that there already is existing in the health and human services department an African-American chronic care initiative, this would sort of kick off those for Latinos and asian-americans by rolling them in.

>> Mayor Adler: Okay. So Mr. Casar has moved what is the possible reconciliation column that's on the page that's handed out to you, except that he has added \$500,000 to the undesignated contract line, which read 1,325,000. He's suggesting to move that to 1,825,000 at this point. The way that I had the reconciliation, the Numbers tied to what we already had in the budget so it wasn't having a budget impact. What Mr. Casar is proposing takes an additional \$500,000 out of the general fund line item. Is there a second? Mess.

>> Houston:?

>> Houston: I was going to have -- I needed to have a conversation about that.

>> Mayor Adler: Is there a second to the motion. Ms. Garza? Ms. Houston?

>> Houston: Thank you, mayor. A couple of things, the African-American quality of life health care unit has been operational since I guess Toby Futrell was here. And because the health department has to -- has to serve all populations, according to the information that I have, that we serve 52% African-American, 42% hispanic and 6% other, do the African-American health initiative -- through the African-American health initiative.

[11:34:08 AM]

Again, I want to be cautious. We can call it anything. Maybe we ought to call it an equity health care team or something so that we don't start going down those silos again. Once again we're beginning to do that. And so if we're going to put money into a bucket, for chronic diseases, preventable diseases, the kind of screenings, mobile vans, then let's talk about services to -- to people who have a low -- low resources and immigrant populations, of which there are many, that are not captured in any of these buckets. So that would be something that I think we would talk about rather than saying we want four ftes for this group, one for this and four for this. Will because African-American quality of life folks have been serving all of the people they can serve with the limited funds they have.

>> Casar: Mayor, could I accept that as a friendly amendment that we designate these five ftes towards chronic care initiatives that affect communities of color generally? And I would be very happy to learn more and work with to make sure that the community understands that that African-American chronic care division is actually working with all different kinds of people. I would be very happy to have all of them bundled up.

>> Mayor Adler: Any objection to Mr. Casar's amendment? Seeing none, it's done. Is there a discussion on this change to the working budget that we'll come back from lunch and start wailing on. Ms. Kitchen?

>> Kitchen: I want to make sure that I understand, 7,334,000, which is our total, we add 500,000, that will show us where we're at in terms of this total?

>> Mayor Adler: That would have us adding \$7,834,339 to social services and the health department, not including the -- the 1.15 additional spending that was already in the manager's budget for those.

[11:36:13 AM]

Altogether it would take us up to about 10 and a half million dollars. Okay? Ms. Tovo?

>> Tovo: I think this is a very good direction. I appreciate my colleagues for really digging in and finding some alternatives here. If we can enhance this area throughout the budget, I would be very happy to

cycle back around and add additional funding here. I did want to point out, I would like to talk as I mentioned about some of those items and whether they should be ongoing or one-time costs because some of them really are ongoing costs. I did want to point out as we think about where we are vis-a-vis the resolution to increase new spending about 6.7, about a million of that aid money was allocated in last year's budget as well. So it's -- it was a one-time cost last year, but we're continuing those programs. So I'm not sure if it's really -- if it really should be factored in as new investment. In terms of reaching that goal.

>> Mayor Adler: Okay. It's been moved and seconded by Mr. Casar to make those changes. Is there a -- I'm sorry, Ms. Gallo.

>> Gallo: I want a little bit of a clarification, it looks like we are looking at cost savings -- I'm trying to understand what the nine months stands for. My concern would be if we are actually hiring staff with a delayed start for nine months, then I think we need to realize that that means in next year's budget that we will have that staff and it would -- it would be a -- an increased funding because we would be funding staff for a full year during the next budget cycle. So am I understanding that, that we're saving a little bit of money this year by this, but it's pretty much locking us into an increase for the following year's budget?

[11:38:19 AM]

>> Mayor Adler: I think that's accurate.

>> Gallo: Thank you.

>> Mayor Adler: Any further discussion on this? Those in favor -- Ms. Garza?

>> Garza: I'm sorry, I just wants to make sure. This -- the reconciliation adds to the current budget, correct?

>> Mayor Adler: Yes.

>> Garza: Okay. I thought --

>> Mayor Adler: No, it adds \$500,000 to the current budget, we'll go through and I'll make these changes here publicly in just a second.

>> Garza: Because I see that it adds more. I just want to make sure we're all understanding. Because of the undesignated -- in the council concept budget. I only see 2 million from the general fund and the 1.122. So that would be 3 million and this is a total --

>> Mayor Adler: So if you look at number 3, which is I just handed out to everyone, the concept menu number 3, the changes that I think need to be made in order to execute what it is we're just about to vote on, I've tried to identify in that concept no. 3. There are a couple of Numbers that changed. They are highlighted. Beginning with on -- on what's been handed out at no. 3, page 18, line 1.44. That one and a half million dollars chronic care initiative, is a number that comes out.

>> Garza: I see it now, thank you. I see what you are saying now.

>> Mayor Adler: That number comes outs. Line 1.44, page 18, on the concept menu -- on the updated, it's in quality of life, page 18. Thanks, Leslie.

[11:40:29 AM]

1.44. So page 20, line 1.44. Page 20, line 1.44 of your updated. There's a million and a half shown. This is on the updated one. This is -- you have number 3 in front of you and you have updated just like before. Ed, are you with me on the updated one? Page 20, line 1.44?

>> Mayor, do you have more copies of that? My copy isn't copied on both sides, so I only have every other page?

>> Mayor Adler: None of them on page 3 are copied on both sides. But I don't have all of the -- so if you look at -- on what's been identified as no. 3, if you look at what's marked as page 18 in the bottom right-hand corner, that's the quality of life page. Do you see that? I'm on number 3, what's marked as page 18 in the bottom right-hand corner, it's quality of life, go to line 1.44, you'll see a highlighted block that has no number in it. That used to have a million and a half in it. So we want to talk it off. Mr. Van eenoo, the corresponding page to you on your updated one that you handed out this morning, it's page 20, line 1.44. That number comes out. Okay? All right. The next thing that happens is on page 21 of number 3, line 1.03, which is health and human services, it is page 23 of your budget, of your updated.

[11:42:34 AM]

You have it as \$2 million. Do you see that? This is the annual increase, the social service -- the annual increase to social service contracts. With you with me, ed? Okay. That \$2 million should be 1.825.

>> 1 point?

>> Mayor Adler: 825.

>> Houston: Mayor --

>> Mayor Adler: That is also on page 21 of line -- of document 3, it's shown as 1.325. But by the work that Mr. Casar's motion, his amendment, it went on 1.825. And then, Mr. Van eenoo, there's an additional line you need to add, to the budget. Which is not presently there. I called it health department spending. It's the top half of this sheet that got handed out. So it's the \$2.5 million. I don't know what else to call it. But that \$2.5 million, which is forment perhapses in the health -- which is for programs in the health department should get added.

>> Zimmerman: Mr. Mayor, 2.5 million, you lost me on that.

>> Mayor Adler: Okay. I am now adding a line, which you do not see on -- let me back up. If you look --

>> Zimmerman: What was it? 2.5 million?

>> Mayor Adler: It is on this page, it's what's represented at the top half. It's the programs. There's a certain amount of chronic disease, communicable disease, health equity, social services support, neighborhood service centers, maternal health.

[11:44:36 AM]

My recollection was that's in your backup, I think, under 1.28 or something like that I think in the backup on the budget.

>> Casar: Mayor, if I could try to summarize it.

>> Mayor Adler: Yes, Mr. Casar.

>> Casar: So councilmember Garza, in looking back at the resolution on health and human services, my understanding is that there was certain staff for the health departments that were prioritized. This puts in \$2.5 million for that staff in the categories listed on that sheet of paper as laid out in councilmember Garza's option 2. It retains the social service contracts as put up on the council concept budget that we just voted on. And it increases the undesignated contracts from 1.325 million to 1.825 million as listed in councilmember Garza's option 2, so that's the \$500,000 difference and it eliminates, as their own concept, the chronic disease issues that we just all raised our hands on, because those are actually already a part of what councilmember Garza listed in option 2, which is increasing the number of staff by 5 in the chronic disease area in the health department and then councilmember Houston and I offered a friendly amendment that those folks be, you know, focused on issues, chronic care issues, affecting people of color in the city. So it maintains the intent of the mayor's separate concepts. But instead of having two separate concepts about having chronic care, this puts them all into one motion.

>> Mayor Adler: You also see that while we've added a line that is two and a half million, we've taken out a line that was a million and a half. And we've taken out a line on the next column, page, which is 1.84. Which is on page 22 of health and human services. On number 3. And it is on page 24, line 1.84, we've taken out \$250,000.

[11:46:43 AM]

So while we added a big number, we have also taken out a corresponding big number.

>> Zimmerman: So the net is what?

>> Mayor Adler: \$500,000.

>> Zimmerman: Okay.

>> Mayor Adler: What I had in the original deal was something that zeroed out. Mr. Casar changed it to increase \$500,000 to general fund beyond what I have.

>> Zimmerman: We haven't voted on that yet, that's the proposal.

>> Mayor Adler: We're just about to vote. Okay. All in favor --

>> Zimmerman: Hang on.

[Laughter].

>> Mayor Adler: Good try. Ms. Troxclair and then Mr. Zimmerman.

>> Troxclair: I'm just still confused as to why some things are in one-time funds and [indiscernible] Or if we made that switch. Seems like looking at the -- I understand that we're looking at the one-pager here, but I don't know that it makes that distinction and when I look back at page 23 of our updated spreadsheet, I mean, all of these health and human services items are in one-time funds and there -- it's all, I mean, it's 31, 32 new ftes. So I don't understand how these are in one-time funds to councilmember Gallo's point.

>> Mayor Adler: To that end in the changes we made before, we moved 1.03 to the general fund. We moved 1.25 into the general fund. Ms. Tovo asked about whether we should move 1.09 and 1.10 into the general fund and we will double back and discuss that. Ms. Tovo?

>> Tovo: Let me add 1.04 to that as well because that's the initial funding with the hope of hiring an executive director for the sobriety center, that will certainly be an ongoing expense. So I'm adding that to my list of items to discuss the funding mechanism.

>> Mayor Adler: Please do. I just didn't know what -- if that was a feasibility or -- we will double back on those.

[11:48:47 AM]

But those other ones have been moved over.

>> Troxclair: Okay. So for the purposes of our totals of when we were asking our financial staff for the rollup or before we had this conversation, we were already \$145,000 over on our general fund and now we've moved --

>> That already included moving 1.03 to general fund and 1.25 to general fund.

>> Troxclair: Okay.

>> Mayor Adler: That was already done in the last time that we had done the budget.

>> Troxclair: Okay. Okay. But -- so we're talking about --

>> Mayor Adler: Is that right, Mr. Van eenoo? On April.

>> Right now we have yet \$2.2 million negative on the general fund.

>> Mayor Adler: What is it on one-time funds?

>> \$2.8 million to the good.

>> Mayor Adler: Okay.

>> Troxclair: So through this conversation, we have gone in the hole in the general fund another \$2 million?

>> That is correct. I think the main difference being that 2.5 we just talked about for health and human services. But --

>> Zimmerman: To that point, Mr. Mayor, that so happens when we have gone to a one-time that we perpetually expense. That is a very big policy change to make it one time to general fund.

>> Mayor Adler: Correct. It's just our working budget. Obviously we can't stop where we are right now because we have spent 2.5 million that we don't have. So there is additional work for us to do. We are 2.5 million up in one-time funds, 2.5 million down in general fund. We have work to do, but this will at least give us a base budget to at least work off of. Those were the changes that were made and seconded. Is there additional conversation on this? Mr. Zimmerman?

>> Zimmerman: Thank you, Mr. Mayor. I would like to -- I asked the question before about what were the potential duplications between some of these items of what our central health department is doing.

[11:50:55 AM]

And the entire county. They boast a lot about how they're doing and planning to -- doing some, but planning to do more preventive care, so-called outreach. So central health, of course, is a growing tax burden on all of the county taxpayers. And I had asked that question. It's not a simple question. But I'm under the impression there's some duplication with this. And I would like to get the city out of the health care department because we have a county health care district, so I'll be voting against it.

>> Mayor Adler: Okay. Any further discussion? Ms. Gallo?

>> Gallo: I have a question of process here. As we vote on these concepts, we're not voting to approve that in the budget, we are just voting to leave them in the discussion and at some point we may choose to vote for or against this particular --

>> Mayor Adler: Absolutely, exactly. All in favor of plaintiff case's amendment please raise your hand. Those opposed? It is -- all in favor with Mr. Zimmerman voting no. And Ms. Troxclair voting?

>> Troxclair: No.

>> Mayor Adler: That gives us then the working budget. It is 10 till 12:00. Mr. Van eenoo, if I could work with you over lunch to reconcile, I would appreciate that, if it doesn't slow you down.

>> Zimmerman: Mr. Mayor, before we go -- I thought we just voted on the amendment to boost 1.3 million to -- to increase that by \$800,000.

>> Mayor Adler: No, no, increase it to 1 -- disease I'm sorry but --

>> Zimmerman: I'm sorry, but then if it's that amended it was my intention to make a motion that we strike the two aisd line items of 684,000 and 520,000. Am I able to make that motion to strike those two expenditures?

>> Mayor Adler: Let's do that right after lunch because we're bring in all of the things.

[11:52:58 AM]

Let's go ahead and prepare this base budget and then we'll go. So it is 10 to 12:00. Do we want to reconvene at 1:00 for lunch? Yes?

>> Kitchen: While we're talking about this, just in order to give the public and our staff an idea of how late we're going today, I think it would be helpful to -- to state generally speaking when we're going to stop and, you know, the reasoning there is to I am sure there will be more work for the staff to do and we want them to understand that we're not going to expect them to work with us until midnight and then work all night for tomorrow morning. So assuming that we don't get through everything this

afternoon, could we suggest 6:00 or 7:00 as a time to stop? I know that's the traditional time that they stop on the first day.

>> Mayor Adler: I'm fine with that. I know that we want to give staff an evening to be able to work. How about if we stop at 6:00 tonight? This might be the heavy lift for staff. So we'll go ahead and stop tonight at 6:00 wherever we are.

>> Mayor, I have another general process question. So we have a zoning meeting on Thursday.

>> Mayor Adler: We do.

>> Troxclair: Do we have a work session today to talk about any of those zoning items?

>> Mayor Adler: We're scheduled for work session. We can call that up any time we wanted to or we can keep working on the budget. My preference would be to keep working on the budget and go into Thursday's meeting without a work session.

>> Troxclair: Okay. I think there are a couple of controversial zoning issues on our agenda for Thursday, that makes me nervous.

>> Mayor Adler: Makes me nervous. We may or may not be doing any zoning on Thursday. Let's see how we -- how we go.

>> Mayor? On the zoning just since that came up, I'm going to be asking to postpone item 28 from the zoning agenda. So we can -- anyway, I just wanted to generally announce that I will be asking to postpone item 28 from the -- from the Thursday zoning agenda.

[11:55:05 AM]

Thanks.

>> Mayor Adler: Thank you. We will reconvene at 1:00.

[2:21:11 PM]

>> Mayor Adler: all right. We're going to recess the work session, and we are going to reconvene the meeting where we're engaged in number 1, on the budget. You've just handed something out to us, ed. You want to walk us through, tell us what we have here?

>> [Off mic]

>> Mayor Adler: Can't hear you.

>> We on? So what I just passed out is the concept menu items broken out by the, I believe, nine different categories, inclusive of all the discussion that's were had this morning. Then on that cover sheet we also show what's being called the council concept budget, looking at it from terms of a C.I.P., which, again, we're not going to be addressing the C.I.P. Right now. We'll talk about C.I.P. More on item 2. The one-time funds and the general fund and all the other funds. You can see, if you follow down, for example, on the general fund column of this summary sheet that inclusive of the staff amendment and council adjustments that have occurred, we would be looking at \$13,251,000 increase in the general fund from all the adds. Below that in category two there was \$5 million of budget reductions. And then you can see down in the revenue section, \$7 million of additional revenues. That puts us at \$462,000 over budget on the general fund. And in regards to the one-time funds, we would be \$2.8 million of unallocated one-time funds.

>> Mayor Adler: Okay. But then there are a couple of adjustments we need to make before people take that money to the bank.

>> That's true.

[2:23:11 PM]

At the bottom of that sheet you'll see something that we had to add on to this spreadsheet. We had to add on the discussion of our cost allocation plan changes. So any of these changes the council is talking about and that occur that affect the support services department, we have a cost allocation model that allots those costs out to the various departments that they support. Right now, that would be \$270,000 of those changes would be coming to the general fund. And so that actually gets you to \$732,000.829 in the red on the general fund budget. Behind that cover sheet then is all the details, and, again, you can see the concept menus that were initially added over on the right-hand column, whether or not they're currently in or out of the -- that the budget that's on the table.

>> Mayor Adler: Okay. On the public safety one, I think as we were talking earlier, ed, there's -- I'm on page 11 of what you have now handed out, which is what we'll call the afternoon update. On the afternoon update, line -- page 11, item 2.3, that number should be -- the one -- general fund should be 3275100, I think. 3 million -- this is a negative, rather, 3,275,100. Is that right, Ms. Kitchen?

>> Kitchen: Yes.

[2:25:12 PM]

>> Mayor Adler: Then the 333700 number I understand should be a negative 278,700. Is that right, Mr. Casar.

>> Kitchen: That's right. Then the fte Numbers on the -- would be five instead of six on that line.

>> Casar: Mayor, let me give you the exact number really quick.

>> Kitchen: Okay.

>> Casar: That's 278,084. So if we -- and to explain that, if we reduce -- if we authorize ten new ftes for emergency communications as opposed to nine, that keeps the investment this year in the emergency communications center for APD at around a million dollars and to fulfill the staffing plan as was laid out last year would then require -- if we so chose to do that, another million dollar investment in next year's budget as opposed to us making about a \$1.3 million investment this year and then having about \$730,000 worth of unmet needs next year. So if we want to fulfill the staffing plan and keep that a little bit more balanced and even, it's a million this year, million next, or in the city manager's proposed budget it's about \$1.3 million this year and 700,000 next. So it's deferring some of those fte hires for -- to the next fiscal year.

>> Kitchen: If we keep these Numbers as we told you we can talk about it further when we get to that item. So there was another change. Where's -- there was one other change that -- should I go ahead?

>> Mayor Adler: Okay.

>> Kitchen: One point -- on page 10, the consultant dollars, I don't see them in here, unless they're someplace else.

[2:27:26 PM]

That 1.74, where are the consultant dollars? I'm not seeing it.

>> Casar: For the community policing plan.

>> Kitchen: Yeah, the community -- I'm sorry, where's the --

>> The \$250,000?

>> Kitchen: Right.

>> We would have to put that on. That's not on the list. That should have been added?

>> Kitchen: Yes. Except we talked about adding it in at 200,000.

>> Okay. And that was listed initially as a general fund item if sounds like that probably could be a one-time item.

>> Kitchen: Yes. And, Mr. Mayor --

>> Mayor Adler: Yes?
>> Kitchen: 1.26 doesn't have the dollar amount in it either. That's also on page 10. That's the thereafter -- the safety improvements to the five most dangerous intersections.
>> Mayor Adler: Yes.
>> Kitchen: That amount was the 1.3 that was --
>> Mayor Adler: Okay. So there was some question with respect to whether that could be C.I.P. 12 money or one-time funds.
>> Which number?
>> Mayor Adler: This is on page --
>> Kitchen: Ten.
>> Mayor Adler: -- Ten of the afternoon update, line 1.26. So the consultant line, 1.74 was there, the number had come out on page 10 as well.
>> Kitchen: Yeah. I think he added that, right?
>> Let me get caught up.

[2:29:27 PM]

1.74 we have now added to the concept menu budget at \$200,000 for one time.
>> Kitchen: That's correct.
>> The other question was about one point --
>> Mayor Adler: 24.
>> 24.
>> Mayor Adler: 1.26, rather.
>> 1.26.
>> Mayor Adler: That was the 1.3 additional dollars.
>> Right. I'm going to let Kim Springer, she's been working on that item.
>> So your options for that 1.3 million are to either take new funds from your one-time funds but you also have the option of taking existing capital funds and reallocating them towards that purpose.
>> Kitchen: I would like to talk to the transportation department first before we -- because my understanding was that we needed the 1.3 to be taken out of the general funds.
>> Mayor Adler: One-time funds.
>> Kitchen: I'm sorry, one-time funds.
>> Okay. Well, we're trying to hunt them down to get them to come around here.
>> Kitchen: Okay.
>> You do have that option to reallocate existing funds.
>> Kitchen: That would take another project out of the capital budget.
>> Potentially, yes.
>> Kitchen: Yes. Before we do that, I would like to reflect it on this line and then we can have that discussion once we talk to them.
>> Okay. So 1.26, for \$1.3 million one-time funds is going to be added to the concept menu budget. That's done.
>> Kitchen: Right.
>> Mayor Adler: So, generally speaking, then, what I see is general funds by virtue of the changes we've just made, those three changes, have increased by 550,000. So rather than being at 732 negative we're at about a million .52 negative, more or less. And the one time funds rather than having 2.877 is roughly 1.577.

[2:31:34 PM]

Is that about right?

>> 1,224,331.

>> Mayor Adler: Okay. So we have to find somewhere

[indiscernible] 224 or we need to take money in the general fund and move it to one-time funds. If we -- and the intent is to zero out this budget. Okay. Just to reaffirm where we are, now that we have this budget in front of us, is there a motion to amend our sitting budget with what we have in front of simultaneous Mr. Casar -- front of us? Mr. Casar moves, Ms. Kitchen seconds. Any discussion inspect those in favor raise your hand, those opposed? Unanimous with Mr. Zimmerman abstaining, so this is now our budget with those thoughts, we'll now proceed. Yes.

>> Troxclair: Can you repeat the general fund -- the new general fund number that we're looking at?

>> Mayor Adler: It is a negative 1,224,000, or thereabouts.

>> Troxclair: Okay. And the one-time funds.

>> Mayor Adler: Is 1.577.

>> Troxclair: Thank you.

>> Mayor Adler: To the good. So we have a budget at this point, if we were to move money from general funds to one-time funds, would leave us about \$350,000 to spend -- \$350,000 that's unallocated at this point if you were to move that amount of funding over. Okay?

>> Makers I think we're at 1,000,377 on the one-time funds.

>> Mayor Adler: Okay.

>> Because of the APD item, the one-time funds for the you consultant.

>> Mayor Adler: Got you, okay. 1,000,377 one-time funds, 1,000,224 negative general funds. So we're just about at a wash, maybe \$150,000 unaccounted for.

[2:33:38 PM]

All right now we're going to get into the process where we talk about additional things added or subtracted. We'll start at the back of the budget. We've already gotten into health and human services some with the work we did this morning so let's say that for a second -- stay there for a second. What we're going to do is if there were changes, where people wanted to -- that people wanted to make to this section, we're going to go through the dais and have people share with their colleagues changes that they would be urging us to make before we get any motion so that we can hear the universe of things that people might be trying to -- trying to do. Yes, Ms. Gallo.

>> Gallo: Just once again I'm going to ask budget a point of clarification. So if we're assuming we're pretty close to being a wash between the one-time and end, I'm going back to the question of does this then say that the tax bill for the average homeowner would be the same as it was last year or the \$12 drop? So I ask that question when we talked about the city manager's budget with the amendments, and now I'm asking that same question with the council concept buckets where we are at this point -- budget, where we are at this point with the one-time funds and the general funds, where they are. And I understand there's a couple of hundred thousand dollars difference but we're pretty close.

>> We're close in regards to those two Numbers. Staff would recommend against taking one-time funds as a means of balancing your ongoing general fund budget. So your general fund budget is currently out of balance by \$1.2 million and that could be balanced by increasing the tax rate. That's not being proposed right now or discussed right now, but it could be. I just needed to tell you that staff would recommend against drawing down reserves as a means of balancing your recurring operating budget.

>> Gallo: So to get back to the answer to the question we had initially, we would need to get the general fund on the council concept budget down to zero.

[2:35:45 PM]

>> Yes, ma'am.

>> Gallo: If we take staff's recommendation and not use the one-time funds to transfer that.

>> One of the mechanisms you might think about doing that, some of the things from that general fund budget column to move them over to the one-time column. But that makes them one-time as opposed to recurring but that would be one mechanism you could have to get that general fund budget into balance.

>> Mayor Adler: Okay. At this point, are there any changes to the health and human services budget that people would be proposing? And, again, nothing about -- not including anything in this point means that you can't raise something later. We're kind of like moth dancing around the flame, getting closer and closer all the time.

>> Garza: For 1.25, that can be reduced because that one fte is included in the 2.5 million and 1.03? So 1.25 can be reduced to 1,050,000. I'm sorry, I'm on page 24.

>> Mayor Adler: Page 24, line 1.25.

>> Garza: Yes. So that line item can be reduced 72,854.

>> Mayor Adler: 1,050,000 even.

>> Garza: Yes. Just real quick, on 1.03, it needs to reflect the ftes in the council concept budget.

>> Mayor Adler: In the rate column?

>> Garza: Yes. Did you catch those changes, ed? Hang on one second. Ed, did you catch those?

[2:37:46 PM]

>> So 1.25 you're now saying would be at 1,050,000?

>> Mayor Adler: That's right. Because the fte that you show in that right-hand column should not be there. That fte is picked up as part of 1.03.

>> It's still -- that item needs to be ongoing.

>> Mayor Adler: Yes.

>> Okay.

>> Pool: Mayor.

>> Renteria: Mayor, I have a question.

>> Mayor Adler: yes, Mr. Renteria.

>> Renteria: Innessed 1.84, Asian chronic care, how are we going to -- we're also looking at the hispanic chronic care that we had -- that was blended in with the -- I don't know which -- the existing. Was that included with 1.03, the annual increase? Or where did that \$1.5 million go to?

>> Mayor Adler: Yes. It was part of the 1.825.

>> Renteria: One point --

>> Mayor Adler: So it's part of 1.03.

>> Renteria: Okay. So are we going to actually go out there and say, hey, we need to allocate so much for the hispanic chronic illness? I just have concerned that, you know, we're not going to be able to -- if we put it all in one big package, we're not going to be able to identify, you know, how that money is going to be spent toward the hispanic --

>> Mayor Adler: Ms. Houston raised the issue this morning about identifying money for different groups, and I'm looking forward to having the evening to think about that comment. There are other places in our budget where we call money out for specific groups, and some have been pointed out to me. And either we should throw everything in together with a general statement of what we intend or maybe not identify any, but I have some of those being identified and since we're not going to decide that

today, we're not going to finalize today, we're going to go into tomorrow, I'd like the opportunity to come back with a proposal on that issue.

[2:40:00 PM]

>> Renteria: Okay.

>> Mayor Adler: Globally.

>> Renteria: Thank you.

>> Pool: Mayor?

>> Mayor Adler: Yes.

>> Pool: I think the one fte and 1.29 didn't get carried over to the far right ftes column.

>> Mayor Adler: Okay. I have a question, Ms. Pool, about 1.29. When I first heard about this, it was \$400,000, American heart association. And it was one group of money. Now the money is being allocated among several different groups, and I'm wondering whether we should, as councilmembers, make that allocation or whether we should say we're having \$400,000 for food issues and then ask staff to come back to us with what they think the best allocation of that would be for us to approve.

>> Pool: Thanks for the question, mayor. And there may be some others on the dais who want to weigh in, but in this specific case, staff have worked really closely with the different stakeholder groups and have identified -- and I just now passed out a list of all the locations where there are corner stores, farmers markets and also where the double dollar work and we know that there are specific areas of town where this initiative as a pilot project will be most beneficial and with the quickest start-up. As it is a pilot, it's possible next year we can expand it further, but I'd like to start this one a little bit more targeted to the areas where we know the need is the greatest.

>> Mayor Adler: Is the American heart association okay with this?

>> Pool: The American heart association was one of the groups that we talked to early on and continuing through, they were interested in having it be a broader brush around the city, and because we're trying to keep it a little bit more contained and focused, we've selected these specific areas in the more underserved parts of town and then we can -- depending on how this works out, we can expand it probably next year, but these are parts of town where folks don't have access to farmers markets and fresh food.

[2:42:21 PM]

The other parts of town have a better opportunity to get to those areas than the folks here that are primarily east of I-35.

>> Mayor Adler: So if we have \$400,000 earmarked is this how staff would allocate it?

>> Pool: I think that from a policy perspective, this is the way that I and my cosponsors would like it to be spent.

>> Mayor Adler: Okay.

>> Pool: I understand what the heart association is saying, and I think that once we get this on the ground and show that it works really well, then we can expand it further. I think this is a really big initiative, \$400,000 is an important investment in the underserved parts of town. And this will give our diverse population access to locally grown nourishing foods and under the creation of a healthy Austin program which promotes healthy foot and pat reason toage of healthy food retail establishments. Different parts of town have access to these kind of healthy food outlets but we're finding the east side of I-35 has less access to it.

>> If I could ask, mayor there, was a discussion about adding that one fte back. I think on the council concept menu those funds were moved over to one-time funding so that -- we would need to have some portion of that be the general fund recurring budget if it's going to fund an fte.

>> Pool: Is that why the one fte was taken out?

>> That's why the one fte was taken out, when the \$400,000 was moved from recurring to one-time, that's not a source of funding we would recommend funding a permanent staff member out of.

>> Pool: All right.

>> We could work with a figure for the staff cost, maybe it would be 80,000 or so would need to be general fund and other 320 could be one-time if you want to fund a staff position out of those funds.

[2:44:30 PM]

>> Pool: Thanks. I can talk with my cosponsors about that but we can take it out for now.

>> Houston: Makers may I ask a question?

>> Mayor Adler: Let's come back to that because I don't know if it's better just to put it in the 320 and the 80 or not. Ms. Houston.

>> Houston: Can you tell me, because I don't have all the paperwork on the front of my desk, can you tell me how much of this 400,000 is about purchasing equipment for the corner stores? Are we going to use their equipment to put the healthy foods in?

>> I believe it's --S in the concept item on the thing, how -- it's 150,000.

>> Houston: And so --

>> Garza: On page 24.

>> Houston: 150.

>> Attorney1: Do you know how much of the 150 is for the equipment, the capital start-up stuff?

>> Garza: Well, I believe it's not -- I don't know how much is -- that may be -- I don't know who my staff worked with on this, if it was health and human services or -- no, it wasn't. I'd have to ask my staff who - - how that 150 was going to be allotted. But this proposal is a combination of the American heart association's efforts, as well as other advocates who had asked for similar -- had similar goals in mind. There's been some back and forth about are we addressing food deserts, are we addressing childhood obese. This was a package working with city staff who felt this was the best way to kind of address those issues with methods that have worked before. There's --

>> Mayor Adler: So it's as if staff was given \$400,000 designated to food issues, this is how staff would recommend this money get apportioned?

[2:46:38 PM]

>> Garza: Yes.

>> Mayor Adler: Okay.

>> Pool: And mayor?

>> Mayor Adler: Yes.

>> Pool: It was our health and human services and the office of sustainability came together also with go Austin, Austin interfaith and the American heart association.

>> Mayor Adler: Mr. Zimmerman?

>> Zimmerman: Thank you, Mr. Mayor. I guess since we're, you know, considering voting on this, again, I have to ask how we would measure the effectiveness of it. I think we had healthy food initiatives in the public schools under the first lady and that was largely recognized as a huge failure. You know, we put so-called healthy food into public schools and it went into the garbage, largely. People wouldn't eat it. It did not change eating habits. It didn't change health habits. It was a huge waste of money. I'm very

concerned that this \$400,000 is basically going to disappear and we're going to have nothing to show for it. So how do I know, when we sit here next year, how we evaluate the successfulness of it? Because it looks to me like we're establishing a policy here, right? Potential new policy and I don't see anyway to measure the fectionness of -- effectiveness of it.

>> Mayor Adler: Other than the 1.29 are there other items on the health and human services budget that people would want to be adding or subtracting? Okay, I'll go into -- we can --

>> Houston: I just wanted to clarify with councilmember Garza, 1.58, is that in addition to -- about teen pregnancy, which I thoroughly support, is that in addition to or is that included in the money we've already allocated to health and human services?

>> Garza: That would be an additional.

>> Pool: I thought we had --

[2:48:39 PM]

>> Houston: Three for teen pregnancy, additional to what's already in the budget for teen pregnancy?

>> Garza: Yes.

>> Pool: Mayor, I thought we had voted that one in and it's not in the budget increases.

>> Mayor Adler: I thought that was part of the \$4.325 million we have in social services.

>> Garza: I believe there's some allocated to that, but this is in addition to that.

>> Mayor Adler: So part of the 4.325 goes to teen pregnancy.

>> Garza: Yes.

>> Mayor Adler: But a million three general fund number, we don't have. Someone could move to naught in the general fund, but right now that's not part of our -- put that in the general fund but right now that's not part of our budget.

>> Houston: Again, I'm fuzzy on what the process is. I guess I need to know from health and human services how much -- because I saw the statistics about teen pregnancies, but I don't know how much money is needed to be able to have an impact on reducing the amount of young women that get pregnant and hopefully help the young men not get them pregnant. So if this is not the time, I won't ask it --

>> Mayor Adler: No. This would be --

>> Houston: It seems like it's a lot of money from the money we saw from health and human services.

>> Mayor Adler: The \$1.3 million number is something on the concept menu but not currently in the council concept budget. So you'll see it in the left-hand columns, but not carried over to the right-hand columns. So right now, of the additional \$9 million being spent on social services, some of that is earmarked for pregnancy in the \$4.3 million of health department and social service contracts, but there is not the 1.3 called out specifically.

[2:50:44 PM]

>> Garza: And staff is available if you want to ask those questions, councilmember Houston. Fully.

>> Mayor Adler: Someone here at staff that can speak to the teen pregnancy issue?

>> Good afternoon -- [off mic] The question was 1.3 million, where it's -- where is it allocated, how is it allocated? It's for staffing primarily our chief financial officer, but the goal is to have a comprehensive program, focusing on males and females. Primarily because the Numbers reflect in the hispanic community it will be focused in those communities, primarily in zip codes 4504 -- pardon me, 4531, in the eastern parts of the city. And the goal will be to have five ftes, both an educator and a variety of other positions that work in the community to provide not only the education but also some of the outreach efforts to schools and young folks in terms of those areas of reproductive health. So it's not

just a -- we do not provide birth-control pills. We do not do those health services. We provide the education outreach component of it. That's what this program will focus on.

>> Mayor Adler: Mr. Johns, do we have in this budget that we have in front of us right now, we have an additional expenditure not currently part of -- was not part of the manager's budget. In addition -- an additional \$4.325 million for health department priorities and for contracts total. That, and we also have another million dollars for health equity issues and then the 175 for rundberg, \$400,000 for the healthy food.

[2:52:46 PM]

How would you prioritize this teen pregnancy 1,000,003? Would you recommend that we -- 1 million three, one, is that already covered in that other 5, \$6 million, or is it money that you think is important enough that we should do even if it meant taking money out of that 5 or \$6 million?

>> Those are difficult questions from a public health perspective. We think all of them are very important. So in terms of cost benefit approximation we would prefer to start with our chronic disease, which is our biggest area. In terms of teen health though that particularly in populations of our community are populations that have separate needs. And so we would encourage that we would keep both of them, but if we had to move one or the other one, we would certainly be in favor of the teen health programs, in terms of cost benefit.

>> Mayor Adler: I didn't understand the answer. And I'm trying to figure out, so we have -- we have four-point -- have you seen this chart?

>> Yes, sir. I just got that chart there.

>> Mayor Adler: So you can see we have two and a half million dollars for chronic disease.

>> Correct.

>> Mayor Adler: Health equity infrastructure, social service support, internal health, which I understood could also address teen pregnancy issues. I don't know. Then we have undesignated contracts at this point of almost \$2 million. Should some of that money be spent on teen pregnancies?

>> Well, yes. Part of it would be spent on the teen -- for teen health, because maternal health falls into that category.

>> Mayor Adler: Is there an additional amount of that 4.3 that you would have --

>> I'm sorry. I don't understand. Is there an additional amount of that --

>> Mayor Adler: That you would devote -- is that being devoted -- is that 4.35 -- 4.35, 5.35, so I have two and a half million dollars for health department programs, a million .8 for undesignated contracts, another over million dollars for health equity issues.

[2:55:06 PM]

My question is, now we're looking at another item that's focused just on teen pregnancy, which is obviously really an important issue. My question is, is that already covered in that other money? Or is that other money covering things that are a higher priority than teen pregnancy?

>> Garza: My staff has done a lot of work. Currently, what we've already proposed, there's three ftes for teen pregnancy programs that we've already -- that are included right now.

>> Mayor Adler: That are included in the two and a half million?

>> Garza: Yes. And the maternal.

>> Mayor Adler: Oh, in the 1,000,825 -- 2.5.

>> Gallo: So there were three ftes who will work with teen pregnancy programs.

>> Exactly.

>> Garza: The additional would be five additional ftes to expand the program.

>> Mayor Adler: Okay. And I guess my question is, is expanding that program enough of a priority that you would want to cut back some of the other things that already appear on this sheet? Or is those additional five ftes, because we have the three, not the priority and you would keep it -- the money allocated the way it's allocated?

>> We'd keep it the way it's allocated right at this point in time, sir.

>> Mayor Adler: Okay. Mr. Zimmerman.

>> Zimmerman: I have a quick question.

>> Mayor Adler: Yes.

>> Zimmerman: While you're here, it says expand the efforts. So where are we right now in the budget that's carried over from prior years? If this is an expansion, what is it right now?

>> In terms of type of service --

>> Zimmerman: Spending, the budget item that's on this.

>> Okay.

>> Zimmerman: All we're discussing now is just increases, right?

>> Correct, correct.

>> Zimmerman: Expansion. So what is the baseline we're already doing, if I could ask.

>> Okay.

>> Zimmerman: I guess the other question --

>> I'm going to have to get our person to --

>> Zimmerman: It's kind of important. The reason I'm asking, if we were to not approve this you'd say, well, there's a risk of I guess teen pregnancies going up, unwed pregnancies going up but if we were to eliminate the entire program you might be able to say, well, you would estimate unwed pregnancies would go up by a certain amount if we eliminated it entirely.

[2:57:22 PM]

I'm looking for those Numbers. What do we think the effect --

>> In terms of exact Numbers and rates, I'm trying to get --

>> Zimmerman: We're trying to figure out what are we getting for the money, you know?

>> I'm going to ask our assistant director what we're currently disposition the Numbers we're seeing there.

>> Zimmerman: Okay, thanks.

>> Hi, I'm the assistant director for maternal health. We currently receive about \$250,000 from 1115 waiver funding and about \$160,000 from general funding for the Austin healthy adolescents. So with those funds, we have been able to see approximately about a -- 500 youth throughout the city. Definitely not scaled to the level that we need to be doing, in terms of reaching the different zip codes that have very high teen pregnancy rates.

>> Zimmerman: That's part of the answer. That's good. So if that's about \$410,000 or so, right? That's being spent? And you're seeing maybe 500 people. So if we stopped spending the \$410,000 and we didn't see anybody, what do you think the increase would be in unwed pregnancies?

>> In teen pregnancies?

>> Zimmerman: What, what do you think? What do you think the effectiveness is now?

>> Teen pregnancy rate in Travis county is about 33.6 per 1,000 girls, and those are 10 to 19-year-olds. That was about 2010 statistics. Travis county reported almost 2,000 pregnancies for females 10 to 19.

>> Zimmerman: Did you say ten years old?

>> Ten to 19, yes. Pregnancy rates for girls 15 to 19-year-olds in Travis county was 63.1 per 1,000.

[2:59:31 PM]

In terms of birth rates in Travis county, that is 33.2 per 1,000 girls ages 15 through 19. Travis county reported 1,072 births to girls 10 to 19. And 73.1% of the teen births in Travis county were from hispanic youth. Those are just some very high level statistics.

>> Zimmerman: Those are interesting statistics, but my question was, so if we stopped spending the \$410,000, you would predict that those Numbers would go up by a certain amount or. . .

>> It would be difficult for me to give you that number right now, but that -- the statistics would remain.

>> Zimmerman: You see I'm struggling with where are -- what are we getting for our money? That's the question I keep asking, what are we getting for our money. You gave me interesting statistics, but there's no way, right, I can connect the money we're spending with the statistics you gave me.

>> The answer is yes, we would expect it to go up. Our efforts currently with teen pregnancy have resulted in what we have. If we're talking about enhancing it -- I mean, if we're talking about not increasing it, we expect it to stay level. As the doctor indicated, Travis county has one of the highest rates for teen pregnancy in the state so we would assume that with no intervention at this effort, those Numbers would continue to go up.

>> Mayor Adler: Thank you. Ms. Houston.

>> Houston: And I was just going to say, this is something that I too support. I'm just wondering if you could do it with -- you asked -- you're asking for five, you've got three. Could you make a dent in the services that you're providing if you did three people instead of five?

>> Councilmember, yes. Any additional augment we would be able to improve the situation.

[3:01:32 PM]

Obviously, we try to be optimum, but we cannot assure that we can be as optimum with five as we could with three but we certainly would impact it to a degree.

>> Mayor Adler: Okay.

>> One of the things that we currently do not do, as you can imagine, when we're working with teens, around health education, there are other social health services needs that they need. So one of the things that would be very important is to have wrap-around services. So where we're working with youth around health education but we know that they need other type of services, a social worker type of a person would allow us to do a more intense work with the youth and their families.

>> Pool: Mayor.

>> Mayor Adler: Yes, Ms. Pool.

>> Pool: This was the question that we raised, I think, last Thursday when we were talking about the 6.7 million and whether the specific items that were called out had been -- would be rolled up into the 6.7. And if so, would they be listed as line items or continue to stand alone and be additions. And I had thought that -- I don't think we actually answered that question. I think that the teen pregnancy initiative that councilmember Garza has brought forward is extremely important, and if it is -- if it got rolled up into 6.7, I think that was done without us actually discussing that and maybe what we can do is hold that out and see how we can make -- maybe we'll be able to find the additional funds to get that 1.3 million restored back so that that particular initiative can go forward. Because I do think that there was the chance that things would get rolled up into six-point and we never talked about which would or wouldn't be. We were simply voting on which items we supported and we haven't had that conversation.

[3:03:34 PM]

>> Mayor Adler: Okay. I'm going to make note of that 1.58 pending the -- see how the rest of the conversation goes on the budget for myself. Does anybody want to add anything, put to a vote, amendment to this section before we go to the next section? Ms. Tovo.

>> Tovo: [Off mic] I'll talk loudly -- there I mean. I have two amendments to make to this area, both I posted on the message board. Well, actually, one is already included in the base budget, and that's for the sobriety center, concept 1.04. I am going to recommend we make that ongoing funds rather than one-time funds for the reason I mentioned before. This is just a small amount of seed money at this point, the work group has talked about using that in part to move forward with hiring an executive director potentially, depending on the council action and action from the other partner entities. But I believe it's more appropriate to have that as ongoing funding. I have a proposal for where we might find that, and this gets to another item I put on the council concept menu, and I'm going to need to find -- find the right concept number. But on the concept menu, I had suggested moving some expense that's were listed in the fire department's budget that appeared to be for one-time expenses, and I'll need budget staff to verify this, but in volume 1, page 359 there, was funding included for gear, contract increase, special operations, technical equipment, sustainable, it sounds to me like at least some of that is probably eligible for one-time expenses so I had proposed shifting that to one-time expenses from general fund expenditures, and that may free up a little room in the general fund. In any case, I'd still like to make the amendment that we shift that \$100,000 that's included for the sobriety center from one-time to general fund expenses.

[3:05:42 PM]

And you have some other funding -- some other potential funding ideas later that I think will give us more of a cushion. But that's my proposal.

>> Mayor Adler: Okay. Will thereby other changes to -- any other amendments to health and human services?

>> Tovo: I have another as well.

>> Mayor Adler: Go ahead.

>> Tovo: Then my other is that I would -- I posted this as well on Friday opinion in the staff's initial funding request there's an item for \$600,000 for permanent supportive housing services associated with permanent supportive housing and I'd like staff to come up and talk a little bit about that. It's my understanding that we are, through our housing department, in the process of issuing the rfp for the housing portion but the point of the permanent supportive housing is that there be services in place for those residents who are living in that housing and it would seem to me -- and I look to staff to verify this -- that the -- providing for those support services is pretty critical and so I would suggest we include that within this year's budget, and that would be a \$600,000 expense. I will say, in my amendments, I noted that I thought this was money that we would be drawing that we would match or that we could use toward the medicaid 1115 waiver. Because that's kind of what -- that was the impression I got from the description listed in our initial funding request booklet. It's my understanding that's not the case, so it wouldn't be -- it wouldn't be eligible, an eligible expense under that program. But I think it's still derail we include it within this year's budget -- derail we include it within this year's budget.

>> Mayor Adler: One is moving the \$100,000 sobriety to general fund, another is \$600,000 for support for permanent supportive housing.

[3:07:43 PM]

Do you want to talk about that real fast?

>> Good afternoon. I'm Stephanie Hayden, assistant director for the health and human services department. With that particular unmet need, that would be paired up with a solicitation released by the neighborhood housing department, and, basically, that particular solicitation would allow for an additional housing unit, but this funding would add 50 units of permanent supportive housing, housing first. And permanent supportive housing basically is where you have a unit and you add the social services in order to keep an individual housed. And so that's what this \$600,000 would do.

>> Mayor Adler: Okay. Ms. Tovo.

>> Tovo: If I could just ask a follow-up. Ms. Hayden, can you talk about the timing of that housing and why it would -- why it could be important for us to consider moving forward with this item in this fiscal year?

>> Yes. So in 2010, city council endorsed a permanent supportive housing strategy, basically to look at the number of units we had. Additionally, there were a resolution -- a resolution was put in place for additional housing units, and so because the solicitation was released, a request for proposal was released on September 11 of 2014, that project is moving forward with the units, and it does not currently have the dollars for the support. So basically the units are in -- are in progress, but it does not have the wrap-around service that's go with that -- services that go with that.

[3:09:53 PM]

>> Tovo: Thank you.

>> Mayor Adler: The 600 is what's needed for the units that are already in progress?

>> Yes, sir.

>> Mayor Adler: How would you prioritize those wrap-around services as against the \$5 million that we've added for the department funding and for the contracts and for the health services?

>> Well, in our initial request for unmet needs, this particular dollar amount was put in that very first initial request. I'll let my director. . .

>> Mayor Adler: Okay.

>> In terms of prioritizing the 600,000 in comparison with the other Numbers that have been add, is that the nature of the question, sir?

>> Mayor Adler: Yes, the monies added on the white sheet that you have there.

>> Okay. I don't --

>> Mayor Adler: I'm asking --

>> We don't -- we don't -- on the sheet here --

>> Mayor Adler: Yes, there's two and a half million dollars for programs and there's a million and a quarter -- eighth -- 8,000,825 for contracts, another million dollars for health equity issues.

>> Correct. Okay. In the first column, in terms of health department infrastructure, for the 2.5, those are primarily as outlined here, are for our health service infrastructure. The only part of that in terms of social services support are contracts. On these social service contracts, though, the 1.8, those dollars are to support what we're currently going on. They're both equally are just as valuable to us, in terms of priorities we would not be able to -- we would not want to but in terms of prioritizing those in terms of our other services.

[3:12:01 PM]

>> Mayor Adler: Help me understand. The undesignated contracts, we've -- let contracts right now, we're in the middle of a contract period, there's another million 825 for new contracts, for new services.

>> Correct.

>> Mayor Adler: Yet to be funded.

>> Correct.

>> Mayor Adler: How would you prioritize that 1,000,825 with this \$600,000? Should we take -- would you rather us put the 1,825,000 to undesignated contracts or rather us put \$600,000 to the wrap-around services and have a million and a quarter for the undesignated contracts. I'm trying to get a feel for what the relative priority is.

>> Mayor, could I -- Bert Lumbreras, assistant city manager, if I could offer some perspective. It's real hard to pit one over the other. To give you some context, when we do the request for social services or requests for applications, we've always -- we always get more than twice as many requests than we do -- how much we have allocated in the budget. So it's very difficult for staff to determine, you know, which is hire priorities, homeless services, teen pregnancy. A lot of different issues. What we can tell you, the city council has adopted a very specific goal for permanent supportive housing that we believe is very critical in the sense that if you don't provide those housing first opportunities for individuals that are clogging up what we believe the pipeline in this community, those individuals will impact our social services system in a very negative way. It will cost us dollars.

>> Mayor Adler: To the degree, then -- I'm asking help with the difficult question.

>> Yes.

>> Mayor Adler: I mean, I understand the importance because I understand the importance of the 1,825,000. We've increased the spending over the manager's budget by about \$12 million in what we have here so far in our budget. And of that \$12 million about \$9 million of it is health department and social service contracts.

[3:14:04 PM]

And there is difficult decisions that have to be made so I'm asking our experts to tell us, would it be better to have a million .825 in essential service contracts or better for us to have 1.225 in social service contracts and \$600,000 for the supportive housing if that was the choice we had to make?

>> Supportive housing?

>> Mayor Adler: Supportive housing, yes. I'm trying to get a feel for which is -- I understand these are all real important things and I issue there was enough money to do everything in all the lists. I'm trying too get a feel for what's in your judgment, as our experts, how would you prioritize those?

>> Houston: Mayor? May I ask a question that.

>> Mayor Adler: Related.

>> Houston: Related.

>> Mayor Adler: Yes, ma'am.

>> Houston: Are there other social service entities that provide the kinds of wrap-around services required that could be used to help augment this request?

>> Currently, with the -- it's a city-wide effort, not just city of Austin as an entity, as a municipality. You have Travis county at the table. You have the mental health authority. So there's several other entities that are at the table. And everyone makes a commitment toward the total target for permanent supportive housing so this 50 units will just be like the city of Austin's commitment, so to speak. Does that make sense?

>> Mayor Adler: Ms. Houston, did you want to talk? I'm sorry, manager?

>> So, Bert, one of the things we talk about is the philosophy of housing first as a matter of course and then wrap-around services association I'm thinking about the question that -- so I'm thinking about the question being asked here, how we would allocate those resources if we had to choose between additional investment in wrap-around services versus housing, the philosophy we'd move to is housing first, right, off the street, and then wrap-around services.

[3:16:16 PM]

Does that philosophy lend itself to respond together question that was asked earlier about where to allocate dollars if there are additional dollars to allocate?

>> It does, Mr. Ott. What I would say is that definitely a high priority for the \$600,000 because to me those individuals are impacting our social services in a variety of different ways and so we have demonstrated in the past, when the initial goal of 350 units, that we actually achieved the first goal around in the first four years, we achieved that you was a tremendous positive benefit to this community. We're now onto our second goal of 400 units. And so we -- I think if you look at the data and staff can correct me, we identified about a couple of thousand when we started this endeavor that we were short in this community of individuals needing housing. So we're really at a point where we need to keep pressing on and, as Stephanie said, this is our contribution. So I would say the 600,000 in the housing first model is very, very critical that we do every year, and the 600,000 to me is a very high priority.

>> Mayor Adler: You would make it out of the 1.825 million, if you had to make priorities, you would do that?

>> Part of the challenge is some of these why's coming from, you know -- some of these requests are coming from council --

>> Based on what you just said, the short answer would be yes, correct.

>> Short answer is yes.

>> Mayor Adler: Okay, thank you. Ms. Tovo.

>> Tovo: I'd like to suggest, I know we're looking at each of these amendments within the category of health and human services, but for me this is such a high priority issue, I'm not suggesting it come out of the 1.8 million, but I've got other budget -- some other budget cuts that I think are a lower priority than this one in other areas. And so, you know, because we're talking about this within health and human services, I'm not talking about those right now, but, for example, I've proposed cutting a \$50,000 expenditure to create a logo for development services.

[3:18:19 PM]

To me this is more important and we could use that funding toward this need. I've proposed cutting some other positions elsewhere. I've proposed making a change to the economic incentives reserve fund and how we transfer money prior to when we need it. So I think -- I just think there are different ways to consider these requests. We can consider them within the context of the funding we've already approved or we can consider them in relationship to other spending elsewhere in the budget. I would just ask my colleagues to consider that at the moment, to take it on its merits and then look toward some of those other cuts as part of a way to offset this addition.

>> Mayor Adler: Just by reminder of our rules, I didn't mean to imply one for one. I was trying get a feel for what the relative priority was and one of our rules are we could make amendments to things without a need at this point to make them balance as we went through the process. I was just trying to get a --

>> Tovo: No. I appreciate that clarification.

>> Mayor Adler: Mr. Zimmerman and then Ms. Kitchen.

>> Zimmerman: I have a quick process question on this. We're dealing with health and human services now, but I'm looking at 1.09 and 1.10, the stay aid funding so once we get through discussing these items and gathering information are we going to come back later and consider taking these win at a time?

>> Mayor Adler: Yes. We're going to just consider a conversation about health and human services and then start taking votes.

>> Zimmerman: Thank you.

>> Mayor Adler: Then we'll move on to another category.

>> Zimmerman: Okay.

>> Mayor Adler: Understanding we can always move back and the like. Ms. Kitchen.

>> Kitchen: I have two questions. One is for councilmember tovo. I understand from what you're saying that you've identified some other potential reductions that could be sufficient to cover the 600,000.

Okay. And we'll be hearing about those later. I also have a question for the staff. I'm just wondering, if we weren't able to cover this, have you at this point identified a potential other source of funding?

[3:20:24 PM]

I mean, I don't know if you have or not, but are there other options?

>> Mayor Adler: In answering that question, I understand that there's a pay for success effort that's happening right now with teen pregnancy, where we're out trying to find private source in funding, in fact we're one of a few test markets for that enterprise.

>> There's actually a pay for success for permanent supportive housing as well.

>> Mayor Adler: Right.

>> So we are in the process of -- we had two projects selected from the area so one of them is teen pregnancy and the doctor can speak to that and the other is permanent supportive housing. We're in the process of a feasibility study just to determine if the Austin area would be a good market to have the pay for success model with permanent supportive housing. Currently we have 1115 waiver projects that we are working on currently. Those are going to end. We're in, like, year three. So those are going to end. We are looking at other -- you know, other ways of where we could generate that revenue, and that's why we are a part of that permanent -- of that pay for success team.

>> Kitchen: But this 600,000 is not part of the 1115 waiver.

>> No, ma'am, it's not.

>> Kitchen: 1115 waiver is funded through this year, it's going to end in the next year?

>> Yes, ma'am.

>> Kitchen: But of the 600,000, the pay for success would be one -- I mean, I understand it's not for sure at the moment but that might be one source of funding for the 600,000? Is that what you're saying?

>> I would say because we're in the feasibility study.

>> Kitchen: Okay.

>> So we don't have, you know -- I would say we have a lot of great traction because we're at a really good point with the data and we're looking at a lot of data and pulling together some projects as well as just kind of having conversations with entities that could be a payer.

[3:22:37 PM]

So that's where we are with that particular project.

>> Kitchen: Okay.

>> Mayor Adler: Any further discussion on this area? New ideas before we take votes on independent -- particular things.

>> Casar: I want to hand out eye motion sheet just to -- and we can take a vote on this but I've worked with the code department on the funding source for the residence advocacy project first. I've got a good amount of council support on reduction of the television advertising and radio advertising object codes after talking to the department over the weekend and on Friday, we identified several areas where the spending this year to date and the code department's current budget is significantly less than what is budgeted. And so instead of funding this through the -- just through that television advertising budget

and the community liaison, we came up with this \$60,000 of funding from the television advertising object code 6450. Currently there's \$60,000 already in this current fiscal year's budget that's unexpended so it wouldn't reduce the amount of television radio advertising already done so this matches that. \$120,000 from each of the vacant object codes, there's \$250,000 unexpended in the code budget for these of those object codes today so this would be reducing that \$250,000 that we have unexpended by 120,000. So this, again, is money that hasn't been spent up to this point this year. And, finally, \$50,000 from the minor hardware object code 7610 of which there's \$300,000 in this year's budget that is unexpended this year to date. And the parks director did offer those vacant lot object codes would be places that they would prefer funding the project and the it support, but I did maintain some reduction in the television advertising object code budget because that's what I had already discussed with everyone.

[3:24:50 PM]

So I'm open to funding the project in the way that we had discussed previously. But, you know, I wanted to give the option to the department to provide some other alternatives for funding it, and the department found some places where they have not been spending their full budget and so it seemed to be an easier place to do this. So I would move to amend that transfer and, excuse me, the this first line says 300,000 but it actually totals 350 when you make these amendments. That's what the department brought back. So my motion would be different that what we have currently in the concept budget. We would amend the code department to transfer 350,000 to the budget for health and human services to fund for the purpose of nuance abatement and contract to a nonprofit legal organization for the resident advocacy project by reducing the amounts as I just described.

>> Mayor Adler: What Numbers are those? Line Numbers?

>> No idea.

>> Casar: The Numbers currently are in public safety, I believe.

>> Mayor Adler: Okay. So let's hold off on public safety right now.

>> Casar: The reason is these are transfers into the health and human services budget. Because they manage these contracts and I wanted to move --

>> Mayor Adler: So it was two -- it was two places. You're -- where was the -- where was the item you were seek to go fund?

>> Zimmerman: Page number, if you could, councilmember.

>> Casar: Certainly. I hear page 10. So on page 10, we have 1.63 in public safety, and then the reduction that would fund it was previously listed --

>> Mayor Adler: Was it in fees?

[3:26:51 PM]

>> It's page 14.

>> Casar: On page 14.

>> Page 14, 2.27.

>> Casar: So, again--

>> Mayor Adler: Financial policy.

>> Casar: Yes. So, again, this is a budget neutral -- this is a budget neutral change. It's just moving those funds that are currently unexpended in this year's budget so that in next year's budget those funds are a little bit smaller. And we fund this contract through health and human services since they have the experience procuring these sorts of outreach contracts, and in this case it's particularly related to nuance abatement and.

>> Mayor Adler: Which number was it? I'm sorry. 1.63. So what you're suggesting is that 1.63 doesn't belong in public safety? That 1.53563, as -- 1.63 as an item number should be moved to health and human services?

>> Casar: That's right.

>> Mayor Adler: Makes sense to me because I think that's really what it is.

>> Casar: We'll move it over to health and human services. We've spoken with health and human services about administering this so, again, it's just 350,000 that's in code's proposed budget from item Numbers where those haven't been expended this year.

>> Mayor Adler: Okay.

>> Casar: I thank the department for working with me to figure out how to fund this in the way that allows them to continue the operations the way they see fit.

>> Mayor Adler: Couple of things associated with that, ed. It's been suggested that in public safety, line 1.63 should not be in public safety. But it should be moved to health and human services as the department to handle that. So that whole thing would just move over to health and human services. Is that difficult to do? Can you just do that?

>> I think for our tracking spreadsheet we would need to move it from an other funds to a general fund and it would increase the gap you're looking at in your general fund.

[3:28:58 PM]

>> Casar: It would -- would it increase the gap if I'm in the same motion doing reductions?

>> Because the savings would be in the code department, and if I'm understanding this right -- maybe I'm wrong, but it sounds like there was savings in the fiscal year 15 budget.

>> Casar: No. This would be modifying the line items for the next fiscal year's budget. And the reason that I wanted to make those modifications is because in this fiscal year's budget, we didn't even spend that money.

>> Okay. I would like to get with staff on I would like to get with staff on this one. Typically if it's a contract related to the health department we would budget it in the health department. The code compliance budget is a nongeneral fund budget. But to take savings from code compliance and --

>> Casar: My understanding is that this is money we are generating which can be used for nuisance abatement and outreach activities. Could we not take that from the clean community fee to do that sort of work in whichever department it is that we so chose, the same way the clean community fund funds things and various entries funds from resource recover to code compliance and health and human services. If you all can get back with us that would be helpful.

>> If this is something related to nuisance, and the code department as an expense and if they currently are saying they currently have funding in their F.Y. 16 budget so we don't need any budget amendment and they are just going to commit to doing this in regards to which department administers the contract, that's something the code department and health and human services could work out.

>> Casar: Great. Well, in that case if we could just move to make reductions though in those line items as opposed to what it was that was described during the council concept.

[3:31:06 PM]

>> So in terms of the tracking spread sheet, I believe 163 is currently turned on, it's currently on your list of things to do and we would go down to 227, which is the \$300,000 of savings and turn that one on as well. Essentially that one now would be cost neutral.

>> Mayor Adler: And if you could move it on the tracking menu change the category so it showed up in health and human services because that's where it's going to be spent, that's what that project is, that would be good. Okay.

>> Casar: And if you can notice on the yellow sheet there was a typo, it adds up to 300, but it actually adds up to 350 if you look at the individual line items. Thanks for entertaining this everyone.

>> Mayor Adler: Does that mean the program cost is 350?

>> Casar: Yes, the total cost ends up being 350 with those suggested changes.

>> Mayor Adler: Okay. So line 163 goes from 300 up to 350, but there's a corresponding change on that item that was on page 14. 227 also goes up to 350. Negative 350. Okay?

>> And 227 has a reduction of one fte. I'm not sure if that's something you discussed with them.

>> Casar: No, there is no reduction in ftes by reducing just these object codes. The advertising budget, the vacant lot and the hard --

>> 227 will increase to negative \$350,000 and will remove that subtraction of an fte.

>> Mayor Adler: Correct. Okay. Any further changes that impact the health and human services budget? Ms. Gallo.

>> Gallo: Can I just ask for a clarification on 1100 and 1200 is?

[3:33:06 PM]

>> Casar: My understanding, the code department can follow up, when someone is out of compliance and they have a vacant lot we oftentimes have those landowners pay for clearing of that lot and weeding of that lot, but sometimes we cover the upfront expense. And so we have about \$500,000 in unexpended funds year to date today in those two object codes.

>> Mayor Adler: Okay. Any further things in health and human services? Ms. Troxclair.

>> Troxclair: I wanted to ask mayor pro tem tovo about 1.09 and 1.10. She mentioned earlier that she intended to move those figures from one-time funds to the general fund.

>> Tovo: Upon reflection I'm comfortable with them being one-time funds with the broader discussion and the community about how to work with aid. I'm comfortable with how they are in the budget this year, but thanks for following up on that.

>> Mayor Adler: Nuggets -- anything else on health and human services? Ms. Garza.

>> Garza: I want to caution trying to add things to the 1.8 allocated for contracts because my understanding is there -- as director Jones stated, there was a lot of requests and not enough money to fill those and so there's already -- there was a bidding process done and there's already a lot of prioritized things that need to be funded. In short that money is really spoken for already. And while I appreciate the assistant city manager's saying -- his opinion of the priority, there was a pretty big community stakeholder process and rfp process that set those priorities, so I just -- like I said in short, a lot of that money has been spoken for so I don't want us to start taking stuff out of there to allocate other places.

[3:35:07 PM]

>> Mayor Adler: Okay. Ms. Tovo, then --

>> Tovo: I hope I was clear before when I was responding in that discussion, I'm suggesting we spend an additional 600,000 on permanent supportive housing and not take it out of that piece.

>> Mayor Adler: Mr. Zimmerman.

>> Zimmerman: Thank you. On this question I've had quite a few conversations with this with people about this permanent supportive housing, does it actually save money elsewhere. And so I've been told over and over again that oh, yes, if we spend that 600,000, we'll have these tremendous savings and I

said great, show me in the budget under any of the other items where that 600,000 will be taken off so that we add it at permanent supportive housing. Do we say 600,000 -- save 600,000 in public safety? Where do we realize the savings. I think assistant city manager Lumbreras had said that. If we spend \$600,000 on permanent supportive housing we'll save elsewhere. I would like to see where that comes from otherwise I will be voting against it.

>> Mayor Adler: Any further issues? Does anyone want to make any motions with respect to changing --

>> Houston: Mayor, I'm sorry. I wasn't quick enough. I never got an answer to my question about the capital expenditures for the healthy food initiative. I'm still wondering do they use their own coolers or do we purchase the coolers? I'm still asking that question.

>> 150,000 of the allotted would go to coolers, the coolers and marketing.

>> Houston: And so after two years or a year and a half, the healthy -- the corner store decides they don't want to do this anymore, who owns the inventory?

>> I'm not sure, I don't know the answer to that.

>> Mayor Adler: Does anybody have any motions they want to make, any amendments they want to make?

[3:37:10 PM]

>> How would we encompass all the different items like for the residents advocacy program and the items where we've moved the money around? Should we just a general statement I'll move to amend health and human services with the changes that have already been discussed or do we need to itemize and list them?

>> Mayor Adler: Let's itemize them so people know what they have.

>> Pool: I would be happy to make the base motion and maybe the people making the adjustments on the money could run through what they are.

>> Mayor Adler: And -- I'm sorry. Does anyone want to make -- we have this base budget, we're in health and human services. Does anyone want to make any motions to change anything that's on this page for right now? Mr. Zimmerman.

>> Zimmerman: Thank you, Mr. Mayor. I'd like to move that we strike 1.09 and 1.10. That's the Austin -- page number 24. Thank you. 1.09 and 1.10. And that would strike the 684,000 and the 520,000 from one-time funds if we eliminated those. And those savings would go to one-time fund, right?

>> Mayor Adler: They would.

>> Zimmerman: If there's a second.

>> Mayor Adler: Is there a second to this amendment?

>> Houston: I just have a question. Didn't we do one-time fund last time for --

>> Mayor Adler: We did for both of those.

>> Houston: Can you do one-time funds two times in a row?

>> Mayor Adler: Yes.

>> Houston: So it's not one-time fund then, let's be real.

>> Mayor Adler: I hope that we get creative about this and my hope is that when this budget season is over, we take a look at doing a tax swap with our school districts where -- thank you -- where we take the last penny or 1.8 pennies that the school district charges and we reduce our tax rate by that amount in agreement for the districts to -- we raise our tax by that amount in exchange for the district lowering theirs by that amount.

[3:39:24 PM]

It was early estimated that would mean \$10 million more than is currently be kept in our community because of the school finance laws and this is a proper thing to do so long as the money we're spending is money that's spent on social services and not on the delivery of education. My understanding is if there is about that amount of money that is social services that the school district is spending that we could spend. So my hope is that this would be one-time funding.

>> Houston: Again.

>> Mayor Adler: Again.

>> Houston: Okay. I have concerns about duplication of services and the money the city provides to a variety of entities that offer after-school programming and there's really no way to capture that because sometimes it's out of parks and recreation, sometimes out of economic development, sometimes out of health and human services. And so it seems to be that there's some -- maybe more than I'm imagining, but there's not enough time to figure that out in this budget cycle, but I was at black sheer elementary the other day and creative action provides after-school programming there. And I say blacksheer because that's one of the programs that prime time is supposed to address. The ymca also provides after-school programming. So I'm not sure what this money goes to supplement or how many children are not getting the after-school supports that they need. So how do we make sure that we're not duplicating services is one of my concerns.

>> Mayor, I was earlier going to offer an amendment -- a motion to add the changes in the dollar figures on a different general fund and one-time funds that we've talked about.

>> Mayor Adler: So let's hold that thought.

[3:41:25 PM]

The amendment in front of us right now is the one to delete 1.09 and 1.10. And my understanding, Ms. Houston, is that this is to fund programs that are partially funded in aisd that are in schools now. And it's picking up some schools that they thought had particular needs. Most of which are in -- on the east side and have been identified as needing --

>> Houston: Conveniently most of them in my district. So yes, and I think that's intentional, but -- because I do have a concern about the fact that I see -- I see after-school programs going on, boys and girls club offers them, and so I'm not sure how that all fits together. And maybe today is not the time to figure that out, but I just want to caution us that we have some duplicated services that the city funds, parks and recreation funds some of them, economic development perhaps funds some of them, and so yet we're getting a \$600,000 one-time only fund to provide additional supports and I'm not sure where that money goes and the number of kids that are being served by that money.

>> Mayor Adler: Ms. Tovo.

>> Tovo: I would be glad to share with my colleagues the information I have from the school district. I'll talk first about the program sites and I can put this up online if I can get to you all. But in just running through and they've organized it conveniently by district, mostly sunny Houston, you are correct, you have the most after-school sites. Womens leadership academy, Harris elementary school, Norman, pecan springs and Wynn elementary schools. In district 4 are Barrington, padrone and wood ridge and Wooten and district 9 Travis high level, Fullmore and Pease.

[3:43:31 PM]

And I think I have the number of children served. But I will say these are programs that will not exist but for this funding. In fact, I was copied on an email just the other day from one of the principals who wrote to the school district to say do you know anything about the funding, the kids are asking about these programs and whether they will be available this fall. So these are programs that will not continue

without support. With regard to the parent-teacher support specialist, which is the other item -- let's see. Somewhere I have the number of students -- ah, and for the after-school program, the number of students served was approximately 3,500. It would be an expansion of, I believe, three extra schools this year.

>> Mayor Adler: I agree, Ms. Houston, over the next year my hope is we throw the vehicle in our system to take a little bit closer looks at several different department areas and that we routinely do this over time.

>> Houston: And again, I'm for education and quality education and providing our school children with all the resources that they need, but I also think that we need to be careful and ensure that there's not an overlapping of services. For example, there's one of the programs in here we give aunt Bertha, I don't know who aunt Bertha is, about \$24,000 to do the same function that 211 does. We've got to really look at those over the next year and make sure we're not duplicating those services. And I'm sorry, aunt Bertha, but we've got 211. It works well. People call that and they get directed to the kinds of services that they need. So it's those kind of things that concern me and so this is my commitment that I will vote for these two things this year. I will not be voting for them next year if we still have the same kind of issues.

[3:45:34 PM]

>> Mayor Adler: I understand. Further discussion on this? Is there a second to the motion to take out 1.09 and 1.10? Seeing no second, we'll move on to the next item. Is there any other motion on this health and human services? Ms. Tovo.

>> Tovo: I would like to make formally the motions I discussed earlier. One would be to move the sew sobriety center funding to general funding and as I indicated we believe we have the opportunity to shift -- potentially shift some of those fire department expenses to one-time funding, though I'll need the staff to confirm that and that would free up general funding. It would be \$100,000 shift from the general fund from -- from one-time fund to go general funding.

>> Mayor Adler: It's been moved to amend the plan, \$100,000 on line 1.04 on page 24 and move it from one-time fund to general fund. Seconded by Ms. Pool. Ms. Kitchen.

>> Kitchen: And I'm sorry, I know you said this before, but I just want to repeat for myself that I will vote for this at this point in time, but I am keeping an eye on the general fund and we may have the chance to come back and revisit it if we don't at the end of the day and balancing the general fund.

>> Mayor Adler: Further@ discussion on this? Ms. Troxclair.

>> Troxclair: Mayor pro tem tovo, can you give us an update, I can't remember if the other entities involved in this initiative have committed any funding.

>> Tovo: So at this point and I'll invite my colleagues on that work group to jump in as well. At this point we're still in the process of formalizing some recommendations to come back to each of our respective bodies so I'm not sure whether any of them are [inaudible]

[3:47:42 PM]

Hire an executive director and do that kind of search. There would be several steps but it would be a cost that's shared by the other entities.

>> Troxclair: And this money, this \$100,000 would be for an executive director?

>> Tovo: It's really a place holder so we have some funding available this year and can prepare to move forward and that would be the most likely first expense would be to do some kind of search for an executive director who could help us solve some of the next -- kind of hit some of the next milestones.

>> Troxclair: When if everything moved forward, when would you anticipate the earliest would be that an executive director could be hired?

>> Tovo: I don't know I could speculate.

>> Kitchen: My hope would be January because the thinking -- the thinking would be -- or perhaps before, but at least by January. And the thinking would be that as councilmember tovo said once an executive director is hired, then it's that person's responsibility to get this thing up and running because essentially it's a startup and that's what you do when the CEO is hired, CEO's responsibility to take the startup and get it up and running. So -- including locating other funding.

>> Troxclair: So if the \$100,000 is for -- anticipated for a full year of salary, but you wouldn't anticipate hiring them until a few months down the road, would you be open to prorating this to tailor it to a date where you would reasonably expect an executive director would be hired?

>> Tovo: Well, we asked our -- we asked the management to come up with what they thought was a reasonable place holder in terms of some initial fund to go keep the process moving forward and that was the number they suggested and my guess, I'll look to them to jump in here, is that that would cover our piece of an executive director's salary as well as additional other costs that we might incur here in this next year.

[3:49:45 PM]

And it might not. I think I noted this on my amendments on Friday that this may be one of those items we have the comeback at midyear and evaluate because it's an extremely small placeholder which is trying to get that sobriety center up and running just as soon as I can.

>> Ott: If I can, I think mayor pro tem tovo is correct in her description, this was intended to just get some working dollars to keep this whole effort moving. I know that staff is working in conjunction with councilmembers and the other governmental agencies to identify overall goals for the sobriety center. Obviously the program from a functional standpoint how it will work, those things are still being defined. I think these dollars are simply in anticipation of in the course of doing that work there will likely be some expenses. It is also likely, as mayor pro tem indicated, that once these things are defined and refined and we come back to council, to this council and the others go back to their respective governmental units, there will be very likely a need for additional resources to realize the vision of this sobriety center. Assistant city manager, you don't have to come up unless I have not characterized this accurately. Thumbs up on that? Thank you very much.

>> Troxclair: I just want to make sure or clarify for my own record that if we did move forward with establishment of the sobriety center if, again, all works as planned we would reduce the amount of people who are in our jails. This would be a more -- hopefully a more cost effective and reasonable way to deal with people who need to get sober.

>> Tovo: That's absolutely my expectation based on the research that folks in our community and the working group have been doing.

>> Troxclair: Thank you.

[3:51:46 PM]

>> Tovo: Well said. Thank you for making the bigger case.

>> Mayor Adler: I want to vote to also move it over to the general fund with the same reservation because I don't know how it all plays out and I'm in favor of the sobriety center. And it would be great when the plans come in, we can actually know what -- what we need to do to actually make it happen. Mr. Zimmerman.

>> Zimmerman: Thank you, Mr. Mayor. I'd like to speak against the motion if I could. I think what we're doing here is we're making a policy decision by putting this into the general fund. We expect the sobriety center to become a permanent fixture. We're making a commitment in the general fund to say next year it will be 200,000, 300,000, whatever it is. I have a little bit different perspective on this. Someone came to my office to sell me on the benefits of the sobriety center and I look at the \$100,000 as payment for a full-time lobbyist who will be lobbying in favor of the sobriety center. And this individual will prepare one-sided information claiming tremendous benefit for the sobriety center, and it will be that person's full-time job to lobby every one of those councilmembers and tell us what a great idea the sobriety center is and how much money it's going to save us. I see this as hiring basically a full-time lobbyist to sell the council. The other point, again, I've been told the sobriety center is going to save us money because APD is not going to have to process the drunks and -- but again, no one can show me where in the budget the savings are going to be realized. So that's why I'm voting against this.

>> Mayor Adler: Okay. Any further discussion on this motion? It's been moved and seconded. Those in favor of moving \$100,000 to the general fund please raise your hand. Those opposed? Mr. Zimmerman voting no, the rest aye. Any other in the health and human services section.

[3:53:48 PM]

>> I would like to move the 600,000 for permanent supportive housing based on the conversation that we had previously and that the mayor pro tem had raised. And that would be general fund.

>> Tovo: And I'd like to second that.

>> Mayor Adler: It's been moved and seconded by Ms. Ms. Tovo. Ms. Kitchen?

>> Kitchen: I will vote for it at this point in anticipation of identification of additional cuts that councilmember tovo has indicated she may be offering and we may need to revisit this at the end of the day.

>> Mayor Adler: Ms. Gallo.

>> Gallo: Just a point of clarification, please. If you could say where -- we had a lot of discussion on it and some of the discussion was leaving it in and some was taking it out, removing it, but could you restate again what your motion is and what you are doing with that funding? I just want to make sure I'm not voting to remove this funding.

>> Mayor Adler: It's been moved to add \$600,000 in general fund spending for the purpose of funding the supportive component of permanent supportive housing. It's been moved and seconded. Ms. Troxclair.

>> Troxclair: So would it be in --

>> Mayor Adler: I'm sorry. Hang on.

>> Gallo: Where is it?

>> Mayor Adler: It's new.

>> Tovo: Mayor, it was on the budget amendments I posted on Friday and it is -- there is additional information about it in the document -- in two documents. One was the initial funding request we received last spring, but it's also in the health and human services -- in the document ed sent us Friday that annotated to show what had been incorporated into the city manager's budget which hadn't -- in that document it appears on page 23 and it was health and human services, request number 2.

[3:56:08 PM]

>> In a little bit I'm going to hand out my amendments. It sounds like we didn't all necessarily print each other's, and that will make it easier.

>> Mayor Adler: It's been moved and seconded to add \$600,000. I'm also going to support this at this point in our conversation. I think that this is a time and a unique opportunity to add significant funds to the health and human services, social service portion of our budget. I think we have other needs in other parts of the city as well. This is getting a really significant weight and I think it deserves an overweighting and I want to keep this in the conversation. I'll certainly give what staff recommended in terms of its importance and then to see how the rest of the budget develops. Ms. Troxclair.

>> Troxclair: Would it be in order to amend the motion to add the \$600,000 in general funds for the permanent supportive housing and have an equal decrease in the undesignated contracts based on your question to staff earlier?

>> Mayor Adler: Yes, I think you could -- you don't have to do it that way, but I think it would be in order for someone to do it that way. I think it's kind of the gist of what Mr. Casar did earlier Zimmerman I'll second that motion.

>> Mayor Adler: It's been moved to cut the million eight 25 to go down to a million 225 as part of the raising of the \$600,000. It's been moved and seconded. At this point in the process I'm going to vote against that, although I don't know ultimately what happens in terms of moving money around, but I -- I would keep it in at this point pending the additional conversations on what's happening.

[3:58:08 PM]

That's my personal view. Further discussion on this item? Ms. Garza.

>> Garza: I want to clarify that it's not really undesignated money. That money really is designated.

>> Mayor Adler: Mr. Zimmerman.

>> Zimmerman: Thank you, just maybe point of inquiry. So the permanent supportive housing we are doing that already. Can I get a number of how much money is currently being spent on the permanent housing? How much is being spent before we consider this additional 600,000? I hope somebody can answer that. I saw somebody here.

>> Councilmember, we don't have an exact number now because we have a variety of sources. We'll be happy to get back to you.

>> Zimmerman: To me that's an important number. How long will it take to look that up?

>> I'll ask staff to go and --

>> Zimmerman: Can we do it in an hour or two?

>> Yes.

>> Mayor Adler: Any further discussion on adding the \$600,000 reduction to the million 825 as part of this.

>> Tovo: Just to clarify, so this is -- we're voting first on the amendment to the amendment.

>> Mayor Adler: Yes. Ms. Troxclair Claire Mccaskill I think there are going to be a lot of things we want to come back and revisit so we can always come back and revisit the amount that we are allocating to what is being called on our sheet undesignated contracts for social services.

[4:00:08 PM]

In my mind if there's anything that we can do to prioritize as we go through, that it will help me to kind of keep everything straight. And again, based on the testimony of our city staff it seemed like that was the recommendation, if they had to make the choice.

>> Mayor Adler: I just don't have a feel yet for how much other things people are going to want to add and that's the sense I need. Any further discussion? Those in favor of amending it to take the 600 out please raise your hand. Gallo, Zimmerman, troxclair.

>> Sorry, I wasn't paying attention. My hand wasn't up, I just thought it was up.

>> Mayor Adler: Gallo, troxclair, Zimmerman voting yes. The balance of the hands, the amendment is defeated. We are now on the motion to add the \$600,000 item for the supportive component, permanent supportive housing. Further discussion? Those in favor raise your hands. Those opposed? Mr. Zimmerman voting no. And Ms. Troxclair abstaining. We still need that information. They will be coming back to this section in a larger context. Any other changes to the health and human services component on this?

>> Could you clarify that last item. Are those one-time dollars?

>> Mayor Adler: Those are general fund dollars. I have us at this point with about -- down about a million 852 on general fund dollars. Is what I'm calculating it roughly to be. Nothing else on health and human services, that gets us to economic development. Are there changes that anybody anticipates proposing with respect to the economic development section now?

[4:02:11 PM]

>> Mayor.

>> Mayor Adler: Mr. Renteria.

>> Renteria: I have a problem with the 130 on funding for capital idea. It's my understanding that they have been funded since last year for --

>> Page?

>> Renteria: Page 22.

>> Mayor Adler: Page 22, line 1.3.

>> Renteria: It's my understanding they have been funded for three years now starting last year at one point -- I believe at 1.1 or 1.2 million per year with the option of for 37 months with an option of stepping the contract for -- extending the contract for another two years and I just don't understand why they come back and ask for \$350,000. When I saw the first -- I saw that first submitted, it was for 16 additional people, which I -- sounds kind of steep to me because when I divided it up, it seemed like it was like 20,800 for each individual. It was quite expensive for me and I think we could use this money in the human service department. So I would like to submit that we transfer this fund to human service.

>> Mayor Adler: It's been moved to strike the \$350,000 in 1.3.

>> I'll second.

>> Mayor Adler: Seconded by Mr. Zimmerman. Conversation on this item? Me first. I broke my own rule. We're still in economic development so one of the concepts we're going to consider is taking off this item 1.3. Are there other things for us to discuss in economic development? Ms. Kitchen.

>> Kitchen: I have a question and I may just not be understanding, but item number 1.61 about televising the land development code advisory group, I know it was a pretty low number. I don't see it here.

>> It was \$3,800, just shy of \$4,000.

[4:04:14 PM]

And I was going to make a motion to include it.

>> Mayor Adler: Okay.

>> Pool: And that is item 1.61. So \$3,800. It can be one time at this point, I think.

>> Mayor Adler: 3800 even?

>> Pool: Yes.

>> Mayor Adler: Okay.

>> Pool: It's a rounding error, I think.

>> Mayor Adler: Anything on economic development other than those two? Ms. Tovo.

>> Tovo: So I think the reduction that I'm proposing is actually captured under financial services, financial policies.

>> Mayor Adler: I think so too.

>> Tovo: However, if that's successful, I'm also proposing-and again, these were posted in my amendments on Friday, that we consider using some of that money for some of the items within our proposed budget that are about economic development. And so those might include, for example, funding the African-American cultural heritage district out of some of that newly realized revenue and some of the other -- some other of the items that we've already identified. We can talk about that later, but just as a general -- as a general principle so we are aware. I think that's the only thing I have within economic development, but I hope that we also can reserve the ability to go back to some of these sections if we find we miscategorize them in our know at a timing, which I sure may have.

>> Mayor Adler: Even if we haven't mischaracterized, we can go bam. Mr. Zimmerman.

>> Zimmerman: I'd like to move adoption of 2.21 by councilmember troxclair that would decrease the budget for the Austin new year's eve event and reallocate that money possibly to councilmember pool's 1.61 item.

[4:06:22 PM]

I would like to make that motion that we implement those savings in 2.21.

>> Mayor Adler: What was the economic development that recommended decreasing this? This was -- I guess it wasn't recommended decrease decreasing. If you had to decrease, this would be one you listed if there was a forced reduction this would be something included in that.

>> Yes, good afternoon. Assistant director for economic development. We sent this reduction as part of the requests earlier this year and so the scale for Austin new year's, the footprint would be reduced. For the Austin new year's eve event. Instead of typically having three stages, we would scale back to two stages.

>> Mayor Adler: Okay. Thank you. Ms. Troxclair.

>> Troxclair: Can you tell me what the current budget for that event is?

>> Currently it is \$47,000. We do a lot of in-kind and we have great help from our sister departments.

>> Troxclair: So I have the -- is the number -- I have \$97,000 as a response to a budget question.

>> The 50,000 currently was for temporary staff and due to the possible budget reductions we have retooled the model and we currently have a solicitation for an event coordinator so those reductions will be coming. So that's how we will then be able to reduce to the two stages, hire the event coordinator and still produce the event.

>> Troxclair: Okay. So you are saying you are already planning to in your next year's budget to incorporate the reduction that I have proposed in 2.21?

[4:08:24 PM]

>> Right. It was already on the concept list so we were already factoring that into our planning. We are in the midst of planning it now so we planned for the east amount and if we still have the increase, then we can scale it back up, but we knew that was a possibility so we just planned to reduce it to two stages versus three.

>> Troxclair: Okay. Thanks.

>> Mayor Adler: Okay. Anything else that anyone is going to throw out on the table with respect to economic development? Hearing none, I'll now entertain a motion if anyone wants to make any as concerns these economic development items. Ms. Pool.

>> Pool: I'll move adding \$3,800 in one-time funding for item 1.61 which is to televise the land development code advisory group meetings. This is an item that the community has requested.

>> Mayor Adler: Is there a second?

>> Second.

>> Mayor Adler: Ms. Houston seconds. Any discussion? Hearing none, those in favor please raise your hand. Those opposed? It's unanimous. That gets added. Mr. Renteria moves to strike the capital idea funding.

>> Renteria: Yes.

>> Mayor Adler: Which is 1.30.

>> Renteria: \$350,000. And the reason I did that is that they got a 37-month funding for \$3,391,950 with three 12-month options with extension options, total 6783906, \$6,708,900. So I feel like they are pretty well funded. And I don't know why -- I think we could use that \$350,000 for other programs.

[4:10:27 PM]

>> Mayor Adler: Is there a second to the motion to strike the \$350 from capital idea? Mr. Zimmerman. Any further discussion?

>> Zimmerman: Point of inquiry. Has this been a one-time allocation before? I believe that's what was mentioned. Could somebody give us the quick history of how much money has been put in the capital idea over past budget cycles? Or is this the first time this has appeared on the budget?

>> Mayor Adler: Mr. Renteria says they are in the middle of a contract, \$6 million contract and this is adding funds to that.

>> Zimmerman: So there's been 6 million already spent and this is another 350,000?

>> Renteria: It just started last year.

>> Mayor Adler: It's a multi-year contract, isn't it?

>> Renteria: It's two 37-month contracts. Capital idea. Which they are in their first year of the contract, I believe.

>> Zimmerman: If that's the case, why would it -- yeah, I don't understand the history here. So I thought if we had expenses we expected to go year to year they would be general fund.

>> During the F.Y. 14 budget, \$350,000 was added in addition to their base contract at that time of 1.1 million. So it was added to the base during F.Y. 14. Previously during F.Y. 13, \$200,000 was added to their base budget. So currently at this point their total base budget is \$1.4 million per year.

>> Mayor Adler: Thank you. Yes, Ms. Garza.

>> Garza: For sake of discussion, I'll be voting against this. This program, it -- it provides wrap-around services for people trying to get out of poverty. And of the people they serve, the highest percentage is hispanics.

[4:12:31 PM]

47% of participants are hispanic and 76% are women. This program provides an opportunity for people to get college degrees, it provides a case management for them, it provides child care, transportation expenses. That's why the number is so high. But at the end when people get through this program, they are able to not have to depend on other social services because they are able to have a job that pays a living wage and they are able to support themselves. I support any additional funding that we can find for this.

>> Mayor Adler: Ms. Gallo.

>> Gallo: I agree with you. It seems like an absolute wonderful program. And I guess where I'm confused and I may need some staff help here is as we just pointed out, in November -- prior to this council, but in

November of last year a contract for \$7.6 million was awarded for this. And I guess what I'm not understanding is why when we just awarded a multi-year contract at specific amounts we're looking at adding more money into it. And I understand you did something in '13 and something in '14, but in November of last year there was a very large contract that was awarded and I'm confused. That doesn't seem like good policy that we award big contracts for multi-years and then we go back in on an annual basis and keep adding to it versus having the policy discussion when we award the contract even though it was a different council that did that, it still seems like -- and it's a wonderful program and I agree with councilmember Garza that we should fund it, but it looks like we have funded it adequately and we are in this strange process and all of a sudden we're looking at putting more money in.

[4:14:31 PM]

Can you help us?

>> Yes, I will try and lean to my colleague if case I get something in error. We were in the midst of a contract solicitation because at one time the funds in the management of the contract resided in health and human services. So when the additional funds came in, we were in the midst of doing an rfp process. And so this action, if taken by council, would add an additional 350,000 to serve 50 clients starting next year. So it had to do with timing of the rfp process. And so even now adding, we would have to come back and amend the contract to add the additional funding.

>> Mayor Adler: Do you recommend this?

>> Yes, we -- we believe that workforce development and building a bridge with economic development is a great policy. We need to train a great workforce not only for high-tech companies but for our small businesses too in the area. It does provide wrap-around services and when the graduates come out, they are ready with high-paying jobs. About four years ago I think there was an article in the paper that featured a young lady who had dropped out, went through the program as a registered nurse, was able to then afford to buy a home. She had two little ones, serving as a great model and example of what mom could go back to school and do. So yes, it's a great program not only for current students but the generation coming behind them.

>> Mayor Adler: I'm on both sides of this issue myself. I think this is a good program too. I think it's doing really important work in a space that doesn't have other providers. I'm concerned at the low number of people who actually graduate through the program and I had the opportunity to talk to the -- to the folks and I know that capital idea is working on additions to the model that allow for the ability to get degrees or certifications along the way so there can be more graduates and more end product wins for the same kinds of costs which is why I support this and support it now on a one-time basis to see how that scaling work goes.

[4:17:06 PM]

This is a program where there's great need and we need programs that can scale. Any further conversations on this? Mr. Zimmerman.

>> Zimmerman: Thank you, Mr. Mayor. So obviously I seconded this motion and I favor striking the funds, but I want to let you know that I thought you did a very good job of selling me. You told me how great the program was and you cited someone that had gone through it and they got a good paying job. I mean I -- in a way I appreciate the lobby effort because you are effective selling it to me, but again I think if I had somebody-a counter part to you that could explain why it's a bad idea and could come up and say there's a lot of duplication of services here. If I had that other viewpoint, I think I might be able to convince more councilmembers to vote to strike this. So again, thank you for telling us how great the program is, but I'm missing the person with the opposite point of view.

>> Mayor Adler: She thinks it's a good program. Let's go ahead and any further discussion? It's been moved and seconded to remove the \$350,000. All in favor please raise your hands. One, two, three, four, five. That's Gallo, Renteria, troxclair, Zimmerman and Houston. Those in favor of keeping it raise your hands. One, two, three, four, five, six, it's the balance. It stays in. Any further motions with respect --

>> Did you count me?

>> Mayor Adler: I did. And I said your name too. Ms. Gallo.

>> Gallo: I just want to make a comment because this is concerning to me that we have -- we have large contracts and I consider a \$7.5 million contract large for a very good program. But then we talk about expansions to it as part of the budget process when we are so incredibly constrained for time.

[4:19:13 PM]

And I just -- I hope that as we talk about doing this differently next year that we will talk about giving ourselves the opportunity to really spend thoughtful exploration of these different things rather than feeling like we need to make decisions on them in a very quick amount of time. So I just -- I hope as we talk about doing this next year, once again that we won't be put in a situation where we have to make these really almost snap judgments on things that are ongoing contracts that ought to be part of the discussion throughout the year instead of right now.

>> Renteria: Mayor, I support creating jobs and working with these groups, but when I go out and see in vivid locations like good will where they are giving out diplomas to people 17 to 50 years old where they are helping them in a career path, they provide all the day care centers and they don't come and ask for any funds, they are doing it on their own and they have over 500 people in their classes, when I look at skill point alliance, they have a 37-month contract for only \$450,000 with a three 12-month extension option of 150,000 with a total contract of \$900,000. You know, this is why I brought it up. I feel like there's other groups out there that -- we should make these contracts really competitive with all these groups and apply for it because, I mean, there's some -- some groups that perform -- I mean 500 people in their charter school where they are going to all have career training? Those are the undesignated contracts okay of things I'm looking at to get the most out of the money.

[4:21:13 PM]

That's the reason I didn't think we should have supported the 350. It's not that I have anything against that organization.

>> Mayor Adler: No, and as we go through this budget process, we're almost \$2 million over in general funds so I would imagine you're imagine we're going to be revisiting some of the things -- we're going to have to revisit some of the things because we're out of balance. Ms. Tovo.

>> Tovo: I have a potential amendment. I just realized it was in economic development. And that is for -- and this again was posted in my Friday amendments. It is to eliminate the consultant for logo and branding in the amount of 50,000. The relevant pieces of information are the budget week, volume 2, page 685. Also I had submitted a question through the Q and. Process. I still believe we probably have the expertise here at the city in one of our various departments to help with that logo and branding and I don't see this as a critical expense right now. Zimmerman if that was a motion I'll second.

>> Mayor Adler: It's on line 25 on page 23. Can someone in development services speak to this?

>> Meredith quick, acting manager for development services but I think Rodney would probably want to talk about it but he just stepped out so I'm going to grab him.

>> Mayor Adler: Take your time. We've high school -- we'll move on from this item.

>> Casar: I generally don't pipe up, always about comments folks make on the dais, but we have so many city staff here I want to express my different opinion from councilmember Zimmerman because we're going to be getting so many opinions of our city staff that I do appreciate city staff giving their honest assessment and honest expert opinion and I may very well disagree with that opinion at times and agree with that at times.

[4:23:38 PM]

I know it's difficult on TV in front of all of us especially when we're asking you to prioritize items exactly what you think it is or on the fly, but I appreciate the honest responses that you can give because we're trying to do this job the best we can and we couldn't do it without you so thank you for expressing your honest opinion.

>> Mayor Adler: Ms. Houston.

>> Houston: While we're waiting, could you tell me a little about 1.85 economic development sxsw.

>> Mayor Adler: Everybody year in the -- every year in the spring sxsw asks to have fees waived. It's my personal belief that sxsw is a huge economic development driver for the city. And provides a lot to our live music venues which are holding on by their nails. It provides branding for the city. And as I now travel around in this capacity to lots of different cities speaking to lots of different organizations, lots of different mayors, lots of different people, I am ever more impressed with how important that is to our city. What I originally put this on was because I wanted to make sure that the money was in the budget so that if a fee waiver was granted again, which I had hoped it would be, that there wouldn't be money then that wouldn't be in the police budget or in the parks budget or in other places because the fee would be waived and that money then wouldn't go into those departments that needed those.

[4:25:43 PM]

I have learned, however, that this budget already includes the money that is required of APD to be able to police and the other resource recovery, so the money is already baked into this budget to provide whatever services those departments would ordinarily provide plus meet the city's needs with respect to sxsw. A lot of which is not sxsw, it's what happens in our city during the weeks of sxsw. So one of the things that I'll be talking about in the evening here is seeing if we can make as part of our budget resolution when we adopt it tomorrow or the next day a statement that recognizes that that money is already in the budget and that for reasons that -- and I'll enumerate them, that it's in the city's interest to support the -- and to pay for the support associated that the demand that's created in the city to make that part of it so that we don't have to go through the fee waiver process in the spring. That's why I had that item. Okay? Any additional things with respect to economic development? Ms. Troxclair.

>> Troxclair: So I'm -- I want to make sure I'm understanding you correctly. On the Normal process of south by southwest coming to ask for a fee waiver in the spring, that would not be necessary if we adopt the budget as it is, we are agreeing to the fee waiver?

>> Mayor Adler: My understanding is that in order for that to happen I have to make that motion associated with this kind of like in the nature of a financial policy adoption, but that there's -- there's findings of fact that I need to be able to read into the record with respect to the benefit that the city receives.

[4:27:51 PM]

And those now, but that would be my hope. My hope would be we could do this in a way we could handle it now and we wouldn't have to do a fee waiver in the spring. Ms. Tovo.

>> Tovo: Mayor, on another subject, I do have -- I intend to propose cutting a couple positions within development services. It's not real clear what category those fall into. Do they fall into this one, do you think?

>> Mayor Adler: I think this would probably be as good a place as any if that's something that you wanted to do. Ed, is there a better place? Is that a financial --

>> Tovo: I believe they are both funded out of general fund. I'll lay out. One is nine months of funding for a new marketing position and I believe the dollar amount is \$73,385 within development services. This is a position that has appeared in the budget for the last two times -- last two fiscal year budget and has been cut both times and we did ask questions through the Q and a process but I'm still not convinced and would propose we cut it. In my amendments I suggested we apply that money to the fund the music ftes. That way since we've already approved a base budget with those marketing positions so it would just be a savings to the general fund. And then the other is the customer service position, and this was also proposed for inclusion, that's my understanding we have two customer service representatives within the development services who are currently taking calls. This proposal would increase that number to four. And in looking at the call volume, I would suggest that one is a good interim step to see how well one meets the need and I would be glad to run through the calculations.

[4:29:53 PM]

On that call volume, I believe
[inaudible].

>> Mayor Adler: what's the savings? What's the savings on that, Ms. Tovo, did you know.

>> Tovo: I do know. I just clicked off that page but I'll be back to it here in a minute. 55,803. So the nine months of the marketing position is 73,385. The one customer service is 55,803. It would be good for staff to verify that but those are the Numbers that I had.

>> Mayor Adler: Rodney, can you come up for a second?

>> Thank you, mayor, council, Rodney Gonzalez, acting director for development services department.

>> Mayor Adler: Thank you. There are three items that you're being asked to come up to speak on. One of the things that we're doing in this budget is that's -- that's in our base budget right now is accelerating the fees that are to be charged in the development process to the tune of over a million dollars. We'll be getting to that later, I guess, if we need to. I justify that by saying that we're going to be fixing the challenges that we've had in that department and I'm telling folks that they need to be willing to pay more to pay the cost of what they do in order to be able to help achieve those things. I also am cognizant of the fact we're about to adopt measures for success, the metrics for success on how we achieve those things, and I want to make sure that you have all the tools you need in order to be able to do that.

[4:31:58 PM]

So both I want to charge users more as evidenced in the deal but I also want to make sure that you have all the tools you need. And I don't know the -- if the tools relate to the challenges identified by Zucker or not, but the three things that I'd like you to speak to that have been raised are the consultant for the logo branding issue, the ftes for the nine-month fte on development reserve, and the customer call person.

>> Thank you, mayor.

>> Mayor Adler: Thank you.

>> First of all, thank you, council, for the resources that have been identified in the budget to begin with. And the model that I had presented to council is a self-sustaining model. I had presented a fee study

that shows us moving to full cost of service in over a two-year period would bring in \$4.2 million in new fees. The resource that's recommended for council approval would be funded from those fee increases, thereby creating a self-sustaining model, which was one of the major things within the Zucker report, which is that the development services department possesses the ability to charge the fees that are appropriate and so that way, by doing, so you can remove the development services department from the general fund. You have other pressing needs, which you have looked at and have been identified within the general fund, whether that's public safety or libraries or parks and recreation. And by removing the development services department from the general fund it can be a self-sustaining model so those fees help to move us in that direction. With regard to customer service representatives, there are two customer service representatives who ensure the 7,000 phone calls per month. Our call answer rate by a live operator is 47%.

[4:33:59 PM]

Mr. Zucker noted in his report that that was not good enough, and we agree. That's not good enough. And so that's why we are recommending two additional customer representatives to bring us to 75%. And even at 75% that's not good enough. And that's why we're also proposing working with 311 to get to us 100% call answer rate. So what you've got in terms of customer call or customer service representatives is a program to get us to a better call answer rate for our customers rather than the 47% that you have currently. Moving on to the public information specialist, this was another issue clearly identified in the Zucker report. Mr. Zucker saw that we were not very good at either internal or external communication. And that matters. It matters for the neighborhoods. It matters for the development community. It matters for the stakeholders. That they can't get information from us because we don't have a person, a dedicated resource, for that activity. And community engagement is one of the things that we are going to improve importance but we do need a -- upon, but we do need a dedicated resource for that. So the public information specialist is going to be a dedicated resource to improve and actually initiate something we've not been very good at, and that is community engagement. With regard to the logo and branding, that is another recommendation from the Zucker report. Mr. Zucker had identified -- or had noted that our department lacks an identity, and so he had felt that from his assessment, that if we could hire a consultant for one time in the amount of \$50,000 that we could make improvements in that area. And so all of those three recommendations stem from deficiency that's noted in the Zucker analysis.

>> Mayor Adler: Ms. Tovo.

>> Tovo: I want to get back to the call volume you noted. I'm looking at the answer to number two, 280.

[4:36:03 PM]

The calls, it says the monthly average number of calls currently being answered by the two customer service representatives is 4,465, and so that equates to, by our calculations, about 12 per hour if we add an additional two, then you're talking about each one of those answering, say, six calls an hour. So, again, you talked about a number of 7,000, but the answer you responded here was four -- was in the \$4,000 -- 4,000 call range.

>> Yes. What we anticipate doing is we anticipate our customer service representatives to answer more of the questions that are asked during that phone call. So currently they serve more as call routers, so they will get a phone call and they will be transferred to the development assistance center or they will be transferred to land use review division. And what we want to do is we want to equip our customer service representatives with scripts and with data so that way they can provide more of the answers through a single phone call as opposed to routing those calls within the department. So that way our

customers answers -- or questions are answered with one phone call versus two or three phone calls. So it will take a little bit longer as opposed to how they're currently handling the call volume right now.

>> Tovo: I want to talk a little bit about the public information position, community outreach marketing. You talked about the goal there to be community engagement to work with neighborhoods as well as developers and others. Why not propose another neighborhood liaison? You know, the initial conception there was to have four ftes in the neighborhood liaison positions. We currently have two. I would have a -- I would -- I would be able to support a neighborhood liaison because I think that is a real need, more of a marketing position, it seems to me, within the context of development services to be kind of unnecessary.

[4:38:06 PM]

We have a fair amount of work going on. I mean, people find their way to development services when they need your assistance.

>> And I would say -- and I would agree with you that the neighborhood liaisons are a good program. Carol and Jody do a good job and I think they would agree that the work can be overtax being at times. They are in the planning and zoning department, which would remain as a general fund department if we moved to an enterprise fund department. But I think, also, it's not just neighborhoods. As I mentioned developers and businesses. It was recently identified in the Austin music census that our small business music venues are having a hard time understanding the process. Yes, it's community engagement and engagement with our business owners as well, helping them to understand the process as well.

>> Tovo: So is this an on the ground person who is going to be walking -- walking a potential music venue owner through the system? Because that doesn't really appear to be what's described in the response to that.

>> I'm sorry. This isn't going to be a openly budsman person. We have those in the economic development department as well as in the music division. This person is going to be giving handouts, this person is going to be creating informational material, this person is going to be helping us to get in front of a lot of these small business associations and groups like neighborhood associations so that way we can talk about the way we do our permitting process and we can help them with understanding that. But this person isn't going to be an ombudsman with helping with a specific permit issue.

>> Tovo: Thanks. I'll let my colleagues ask questions. Again, these are useful expenditures, but I -- but they don't strike me as critical expenditures. And I agree and am supportive of increasing the staff in many other ways to respond to the issues that the Zucker report indicated, but these, again, don't seem -- they seem somewhat duplicative.

[4:40:13 PM]

Again, I'm -- with all of the professional staff we have scattered throughout the city, it's hard to imagine that we don't have some resources that could be brought to bear to help develop a logo and branding. I know the response talked about there not being much capacity for that right now at this particular time because of other projects going on, but if this is a priority, I would think we free up the staff who need to work on the logo and branding and save \$50,000. But those are my thoughts.

>> Mayor Adler: Ms. Tovo has made motion, there's three motions to cut positions in development reserves. Is there a second to those?

>> Zimmerman: I second.

>> Mayor Adler: Mr. Zimmerman seconds them. Is there any further discussion?

>> Tovo: I think we're on the logo first.

>> Mayor Adler: We'll do the logo first.

>> Zimmerman: Yeah.

>> Mayor Adler: Is there any further questions on that? It's been moved and seconded to eliminate the consultant for logo branding. I'm going to vote to continue all three of these because I think it's real important that we provide the resources necessary for the development services. A lot of the ability for us to be able to spend as much money as we're spending on social services right now is dependent on us getting better at that department. It's been identified as having real significant challenges. I think what we've said to our staff is please fix these challenges and tell us what you need and staff has come back and said was that we need to do that. And I would let them go ahead and do that. I don't want staff to come back later and say we were unsuccessful because you didn't give us the resources we needed to get the job done. Any further discussion on the logo one? Those in favor of -- I'm sorry, Ms. Pool? Jam I'll say I'd like to see -- fact.

[4:42:25 PM]

-- [No audio]

>> Mayor Adler: Those popped, me, Renteria, Houston. Logo is out. The next one is the fte in development reserve. It's been moved. Is there a second to remove the person in development reserve, the nine-month --

>> Tovo: Do you want to indicate which one? There were two positions. One was customer service representative and the other was community outreach. Let me find the exact title.

>> Advertising position, wasn't it? No?

>> Tovo: It is a position. Maybe we should invite Mr. Gonzalez to talk about it. I believe it's described to support educational and outreach activities. That was one. The other is a customer service representative.

>> Yes. The first position is a public information specialist, and the second position is a customer service representative.

>> Mayor Adler: The first one was what?

>> A public information specialist.

>> Mayor Adler: Okay. It's been moved to cut the public information specialist.

>> Zimmerman: I'll second, that Mr. Mayor.

>> Mayor Adler: Seconded by Mr. Zimmerman.

>> Kitchen: I have a question.

>> Mayor Adler: Ms. Kitchen.

>> Kitchen: Sorry. Could you explain the role of the two different positions?

>> Sure. As I had mentioned earlier, the public information specialist is our engagement position. This position is going to be working with the community, with our customers, with stakeholders, helping them to understand the permitting process, which we've been told is very confusing. I think you all would agree with that.

>> Kitchen: Okay, mm-hmm.

>> So that's what that position would be doing. The second position is the customer service representative position. And those positions take calls into the department.

>> Kitchen: Okay.

>> And we are talking about amping up our ability to answer customer calls, the specific questions that come into the department.

[4:44:30 PM]

>> Kitchen: Okay. Thank you.

>> Mayor Adler: Further discussion on this item?

>> Zimmerman: Mr. Mayor?

>> Mayor Adler: Public information specialist we'll handle first. Mr. Zimmerman.

>> Zimmerman: Thank you, Mr. Mayor. The reason I'm voting against this is I've had a number of people come in and say that even the experts that are dealing with these complex issues can give different answers to the people that call in that are having issues. And so it just seems to me virtually impossible that could you bring in a new employee and educate them on this extremely complex code that we have such that they could give intelligent answers to questions. And so I would rather see expert staff added that have expertise in what it is that we're doing. You know, not an information specialist, but increase the actual front-line people that are making those decisions and that are studying and reading the code and that are responsible for understanding the code and giving accurate answers. Not just give an answer, but an accurate answer that the people can rely on. And I don't see this new position as being somebody that would have the expertise needed to give a meaningful answer. They could give an answer to the public, but it wouldn't necessarily be correct or useful.

>> Mayor Adler: Okay. Any further discussion on the public information specialist?

>> Houston: Mayor.

>> Mayor Adler: Ms. Houston.

>> Houston: I'm going to be voting for this item because people that call in that are just regular neighbors don't need an expert because experts talk in expert language. They need somebody that they can communicate with and somebody they can ask the kinds of questions they need to do to get their back porch covered or whatever that thing is. And so I think that we have enough experts, as they get further down the process, but that they need that public information specialist and the case manager person to help just common citizens try to negotiate a process, not those that know what -- where the loopholes are but just for the common citizens so I'm going to vote for both of those.

[4:46:37 PM]

>> Mayor Adler: Okay. Further discussion on the motion to strike the public information specialist?

>> Hearing none, those in favor of striking that position please raise your hand. One, two, three, four, five, six. Those opposed? Kitchen, Gallo, Renteria, Adler and Houston. That one is also stricken. That gets us to the customer service representative. It's been moved. Is there a second to that motion? Is there a second to that motion? Ms. Garza seconds that motion. Any discussion on this? Those in favor of striking the customer service representative, please raise your hand. One, two, three, four, Casar, Garza, mayor pro tem, and troxclair. Those opposed? The balance of the panel. Any other changes to the -- that position remains. Is there anything else on economic development is? Mr. Zimmerman.

>> Zimmerman: Thank you, Mr. Mayor. I think I spoke out of turn on 2.21 before but I'd like to bring that back. That was originally proposed by councilmember troxclair.

>> Mayor Adler: It's been moved to strike -- decrease the budget for the Austin new year's eve event going from three stages to two. Is there a second to that motion?

>> Houston: I'll second.

>> Mayor Adler: Ms. Houston seconds that motion. Is there any discussion on that event? Ms. Houston?

>> Houston: Just for information, how long is this event been going -- has this event been going on?

[4:48:37 PM]

>> Good evening, again. I believe since 2002 it was started under mayor Wynn and it was first -- first operated by first night, and due to some transition with first night they shifted it to the city and it's been a great family friendly event since then.

>> Houston: When did the city pick it up?

>> The city picked it up in 2008.

>> Houston: Thank you.

>> Mayor Adler: Okay.

>> I have a question. I'm sorry.

>> Mayor Adler: Yes.

>> Garza: If I'm remembering correctly this was a recommended cut?

>> Right. We offered the cut, and we still believe that it was -- it will be a fabulous event. Typically we do have three stages, a community stage, the large band stage, and then like a theatrical stage. So this year we're combining the community stage and the band stage. So we may not have as wide of a variety of bands but we try to reach all genres and cultural exchanges we can have. And we also have -- have fireworks too.

>> Mayor Adler: Ms. Tovo.

>> Tovo: I want to be clear, though, it was a proposed reduction if we had to make a 5% reduction in the budget. Is that right?

>> If we had to make a 5% reduction, we offered it. But it -- if you would like to add, we would certainly take that to take it back to three stages.

>> Tovo: Right, okay. I just want to be clear that the recommendation was the one that was included within the city manager's budgeted, which is to fund it as it is currently funded. This would -- this would bump it down in funding back to what you had proposed if you had to -- if you had to make reductions to it.

>> If we had to make reduction but we would love to maintain it and allow for three stages and all the community activities that we could possibly squeeze in.

[4:50:46 PM]

>> Tovo: I appreciate that. I've had an opportunity to go for years, I guess, and, you know, I think one of the things about having all of those stages does, it allows a lot of small community groups to perform as well. Kids are part of those acts and really a diverse group of performers and of activities going on and so I'd like to see that continue. It also seems very well attended.

>> Yes.

>> Tovo: Even on days where the weather was really lousy there were lots of people out there and, as you said, it's a great family friendly event for that evening, for that holiday.

>> Mayor Adler: Okay. Ms. Houston.

>> Houston: One last question before you leave. Thank you for being so patient.

>> No problem.

>> Houston: Do you think the youth and their parents would notice that we had two stages instead of one? I mean, two stages instead of three, would there be a noticeable lack of value in first night if they only had two stages?

>> We would then have to limit the community selection of the acts. So we've had a lot of diverse acts before, and so you would -- the panel would make a -- have a tough decision on who would be able to perform.

>> Houston: But would anybody that's -- would the public notice a difference?

>> That's a good question. We're trying to -- we're going to try to pack it in, but I can't promise that they wouldn't notice the lack of the third stage.

>> Mayor Adler: Mr. Zimmerman.

>> Zimmerman: Thank you, Mr. Mayor. I've lived in Austin since 2000 and the first I heard of this party was one year when it had to be postponed because of incim mat weather. I didn't know the party exist and I've been here 16 years pip started asking some of my district 6 constituents and I didn't feel bad because I have yet to find a single one of them that knows this party existed. So the whole thing could disappear and the vast majority of my northwest Austin people would never know it existed.

[4:52:50 PM]

So that's why I'm supporting cutting this back.

>> Mayor Adler: Thank you. Any further conversations on striking item 2.21? The new year's eve event -- not striking it, scaling it back. Ms. Troxclair.

>> Troxclair: I just want to clarify one more time because -- so you will still have almost \$100,000 for this event? I -- there was a budget question, number 218, and that was the budget for the event was --

>> We'd have approximately -- we're losing approximately 75, \$80,000.

>> Troxclair: I want to make sure you're still going to be funding in order to put it on --

>> We're doing our best. The committee, we're working in conjunction with bill and his office and, again, we're trying. And our sister departments are very accommodating. Parks works with us. Transportation. So there are a lot of in-kind services that other departments. But if we had funding then definitely we could increase the number of bands and the variety. We will have a fireworks show. It could be bigger and better. That is the big finale at the end of the night. You know, more kids activities. I mean, I know one in particular that's a favorite, but I won't say but, again, we could have a lot more kid-friendly activities.

>> Troxclair: I appreciate you -- y'all have already been working on it and I appreciate not only your work on the event but also making accommodations for potentially living within -- within a different budget and for coming forward with suggestions of how we can work together to try to have a balanced budget so I appreciate it.

>> Thank you.

>> Mayor Adler: Moved and seconded -- sorry, Ms. Gallo.

>> Gallo: I wanted to make a comment too.

[4:54:52 PM]

Thank you for what you're doing and I want to mirror what she said also about being very appreciative of the budget constraints that we have to work with. But I would think that the business community would be a really good opportunity for sponsorships, particularly for something that's kid friendly. So hopefully the business community will step up and other people will step up to help fund something like this because we all want to encourage something on new year's eve that is kid friendly so hopefully I'll see that, that part of the community step forward to help you do this.

>> Thank you. We look forward to it.

>> Mayor Adler: Okay. Further discussion on this item? Those in favor of striking the funding -- or decreasing the funding for Austin new year's eve event please raise your hand. One, two, three, four. Those opposed please raise your hand. So the -- it was -- it was Houston, troxclair are, Zimmerman and Gallo voting -- and Garza. So one, two, three, four, five. And then the remaining voted yes. So the vote to strike fails. The vote to strike fails. Anything else on the economic development? That gets us -- I'm sorry, Mr. Zimmerman.

>> Zimmerman: Yes. There were a couple more here that my colleague, Ellen troxclair, put in. Councilmember troxclair, I think we had one on the corridor membership, item number 2.22.

>> Troxclair: What page?
>> Zimmerman: Did we -- item number 2.22 on page 23.
>> Troxclair: Thank you.
>> Zimmerman: Page 23. So I'd like to move, I believe that was \$50,000 out of the general fund.

[4:56:54 PM]

Could you review that for me? Or if you want to second it.

>> Troxclair: I'll second.
>> Mayor Adler: It's been, I think -- wasn't the fee had gone up to \$100,000.
>> Zimmerman: It had gone up to 100, yeah.
>> The fee went up to \$100,000 in fiscal year 15 and in fiscal year 15 that fee is split 50,000 in the general fund and 50,000 in the transportation department. Fy16 proposed budget we proposed all coming out of the general fund budget, planning and zoning this this proposal now the way we have it added on -- this proposal here is -- I don't -- yeah, this proposal here would be just to move it back. So 50,000 savings to the general fund, 50,000 increase in other funds, in the transportation department. It would just be putting things back the way they are in the current budget.
>> Mayor Adler:.
>> Zimmerman: As the budget expert, can you tell me, you know, the distinction between these two methods? Because I think we had a conversation on this before, but I want to revisit this. Is that director?
>> Director spillar is here too.
>> Zimmerman: He's coming this way so --
>> Mayor Adler: I'm confused. This is 100 think -- the membership is 100,000 total.
>> Correct.
>> Mayor Adler: And the --
>> Zimmerman: I thought it was 50,000?
>> Troxclair: 100,000.
>> It's 100,000.
>> Mayor Adler: It's 100,000. The question is should we strike -- [indiscernible] Is that what this does?
>> No. Item 2.22 would take -- would reduce -- right now the \$100,000 is all in the general fund.
>> Mayor Adler: Okay.
>> 2.22 would lower the general fund amount to \$50,000 and put the transportation department's contribution back to \$50,000. Which is where we are in the fy15 budget that's how it's done, 50 general fund, 50 transportation. In the '16 budget it's \$100,000 general fund, zero transportation.
>> Mayor Adler: Got you.
>> Item 2.22 puts it back the way it currently is.
>> I can confirm that, that last year the membership fee, both that we pay as well as San Antonio pays was up to \$100,000.

[4:59:03 PM]

We split that fee last year because when the request came it was too late to adjust the general fund budget. And we split it 50/50 between transportation funds, using parking management funds and general fund, given the focus both on transportation as well as other issues. We had typically -- previous to that funded that all from the general fund because it was hard to distinguish when they were spending time on general fund issues versus transportation issues. So we can certainly pay for half of it out of the parking fund. I'm happy to do that. As this item we do.

>> Zimmerman: Mr. Mayor, could I ask what would be the consequence of striking the \$100,000 entirely? What would be the consequence?

>> Well, I -- well, obviously, our membership in the corridor council would be at jeopardy at that point. It's been a long-term partnership between the cities up and down the corridor, council, working on a variety of issues that address -- or that are issues for both us and San Antonio as this increasingly becomes an integrated corridor.

>> Zimmerman: So what have we gotten for our money so far?

>> Well, we certainly gotten assistance on the no cell-phone issues while driving, handheld. The corridor council is currently working to make the whole corridor device while driving corridor. They've certainly coordinated and shared as invasions in San Antonio have developed they've shared those with us and we've been able to implement them in terms of everything from striping to recommended transportation policy that we've brought to you. It certainly gives us a corridor or an avenue to get data easily between the two cities, in terms of sharing data with regards to transportation.

[5:01:06 PM]

I think you would have to ask other members of the city staff as to other benefits they've brought.

>> Mayor Adler: I participated in some of the corridor events. It's an opportunity to network and meet with people, not only in San Antonio, but in the cities in between. San Marcos, the smaller cities. I think we're going to be doing ever more and more things regionally, a lot of the activities that are discussed there include things from lone star rail and transportation issues to working on environmental or regional water issues.

>> Mr. Mayor, if I may, they were also certainly instrumental in helping this corridor come up with the I-35 corridor concept that really took work that was being done separately in San Antonio and as well as the Austin district in terms of the I-35 corridor and helped to knit that together with the smaller communities between Austin and San Antonio in terms of a coordinated response to the I-35 project up and down the whole corridor.

>> Mayor Adler: Ms. Houston.

>> Houston: Thank you. Thank you, Mr. Spillar. Do the other cities pay \$100,000 to participate?

>> I do not believe they do. I believe that they graduate those fees based on the size of the community. I do not -- I cannot speak authoritatively about the fees that the smaller organizations pay. I do know that San Marcos typically hosts the joint meetings at facilities in their area so I don't know if that's part of their contribution. Just don't know.

>> Houston: So the anchors are Austin and San Antonio?

>> As the two big ends of the population spectrum, yes.

>> Georgetown also participates.

>> Thank you.

>> Councilmember Houston, Greg Guernsey, planning and zoning. The county governments, depending on their population contribute anywhere from \$1,500 to \$15,000 for smaller community, say 50,000 to 100,000 contribute 10,000 a year, from 400 to 500,000, it's \$70,000 a year and for cities 500,000 and up it's \$100,000.

[5:03:32 PM]

>> Houston: And it goes from Georgetown to San Antonio? That's --

>> That's the corridor.

>> Houston: That's the corridor? Okay. And how often does this go up? Our membership go up? Is it every year? Every two carriers?

>> I don't recall it going up in quite a while, actually.
>> Houston: So when did it start?
>> I'd have to go back and check and we can get back with you, councilmember, on that.
>> I know, councilmember, mayor Bruce Todd was part of the initiating development of the corridor council. And so that goes back quite a ways.
>> Mayor Adler: Okay. Yes? Ms. Troxclair.
>> Troxclair: So I think that there was a little bit of confusion with this issue ways when I first asked about -- this issue because when I first asked about it it was listed as a \$50,000 increase in membership fees and now, obviously, we have had the conversation with our budget staff that it wasn't an increase of \$50,000 but you said it sounded -- you said that there was an increase last year of \$50,000 and then Mr. Guernsey is saying there hasn't been an increase. I'm trying to understand what -- I mean, did the fees ever go from 50 to \$100,000?
>> The existing fee is 100,000 and it was split, as Dr. Spillar had explained. Prior to that, I'm not aware of the history of increases from when it was 50 before, when was the last increase prior to that.
>> Troxclair: You don't know?
>> I don't know.
>> Troxclair: Okay. And so I also wanted to point out you listed the membership levels for the public organizations, but there are a majority, actually, I think of private organizations that are also involved in the entity as well that pay between \$1,500 and \$5,000.
>> I would -- just looked up on my phone real quick what the fees were for the city and county entities that pay within the corridor.
>> Mayor Adler: Further discussion Thon item?

[5:05:34 PM]

Ms. Tovo.

>> Tovo:.
>> Zimmerman: Oh, sorry.
>> Tovo: [Off mic] Down side to restoring the fund so it's split between the transportation -- fund so it's split between the transportation fund and general fund? I same that's some of the infrastructure projects you might have used that money for within the transportation fund?
>> Right. So within the transportation fund, I'm willing to -- because I would argue that this organization does bring some value in terms of the I-35 corridor, and so I think it's a valid use of transportation funds. It makes the payment a little bit more complicated because technically we have to do [indiscernible] Instead of one. And we were just simply trying to simplify this back to other similar memberships.
>> Tovo: I see, thanks. It does seem like though there would be a valid reason to have that come out of the transportation fund as well.
>> Mayor Adler: Mr. Zimmerman, then Ms. Kitchen.
>> Zimmerman: If it's a point of I can let councilmember kitchen, I wanted to modify the motion if I could to eliminate the 50,000 from the general fund and keep 50,000 at the transportation department. But I'll let you go first.
>> Kitchen: You may want to do that first. My question was if I'm reading what's on here now, it's simply -- shows as a reduction in the general fund, 50,000, and an addition into other funds.
>> Mayor Adler: I think that's what it is. It's taking 50 out of general fund and moving it over to transportation.

>> Zimmerman: That's right. I'd like to amend my motion if that's in order such that we remove 50,000 from the general fund and do not add it back in so we would reduce our payment from 100,000 to 50,000. That would be my motion.

>> Mayor Adler: Okay. He's amending it to reduce the payment by 50, strike it from general fund but not replace it in transportation. Is there a second to that? No second to that.

>> Houston: Well, just for discussion, what is the penalty associated with not paying our full membership?

[5:07:40 PM]

>> Mayor Adler: I guess we're not a member.

[Laughter]

>> Houston: We can remove all 100,000 rather than being half a member.

>> Mayor Adler: I think this is an important organization. The -- it's been moved to strike the 50 altogether. I mean, there's an amendment to do that. Is there a second to that amendment? Ms. Troxclair seconds that. Any discussion? Those in favor of cutting the membership fee in half raise your hand. Two people. The rest voting no. We're now back to the main motion, which is to change the \$50,000 of the payment from the general fund to transportation. Is there a second to that? I think there already was a second to that. Any further discussion? Those in favor of moving the \$50,000 from general fund to transportation, please raise your hand. That's done unanimously on the dais. Anything else on economic development before we move to quality of life? Ms. Tovo.

>> Tovo: Possibly. I have another item associated with the transportation department, again, it's not clear to me where that falls in our categories here today. But since Mr. Spillar is here, I thought I might bring it up here in economic development.

>> Mayor Adler: Okay.

>> Tovo: And this is the item related to parking meters. And I'll just read the amendment I posted Friday. This would delay the implementation -- as you know we're -- as we discussed there are two changes to the parking meter implementation. One is to increase the rate from \$1 to \$1.02 per hour, the other to extend those parking meter days -- to Wednesday nights, which are currently not nights where people pay for meters. And as I mentioned in one of our work sessions, this was a subject of real broad community discussion back when those meters got extended to Thursday nights and Friday nights and there were significant concerns expressed by those in the music community and others who work downtown that it was a burden for them, financial burden for them, because for many of them they do need to take their cars downtown so that they have transportation back home after their work hours.

[5:09:49 PM]

And so it concerns me a lot that we are making these changes in advance of the public process. As we talked about in the work session, there is -- and I asked some questions in the budget process, q&a, that revealed the information there will be a public process to talk with some of those stakeholders but it will happen after we make this change, and I think it's more appropriate to have that discussion before we make the change. So I am making a motion to delay the implementation of the extended parking meters for Wednesday nights until we've undertaken that public process and really identified some strategies for mitigating the impacts on lower wage workers. I am -- I believe Mr. Spillar in one of our discussions talked about a garage that's coming online and that may become available to some workers downtown but absent some real concrete strategies and plans for mitigating that impact, I would like to wait on this. It will mean delaying some of the infrastructure projects that would have resulted from those funds, but as I understand, they're getting trod, I don't know, maybe Mr. Spillar can talk about when

that process would happen but in any case I'd like to be assured there's been a concerted staff effort to look at how this will impact. You've talked to stakeholders, they've offered feedback and then we've considered the change to delay -- extend it to Wednesday.

>> Zimmerman: Point of order. I'd like to second that motion before she does a good job speaking in favor so I second that.

>> Tovo: Thank you. That's my proposal.

>> Mayor Adler: Ed, is that on the -- that was a -- I think that was posted.

>> Tovo: That was posted Friday and it relates to budget question 274.

>> Mayor Adler: Right.

>> Mayor Adler: Do you want to address this? So --

>> Your question, yes, we would --

>> Mayor Adler: Hang on one second. Ed, is this something we would put as a line item in economic development category?

[5:11:54 PM]

>> Tovo: Or quality of life. It kind of depends.

>> Speaker2: On our spreadsheet we captured we put it in fees.

>> Tovo: I'm sorry, I apologize. I'd be happy to withdraw those -- this conversation.

>> Mayor Adler: Let's hold off and get that in fees. Anything else on economic development?

>> Zimmerman: Mr. Mayor?

>> Mayor Adler: Yes.

>> Zimmerman: I do want to bring up the chamber of commerce funding, item on page 22, item 2.10. To remove funding for chambers of commerce. I know this didn't have much support when we did the straw poll but I want to move passage that we strike 236,000 from the general fund, 792,000 from other funds.

>> Mayor Adler: Okay. Mr. Zimmerman moves the item that's item number 2.10 on page 22. Is there a second to that? No second. We'll move on. Anything else on economic development? Then we'll move to quality of life. Oops, I'm sorry, Ms. Troxclair.

>> Troxclair: Yeah. I just wanted to circle back really quickly. I had a couple of other questions about the south by southwest issue that I guess we're going to be taking back up tomorrow. I just -- I want to understand -- I just want to understand what we're doing better. I had asked a question, let me see if I can find it. 112. So I had asked a question -- budget question number 112, are there fee waivers for special events included in the city manager's proposed budget. If so, what is the dollar amount of those fee waivers for special events. The answer was that the proposed budget does not include any fee waivers for special events. The total dollar amount will be dependent on what council authorizes to waive anything during the year. So I'm just confused.

>> Mayor Adler: My sense is -- and I was confused too. Ed can confirm this. I think the answer you got was accurate, there aren't any fee waivers.

[5:14:00 PM]

If south by southwest sought a fee waiver and was granted the fee waiver, or not granted the fee waiver, regardless of whether it was granted or not, the money is in the budget to provide police protection and the resource recovery. If the fee waiver is not granted and the fees are paid, it doesn't go to police or parks. It just drops to the bottom line in the budget. So there's no budget for -- there's nothing in this budget that speaks to the fee waiver at all. They would have to ask for a fee -- fee waivers as anybody would ask for a fee waiver. It's a different deal. But it was in seeing that the money was

already there for all the services, I will propose tomorrow that we not have them submit for a fee waiver in March if the attorneys let me do that.

>> Troxclair: Okay. Do you know if there are any other events that we would be making that decision during the budget?

>> Mayor Adler: The only one I would be proposing that I've looked at has been south by southwest.

>> Troxclair: I agree it's a really important event for our city and it's a huge economic driver but I know there has been some discussion of the event in general since we've been in office. So I wondered whether the budget is the best time to have the discussion about the fee waiver. So I'm just hesitant to have that discussion now.

>> Mayor Adler: Okay. Any further conversation on economic development? Ms. Gallo.

>> Gallo: You know, I agree with councilmember troxclair. I -- in the very short time we've been here what has been very apparent is that our special events really tap out our public safety personnel and south by southwest being one of those.

[5:16:01 PM]

I don't know if part of that -- certainly we need to have a policy discussion about it after the budget, but I think we do need to talk about the idea of special events providing their own public safety personnel. I think we should visit about making sure the permitting fees that were charged to special events cover the additional cost that the city has in providing those services. And I really am concerned about next year and want to be very sensitive to the personnel issues in public safety because we already know that south by southwest really taps them out. Very quickly, after that is over, I mean, we have the rodeo in that same time frame, spring break, south by southwest, so now we've just added the PGA match play, which will be six additional days where we'll have 10,000 people a day and off of 360 which is going to require additional services. And I just -- I'm really concerned about where we're going with what we require of our public safety personnel. They do a great job, but I think we're really taking a lot of big events with a lot of public safety needs and forcing them into a very short time period -- actually a very long time period but, you know, a day to day for a lot of days. So hopefully we will have all those discussions not within the budget cycle, but I do thank you for clarifying the comments about the fee waivers. I think that we have a lot of nonprofits that pay for a lot of their own costs and -- we need to be very careful what we do with the for-profits and south by southwest is a wonderful, wonderful event and we have an international representation because of that. We don't want to change that. At the same we want, you know, everything to be fair and equal. So look forward to that discussion.

>> Mayor Adler: Okay. Anything else on economic development?

[5:18:02 PM]

Then we'll move to quality of life. Does anybody have any things they're going to consider suggesting or changing on the quality of life?

>> Houston: I have several things that I'd like to suggest changing.

>> Mayor Adler: Ms. Houston, what are you going to suggest?

>> Houston: I've been trying since this morning.

[Laughter] Under 1.12 -- hold on just a moment. On page 17, met with members of the African-American quality of life advisory group, and we'd like to only request \$600,000 in general funds instead of the 2,000,001.85. 150 of those would be for specific cultural contracts, 150 for community radio station and 300,000 for the African-American cultural heritage district. Under 1.13, I want to keep that at -- sorry, want to change the cost of that to \$1,200,000, 1 million of that would be infrastructure support to the 12th street heritage businesses and 200,000 to silly Austin, which is a business -- business

incubator economic development has started on. 1.14, reduce that amount to \$575,000, \$100,000 to education and employment opportunities for youth, 200,000 for human resource department, internship opportunities and additional staff to help with that, youth, that's a city-operated program.

[5:20:11 PM]

\$75,000 for a summer youth program, 200,000 for employment services for formally incarcerated individuals, 1.15, \$150,000 for HIV AIDS support. We'd like -- if that is passed we'd like for that to be not the budget of health and human services, HIV AIDS among women is skyrocketing in Austin and we need to be -- do some specific targeting for that. 1.16, neighborhood sustainability, \$75,000 for neighborhood housing and community development to help staff -- it's almost a case management information task, is that to help homeowners understand about property tax relief. Some of our elders don't even have over 65 homestead exemption oars anything. They don't know so it's a way to help them with the pressure they're under. And the other thing is to help them understand how to -- how they can take corrective actions when code comes out and does a citation. And then 1.17 is \$2,000,500 to support the purchase of body cameras. That says we have skin in the game and we want the city to move forward with body cameras and so if it were possible we'd like to transfer 2.5 million of that to help fund the body cameras. And so the grand total instead of what you see on your men sue just \$5,100,000. Only. But I don't know how much we saved.

>> Mayor Adler: Okay. Anybody else going to -- want to make any changes to the --

>> Renteria: Mayor.

>> Mayor Adler: Yes, Mr. Renteria.

>> Renteria: Yes. I would like to go to item 1.33, and add the 55,000 for this series project located in montopolis.

[5:22:27 PM]

It's one of the few projects that they have there in that section of town. So I think that will go a long way in that community.

>> Mayor Adler: Okay.

>> Casar: Mayor, for clarification, councilmember Renteria, is that in one-time funds? I recall that it's seed money, or feasibility money.

>> Renteria: I'm willing to get it there if we can --

>> Casar: One-time funds instead of general?

>> Renteria: Mm-hmm.

>> Casar: Thank you.

>> Mayor Adler: I understood that was potentially to get a consultant to advise on the marketing campaign for the prints that were -- that represented [indiscernible] Is there further items that are going to come up? Ms. Tovo.

>> Tovo: I have a question for one of my colleagues or for Mr. Van eenoo and then I have something else to propose. I thought that we had in our base budget modified by the various concept buckets I thought we had already allocated 300,000 for the African-American cultural heritage district. Am I incorrect on that? I thought that was in -- I thought that was in our base concept budget. Anyway, I'll throw that out. Maybe somebody can --

>> Mayor Adler: It was.

>> Tovo: Then --

>> That's correct, item 1.19 from councilmember Houston. It's currently on the list, 69,000 general fund, 231,000, you might not have it -- you do, 231,000 other funds.

>> Tovo: That is on page 19?
>> It's on page 19, correct.
>> Tovo: That's already in what we have. That's already in our budget.
>> Mayor Adler: Yes.
>> Tovo: Okay.
>> That is correct.
>> Tovo: Great. And then I would like to add in here --
>> Houston: Just wanted to make sure.

[5:24:28 PM]

>> Well, I think councilmember Houston, you're talking about having 1.12 be \$600,000 instead of 2,185,000 but that \$600,000, 300 of that was for the cultural heritage district so if I were following your earlier comments correctly, I think now item 1.12 would only be \$300,000, 150 for cultural contracts and 150,000 for KEZI. I think that's right.
>> Houston: [Off mic]
>> Mayor Adler: Okay.
>> You haven't turned that on yet. I'm trying to keep track, we come back to 1.12 and there's discussion or vote on it, I think that number would be \$300,000, not 600.
>> Tovo: Then my addition is, again, this is from my Friday list, to allocate \$32,000 to meet the demand that the asian-american resource, this relates to the budget question 258. It was also a recommendation from the asian-american quality of life commission that they are at capacity and they have a wait list and that additional funding would allow them to increase their capacity at the senior -- at the congregant -- senior congregant meals program. I did put a note there was another program started at the same time at dove springs rec center at this point that is not at capacity and in fact they haven't had quite the -- as the budget question indicated, they don't -- they have lacked the staff to really make sure that the -- well, that would help get more people in there to use the congregant meals. I just noted that might be something we want to consider down the road now that we're considering adding staff to dove springs. Their meals program may need a similar influx of additional funding at the midyear, would be a total of 32,000. And, again, that's budget question 258. And an asian-american quality of life commission recommendation from earlier this spring.

[5:26:31 PM]

>> Mayor Adler: That's in the budget. That's in what we're looking at here? Yes, Ms. Pool?
>> Pool: I was looking at 1.38 that councilmember Renteria had and this is the health issues in rundberg. Was that 175,000 included in our health and human services conversation earlier?
>> Mayor Adler: Yes.
>> Pool: Okay. Is it double counted here or is it just simply here and not in the other place? Okay, thanks.
>> Mayor Adler: It is here, not in the other place. Ms. Tovo.
>> Tovo: I have a question about item 37. We talked about it the other day, this is the outreach and education for health insurance enrollment and we've incorporated it into our base budget but I don't know if we have staff who could tell us whether we're already funding organizations who are doing that work. It seems to me at our health and human services meeting that we had several organizations, including foundation communities, who came forward and thanked the city for their support of their efforts to increase health insurance enrollment. In fact we had individuals who said they had participated in that and as a result have been able to register for health -- so could you help me just

understand whether this expenditure in 1.37 is necessary and will be helpful or are we already kind of participating in supporting organizations that are doing that work?

>> Stephanie Hayden, assistant director, health and human services. Currently in our current budget, which the -- at the end of September, the contracts will end, for \$300,000. We have a \$200,000 with Latino healthcare forum and \$100,000 investment with [indiscernible] Communities. We also have coming forward on the September 17 council agenda \$100,000 for foundation communities, which will take us into the upcoming fiscal year.

[5:28:32 PM]

We have done a little bit of research, and we've made contact with central health, as well as Travis county. Travis county will not have an investment, and we have been told that as a part of central health's budget, there is going to be a -- it's in our budget process so they're working on it as well. \$400,000 from central health for foundation communities, and there's going to be \$190,000 that's going to be for the navigation piece. So that kind of gives you the picture of what we've been able to find out in the community as well as city of Austin investment.

>> Tovo: Just one clarification. So last year the city of Austin allocated \$300,000 for this effort. But those contracts are ending.

>> Yes, ma'am.

>> Tovo: So but for 137 we wouldn't have that -- we wouldn't have 300,000, we would only have 100,000?

>> Yes, ma'am.

>> Tovo: All right, thank you. That answers my question about its need. I appreciate that information.

>> Mayor Adler: Okay. Is there any other items people are going to make? Okay, Ms. Garza.

>> Garza: I'd like to add 1.41, the hispanic Latino leadership program at the rec.

>> Mayor Adler: Okay. Any further discussion? Okay. Anyone want to make any motions? Ms. Houston.

>> Houston: I move that we adopt this portion of the budget as amended.

[5:30:39 PM]

And with all that other stuff.

>> Mayor Adler: Okay, I think we need to do them in turn.

>> Houston: Oh, well.

>> Mayor Adler: Ms. Houston moves 1.12, which is 150,000 for the cultural contracts, 150,000 for kazi. What is the 150,000 for. Kazi.

>> Kazi is a non-profit station where most of the people in the district get their information. They are always -- always strapped for -- for equipment and increase in -- increasing their bandwidth, it would be a one-time funding to help them get up to par.

>> Gallo: Mayor, I have a question.

>> Mayor Adler: Yes.

>> Gallo: Why are they listed -- maybe to councilmember Houston in C.I.P. Instead of one time or general funds? I'm not understanding how that would pay for this --

>> Mayor Adler: Those were just notes that I had put on because there was the detail of what Ms. Houston that given to us. That C.I.P. Note should probably get put into the description column.

>> Gallo: Okay. So the motion is to put them where?

>> Mayor Adler: So 1.12 is \$300,000 in the -- these are all general fund expenses, presented that way.

>> Houston: Except for kazi, one-time funding.

>> Mayor Adler: Ms. Houston, is there a priority among the five million dollars worth of expenses?

>> Houston: We're not down to 5 million I mean -- we've cut it down significantly.
>> Mayor Adler: The 1.12 is 150 and 150.

[5:32:40 PM]

>> Houston: The 1.12 is 600,000.
>> Mayor Adler: 300,000 was already elsewhere in the budget.
>> Houston: Right.
>> Mayor Adler: So is 1.19. Then that left the 150 for the cultural contracts and 150 for kazi.
>> Houston: Right.
>> Mayor Adler: 150 in one-time, 150 in general funds. 1.13 was --
>> Houston: A million for infrastructure for the 12th street to support the 12th street heritage businesses that's part of the project that economic development is working, one of the 12 -- four projects to do merchants associations on 12th street.
>> Mayor Adler: So that totals a million dollars?
>> Houston: A million-two. 1.14 educational employment opportunities for youth, \$100,000, \$200,000 to our human resource departments youth and family service intern opportunity programs that operate in the summer. And additional staff to support additional -- young people, I think, 70 -- I don't see -- human resources folks here, but I think it's about 70 additional students, they can do during the summer for internship through the summer youth program.
>> Mayor Adler: So that total is how much on 1.14?
>> Houston: 575,000.
>> Mayor Adler: Then 1.15 was a total of?
>> Houston: \$150,000.
>> Mayor Adler: 150. Then 1.16.
>> Houston: 175,000.
>> Mayor Adler: 1.17.
>> Two million five four for cameras for our police.

[5:34:44 PM]

If we get a grant then that -- that won't be needed.
>> Mayor Adler: Right. So I think that the best place to pick up the body camera will be in the conversation we have on public safety. So let's hold off until we get that and then there will be a report and discussion on that in the context of the public say the. Among the first four items, which are -- which are about 3.2, \$3.3 million, do you have a priority in those items, Ms. Houston?
>> Houston: Well, to be honest with you, mayor, all of them as other staff has aptly spoken to, all of them are priorities. The African-American quality of life initiative started back in 2010 with city manager Toby Futrell. Some of these items have been resolutions have been sent up to council since 2013 to get some concrete infrastructure in the black community, as we all know it's pretty well decimated now. But -- but this has been going on for -- for a long time and it's time to put some money where our mouth is. Kind of ask from the black community ever in my lifetime and so this is just trying to make sure that we have some cultural space, organizations, in place, so that we can not only educate the children, all of our children, not just black children, but children of color, to make sure that they have opportunities for summer youth programs, which are not as prevalent as the after-school programs and especially for people who are coming out to criminal justice system. So that they can get training and get jobs and not reoffend. The health issues are things that -- that Mr. Jones has talked about for at least 10 years and

we're finally able to find a way to make some specific in-roads into not only chronic diseases but this uptick in hiv-aids for women in the community.

[5:37:00 PM]

There's any number of reasons for that, but it's happening. So if I had to say one of the -- or the other kinds of things, the reason we've asked for specific cultural contracts is because there's so many legacy contracts, with the city, that none -- no new organizations or young folks that are teaching dance are able to get any kind of funding from there. So this is a -- this is a specific amount of money outside of the legacy contract so that some new faces, some new energy can -- can get some contracts and help them do creative things with our kids. So property tax relief for our folks is important. They don't go to property appraisal district to ask for anything, so we have to go out to them. It's a different kind of community than -- it's not as engaged technology as most are, so we have to do knocking on doors and going in and building trust with people. The same things that other communities of color have to do in this city. So they are all important. I can see where we can, you know, try to get it down a little bit more if that would help. But all of these are important.

>> Mayor?

>> Mayor Adler: Yes. Ms. Troxclair?

>> Troxclair: I have a question but also a suggestion if she doesn't necessarily have an order she wants to vote on these items in, maybe we could take them in order of fiscal impact and start with the least, least expensive and move up from there. But I did have a question about 1.16. I'm sorry if I missed this, but what is nhcd?

>> Houston: Neighborhood council -- [laughter] -- community development -- [applause] I'm going to have to talk to staff about that.

[5:39:01 PM]

[Laughter].

>> Troxclair: That was good.

>> Houston: Gotcha.

[Laughter].

>> Tovo: Mayor, I have a couple of questions for my colleague who brought these forward. The youth and family service internships of 75,000, as I understood from your description, it was for an additional position. Is that in addition to the position that we are -- that is already contemplated for the city manager's -- the city manager's proposal already includes an additional staff member in that department. Is this in addition to that or were these recommendations prepared by the African-American resource advisory commission prior to the city manager's budget?

>> Houston: These were the ones prepared by them.

>> Tovo: I wonder if that meet the need that they have identified for an additional staff. I don't know how much of that was for the internships themselves and how much of that 75,000 was for the staff. But I wonder if --

>> Houston: I may have to ask Mr. Washington to come up. Most of it was for to pay the interns, but I know that when they talked with the director of that, she felt that she needed an additional staff person. But if that's covered in the city manager's proposal ...

>> Good afternoon, council, mark Washington. I think the manager's budget, as councilmember tovo indicated, includes one position of voluntary services coordinator and this would be an additional position. I believe the program manager identified initially the need for two. But as we were balancing

budget priorities, with the manager's office and the budget office, we thought it was fiscally responsible at the time to submit the request for one.

>> Houston: Okay.

>> Tovo: So councilmember Houston, do you intend to keep that one in there in 1.14?

[5:41:06 PM]

Okay, great. I wonder if you could get back to the idea of the specific cultural contracts, kind of what that would look like? Would that be a particular allocation to economic development who currently does the cultural contracts to sort of redesign a different sort of program that would be more accessible to smaller organizations?

>> Houston: I would be that but also make sure that they go through the same process. Economic development has some opportunities for some of our small non-profits who don't have a good idea about how to keep the data that they need and so they are able to offer some additional resources that some of our small organizations, cultural arts organizations need to help them begin to get more stable. So that would be to go to them to -- to open it up, not to -- not to do the same legacies, but to open it up to new opportunities and they would do the same process.

>> Tovo: Great. So there would be a process. It's not just specific organizations. It's just a different kind of program within that. Okay, thank you.

>> Mayor Adler: What was the item no., 1.14.

>> Tovo: Sorry that was 1.12.

>> Mayor Adler: 1.14 you talked about just a second ago.

>> Houston: Delete the one staff person and just fund the additional youth for the summer internship program. I don't have a dollar amount for that.

>> Mayor Adler: I'm trying to figure out which one of the four Numbers in there --

>> Houston: 200,000 for the human resource department youth and family service internship opportunities.

>> Mayor Adler: Okay. Does that come out, the 200,000?

>> I think it comes out of the 75, doesn't it?

>> Houston: No. 200,000. The staff position comes out of the 200,000.

>> Mayor Adler: Okay. So do we delete the 200,000 or is there a part of that remains?

>> Houston: Part of that remains to pay the youth who participate in the program. The only thing that comes out of that is the staff --

[5:43:08 PM]

>> Mayor Adler: Position.

>> Houston: The one full-time equivalent.

>> Question.

>> Mayor Adler: Do you -- you don't know how much that one is, do you know how much would come out of the 200? Okay.

>> Pool: Mayor?

>> Mayor Adler: Yes.

>> Houston: Human resources that program is operated out of there. So -- not operated out of there.

>> We'll firm up the Numbers with the budget office. I believe the equivalent we have in the manager's proposed budget is with pay and benefits, about \$96,000 for that position. So we'll need to just firm up those Numbers.

>> Mayor Adler: Thank you. Ms. Pool?

>> Pool: Back to 1.12 on the cultural contracts. So this has to do with kazi. Is this cultural contract that you're talking about different from the cultural contracts that are distributed through the arts commission?

>> Houston: Yes. And as I said, the cultural contracts distributed through the arts commission are a lot of them are legacy contracts and so there's no opportunity, there's no room for new cultural contracts or people who have cultural specific kinds of creative activities to get funding from the city. And so this would go to the arts, but would be for the process, but this would be additional money to have an opportunity for new providers to get some funding.

>> Pool: But specifically for kazi?

>> Houston: No, that's two different things. Kazi is 150,000 by itself.

[5:45:10 PM]

>> Mayor Adler: There are two items in there.

>> Pool: Okay. I'm just having trouble understanding the -- the basis for it. Kazi is not a new organization, right?

>> Houston: It's not. But it's never gotten any money from the city. Yet they -- the city uses that venue, that media source, to get information out to the east Austin community on a regular basis and they are in need of one-time funding to upgrade equipment and that's the last time that we'll ask for that.

>> Mayor Adler: Okay.

>> Staff, could you tell me how much money is available in the cultural contracts, that comes out of the hotel occupancy tax, how much money was in the fund for fiscal '15?

>> Kevin Johns, director of economic development. The cultural contracts have gone up to, I think, 9.5, almost \$10 million. But to the councilmembers' point, the money for those dollars has to be a hotel occupancy taxes and has to generate tourism. I think what the councilmember is speaking about is capacity building kind of startups in the community for new -- new cultural organizations. It would be a little harder to generate -- it would be hard to use hotel occupancy tax dollars for those purposes to measure the outcomes when they had no track record.

>> Pool: So are you talking about the kazi item because I'm not talking about the cultural contracts specifically.

>> Yes.

>> Pool: So when I was on the arts commission, admittedly it was a number of years ago there was a million dollars to pass out in the community, then it was 3 million, that was considered to be a lot of money for -- to support our local efforts. But it's nine to \$10 million now and I -- I would challenge the -- the statement that new groups don't find, are not welcome or don't get funding.

[5:47:21 PM]

I mean, there are groups that are first-time recipients of our cultural contracts every year.

>> That's right, yes.

>> Pool: I won't put you on the spot to ask you what the dollar figure is, but if you happen to know off the top of your head, but it's a significant number. Every year there are new people coming in. It is not just legacy groups, which legacy groups would be ballet Austin, I would assume. It might be some of the hispanic groups, it might be some of the African-American groups that have gotten money through cultural contracts, repeatedly and over a span of time. So I -- I don't know, I don't understand why we would have to designate 150,000 when the arts commission and the arts panels do this work regularly every year. And why this would be something -- I -- let me try and then synovia will help me, since she's managing that division. The cultural arts contracts again are pro Forma based. The capacity building, the

small contracts, that do not use the hotel occupancy tax dollars, we don't have much money for those. And I think that's what the council is speaking of.

>> Houston: If I could add, currently under the capacity building program, it was determined during a trial that the hotel/motel occupancy tax wasn't an eligible use. Currently for capacity building only we use our Texas commission for the arts grant and match it with operating. This would allow us to have more than just the 30 some odd thousand dollars and we could reach those smaller organizations to teach and train and bring them up and help them with their training on their bylaws, capacity, just helping them become capable of competing.

[5:49:23 PM]

It is a capacity building program which went away two years ago. We brought it back last year using the small grants. But with the \$150,000 we can reach more smaller organizations. But some organizations already narrowed the process and we have training program, but it's for those who have been in the system.

>> Pool: I understand, I understand. That --

>> Eligibility component --

>> Pool: A new program since I was on the arts commission, there wasn't the distinction between capacity building and the idea of training and bylaws was the idea that came from the late '90s from the arts commission, so I'm familiar with that. What I was not familiar with was the nuance on what you are calling capacity building.

>> Capacity building. Currently it's only funded about \$50,000.

>> Pool: All right. Thanks for the explanation, I do appreciate that.

>> Mayor Adler: Okay. Ms. Gallo?

>> Gallo: I have a question about the hotel tax and short-term rentals. So -- the hotel tax. It's a hotel tax question.

>> Would that be for you?

>> May be, it's not for economic development.

>> I know the hotel tax has very limited, very narrow range of things that can be used for. I think as we move to funding coming from short term rentals, I think it's been about \$3 million a year that's come in from the city to the hotel tax on short-term rentals. That is a different -- often is a different population using those and coming to the city and owners are paying the tax. That I think really is more interested and participates more in local cultural activities and local neighborhood opportunities versus things that go on city-wide that are in more of our tourist areas. So I mean I don't know that this is the time to have that discussion, but I think that -- that we do need to have that discussion and if it's a -- if it's a larger venue, a state level that we need to have it on, that I do think that that is an opportunity for housing that is within our neighborhoods that is paying hotel tax to be able to help support some of the more neighborhood oriented, district oriented activities, cultural activities that are happening.

[5:51:44 PM]

So hopefully that would -- I think this is something that all of us have been talking about. Hopefully we'll address that. Sooner than later. And be able to have that conversation.

>> Mayor Adler: I'm looking at the clock. It's almost 6:00. I'm afraid we're not going to be able to get through these and take the votes. So I'm going to stop us now. So that they can get the room set up for the 6:00 planning commission meeting. So we said that we would stop at 6:00, if other people are using the room. I don't want to get in the middle of these votes and then stop. Tomorrow we gear back up at 9:00. I need a motion to continue the budget hearing until 9:00 tomorrow morning.

>> So move.
>> Mayor Adler: It's moved -- [indiscernible]
>> We were able to move the planning commission next door. So if you wanted to --
>> Mayor Adler: We already promised-- I appreciate that. We promised people we were going to be out of here at 6:00, I'm going to hold to that. So I need a motion to continue the budget hearing tomorrow at 9:00.
>> Zimmerman: I will make that motion, Mr. Mayor pro tem.
>> Mayor Adler: Mr. Zimmerman moves,
[indiscernible] Seconded by Ms. Kitchen, those in favor please raise your hand. Those opposed?
Unanimous on the dais, we will gear back up at 9:00.

Channel: 6 - ATXN
Recorded On: 9/10/2015 6:00:00 AM
Original Air Date: 9/10/2015
Transcript Generated by SnapStream
=====

[9:20:09 AM]

>> >> >> >>> >> >>>

[9:39:08 AM]

>> Mayor Adler: Are we about ready? All right. So what we're going to do here this morning I think is if there's a motion to reconvene our budget hearing.
>> Zimmerman: So moved.
>> Mayor Adler: Mr. Zimmerman moves that. Is there a second? Ms. Troxclair seconds. Those in favor raise your hand? Those opposed? It's unanimous with Ms. Pool off the dais. What we're going to do is we're going to start with a discussion about budget. At 10:00 we're going to recess the budget discussion we're having to go into our regular meeting so we can handle those things which are consent approvals and consent postponements, only handling things on consent. We also have the boards and commission to approve. I'm going to make one change on the board and commission list that we have. And then we will exit then that council meeting and return back to the budget meeting. Does that work? And at noon we will reconvene the regular meeting because we have citizens communication at noon. And we have two speakers on that consent agenda that we will also call and have them speak. All right. So with respect to the budget and where we are, a couple of things, kind of housekeeping things. You recall yesterday we were having a long conversation about transportation funding. We've had a chance to visit with a suggestion that came from the manager and Robert Goode with respect to transportation. I had been contacted by the mayor of cedar park asking if the city would be willing to join with them to do a congestion project on Parmer lane.

[9:41:19 AM]

That's a priority for the city, doing something with a neighboring city on a joint project is a good thing for us to do on lots of levels. There's \$500,000 that's unallocated from the 2010 bond, and the manager and Mr. Goode have indicated that after hearing the conversation yesterday they'd recommend that we take that \$500,000, join with the city of cedar park and move forward with that project. I think that's a wonderful idea. Mr. Zimmerman thinks that's a wonderful idea and that enables us then to move forward on that without having to deal with the other issue, but I would urge the mobility committee to look at those issues generally as you do your work. Mr. Zimmerman?

>> Zimmerman: So is there no need for council action for that to move forward? Is that a staff administrative measure that's going to happen?

>> Yes.

>> Zimmerman: And what is the timeline for that? Are we starting this month, next month?

>> Mayor Adler: Probably the first thing to do is sit down with the city of cedar park so we're doing it as a partner as opposed to just telling them.

>> That's exactly right, mayor. We would launch with the city of cedar park as far as what they want to do with partnering so we would start this project immediately.

>> Zimmerman: Immediately. Terrific. I appreciate it.

>> Mayor Adler: Would you keep council offices informed, most especially Mr. Zimmerman's office to the progress happening?

>> Zimmerman: Thank you, Mr. Mayor. I think it would be good to have a vote of the council to affirm the action. I move that we as the council affirm this policy of moving forward with the half million for the project in cedar park.

>> Mayor Adler: I'm fine with that.

[9:43:21 AM]

There's been a motion to express the desire of the council that the staff move forward with that Parmer lane project. Seconded by Ms. Kitchen. Any discussion. Those in favor please raise your hand. It is unanimous on the dais.

>> Gallo: Mayor, since we're not meeting tomorrow and it's a special day for our country, I think we should take a moment to remember the men and women who have and are currently serving in the U.S. Military and certainly our public safety officers in this community and other communities. I wanted to make sure we didn't get so entrenched in our day-to-day that we don't do that.

>> Mayor Adler: Let's start with taking a moment to reflect on exactly that and September 11th. I'd also refer everybody in that light to the editorial in today's statesman that speaks to the housing heroes effort to see if we can effectively end veteran homelessness in this city by labor day, veterans day. We're now down to about eight weeks and we need help from the community to get there. We have already gotten 100 into that number. There's progress being made, but we need help. All right. So now back to the agenda. We also have set at 9:00 agenda item 15, which is to conduct the first of two public hearings to receive comments on the proposed maximum property tax rate of 46.09 cents per 100-dollar valuation for fiscal year 2015 to 16.

[9:45:30 AM]

The second public hearing will be held at four P.M. On September 17th at city hall, 301 west second street, Austin. Council will adopt the city's actual property tax rate on September 22nd, 2015 at city hall, 301 west second street, Austin. I don't see us having -- do we have any speakers on that? No speakers. I think probably anticipating that it doesn't look like this council is going to adopt the maximum tax rate. But since here are no speakers to speak, the first public hearing on the proposed tax rate is closed. Do

we need to take a vote to close it or do we just announce there are no speakers and close it? All right. Since there are no speakers, it's closed. All right. So now on the -- where we are on the budget. I think that the budget's been handed out to everybody. Where we are right now is as the sheets showed, \$600,000 overspent in general fund with about \$2.1 million that are available in the one-time fund for designation. Before we move any farther, I would like us to true up this budget and get to a place where we're zeroed out. That will give us an indication of where we are, recognizing again that we're not making any final decisions. We still have the employee section to go through and then we're going to go, you know, open it up for the things that we had marked before and wanted to get more time in and the like. But I think it would be good for us to zero up at this point so we can go through that exercise so people can see where we are in relation to that so that we have gone through that exercise before we get to the variance so people can see what that might look like.

[9:47:47 AM]

And this would be the time also for us to ask staff general questions with respect to other movements of money that might free up capacity. But let me explain what I have just handed out and then we'll go to general questions on staff with respect to monies. I'm building on the idea that came from councilmember Casar yesterday, which was to create in essence a third category of spending items, which is something that is not one time, but is not general fund. It's taking money from the one-time expenditures and using it to pay something that was otherwise in our general fund column, but would be things that relate to a specific contract that's not going to last more than three years or it could relate to an event that over a four-year period of time we would hope maybe the event could find a sponsor to take out the city. Or all of these items could be things that in next year's budget or in a succeeding budget the council could move from the short-term fund into the general fund. When we talked to Mr. Van eenoo about this he said he was comfortable doing that from a fiscal policy standpoint as long as we actually reserved money out of the one-time fund to cover that for that four-year period of time. So it's in essence a one-time fund expenditure, it's just being paid out over four years. Again the council could take us out of that any time they wanted to over the four years by moving it to general fund. We are \$650,000, roughly, overspent in the general fund. So one way for us to zero out the budget right now before we would move forward would be for us to take \$650,000 that's currently in general fund, move it to short-term funding and we would then escrow four times that amount of money in reserve so that the money for the next four years, this year and the following three years, would be committed and reserved for these projects.

[9:50:17 AM]

So we take things that were suggested to us by councilmembers as things that related to specific contracts that we were signing or events and things that could potentially find sponsors or move off, but it requires us to take down four times as much money from one-time spending. If we were to adopt this so that we could get to a place where we're zeroing out and moving forward, that would zero us out on general fund, but it would still leave us \$500,000 overspent on one-time funding, which means we would need to find cuts in one-time spending equaling \$500,000 or we could find \$125,000 in cuts on general fund because if we come down \$125 in general fund we could move one with of these items back to general fund to in essence cover that and then move short-term funding. We could do it one of two ways, we could either cut \$500,000 in one-time funding or we could cut \$125,000 in general fund spending. That would zero us out. Am I right, Mr. Van eenoo?

>> You are correct. The only thing -- has this yellow sheet been passed out yet? This is from the humane society department in relation -- from the health and human services department in relation to that?

>> Mayor Adler: I don't see it.

>> Renteria: It's been passed out.

>> Mayor Adler: I'm sorry, I have it.

>> This pertains to item 3.04, council asked us to return with looking at the temporary food permits. And if we were to create a -- currently there's two tiers in the fee schedule before you, \$98 and \$145. This would create a third tier specifically for one-day, one booth events, we would we establish a fee of \$35.

[9:52:19 AM]

And if we did that it would lower our revenue by \$53,000. So if that's something that council wanted to pursue I just wanted to put that out there. That's health and human services estimate of carving out these one-day, one booth events.

>> Mayor Adler: Okay, I understand that. Let's hold that. I want us to zero out and let's make that one of the things that we go back to go ahead and do. So thank you for pointing that out. Ms. Kitchen and then Mr. Casar?

>> Kitchen: If there are others that have found other items that can be moved from general fund to one-time and if that helps, I wanted to say that I'm open to revisiting what we did with parks yesterday because we took -- I believe we took our one million in -- I was the person who proposed that we take the one million in the block grant part of parks, up to 1.5 million because I was concerned about the parks in district 5. I feel comfortable now that I could find another way to do that if it was necessary. I'd only be willing to do that if it was necessary to balance this out. We could cut 125,000 from the general fund, 1.5, if that's in -- now I should double-check and make sure that I think that's in general fund. No, I'm sorry, that's not helpful because that's in the one-time. I spoke too soon.

>> Mayor Adler: That's in the one-time funding.

>> Kitchen: It could be helpful in the one-time if we have that option.

>> Mayor Adler: Right. You know, the -- Mr. Casar?

[9:54:32 AM]

>> Casar: Thank you for putting this together, mayor, and I think the way that I thought about it was instead of just the short-term fund, a four-time fund because I sort of see the writing on the wall that if we didn't move forward with something like this it would be very likely that, for example, the sobriety center would get one-time funding, which you would think of as \$100,000 and we would have to perhaps talk about that again. As councilmember Houston said some of these one-time funding would be recurring and it really gives only a 400,000-dollar commitment to the sobriety center which to me seems a better way of balancing the budget than moving it over from a recurring 100,000 to just a one time 100,000. This really puts in 400. So I think that it's not only the negative change in one-time funds, the far right column is not only the can change in the one-time funds, but the amount we are actually dedicating over four years to that program. So it's I think important for folks that are trying to understand what this interesting idea is that sort of popped up yesterday that, for example, the rundberg project, it's not just a \$175,000 in one-time funds, but we are really committing about \$700,000 over the next four years. And my hope would be that perhaps over two years that program would be successful enough that we could perhaps move it over to the general fund and have it serve more parts of town. And so, you know, I think that this is a prudent way of us sort of figuring out how to deal with that split. My preference on balancing perhaps would just -- just tentatively would be if we find those 125,000 in the general fund to cut, that we move the social services -- the broader social services contracts back over to the general fund and that seems like a clean way of fixing this. But when

we're down to the wire maybe clean isn't the way that it's going to get done because that would be my preference. Of course I'm hop to other ways of -- I'm open to other ways of balancing this out.

[9:56:35 AM]

>> Mayor Adler: I would hope that too. And please put your keen eyes to the budget and find for an interim period of time \$125,000 of true cuts in general funds so that we can actually balance. Or \$500,000 in true cuts on one-time funding so that we can actually start out the morning zero based. Ms. Tovo?

>> Tovo: I had a few things I wanted to ask some questions about. And a few things I wanted to talk with staff about whether they could shift to one-time funds. And I like this idea. I think it's very good for a lot of reasons, most of which we talked about yesterday, but I think it gives us also the opportunity to evaluate these programs each year and see if they're performing effectively. So I would see this as a commitment to continue funding, assuming that the programs are successful and meeting our goals and expectations. I would like to see -- I would like to see us identify some cuts or some shifts within our budget so that we can at least move social service contracts and the sobriety center and possibly rundberg back into the general fund. So that's one of my goals as we move forward. The other ones I think are more -- I feel more comfortable leaving in the community projects reserve fund or whatever we end up titling that. But anyway, my first question is -- relates to animal services, but if it's all right with you, mayor, just run through where my questions going to be -- I have a question for animal services about one of their line items. I've got a question for development services about one of their line items and also I want to get back to a

[indiscernible] Member. Transportation, human resources, public works, animal services and watershed.

>> Mayor Adler: Okay. And before we do that it's now 10:00 so I think this might be a good place to just pause briefly.

[9:58:36 AM]

Let's go into our city council meeting.

>> Tovo: If I could take one minute I'll tell you what those items are and maybe staff can be thinking about them. Some potential shifts to object one-time funds would be the pilot program for heart worm at 50,000, development services, 30,000 for formally joining stakeholder interest groups. I guess I'd like to know one could that shift and two, if we've been participating in those shark groups without paying, is that a \$30,000 we need to spend. We did talk yesterday about one of the customer service representatives that would in essence add to a function that currently has two. I know it failed, but if any of my colleagues would like to revisit that I think we still have that option for a cut to the general fund. I would propose that we transfer the 50,000 that is currently coming out of the general fund to the transportation fund for the San Antonio corridor membership, we made a decision yesterday to transfer half of that. I would say it is a transportation expense. I would suggest we transfer that to the transportation fund and reduce our general fund or close that 50,000 in our general fund. There's a position in human resources for adding a manager to -- for public information requests. I would ask you human resources to be prepared to explain whether that could be a lower classification whether we really need a manager in that position. Public works, there's a transfer in of a public information specialist from a transportation fund for almost \$100,000. I'm not sure we had an opportunity to talk about that in the work session. I'd like to hear more about that. That's on volume 1, page

>> And then in watershed protection there's \$400,000 for creek litigation and I would ask the question of whether it would be

[inaudible]. Or whether our litigation fund within the state attorney's office could -- could cut ongoing expenses. I did quickly double-check some of these against coming out of the budget stabilization fund and it's possible I missed it.

[10:00:44 AM]

Those are my questions at this point.

>> Mayor Adler: That's a good idea. Before we go into the council meeting, our ideas that would require new information, set the time to raise them so staff can be thinking about them. This is not the time to make suggestions that we already know about. This is in essence teeing up to be able to come back to us afterwards. Ms. Troxclair.

>> Troxclair: I guess I was just going to say I did the creative idea using the setting up [inaudible] -- To fund things that would be otherwise be putting us [inaudible]. I want to point out before we go down that road we're \$600,000 away from having a balanced general fund. \$600,000. I mean, we -- I mean we're [inaudible] Yesterday. I really think especially with some of mayor pro tem tovo's suggestions, and hopefully there is information, I just really [inaudible] Without a new funding mechanism. If at all possible, I think we're pretty close to getting there. That would be my preference for us to go down that road first before we look.

>> Mayor Adler: Mr. Zimmerman.

>> Zimmerman: I would like to echo councilmember troxclair's thought. I was thinking the same thing. I want to echo councilmember troxclair on this.

>> Mayor Adler: Okay. You know, when our finance people tell us that it's fiscally prudent to be doing [inaudible] If we chose to do it fiscally prudent.

[10:02:45 AM]

Ms. Gallo.

>> Gallo: I would just like some helpful explanation from staff. The policy, a little bit understanding with the policy areas that speaks to what is [inaudible] For general fund expenditures and what is appropriate for one-time and if we are setting up a new category in the area and policy that we really need to have a [inaudible] On before we start doing it. I would like a little bit of history how our budget evolved and should be appropriately different categories.

[10:06:18 AM]

What we're going to do is go into our meeting. When we come back out we'll go into the changes we might make. After we have the net of those changes we'll true up the budget and then move to the employee section. Ms. Garza?

>> Garza: I want to ask staff to work on some Numbers when we're in the council break because I do like this idea but I have concerns about the social service contracts being in here. Could we get the Numbers instead of going to the 80,000 for the senior tax exemption going to 75 and see what that change is? The.

>> It looks like despite our -- .6 didn't get pulled over to cip. It's on page 4. If you would please add that in. 1.60. And we put that in a couple of times. Thanks. That's the one that was down from a million and a half. It's \$350,000.

>> Mayor Adler: \$350,000 in cip.

>> I'm looking at funding for northwest pool, \$210,160.
>> Pool: Staff yesterday --
>> Mayor Adler: 350 in the cip column but nothing in the council concept budget.
>> Mr. Mayor, it's 8:30 A.M. At of this morning, the one we're looking at, right? That shows the 350.

[10:08:20 AM]

But it's not in the capital budget menu. Do you have a different number, Mr. Van eenoo?
>> I don't see it here.
>> Mayor Adler: Let's mark that. I'll pull that impact up with respect to the budget Numbers we're working with.
>> Put that as a funding source for that cip.
>> Mayor Adler: It wouldn't move over just to the cip column for the council concept budget?
>> The funding source would be one-time funds.
>> Mayor Adler: Let's hold off on that and like the other deals we'll come back to that and vote. So we'll -- it will be one of the things [inaudible] Because we're going to true up and we're just -- we picked a point in time, we'll true up to that point in time and move forward. Okay. So I am now going to convene -- first I'm going to recess the budget session, the budget meeting,

10:57:00 AM

Without objection we'll go into recess on the regular meeting and call up the budget meeting. Mr. Van eenoo, I think this gets us back to you and I think we are now ready to start addressing the opportunities -- potential opportunities raised by councilmember tovo?
>> Mayor, I've added a couple and removed a couple. So we've been connecting with staff and added a few for consideration. Maybe we could start with animal services. And there is a pilot program for heart worm for 50,000. Again, noted on page volume 1, page 42 and I wanted to ask the staff if given that that's a pilot program it doesn't appear to be funded through budget stabilization. Could that be shifted to one-time funds, and I may have already said this. I can't remember, \$50,000.
>> Mr. Van eenoo?
>> I think we can do that if you're looking for me since it's a pilot program.
>> Tovo: And it is -- and do you agree that it's not -- we've been doing this all rather quickly. It would be good just to confirm too that it is not in the budget -- that it's not -- it is not slated to come out of one-time funds, correct? It doesn't appear to me it is.
>> It is not.
>> Mayor Adler: Are you okay with moving that to one-time funds. That's an appropriate --
>> Good morning, tawny Hammond, chief animal services officer. It is a pilot program that we saw significant success with.

[10:59:06 AM]

About 119 animals with that program that were not euthanized because we provided treatment. Many of the animals coming into the shelter do have medical issues. So it's -- with the pilot program we saw success, which is why we were requesting additional funding. It's not a one-time expenditure. It wouldn't fall into that categories is the answer.
>> It's no longer a pilot program. It was a pilot program, but it's one-year continuing?

>> We'd like to continue it if we can fund it and we're estimating about 200 animals, the treatment is about \$250 treatment per animal, which is about \$50,000. We did 119 animals last year. And those animals normally -- would be -- would be euthanized if they wouldn't be adopted. A lot of people won't adopt an animal that's heart worm positive. They'll go to another animal. We're also working with non-profits in the community

>> Tovo: so that doesn't sound like a one-time program.

>> Mayor Adler: Thank you

>> Tovo: My next one is for public works. 244,000 -- I'm not sure I gave them a heads-up. I gave them a heads-up about something else I withdrew. Maybe I'll move on to transportation, to talk about the corridor, moving the San Antonio corridor membership, the additional 50,000 to the transportation department.

>> Mayor Adler: Where is that on our -- Mr. Van eenoo, do you remember where that is on our pages?

>> Assistant city manager, we'd be fine with that.

>> Tovo: You'd be fine with that? Thank you.

>> Mayor Adler: Ms. Tovo, do you know where that line was?

>> Tovo: Sadly, I don't. I think it was on the concept menu somewhere for what we did yesterday.

>> Mayor Adler: I know it's here.

[11:01:07 AM]

>> Mayor, item 222.

>> Mayor Adler: Economic development?

>> On page --

>> Mayor Adler: There social security, economic development, okay. So we would move that general fund would have a -100 --

>> Tovo: Mayor, I think yesterday -- I think there's just 50,000 left in the general fund, and I'm proposing that we move that 50,000 to transportation department.

>> Mayor Adler: Sounds good. We would have a -100 and + 100 in other funds.

>> Tovo: Do you want a motion after each one of these? I move we move that \$50,000 from general fund to the transportation department.

>> Mayor Adler: Okay. Second by Ms. Garza. Any discussion? Those in favor please raise your hand. Those opposed? Unanimous on the dice. Mr. Renteria off. Ms. Tovo, you're on a roll.

>> Kitchen: Quick question.

>> Mayor Adler: Yes, Ms. Kitchen.

>> Kitchen: I'm trying to follow, sorry. That results in a \$50,000 subtraction from our general fund.

>> Mayor Adler: Kind of, yes.

>> Kitchen: Okay.

>> Mayor Adler: There's some level of -- does that get reapportioned? No.

>> No, that will not.

>> Mayor Adler: Okay. Then yes. Okay.

>> Tovo: So my next question is to development services, and this regards the -- or this is in reference to the \$30,000 listed to formally join stakeholder interest groups.

>> Good morning, mayor, council, Rodney Gonzalez, acting director for development services.

>> Tovo: Mr. Gonzalez, can you tell me what that is? Let's start with what it is.

>> Absolutely. The recommendation stems from the Zucker report. It's recommendation number 3. You can find it on page 43 of the Zucker report and the recommendation is that pdrd or now development services should develop a specific formal approach to continually involve stakeholders in all relevant issues and officially join these groups.

[11:03:08 AM]

As Mr. Zucker indicates in his report, most best practice communities have a deliberate and formal approach to working with the development interests and other stakeholders, often staff is invited to attend certain routine meetings, active use of up to date stakeholder email lists is up to date or -- or is essential and their list can be used in form of pending policy or ordinance changes being considered, request input, disseminate information, et cetera. So currently you're animal right, we do get invited periodically from time to time from some of these stakeholder groups, but as Mr. Zucker pointed out, we don't have a formal or deliberate approach to how we engage with stakeholders. And that's to our deficit because we do need to have that type of approach and we should be members of those organizations so that way they can understand that we share their interest. These aren't just development organizations. They're small business organizations as well, like Austin independent business alliance. We should have a membership role in all those organizations.

>> Tovo: Can you give me some sense of what the others are? Are we talking about joining officially reca and the real estate council Austin and others and does it really total to 30,000? I guess I see city staff whenever I go to any of those events so I'm wondering whether really every recommendation in the Zucker report needs to be followed to the letter, especially those that have a financial tag attached and may may not be necessary.

>> Good question. I'm sure you do see other city staff. They may not be city staff from development services department, they may be staff from other departments in the city but there's a list of stakeholder organizations within the Zucker report starting on page 100 that can give you an indication of the industry groups that we would be looking to join, ranging from the air conditioning contractors association to the Asian contractors association, the associated general contractors, some of the minority chambers here in town, the institute of real estate management, plumbing, heating and cooling contractors association.

[11:05:19 AM]

There's a list of stakeholder groups and industry groups in the Zucker report.

>> Tovo: Especially some of those you've mentioned -- I appreciate that information. That is actually really helpful. Some of those you've mentioned provide actual services for their members that wouldn't be relevant or necessary for the city of Austin. And so I'm struggling to find a financial necessity to continue this, but it looks like others have -- for example, the plumbing association, I mean, they are a -- I can see the city staff being a resource to that group. I don't see that a formal membership is required since we're not going -- the city of Austin is not going to look to the plumbing association to provide the kind of benefits that a member would. But, anyway, I welcome my colleagues' thoughts on this.

>> Mayor Adler: Ms. Kitchen.

>> Kitchen: Just to follow up, I think you said this, I'm wanting to make sure I understand. So the dollars here are to pay for memberships is that right?

>> Yes. For department membership to those industry and stakeholder groups.

>> And what's the total?

>> 30,000.

>> Kitchen: Yeah, I would share councilmember tovo's concern. I think that there's -- it's important to have a relationship but I don't know that it has to be a membership type of relationship that we pay for.

>> Mayor Adler: Ms. Gallo.

>> Gallo: Reading my mind before I put my hand up? Thank you. Perhaps you can tell us, because I know being involved in -- all of us perhaps are involved in different membership organizations, and I know

there are advantages to members that nonmembers do not have and so my thought would be that -- I know in organizations that I'm a member of, one of the biggest advantages is you have access to the membership and other emails and things that might be good as we talk about making sure we have community involvement out there, people are notified of things and we're doing a lot of processes that we're looking at trying to engage the community in what we're doing, and that -- I would be curious if that would be an advantage of the memberships, is that you have a better access to that part of the population that we're really trying to get -- to engage in what we're Glock you stated the concerns very well and it's an engagement.

[11:07:35 AM]

It's a different level of engagement that we're talking about. It's one that is going from a passive level of engagement to a more active level of engagement, one where we are part of those stakeholder groups, where you're getting the benefit of all of their emails to their membership, we are at the same time providing them valuable information that they need to know, especially with regard to the improvements that we've got in works for development services. We want to make sure we're proactively pushing information out to the various stakeholder and industry groups. Once again, the overall action plan called for the revenue resources or the revenues and fees to pay for the resources that we're talking about through the action plan. The intent was that we wouldn't get into a situation of where you have to prioritize the development services requests with other general fund priorities, and that was the purpose of devising the action plan as -- devising the action plan as we have.

>> Mayor Adler: So much of -- there's certain projects real important for the city moving forward, and I think funding social services and health services is real important for us to do, increasing the a money that goes to parks I think is real important for us to do. I also think codenext and that process is going to be real important for this city and I also think that making the development and permitting process work is real important for this city. One of the reasons why I was supporting the acceleration of the development charge by almost a million four beyond what staff had recommended was because we're going to put that emphasis on that area. I'm going to vote against this keeping in mind it exists but I'd like to see how close we can come to doing the budget without having to start as a council deciding which Zucker recommendations are best practices or worthy doing and which ones aren't.

[11:09:37 AM]

I'm just uncomfortable being in that role. Further discussion on this item? Ms. Houston.

>> Houston: Thank you, mayor. Thank you, Mr. Gonzalez. It's really interesting that the focus on this particular item is on stakeholders and you define stakeholders as industries and a business development interest. How do you engage stakeholders that are neighbors?

>> Well, that was part of the public information specialist position that we had offered council for that consideration because we currently don't have a good enough program to engage neighbors. We don't have a dated resource to do so and the premise for that public information specialist was to engage with the communities as well. The 30,000 is specifically targeted for those organizations that have membership to engage with. The neighborhood associations I know of you don't pay for a membership. You can sin to become on their list serve and we have proposed for that very position, to engage with the neighborhoods. We will continue to try our best to do so. Without, without a dedicated resource it's going to be a stretch for us to continue to do so in a very engaged and proactive manner.

>> Houston: The reason I ask that is because the neighborhoods feel -- I can't speak for all neighborhoods. Some feel that y'all are doing an awful lot with the industry and not very much for the

neighbors. So I just wanted to make sure that -- when I'm talking about stakeholders, I'm talking about all of the above, not just the industry.

>> Thank you for that. And we've heard that from our neighborhood residence as well, is that they're stakeholders and we agree. That was our part of the action plan, was for that public information specialist to reach out to all stakeholders.

>> Mayor Adler: Did we conduct the -- how much was that.

>> Approximately 75,000.

[11:11:41 AM]

>> Mayor Adler: 75,000. Okay. Ms. Pool and then Mr. Zimmerman.

>> Pool: If we're looking for funding so that we can cover this and not have to cut it and add the one fte, maybe we could revisit 3.07, which is on page 15, where we are shifting -- I don't know if it's this one or the one that was 2 million and we talked yesterday about 2 million or 2.5 million from the general fund for economic development incentive reserves. We could shift some to cover that -- to cover that we could shift additional funds from the economic incentives reserves to cover that.

>> Mayor Adler: Okay.

>> Pool: Because we looked at maybe 2.5 and settled on simply two.

>> Mayor Adler: Let's come back to that because we're not doing kind of one for one. We're just trying to see where -- what we're going to do because anything -- new revenue would apply to any cut revenue applies to everything as well as. Mr. Casar.

>> Casar: Mayor, the only reason I will respond to councilmember pool's point very briefly right now is just a reminder that that 500,000 will go to one-time fund, not general fund, in case that influences your vote in that case. That's the only reason I bring it up.

>> Pool: Is that on the new Casar category of one-time ongoing?

[Laughter]

>> Casar: I know I'm going to get made fun of a lot for this.

[Laughter]

>> Pool: I thought it was a really great --

>> Casar: Generally ftes for the city can't fit into that creative idea, some call it a gimmick, as others have called it.

>> Mayor Adler: Doll a creative idea and it will stick. Mr. Zimmerman.

>> Zimmerman: I want to restate what's before us to vote on.

>> Mayor Adler: What's before us is the \$30,000 for development services services to become an participant in certain stakeholder groups, membership fees.

[11:13:51 AM]

>> Tovo: I would say a formal member, not necessarily an active participant. I think they can be an active participant without being a formal members that my point in raising this.

>> Mayor Adler: Would those organizations let us be honorific members.

>> Would they let us be -- I'm sorry?

>> Mayor Adler: It would seem to me it would help drive their agenda if we were allowed to be active members in those organizations without paying the membership fee.

>> I really don't know the answer to that question without asking each of those stakeholder organizations individually. I just don't know the answer to your question of whether or not they would allow us to be an honoree member, if -- honorary member, if you would. I think you're asking for being a member without paying, perhaps?

>> Mayor Adler: Exactly. I'm saying it might serve their mission for them to actively involve the city as part of their conversations. That might be something though affirmatively want if we were willing to assume the -- kind of the responsibilities and the time commitment associated with being a member.

>> I don't know the answer to your question because there's so much different stakeholder and industry groups that without asking that question, we just don't know and so we didn't want to lead with the assumption that that would happen, and we certainly didn't want to dishonor those membership organizations by making that request.

>> Mayor Adler: Ms. Garza?

>> Yeah, I'm very conflicted about this one because I thought the same thing. It's to their advantage for the city to be a member for them so I see the value of us being members, but I could also see where they would waive that for the city. And then hearing that essentially this should maybe not be coming from the general fund, it should be passed on through the feel --

[11:16:12 AM]

>> Tovo: I want to comment about this. I think I would like to make a formal motion to remove this. We could certainly revisit it next year. As I said I think some of these organizations provide benefits to their members that are not necessary for the city of Austin. We have wonderful minority chambers. I think a lot of our departments have a close relationship with them and I hope development services develops 12. The hispanic contractors association and others help their members respond to requests for proposal and know about upcoming requests for proposal. Again, I don't see that our city department needs to be an active -- or needs to be a formal member of those organizations. It also strikes me that some of them are involved or maybe dish would need to look at the list again -- in various advocacy issues here at council, potentially at the legislature, and then we're -- you know, we're -- and that may or may not be true. I don't know, Mr. Gonzalez, but certainly it's possible that some on that list -- and I would need to look to be sure, are involved in frankly lobbying issues against some of our legislative bodies and that would make me uncomfortable.

>> Mayor Adler: Ms. Gallo.

>> Gallo: I would vote against removing this, for a couple of reasons, but primarily yesterday we voted to increase the funding into this department through the hundred% cost of service fees that was not in the initial budget and that was almost \$1.4 million. So I think we've enhanced the revenue coming into that department I think if there are areas the department feels like they can actively engage all parts of the population in the community, I think it's important to let them try to do that. My support of this would say we should see a benefit of it the first year and, if not, I doubt I would support it next year.

[11:18:15 AM]

But I also -- to address councilmember Houston's concern is that it does concern me with adding that amount of revenue that is paid by that industry into your department. We've also removed yesterday the position, the Pio position, whose purpose was to do exactly what councilmember Houston was concerned about, to make sure that all parts of the community are pulled into the process. So I just am a little concerned that we've added revenue at the cost of the industry coming into this department but we're also taking away some of the tools that you feel like are important for community engagement.

>> Thank you.

>> Mayor Adler: Any further conversation on this? Ms. Tovo has moved to strike the \$30,000 from the budget. Is that one-time money or general fund money?

>> It would be ongoing money. General fund money because currently the development services department is in general fund. Of course as we've mentioned next year the movement is to move into an enterprise type fund situation.

>> Mayor Adler: I would move to amend Ms. Tovo's motion to take it from general fund to one-time funding so that we participate and we're not making a decision that overrules Zucker's recommendation on best practices, which I'm uncomfortable doing while we're asking staff to fix the system, to go in and then micromanage at that level but I recognize the concern. So I would move to move it from general fund to one-time fund. Is there a second? Ms. Pool seconds. Any discussion on my amendment? Those in favor please raise your hand one, two, three, four -- eight. Those opposed? Ms. Houston abstains. Ms. Tovo abstains. Others voting aye. We have a motion to move the 30,000 from general fund to one-time funding. Those in favor please raise your hand.

[11:20:16 AM]

This is the item to take \$30,000 that is right now in general fund for membership and move it to one-time funds.

>> Zimmerman: I'll vote for that.

>> Mayor Adler: Those in favor please raise your hand. Those opposed. We vote on my amendment to Ms. Tovo's motion. Then we vote on --

>> Tovo: How about if yours was a subset.

>> Casar: Mayor?

>> Mayor Adler: Yes.

>> Casar: I wanted to vote to strike the item so I got confused for the amendment vote. I think I voted yes. I'd call -- like to call for reconsideration.

>> Mayor Adler: Let's go slowly. First Ms. Tovo has recommended action with respect to the \$30,000 on membership. She had a motion to strike it entirely. I amended that to say rather than striking it, let's move it from general funds to one-time fund. We're now going to vote on my amendment. We'll take a revote on that if you misunderstood. It's an amendment to Ms. Tovo's. So those -- yes?

>> Tovo: So if you would like to strike the money completely, you would vote against this motion.

>> Mayor Adler: Would you vote against this. Those in favor of the amendment to change it from general fund to one-time funds, please raise your hand. Zimmerman, pool, Adler, Renteria, and Gallo. Those opposed to the amendment please raise your hands. So it's the other six. The motion on the floor is to strike it in its entirety. Is there -- we'll now vote on that. Those in favor of striking it, the \$30,000 from the budget, please raise your hand. Those opposed? Three voting against, Gallo, Renteria, and Adler. So the \$30,000 comes out of the budget at this point.

[11:22:18 AM]

Okay. Did you have something else, Ms. Tovo.

>> Tovo: I have a couple others. In the office of real estate, there is -- I think we've got this question into real estate. I'm not sure if they have the answer yet. They have a staff position that also includes a reference to a one-time increase in terminal pay, and I assume that one-time increase could probably be -- well, I don't know. If you could just address whether that is actually a one-time increase that could be done through one-time funds and, if so, how much that is.

>> Yes, ma'am, mayor, chief administrative officer for real estate services. That dollar amount is two separate amounts so it's a rolled up cost. There's approximately \$90,000 that is the one-time retirement expense. We anticipate having two employees that will be retiring in fiscal year 2016. The other is the

differential of the cost of what the new assistant director position will be, which is approximately the \$63,000.

>> Tovo: So it sounds like 90,000 of that 133 could move to one-time expenses.

>> I'll defer to Mr. Van eenoo. We were advised this is thousand would be rolled up. So if that could be moved over into one time?

>> Yeah, I was working on my spreadsheet. What was the -- what's the item for?

>> One-time retirement costs.

[Laughter] We have -- we expect two employees to retire.

>> We can do that out of one-time.

>> Tovo: We could? Okay. Then my motion is to move \$90,000 from that line item in the office of real estate budget to a one-time expense.

>> All right.

>> Mayor Adler: So that I have that, that's to -- one more time, I'm sorry.

>> Tovo: There's a line item in the office of real estate services for \$133,000, and it includes a differential in -- I think the assistant director position.

[11:24:21 AM]

Is that right? But it also -- of that 133,000, \$90,000 is a one-time retirement --

>> I'm sorry. It's two costs. So it's a one-time retirement cost and that number is 70,000. Excuse me. \$70,000. The other is the differential for the ad, which is 36,000. So that's \$70,000 cost, I believe the question is could that be moved from general fund to one-time, and Mr. Van eenoo said that it could be, yes.

>> Tovo: Thank you for that correction. So then the motion would be to move 70,000 to one-time costs.

>> Mayor Adler: This was for a retirement --

>> This is for the estimated retirement costs that we would incur for two employees who are expected to retire in fiscal year 2016.

>> Mayor Adler: Okay. Thank you. It's been moved by Ms. Tovo to take \$70,000 out of general fund expenditures, increase one-time fund expenditures for this item in development services. Seconded by Ms. Pool. Those --

>> Tovo: Real estate services.

>> Mayor Adler: Real estate services.

>> It's not a general fund expense. It's going to go into -- when we account for this it will go into our other funds and --

>> We know.

>> We'll run it through our allocation model.

>> Gallo: Mayor, I have a question of staff before they disappear. Why do we have a one-time retirement cost? Could you explain that?

>> Mark Washington. It is not solely a retirement cost. It is due to retirement but it's payment of leave accruals that the employees have had that's payable upon their separation. So it's any employee that separates has leave accrual, but when you know someone is retiring you can anticipate their date of separation and plan accordingly.

[11:26:29 AM]

>> Mayor Adler: Ms. Kitchen.

>> Kitchen: Mr. Washington, thank you for that explanation. But it strikes me that there may be other situations throughout the budget where we may have some dollars like that that are essentially one-

time dollars. Would that be fair to say? That whenever someone is retiring you may have a circumstance where you're paying those one-time accumulation of leave and those sorts of things?

>> That's correct. And it's anticipated. We can't guarantee that people will retire, but it's department's best estimate of what unplanned costs might hit the budget.

>> Kitchen: Would that be true of other departments?

>> Yes.

>> Kitchen: Would that be a number that it's possible to determine?

>> I'll defer to Elaine and ed.

>> Mayor Adler: Let me ask this question. There are certain expenses that, while they are one-time expenses, are recurring, such that you have advised us earlier when we have a one-time expense that is a recurring expense, we should treat it in the general fund or next year we know we're going to have the expense and we won't have been set up for it. So you had recommended earlier that if we -- we're buying one fire engine, it's a one-time expense, but if we're buying a fire engine every year, it's an ongoing expense -- every year, it's an ongoing expense. Tell me how this question that Ms. Kitchen is asking relates to that. I mean. . .

>> Okay. Elaine Hart, chief financial officer. To the extent that we can predict what the estimated terminal pay is, we do often put that in. Typically, it's more when we have knowledge that someone intends to retire and that depends on whether that employee has indicated to their management chain that they intend to retire. It also depends on whether they work down their leave accrual balance before they retire.

[11:28:32 AM]

And so it is sometimes a difficult amount to predict.

>> Mayor Adler: I think the question is, is it appropriate from us, from a financial standpoint -- I would love it if we can -- to move something like that from general fund to one-time payment?

>> We can. We'd have to scrub these numbers to see what terminal pay we had budgeted in the general fund. In this case, the real estate services office is in the support services fund, not the general fund. So that cost is allocated across all the city departments. So only a portion of it would reduce the general fund expense side. Did that answer all your questions.

>> Mayor Adler: But it's coming out of general fund and moving into other funds, where it would get redistributed?

>> It would.

>> Mayor Adler: My question is a policy question that went beyond that. Does prudent fiscal policy for us to do that with anticipated retirement monies, or is it appropriate for us to do that, where we wouldn't be in essence, you know, digging a hole? Is this like the fire truck, or is this like the park, I guess.

>> I think it's like a lot of these discussions. It kind of depends. And this -- in this particular case, this is a small department. They typically won't have very many retirements. They might have one or two retirements and not have another one they deal with for three, four years. So it's certainly not our standard practice, but in this particular case, being familiar with the department, being familiar with the situation, I think could you look at it as for this department a one-time expense. In a large department like police or fire we're going to budget a significant amount of what we call terminal pay every year. It's just we know there's going to be a bunch of retirements in the department and we account for that. But I feel in this particular instance, for a small department with one position, it wouldn't cause me to stay awake at night knowing we were funding this out of one-time funds.

>> Mayor Adler: Going to what Ms. Kitchen said, if you could take a look at the budget at a break or otherwise, if there are other opportunities like this in departments, as you just described, whether there are a few more of these that you can find.

[11:30:44 AM]

It's been moved by somebody.

[Laughter] I don't know who brought this idea. Ms. Tovo did, to move \$70,000 from general fund to other funds for this retirement cost for the two employees in real estate services. Seconded by Ms. Kitchen. Any discussion on this before we vote?

>> Sorry, mayor. I apologize. In looking at those Numbers, the actual amount is not 70 -- it's 41,000 and change, and --

>> Tovo: We're not moving in the right direction on that one.

[Laughter]

>> It's -- mayor pro tem, it's 41,328. The rest is for the reclassification differently differently for the -- differential for the assistant director.

>> Mayor Adler: 41328. Every 41328 counts. Yes, Ms. Troxclair.

>> Troxclair: The -- come back.

[Laughter] Come back. The cost differential for the -- I guess, what is it assistant director?

>> Yes, ma'am.

>> Troxclair: So then that total is what? Now?

>> The 133,000 minus the 41,328, the assistant director position was reclassified from another position.

>> Troxclair: Right.

>> So the difference in the pay from the lower-level position to an assistant director, that's what we had to budget for, was that differential.

>> Troxclair: So what is the total salary of that new assistant director position?

>> The total salary would be a range, once we hire that person. So the base salary would be between 120,000 to 130,000.

>> Troxclair: Okay. There wasn't funds -- because I think this is the same position we talked about when we had the vacancy discussion.

[11:32:46 AM]

>> Yes.

>> Troxclair: Because this position has been reclassified but has been vacant for, like, seven years or something. So when we decided to continue that position -- and I understand why that position is needed within the department -- there was not money within the department's current budget to make up that differential? That, what is it, \$90,000?

>> There was. And because this is -- you know, we have to roll up the benefits as well, but there was money with the base position, the lower-level position. The differential cost is for the remainder of the - the larger salary for the executive position.

>> Troxclair: Okay.

>> I can get you the Numbers. I don't have the Numbers in front of me but I can get you the exact Numbers as to what the lower-level position would have cost and what the assistant director position would cost. So the differential is what's being asked for in this budget.

>> Troxclair: Okay.

>> Mayor Adler: Those in favor of taking that 41 and change from general fund to other funds please raise your hand. Those opposed? Thank you. Mr. Van eenoo, there are several council -- I'm sorry? I'm

sorry. I think it was unanimous with Mr. Casar off the dais, Ms. Garza off the dice and pool off the dais. Several of the councilmembers are asking the question what it would be if we were to take the senior tax exemption from the 80,000 to the same 75,000 that Travis county is doing. Do you know that number?

>> Do I. So the city of Austin senior exemption is currently at 70,000. I think currently on the concept menu is to increase it to 80,000, and that -- that reduced revenue by 1.6 million.

[11:34:57 AM]

Lowering -- or putting the exemption at 75,000 would result in a revenue reduction of 800,000, but relative to the concept menu that you already have in play it would actually increase your revenues by 800,000, if you're following that.

>> Mayor Adler: So if we were to do that, it would balance us in the general fund?

>> Yes. So if you're to take 1.01 and instead of increasing the exemption by 80,000, increase it by 75,000, we would change that number to basically negative 800,000 instead of currently negative 1.6 million.

>> Mayor Adler: Okay, thank you. Ms. Tovo, did you want to keep going?

>> Tovo: Sorry. I got distracted there. So I have a question about a line item in the mayor and council budget, and it is dish may be about to suggest something. That will impact us very directly. There's \$37,000 worth of funding for shared office costs and commodities due to increased number of meetings so I wanted to ask, I guess, our management staff or whoever prepared that, is that food associated with our meetings? Or are those meeting materials? I'm not sure I understand what that 37,000 is and whether we could --

>> That is -- that is Ms. Kay's budget, if you'd feed all of us during those additional meetings.

>> Tovo: I see. So that's all the staff.

>> Yes, ma'am.

>> Zimmerman: People eating the food.

>> Tovo: But that is just for -- that is just an increase.

>> That is just an increase, that's correct.

>> Tovo: Not the full budget, okay.

>> Mayor Adler: Auto I've often recommended that we work through dinner.

[Laughter]

>> Zimmerman: Mr. Mayor, I'd like to point out that sometimes we're out here on the dais and other people are eating the food back there. I think that's why they were laughing.

[11:36:57 AM]

>> Tovo: Why we want them to do because it's a very long day. I think I would need do get a little bit more sense -- I mean, if we're asking people to stay all day and often into the night we clearly need for them to have lunch and dinner. If a portion of that is for additional work sessions, that might be something we could consider easily let meining but my guess is that doesn't amount to a lot of that 37 how did. It's probably the cost of feeding staff in the evenings. Well, I believe at the moment those are my last suggestions. The other ones have fallen off for one reason or another, but -- because they weren't feasible. I would say yesterday there were two that I certainly would be interested in revisiting, if anybody who voted against them wants to bring them up again. One was moving the equipment for the fire department in the amount of about 109,000 into one-time costs, as it has been funded in the past. In previous budget years. The other would be a \$65,000 customer service position. Again, we are moving from -- we had a lengthy discussion about it yesterday, that we don't need to -- I don't need to

resummarize, but it would be for moving from two positions to four positions. And in looking through some of the Zucker report comments, actually, I noticed it -- and this is on page 417, it talks about two customer service reps handle the main pdrd phone lines, the city installed a new phone line, the calls were picked up in two rings, which is excellent. If lines are busy there's a call back system. Anyway, it talks more about that. I'm not sure that a 100% increase in staffing in that area is justified given the comments in the Zucker report and given the Numbers returned to news my budget q&a but, again, that vote failed yesterday. I just point out those two additional savings if anyone is interested in revisiting them.

[11:38:59 AM]

>> Mayor Adler: I think we'll have the opportunity as we go through the budget to do that because I'll probably be voting to put back in the public information officer we lost yesterday in response to Ms. Houston's concern that we're not doing engagement. But now is not the time to do that. We're trying to just surface things that have not come up before, new ideas and concepts, and, Ms. Tovo, thank you, and your staff a lot for identifying some. Manager, do you want to contribute to the effort here?

>> Yes, mayor. I would like to. I think, as council knows, in my office, we've got some vacancies in my office, a couple of assistant city manager positions. I am in the process of thinking about how I'm going to use this opportunity to reorganize my office. Part and parcel with that, I intend to downgrade one of the acm positions to assistant to the city manager. That delta would result in a savings of \$137,791 at your disposals disposal.

>> Mayor Adler: Thank you, manager. Ms. Kitchen?

>> Kitchen: I just wanted to say thank you and make sure that you're comfortable. It sounds like you are. Is that --

>> I am. I can't promise, you know, in a year from now or whenever.

>> Kitchen: Sure.

>> Depending on how things are I may have to re-establish that but for now, yes.

>> Kitchen: Okay.

>> Mayor Adler:.

>> Gallo: Mayor, I want to say thank you too. I think it's a joint effort to try to figure out how to make this work so I think that's really good.

>> Mayor Adler: The manager has made available -- has indicated that his staffing plans would free up 173,791 out of the general fund, is that correct?

>> That is correct.

[11:41:00 AM]

>> Mayor Adler: Okay.

>> It won't be out of the general fund. It will be in other funds.

>> Because we allocate.

>> It will be reallocated. We'll get you an update on the Numbers but that won't all be general fund.

>> Mayor Adler: Okay, yes. Ms. Troxclair.

>> Troxclair: I do appreciate you bringing that up, city manager, and you must have read my mind because that was one of the things I was going to ask about. I want to understand because I know that we have a vacancy that you're talking about is in the assistant city manager role. I appreciate your suggestion that that fte would be reprogrammed into another less expensive position. You would also be willing to consider doing away with that position? Which I think would save us closer to \$300,000.

>> Again, I think with the -- I don't know how to characterize it well, but with the increased level of resources or capacity that we have -- we've had to shift, given 10-1, I'm going to need the remaining personnel in my office.

>> Troxclair: So that person would report directly to your chief of staff?

>> Which person are you speaking of? The position I would downgrade assistant to? Is that the one you're speaking of?

>> Troxclair: Yes.

>> Yeah, to me.

>> Troxclair: Okay.

>> Troxclair: How many employees do you have reporting to you?

>> Quite a few. It --

>> Troxclair: Not assistant city manager. It sounds like this person will be maybe more an administrative support role.

>> I would characterize -- that's a -- that's a fair characterization of an assistant to a city manager, but I have an assistant to a city manager, a chief of staff, my secretary.

[11:43:03 AM]

There are a number of executive secretaries in the city manager's office. There are executive assistants who support -- who support assistant city managers. So I can't tell you the exact number, but we have a good number of people in the manager's office. But essentially the acms, the chief of staff, my secretary, this assistant 2 that would result from downgrading one of the acm positions will report to me directly. Outside of my office of course there's a city attorney, general manager of Austin energy, and I hope I'm not forgetting anyone. I think that it.

>> Troxclair: I guess I just would point out that that -- that -- if we eliminated that position, that would be closer to \$300,000 price tag. So if there's any way that you would reconsider that, I think --

>> Well, I appreciate what you're trying to do, but I'm comfortable going as far as I've gone.

>> Mayor Adler: Okay. Thank you. Ms. Tovo.

>> Tovo: If I could just suggest, so we're going to break at -- I almost said midnight. Noon.

[Laughter] We are going to break at midnight too, I guess. And I would just ask the city manager and the budget staff if there are any other items that could shift to one-time funds that we haven't identified or if any of the departments have any ideas. It looks like we're -- I guess it's not quite 300,000 that we've closed the gap because that goes to support services services and gets reallocated so it's somewhere less than 300,000 that we've -- and change as we've just made but we're still about 350 off.

>> 350 off.

>> Tovo: In identifying some additional areas.

>> Mayor Adler: Do you have a feel at all for how -- when that gets reallocated, the other funds reallocation, do you have a feel at all for how that drops the general fund number?

[11:45:08 AM]

>> I think we'd be at \$451,000 gap right now.

>> Mayor Adler: 451?

>> Based upon these changes you just talked about, took votes on, but not accounting for the handout you provided earlier, mayor.

>> Mayor Adler: Okay. Fewer 51. So -- Ms. Kitchen?

>> Kitchen: I'm sorry. I just wanted to understand. Does that account for the discussion we just had about -- is that the city manager offered?

>> It does. Is a.

>> Kitchen: Okay. Then, mayor, you may have been going to this as the next point, but I'm trying to understand how the earlier discussion about the proposal that councilmember Casar had brought forward, how that would impact this discussion.

>> Mayor Adler: I'm going to change this right now so we can zero out at this point and then come up. I'm going to recommend that we do the transfers of the concept menu to the short-term funding, but taking out the social service contract line item. You take out the social service contract line item, that would give us \$500,000 coming out of the general fund, and it would eliminate -- mean a \$2 million reduction in one-time funds at this point best as I can tell, that would zero us out at this point. Does that look right is now.

>> It does.

>> Mayor Adler: Okay. So just for purposes of truing us up, recognizing there's a lot more work for us to do, is there a second to the suggestion I just made? Ms. Pool seconds that. Ms. Kitchen. Any discussion before we do this? Ms. Tovo.

>> Tovo: I'm sorry, mayor, I was off the dais for a minute so I'll need to you restate it but, also, did you indicate which of these items would move back to general fund?

>> Mayor Adler: Yes, I took social service contracts.

>> Tovo: Perfect, okay.

>> Mayor Adler: Out. That left us then \$500,000 in reduction to the general fund spending and increasing spending in one-time funds to the tune of \$2 million.

[11:47:13 AM]

>> Tovo: I would offer my hope we can figure out how to move the sobriety center back in as well because that we know is an ongoing and then, again, my next one after that would be rundberg.

>> Mayor Adler: I'm in favor of us looking for more. We have a lot of work to do this afternoon. Yes, Ms. Troxclair.

>> Troxclair: I would just ask -- I think it's too preliminary for us to make this decision right now. I don't think that we are far enough -- clearly we've made good progress with councilmember -- at mayor pro tem tovo's suggestions. I had a couple other questions about our general fund costs that I was going to ask. This is a big change, and it is a big policy decision, and I understand that this is kind of the easy way out with the Numbers that we have in front of us right now, but I think it's a decision that needs to be made after we fully consider the other cuts that we are going to make. And I will just say that -- I guess I will just bring up that, you know, the \$2 million that we have right now in one-time funds, there was a concept that I put forward and that we decided to adopt that had to do with the budget stabilization fund that was equivalent to about a \$2 million drawdown. I was explicit in that suggestion that those savings be used for a one-time reduction in our property tax rate, and as the budget stands right now -- so, I mean, I heard mayor pro tem tovo's suggestion that that \$2 million that we're talking about could have been from her concept menu reduction that had to do with our incentive fund but there is also this \$2 million out there I had assumed when I saw it in the budget, I assumed it would be used to reduce the tax rate, but in the spreadsheet as of now it's being shown as a credit. And so I just -- I think there's a way for us to all get to a place where we are funding everything that needs to be funded.

[11:49:15 AM]

We are -- I just want to really reiterate we are not that far away. If we can get to a balanced budget without -- before we adopt the potential short-term funds idea, there's an opportunity for us to use that \$2 million in excess one-time funds that we have right now and apply it directly to a reduction in the tax

rate when we adopt the tax rate last week. Our budget staff, when they ran the Numbers for me yesterday, that would result in a tax rate reduction from four -- .4598 to .4579, an additional \$4.13 on top of the \$12 we're looking attribute. So it's \$2 million -- looking at right now, so it's \$2 million and it would make -- it would make a significant impact, I think, in the overall cost of living reduction I think we're all hoping to get to. I would really does mayor and councilmembers -- maybe we get to the end of the discussion and this is the right thing to do but I don't think we've fully had the discussion and I hope we can wait until the end before we adopt this.

>> Mayor Adler: Mr. Casar.

>> Casar: I just want to sort of reframe some of the short-term fund discussion. We aren't -- I do not think we're making a major policy decision or policy change by voting on this. It is essentially saying we are going to fund, for example, the [indiscernible] With a one-time fund one time but pay it out over four years, use that money four different times one time. So we aren't making a policy decision that to me seems to be changing course. We just aren't being constrained by a fiscal year that we set, instead are basically making sure we have money for four payments out of this one-time fund. It also buys us that number of years in order to find a way to move any of these into the general fund that we want to move there. While I would certainly be in favor of moving the sobriety center into the general fund, if we can get there -- and I think that we probably can since it's not such a big number, it's also -- it also buys us four years to figure out how to fit it in if we can't.

[11:51:29 AM]

So I feel comfortable setting this as a baseline, getting together over lunch with my staff and I'm sure each of us can do so as well, and try to sort out alternatives. I think this sets us as a place where we feel comfortable that we're set and then those sort of minor adjustments on the edges can be made and I'd be very supportive of those adjustments that the mayor pro tem listed.

>> Mayor Adler: Mr. Zimmerman, then Ms. Kitchen.

>> Zimmerman: Thank you, Mr. Mayor. Again, I'm concerned when I hear, you know, we're going to do four one-time -- we're committing to four one-time one-time expenditures. That's not one times, that's four times. If you commit to do it four times that's four times, not one time. Be that as it may, I point out the biggest driver of our budget increase is of course our employee and benefits. Before we did the decrease in public safety, I think we were around \$50 million of increases when you added in the proposed 3% plus all the pension payments, plus the social security pensions, social security payments, the health insurance payments of \$13 million. There's a staggering amount of money that's gone into employee raises and benefits, and we haven't even got there. It's my hope that we can still realize millions of dollars of savings when we get to this biggest budget item so I would want to put off this discussion until we complete the employee part of the budget.

>> Mayor Adler: Ms. Kitchen.

>> Kitchen: I just had a follow-up question to councilmember troxclair's idea. So can we -- could we use one-time funds for -- to lower -- I just want to -- affirmation from Mr. Van eenoo. Can you use one-time dollars for a one time lowering of the tax rate?

>> I can tell you that we have had this discussion, this very discussion with previous councils and staff does not believe that's in compliance with your financial policies that have been approved and the previous council when they had this discussion did not either.

[11:53:41 AM]

But, again, it's this gray area of how do you choose to define a one-time purpose versus a recurring cost. From a financial standpoint, we would look at it as, you know, you're looking at your general fund and

the way this would actually be enacted is your property tax revenue and your general fund, clearly a recurring source of revenue, would be lowered by \$2 million, and we would have a transfer from our reserves to our general fund to keep us in balance. Clearly, that transfer, that amount would show up as clearly a one-time transfer, so you're replacing a recurring source of revenue to pay for your recurring expenses with a one-time expense.

>> Mayor Adler: How does that impact the effective rate for next year? If we were to -- let's say in any one year we had a significant -- dollars that were undesignated and we chose to designate it for a one-time property tax because we were in a position to be able to do that, how did that impact the effective -- how does that impact the effective rate next year if we don't have that same margin?

>> It affects both your effective and roll back rate calculations so those rates are based upon the property tax revenue that you generated in the prior year. So to the extent your property tax revenue in the prior year was lower, your effective and roll back rates in the subsequent year to generate that revenue would also be lower.

>> Troxclair: Mayor.

>> Mayor Adler: Yes, Ms. Troxclair.

>> Troxclair: Ed, is -- do we need to set the tax rate again next year?

>> Yes, you have to adopt that annually.

>> Troxclair: So by definition the property tax rate we adopt this year is one year only, it's a one-time expense. I understand why you would say that the source of the funding is an ongoing source of funds because of course we're going to collect purchases property taxes every year, but the distinction, and I think it's really important distinction, by definition we will be setting the tax rate again next year.

[11:55:54 AM]

So I think there is no better use of what should be one-time funds than a tax rate that is 1-year tax rate, that we will have the absolute opportunity next year to reevaluate and to set the tax rate where we think we should be. And I will also point out that we are not -- the tax rate that we're looking at this year, we still had room before we were going to be at the roll-back rate. So I just -- I -- do you agree with me on that point? I -- do you agree with me?

[Laughter]

>> I agree with you that the tax rate is set annually. The only consideration there -- and it gets back to what the mayor was saying, those state-defined calculations that kind of bracket your range of possible tax rates you can charge, they both are ratcheted down by this action so your ability to generate revenue in future years is absolutely limited from what it would be otherwise.

>> Troxclair: Sure. But I guess I will point out, again, I think that would be a valid concern if we were already at the roll-back rate this year.

>> I understand.

>> Troxclair: Because then you would be truly potentially lowering the ceiling, but we are not looking at maxing out our tax rate. So we would still have flexibility if we wanted to raise the tax rate, you know, if we needed that extra room next year, we would be absolutely able to do that. I mean, we're just talking about \$2 million and I -- I just -- I think -- it sounds like you're agreeing with me. I think the difference when you're talking about general funds and whether or not this is an ongoing expense, the difference when we take a general fund expense and move it to one-time funds, when that's a problem is when the source of the funding is not going to change. But the source of the funding in this case will change. It's still coming from property taxes but the rate will change next year so I just -- and I guess I will just say that the -- back to the main motion, it's too early for us to adopt this type of change.

[11:58:02 AM]

We haven't even gone through the last section of our budget discussions, which is the employee section. I still have -- I still have at least two smaller items that I want to ask staff about. So --

>> Mayor Adler: I understand. Ms. Garza?

>> Garza: Yeah. I understand the -- I guess I don't know if anxiety is the right now, but we're feeling for want to get us balanced right now, I absolutely feel that too. I do think this is premature. I think it's a great idea, that we can move this discussion until after some other things are discussed. I think we're going to get there. I just think this is -- I'm nervous about moving these things and having to move them back and then I'm nervous about being at a zero place and that will have the effect of nobody wanting to move anything else because we're there. So I would -- I'm going to vote against this because I think we have the -- there's room to still get us to the balanced budget.

>> Mayor Adler: Further discussion? Ms. Tovo.

>> Tovo: I guess I have a question

>> Tovo: I have a question for staff. They need to calculate all the impact on funds so there may be a need to make a decision now so they have time to do that work so if that's our plan we're in place to do that. So I guess that's my question. And then I have a -- just another comment.

>> Mayor Adler: I think our hope would be, Mr. Van Eenoo, while we were doing citizen communication and lunch you would do as you did yesterday and just generally try to recalculate so we could figure out where we were. Is that doable?

>> Yeah, we can update the spread sheets we handed out this morning and specifically in regards to the other funds we are tracking that as well. I should say Diane is tracking all that. So all the other funds we've been tracking those changes and to the extent the changes are significant where we might need to adjust utility rates we're not at that point yet.

[12:00:05 PM]

Right now we would be ready for you to move forward.

>> Tovo: Okay. Thanks. Because we're on our last day and you don't have an evening to kind of review things, it strikes me there may be a utility in making this decision now so at least we have some kind of base balanced budget if we needed to revert back to it. Even if we continue to make changes.

>> Well, I agree there would be utility and we're ready to do it this afternoon too.

>> Tovo: Okay. Super. And then I guess I made this comment earlier when I was talking about why I liked this idea of the fund separate and apart from whether or not we are able to bring that general fund gap down to zero, but I would like to say it concerns me a little bit that we're talking about funding some of these line items for the next four years. We have a cultural contracts process and we have a health and human services process and those are ongoing multi-year contracts. I really regard these as one-time expenditures and next year I'm going to look at them again and again consider whether this is an appropriate use of the funds. So because there are individual organizations called out here, I want to be really clear as a council, are we committing to them that we're going to fund them for the next four years because I don't think we have the ability within this structure to do that and I don't want to set expectations in a way that's not realistic. So I think my commitment is in setting up -- in voting to set up this fund that we're going to fund projects that might include these or ones like it and others that fall into this category which I think for me is generally community based economic development.

>> Mr. Mayor?

>> Mayor Adler: I guess for me because we're talking about policy and people will be looking at this video a year from now, I see this as somewhere between the two. If it was truly just a one-time expenditure we could move it from the general fund to one-time expenditure and then we wouldn't need to do what we're doing with the multiplier of four.

[12:02:17 PM]

So we are moving in my mind into a different category than just a one-time fund. Certainly everything that's kept in general fund, even if it's in general fund, if a program is funded with the general fund, we could next year decide we're not going to continue doing it. So there's no guarantee of permanent in answer with these items any more than there would be if it was a general fund. And because it's not general fund, I would say that there's less of a guarantee for an ongoing but more of a guarantee than a one-time fund. So when I vote to this in my mind that I'm making is based on all the information that I have now in front of me, these are things that I think are worthy of -- of funding more than one year, which is what I say about things that are in the general fund category. And to back that up, we're going to actually be creating a reserve that would give us that capacity if we wanted it, but then I also agree with the discussions that we've had at the end of the year we're going to reevaluate these as other programs to see if they are meeting what we want, see if there are things that meet those needs that would be better ways to do them or new priorities. So I see it as kind of similar between those two categories. Ms. Kitchen.

>> Kitchen: So -- so I think what we're maybe potentially talking about is \$2 million to be used for this kind of fund, you know, to -- to -- \$2 million to help with this fund to start programs or give four years, but I'm also hearing councilmember troxclair talk about another use for those 2 million funds. So I think what the decision that might be in front of us if we were able to find another 450,000 or whatever that is to reduce the general fund, then we might be faced with a decision about -- from a one-time perspective what do we want to lower the tax rate or do we want to create a fund that allows us over the next couple of years to kick start some of these programs.

[12:04:38 PM]

So in my mind, to my mind that's how it looks to me.

>> Mayor Adler: And as we go through the afternoon because we're going to be making changes, everybody is biting at the bit to revisit things and we'll get there this afternoon. Every hundred thousand dollars in general fund that we might cut will put 400,000 -- will give us the ability to put \$400,000 back into the one-time fund. Because we could drop \$100,000, move something from this category back to the general fund and it would free up then \$400,000. So we'll still have the opportunity to make all of those movements this afternoon.

>> Kitchen: Okay, so we're not cutting off the -- whatever we vote now, we're not cutting off the opportunity --

>> Mayor Adler: Absolutely not.

>> Kitchen: Because I'm sensitive to councilmember troxclair's request that we allow time to still consider that.

>> Mayor Adler: And we will. It been moved that we make this adjustment and then have staff go away and calculate it. Those in favor please raise your hand.

>> I'm sorry, I wanted to --

>> Mayor Adler: Go ahead.

>> Troxclair: Can I offer an amendment to your motion to just postpone the final adoption of this particular structure until after we have considered all of our other ideas and finished our discussion on the concept menu?

>> Mayor Adler: I think that's what a no vote would do. A no vote would leave us not having adopted this.

>> Troxclair: But I very well may vote for this two hours from now.

>> Mayor Adler: No no, and that's true with all our votes. Every vote we're voting on, you don't have to be someone who vote in far of it in order to move tree consider. Our rules were at any point in this process anybody can bring anything up.

>> Troxclair: This confuses -- eve been going off this spread sheet all week, general fund versus one-time funds, this adds a layer of complexity to our discussion and I think it would be so much wiser until we wait until we finish the discussion currently before us before we add this kind of complexity.

[12:06:50 PM]

So if I would prefer to have this conversation two hours from now, I would vote no on it.

>> Mayor Adler: You would vote no now. Those in favor of adopting this for this point in time for the work over lunch, please raise your hand. One, two, three, four, five. Those opposed? One, two, three, four, five, six. So we're not going to make the change now. The aye votes were -- raise your hand again, tovo, pool, Adler, Casar and Renteria. We're going to stop now for citizens communication. That will take us from 12:00 to 12:30. Mr. Van eenoo, how long do you think it would take for you to republish the concept budget?

>> We'll have it at the end of the 30-minute public communication.

>> Mayor Adler: We don't need it that fast.

>> Casar: Quick question. I'm not sure what the mayor pro tem was mentioning is that there was some sort of cattle that staff had to run on what this was over lunch whether or not it passed. Is that what you were bringing up is that we would need to -- staff would need a lunch break in order to calculate what the impact of this vote --

>> Mayor Adler: Just so we can see. We're going to continue working on the budget without this in place. And that's the budget because this did not pass. But just for illustration purposes, can you also run the budget as if we had passed that so we can see the impact that would have.

>> Casar: Thank you.

>> Do you want printouts of both?

>> Mayor Adler: Please. But the budget we will be using when we gear back up does not incorporate this. Everybody should stay here. You guys can leave. And thank you, staff, ed and thank you for what you have done.

[1:42:26 PM]

>> Mayor Adler: We're going to go ahead and reconvene our budget session here at 1:42. Mr. Van eenoo, do you want to tell us where we are at this point?

>> Van eenoo: So we've distributed to council two versions of the council concept budget. The first one simply says at the stop as amended and I think that is a version where you left and that version would have us with a general fund deficit of \$451,000 and a surplus in our one time funds of \$2,075,000. We've

provided you a second copy that at the top says with the short-term policy funding. This is where you asked us to take a look at what it would look like if we included everything on your concept menu short-term funds list that you distributed with the exception of the social service contracts. So we took that one out and added everything else on the concept budget and that one would have us \$48,000 to the good on the general fund and \$75,000 left in the one-time funds one-time fund. Those are the two options we ran over the lunch break.

>> Mayor Adler: So I take it the one we're working off of is the one that has us down on general fund of 451077, has us over, not having spent or designated a little over two million dollars in the one-time fund. The other one basically has us virtually balancing out at this point. So it's good illustration to be able to see. If everybody is ready we'll go to the next element of the budget.

[1:44:35 PM]

Which I think is the employee section. Does anybody want to propose any changes to the employ in connection -- employee section? I did ask a question. I'm not going to propose this. There was a question that was asked about how we might handle a little bit more Progressive structure with respect to the insurance rates that are going up. The concern was that we might have some folks at the lower end of our city pay range that might go family and dependent coverage or more expensive options because they don't have the income to do it, and that something that the council might want to consider is trying to figure out how to help those folks down at the lower end. Since we don't know the answer to that question we asked staff to give us different options on how that might work. As you recall, last week we talked about percentages, we talked about ranking employees in different groups and doing things. Mr. Washington came back and said that it was his recommendation that if we did it it would be best just to give every employee the same stipend, a check. You know, a 10-dollar check or a 20-dollar check or a 30-dollar check in a month would mean more to people at the lower end of our pay scale, but it would be treating everybody the same by giving everybody that check so that if they wanted to they could use it toward the insurance payment. And I had asked Mr. Washington to take a look at that and tell us how we would execute that or what it would mean if we kept it revenue neutral with respect to salary increase.

[1:46:41 PM]

I am not going to be recommending that myself at this structure. It would be a concept that I think over the year, manager, I would like us to think about in terms of how we do pay raise in the future in terms of maybe almost as a separate and independent item, taking a look at whether it takes makes sense for us in a rising insurance cost market to provide a stipend to employees, same for everybody. But, Mr. Washington, so that the conversation can be advanced, would you come up and present the results of that analysis that you did so that council can hear it?

>> Thank you, mayor. Good afternoon, mayor and members of council. I believe we responded to budget question 307 that asked to look at the cost of providing a 10-dollar stipend, 15-dollar stipend or 20-dollar stipend that would result in the cost of the city still being revenue neutral with -- within the allocation of the three percent pay increase.

>> Mayor Adler: Do you have an extra copy of that?

>> I have one copy --

>> Mayor Adler: Would you give it to them so they can pull it up on the screen so people who might be a watching it can see it? Thank you. Thank you, Mr. Washington.

>> You can slide it up some. Thank you. As you'll see, on the option portion that reads option 1 response, and you'll see we have -- based on all 12,000 employees, because the stipend, it would be for

everyone, the cost at \$10, \$15 and \$20, that includes not only the monthly cost of the stipend, but the associated payroll taxes, fica taxes, with that payment.

[1:49:08 PM]

And so for a stipend to begin January through September 2016 would be about a 1.15-million-dollar cost. And you'll see the Numbers for 15-dollar stipend at 1.7 million and \$20 at 2.3 million. And as a result of those, if those stipends were to be given and it were to remain cost neutral within the amount allocated for the three percent pay increase, which is a total of 18.9 million, that would result in a 2.8% pay increase for all employees across the board, and the payment of the 1.15-million-dollar stipend plus the 17.7-million-dollar payroll costs for the across the board increase, that would equate to what's budgeted for the three percent at \$18.9 million and you will see the associated costs with the amount of the stipend. The greater the stipend the lower the across the board increase it would be.

>> Mayor Adler: So what that would mean is that you're giving the same amount to each employee, either 10-dollar or 15-dollar or 20-dollar a month check. It would mean that the base salary increase would go down by three percent. But in addition to whatever it went down by, people would be receiving an additional check, is that right?

>> The base -- the base wage increase would be lower than three percent. The additional check would mean a higher additional percent increase for lower paid employees than higher paid employees.

>> Mayor Adler: So on average it would be a 2.8% pay increase at the 10-dollar stipend amount.

>> Correct.

>> Mayor Adler: And a 2.65% pay increase at the 20-dollar check amount.

[1:51:11 PM]

>> Correct.

>> Mayor Adler: And some employees would be varying around that, but close to that based on how much of their pay that check represented.

>> That's correct.

>> Mayor Adler: Okay. Council, colleagues, I wanted everyone to see that. I'm not going to be pushing that forward here, but it is a concept that I think we might consider in the future to -- because insurance costs are going up and I would want our employees to be able to afford dependent coverage even at the low end. Does anybody have any questions about that before we have Mr. Washington sit down? Yes, Ms. Troxclair?

>> Troxclair: I just want to make sure, if somebody was to propose this, the stipend is envisioned to be just a one-year thing or would it be envisioned that this structure would continue in future years?

>> Mayor Adler: I would see it as something that would continue. If we went in that policy direction I would see us as something that continued. But certainly other people could see it differently. Yes, Mr. Zimmerman.

>> Zimmerman: Thank you, Mr. Mayor. It's interesting. I was also intrigued by the interesting idea you had of the Progressive payment, the higher end earners would pay more for insurance. I thought that was interesting and out of the box thinking, but what do I say to my district 6 constituents that say, you know, we have rising health care cost costs, we have raising insurance costs and we get no stipends. We're having to absorb that in our limited increases. Some of our constituents have had no pay increases for many years, so they're having to absorb increases in health care costs with no benefits. So they're struggling to kind of understand how this respects their situation because they're facing the higher charges and nobody is helping the taxpayers.

>> Mayor Adler: Since you asked that question, I think what I would say to them if they came to you, I think that probably you couldn't respond to that with just a real general answer because I think that these kind of pay questions are more complicated than that.

[1:53:20 PM]

I think the first question you might ask them is how or what they're being paid compared to what's in the market for what they're being paid. In this case our hr people are telling us that if we want to stay competitive with what our staff could be making in the outside market this is something that we need to do and these benefits are something that we need to do. So-- it might vary differently by person to person based on what their market is. I would also say that the folks that are working with the city are truly public servants and are directly related to providing services and quality of life for the people and residents that live in the city. And it's kind of a direct service thing. So I would say that, you know, as a community we are investing in ourselves and in the services that are being provided. And I would point out that, you know, like any family that's having to live within a budget, we on the council recognize that responsibility to do that here and we're able to do this appropriate measure and still lower taxes and lower tax rates, so we're doing it in the context of being fiscally prudent. I'd tell them all those things, Mr. Zimmerman.

>> Zimmerman: Let me just make one other comment. I think we started talking about this back in April, that hr had identified about 35% of the city workforce that and to be under market according to city calculations. But we also had -- we had some people that were over market as well. And we asked the budget question, so what is that figure and how many employees are actually over market according to the city's own research?

[1:55:26 PM]

And I think the constituents would probably support the idea of redistributing the employees that are over market and moving those funds to the people that are under market. But that appears to be not what happened. I think what happened was we have, what, 10 or \$11 million to bring up the 30% you identified as under market, but there's been no adjustment to the ones that are over market. So is that - is that correct from my reading of the data? We haven't reduced the overmarket people, but we've added about 10 million for the undermarket.

>> Correct. We have no plans to reduce salaries of employees.

>> Zimmerman: It's a good point to make about the market, but again, the constituents would be really unhappy that there's no adjustment to persons that are over their market value, but there is for persons that are under.

>> Mayor Adler: Okay. Ms. Pool?

>> Pool: Actually, I talk to a lot of folks in my district and around town and that's not what I hear at all. I hear people in Austin who appreciate the work that our city employees do. They appreciate the leadership that they show at all levels no matter what their position classification might be. And they recognize the pride with which each of our employees, no matter what their employment and job position classification might be, carries with them as someone who works for the city of Austin, their proud to stand up and say that and they know that we have their backs, we support the work that they do and we try everyday from this dais to help them be the best public servants that we can be. So I would say, you know, I don't hear -- I don't hear those things. I hear exactly the opposite. And I think the people in Austin would support a three percent pay raise for every single person who works for the city of Austin.

>> Mayor Adler: Ms. Houston?

>> Houston: Mayor, this is just a point of information for my colleague because I've been a public servant all of my working life.

[1:57:32 PM]

And so I've never worked in private industry, but councilmember, can you tell me -- I've had several husbands that did work for private industry --
[laughter].

>> Zimmerman: Are you sure we want to go here?

[Laughter]

>> Houston: I just had to be clear.

>> Mayor Adler: We could all leave and just leave you two on the dais for a little while.

>> Zimmerman: I'm leaving too, thank you.

>> Houston: In private sector do they decrease people's pay generally on a regular basis? Because that was not my experience at IBM when I did have a spouse that worked for a private -- they did not reduce the compensation or the pay.

>> Zimmerman: The short answer is yes, they do reduce. I've had my pay reduced in time. It's funny, the way that conversation starts is the company comes in and says our employees are are most valuable assets and then they cut your pay. So that's how it works in private industry.

>> Houston: That's maybe a performance problem issue.

[Laughter].

[Applause].

>> Mayor Adler: Let's move on from here.

>> Houston: But that's a great idea. We are looking to bring pay for performance to the city of Austin. I support that 100%.

>> Mayor Adler: All right. Let's get back on track. We are now looking at the employee page of the budget. Are there any suggested changes in this section? All right then. Ms. Troxclair?

>> Troxclair: I just have a question. So -- this is probably -- I don't know who this is for, the hr staff or the financial staff. I'm looking at 2.05 at the bottom of page 2. Okay. So the implementation of the civilian market analysis, where is the other funds coming from, the \$1.6 million in other funds to on the left?

[1:59:35 PM]

>> Those would be from the enterprise departments.

>> Troxclair: Okay. And the \$1 million in general fund is I guess from non-enterprise fund employees?

>> That's correct. Police, fire, E.M.S.

>> Troxclair: So if -- so is that number equal based on the number of months? So it's a million divided by about 350 million savings in general fund per month?

>> Yes.

>> Troxclair: So we

>> Troxclair: So we could do the implementation of the market analysis in six months and have a \$2 million credit to general fund?

>> Right. I think these guys are both talking to me in stereo is that --

[laughter]

-- The market implementation is in the budget at six months. The number is on the left in the left-hand column are the additional amounts for delaying each additional month.

>> Troxclair: Okay.

>> And the proposal on the right is delay it three months so total of nine months. Another three months and then what would happen this fiscal year.

>> Troxclair: If we delayed it an additional one month, we could save \$350,000. \$348,000 from general fund.

>> About 50 for the enterprises.

>> Troxclair: Which I would just point out would almost get us to even in our general fund number right now.

>> Mayor Adler: They would. Any further changes at this point on this schedule? Yes, councilmember pool.

>> Pool: Is this a good time for me to make sure we get that 350,000 in cip funds for the northwest pool deck repairs back into the cip?

[2:01:41 PM]

>> Mayor Adler: Let's first make sure there's nothing else in our conversation on the employee deal and then we'll have got even through each of the sections. Mr. Zimmerman.

>> Zimmerman: Thank you, Mr. Mayor. I thought there were some recommendations that should at least have a chance to be voted on. If there's not support to push them through and I had argued for item 2.03 on page 2, this was the 3% -- or the tiered pay increase, quite a few discussions and even if there's not enough votes to put it through, I would like to move passage of this and discuss it and see if we could get a vote.

>> Mayor Adler: It's been moved to adopt 2.03. By Mr. Zimmerman. Is there a second to that? Ms. Troxclair seconds that. Is there any discussion on 2.03? Let's go ahead and take a vote. It's something we've discussed at length before. Those in favor of the -- changing the employees' salary to a tiered pay increase in lieu of a flat 3% pay increase, those in favor please raise your hand. Mr. Zimmerman and Ms. Troxclair. Those opposed please raise your hand. It's the rest of the dais. Any further items?

>> Mayor?

>> Mayor Adler: Yes. Ms. Gallo.

>> Gallo: I'm sorry. I just wanted to say I think this is an area that if we get to the point we're still looking at ways to balance the budget that I would like the opportunity to come back to. At this point I would like to be able to support the recommended pay increase, but I do think that is an area we could consider again if we're still not balancing. And at some point I want to ask a question about other funds and I'm not sure when that's an appropriate question. May I just ask staff or would you rather me wait?

[2:03:45 PM]

>> Mayor Adler: Ask about -- employee section? That's fine.

>> Gallo: I know we're not really talking about other funds, kind of we are, so on the as amended I see amount of a negative 7.1 million. And then on the -- the handout that were passed out to us that was dated 9-9-15, it's 86,000. So I'm really curious why we've gone from 86,000 to over 7 million deficit.

>> I would have to go back and reconcile, but I hazard a guess it was in the utilities, that negative \$7 million, which is on the revenue side and which Austin energy is telling me is overstated. It had to do with that discussion about the tariffs and when council voted to go ahead and do something related to the tariffs, it had been loaded into the system as a \$7 million reduction. The Austin energy folks told me it was not going to be that much but that's what was loaded in and when we had the discussion we turned that to being on so that's why you see 7 million less revenue.

>> Gallo: Will that be an item we talk about later when we come back?

>> Mayor Adler: I think the reason it was loaded in your system that way is the cost of just ending the tariff.

>> That's right.

>> Mayor Adler: By \$7 million. And what council ended up doing was something that was --

>> Dipped into that.

>> Mayor Adler: We had only -- the people at one aberrant moment gallon so is that something that will be corrected and updated on this?

>> Yes.

>> Gallo: Okay.

>> Mayor Adler: Ms. Houston.

>> Houston: Mayor, on page 3, item 2.33, I'd like to move adoption of that or move forward that amendment, motion.

[2:05:48 PM]

>> I second that, Mr. Mayor.

>> Mayor Adler: It's been moved and seconded 2.33, which is the funding for executive health and physical benefit. Is there any discussion on this? Mr. Washington, would you explain what that is and why that is?

>> Mayor, in addition to the regular health care benefit and physicals that all employees receive, the executives are offered as part of their compensation package as well as some of the council appointees an opportunity to participate in a more robust physical. Perhaps if some of the costs were not covered by the plan and they can be reimbursed up to \$500 for their participation. And the cost, the reason why they had set only \$10,000, there are very few employees who take advantage of that. I believe about six or so the past -- or the current fiscal year.

>> Houston: And mayor, the reason that it's not a lot of money, but we just had a conversation about our employees at the low end of the spectrum who do not get the same kind of benefit we're talking about \$10, 15, \$20 perhaps as a stipend to help them cover their costs, yet the folks that make the most money get \$500. And so this is an equity issue for me. If everybody has to go into their pockets to make it, then executives should have to go into their pockets as well.

>> Mayor Adler: Further conversation? Ms. Pool.

>> Pool: I have a question on maybe the Providence of the money. Is that somehow tied to our insurance rate so that the executive cohort is maybe a higher liability so with the richer type of health assessment, helps drive down the cost of the insurance that we're paying?

[2:08:09 PM]

>> Because the cost is so minimum, it is not a factor into the premium. It's absorbed within the fund. But it is a pretty standard practice, not just among the city of Austin but other executive compensation benefits both in public and private sector to have that offered because of the exorbitant amount of stress executives find themselves under at times.

>> Pool: I have looked at this previously because I have never really worked in the private sector and it was interesting to see the details on the executive compensation, but I do in the end -- don't have any lingering problems with it.

>> Mayor Adler: Mr. Zimmerman.

>> Zimmerman: Quick question on this. Ballpark figure, you don't have to be accurate, plus or minus 20%, but what would you think the median income is for the persons who qualify for this executive benefit? Is it 150,000 a year, 200,000 a year? What would you guess would be the median level?

>> I don't have the number. It would certainly be above 100,000 a year.

>> Mayor Adler: Okay. Ms. Garza.

>> Garza: What do they have to do?

>> They have to go and get a physical, a wellness examination and incur out of pocket costs, and the costs in order to get reimbursed \$500 it would have to be something that the plan would not typically pay for as part of our coverage. So it's a reimbursement. It's not an allowance that they are receiving, it's a reimbursement.

>> Mayor Adler: Ms. Houston.

>> Houston: And just as an aside, you know, I'm on a fixed income and when I go and medicare doesn't pay for something, I have to pay for it out of pocket and I have to use the resources that I have so I have to put that into my budget.

[2:10:18 PM]

That's why although it's only \$10,000, I'd like to see it removed and used for other things.

>> Mayor Adler: Ms. Tovo.

>> Tovo: Mr. Washington, to what extent would this have been an element negotiated during hiring for the employees for whom this is an option?

>> I think all new hires, it's pretty standard part of the pay and benefit packet for all new hires and every executive here has that benefit. So it's -- it's -- it's part of the negotiations as we're on boarding executive and those who have been here a while also have that ability in their packet.

>> Mayor Adler: I know it's small. I'm going to vote against this just because I think at some level we have H.R. People who are charged with making sure we do this stuff right. And I just don't -- I don't know what impact this would have or not have, how it was used in negotiations or otherwise. I understand the issue. I'm just going to vote no. Yes, Ms. Kitchen.

>> Kitchen: I'm going to vote no also, but I think -- I think we've had a lot of discussion which will benefit us over the next year for next time, but, you know, I think we're all concerned, as I'm sure you are, the staff and everyone is concerned about the impact on the lower wage employees. So I'm hoping that we can work together over the next year to try to help in whatever way we can to help you figure out how we can keep these costs from rising and particularly to keep them from impacting the lower wage employees because there's no -- there is no argument that they impact the lower wage employees more.

[2:12:22 PM]

>> Mayor Adler: Okay. Further discussion on this item? Ms. Houston urges item -- it was 2.33. It's been seconded. Those in favor please raise your hand. One, two, three -- and Mr. Zimmerman opposed. Please raise your hand, balance of the dais. Any other changes in this section? Yes.

>> Mayor, I would like to move that on item 2.05 at the bottom of page 2 that has to do with the civilian market analysis that we just simply add a month to that and -- which would be a credit to general fund of \$348,000 and a credit to other funds by \$550,000.

>> I'll second that.

>> Mayor Adler: It's been moved and seconded by Mr. Zimmerman. Conversation on this item? My sense is I'm going to vote no on this now and I want to see how the rest of the conversations go, similar to the issue that was raised earlier by Ms. Gallo. But at this point in the process I'm going to vote no to see what else happens with -- with the budget conversation. Ms. Troxclair.

>> Troxclair: I guess I will just say this. Again, this would bring us to almost even in our general revenue and we would have about a \$100,000 difference and I have another identify that's one-time costs or

currently in general fund that could be moved to one-time costs. And I know you were working to get us to an even place and this is a really easy way to do that.

[2:14:27 PM]

>> Kitchen: Mr. Mayor? Would it be helpful to see like we did earlier -- if there are other ideas, just have people say what they are right now and then we can go through voting on them instead of -- because we don't know what the other ideas are.

>> Mayor Adler: I thought we had almost got even to a place but let me check again. Other people making suggestions to this employee tab.

>> Houston: I have a question about 106 and 107 with a couple alternatives in. I'm not sure which one we're putting forth.

>> Mayor Adler: 106 is being put forth. Ms. Garza.

>> Garza: I think other ideas generally.

>> Kitchen: It would help me to know what other ideas people are going to bring up and we could vote on them in whatever order, but it would be nice to know.

>> Mayor Adler: Let me just check. Is there anything else other than this that is going to be on this employee tab? Then I think we've worked out way through the budget. Now let's go through the next section and question in that context. Let's talk about all -- without taking votes on things at this point. Other changes that people are going to want to make on the budget so we can see, it will answer my question, in terms of up and down movements. Is that okay?

>> Yes.

Is>> Mayor Adler: Is that okay?

>> Troxclair: I guess I would be -- it was in the --

>> Mayor Adler: It was and I want to get the vote.

>> Troxclair: I think we can reconsider it if we get to a place and we need to reconsider, that's fine.

>> Mayor Adler: We can.

[2:16:30 PM]

All right. Whether we reconsider this at this point, it's been moved to go up a month on that line item -- 2.05, thank you. Any further discussion on this? Ms. Gallo.

>> Gallo: Could somebody explain what the concern would be for doing a four-month instead of three-month? In other words, what would be the disadvantage of moving to a four month from a three month?

>> I could just share some of the impact. It's just timing of when the staff would be devoted to implementing it. I think at three months would begin implementation and which means we're getting closer to budget delivery presentation and doing a lot of other costing things of staff that would be devoted to implementing the budget. Excuse me, preparing the budget estimates would also be working on market analysis. So it's a production timing. Impact. Fiscally or competitively it doesn't affect our ability to compete very significantly by delaying it a month, it's just timing of staff resources.

>> Gallo: Would your concern be more that the four-month hits you at a bad time versus extending it a longer period of time to get you past the budget process? I'm just trying to understand --

>> We would be able to implement with one month -- an additional month delay. That's just the unintended consequences of it in terms of staffing impact.

>> Mayor Adler: Any further comments before we take a vote?

[2:18:31 PM]

Ms. Kitchen.

>> Kitchen: I think I'm going to support this at this point because I'm not aware of other things that are on the table. So I'm just going to go ahead and support it and we'll see if something else comes up that would get us below, then I would be in favor of putting this back in.

>> Mayor Adler: Okay.

>> Zimmerman: Point of inquiry. Is it our intention or -- sounds like we're going to have another iteration to go back to some of the things we looked at. So 2.12 I put up is on page 3. That's the kind of thing we might come back and revisit, right?

>> Mayor Adler: We can come back and revisit.

>> Zimmerman: I just wanted to say that because I don't want to completely leave this but at this point I would like to move on after we vote on this.

>> Mayor Adler: We'll take a vote then. Those in favor at this point of adding another month to 2.05, please raise your hands. Houston, Zimmerman, Troxclair, Gallo and Kitchen. Those opposed please raise your hands. The balance of the day. Okay. We'll continue on. Now, we've now worked through the entire package. We're still at the same place that we left. We are \$450,000 overspent on the general fund, a little over \$2 million in one-time funding. At this point people can make suggestions to the budget. Yes.

>> Tovo: I really have a question. I had asked our city manager to look and determine if there were any other expenses that we had that could be one-time expenses or if there were additional cost savings that could be realized by bringing on employees later or delaying some purchases. I just wanted some feedback on -- I understand it was a short period of time over the break, but if you had anything to report.

[2:20:45 PM]

>> Ott: I'm on? I am on. Not at this time. I would ask my budget team did anything come to mind over the lunch break.

>> One of the things we did look at is the terminal pay issue because, you know, and I didn't see anything there. We didn't have much time because we were compiling all these spread sheets, but my staff did pull data on terminal pay and I didn't see anything there. If F.Y. 15, gave me the numbers, here they are, we budgeted terminal pay at \$5.8 million. These are payouts for when people retire or when they just leave for other reasons and we're actually on track to be a little over \$9 million this year. So it's a significant cost that happens every year and on a citywide basis it's ongoing. We spent some time looking at that. It's about all we had time to look at and didn't see anything else there that I would recommend to you.

>> Mayor Adler: Okay. Yes, Ms. Troxclair.

>> Troxclair: I was going back through and I found an item, a pilot program, let's see, in planning and zoning, it's the improved neighborhood plan process pilot. It's \$176,000 of ongoing costs, but because it's a pilot, I think that that could go to one-time costs and I just wanted to see if that's possible. It's not a concept item. It is just a line item in the budget.

>> Mayor Adler: What was the line number again? Sorry.

>> Troxclair: All I have is the initial funding request sheet. And it was priority number 3 for the planning and zoning and it was included in the budget, from what I understand.

[2:22:49 PM]

But again the money -- it's just an ongoing cost that I think could and should be a one-time cost.

>> Mayor Adler: What was the cost for it?

>> Troxclair: It was for the improved neighborhood plan process pilot. It's a pilot program. Something to do with imagine Austin, but it's a pilot program.

>> Mayor and council, sue Edwards, assistant city manager. This is a new program that we are piloting to go out into the neighborhoods to develop better relationships with the neighborhoods and to develop a better way of interacting with the neighborhoods so that the neighborhood plans become more effective and that they are integrated into imagine Austin and using codenext and integrating that also. We have not tried it before. We think it's going to be successful, but it is a pilot. So I would really leave that up to the finance people whether or not they feel comfortable in doing that. We would not have a problem with it, but I'm not sure how budget feels about that.

>> Troxclair: Okay. Thanks.

>> I'm just looking at an email that was an exchange between one of my staff and director Guernsey and I don't know if he's maybe not here right now, but he says he would not recommend that, that he feels this is -- so. Do you want to see your email, Greg?

[Laughter]

>> Greg Guernsey, planning and zoning. The only concern I have I think it will be a successful program so I'll be probably coming back actually using it going forward. So we used the permanent pilot because we have not -- term "Pilot" because we have not gone into a process like this before.

>> Troxclair: Okay, well, I guess -- I mean I'm open to the will of the dais, but seems like if we're looking for general fund costs that could be one-time costs this is a pilot program and if it's successful like it sounds it would be, we can fund it next year.

[2:24:58 PM]

>> Mayor Adler: How much is that item?

>> It's 476,000.

>> Casar: Mayor?

>> Mayor Adler: Yes, Mr. Casar.

>> Casar: I think I would want to hold the line on this until we get further down in the votes because I imagine that we're going to be needing to interact with all these groups to make them successful beyond this fiscal year. While I understand the sentiment of this being a pilot and perhaps a two-time thing, I would rather hear about a few other things because I think codenext is a big enough effort I really don't want to get -- I don't want to put it at risk in next year's budget of us potentially funding it. If it doesn't work, next year we can pull it out of the general fund. I just would rather hear later down the line before this one, I think.

>> Mayor Adler: Recognize we're going to have lots of ideas and not take any votes. Yes.

>> Tovo: Mr. Guernsey, I'm not clear what this is.

>> In the past it was all done with staff internally and took a longer period of time. The idea we actually engage services with a consultant. We would establish an office out in the area that we're actually planning. So citizens wouldn't have to basically come in to our offices to interact. And maintain that office while the process is going on. We would also end up does so charettes that we have not done previously to citizens could see the possible impact of the plan and those are things we have not done before. And so to reduce the amount of time engaging a consultant, establishing an office and doing some basically tests within the neighborhoods where these plans might be going on are things that we have not tried before and it's what's proposed with this.

[2:27:13 PM]

>> Tovo: So as I hear it, there would be one pretty big switch and that would be moving from city staff to an outside consultant to be the interface with the community.

>> We would work with a consultant. It would be my staff plus a consultant and be working basically hand in hand, and the idea is supplement the resources I have to get this plan done quicker. As you know, neighborhood plans [inaudible] Under a year by the time I get to council. We've had many times citizens and stakeholders complain about the process is taking too long and by the time that I get to you at council, we have this period where people that weren't participating at the beginning are participating in the end and then there seems to be some confusion with the education. So the idea is up front to start this process, engage more of the community at a quicker pace, but then bringing everybody together at the end together when we get to council.

>> Tovo: Mr. Guernsey, I have a couple of additional questions. So some of the costs are for an office out -- out in the community?

>> Yes.

>> Tovo: In some cases I would guess you could probably minimize those costs by having an office in a library or some of our city facilities if those exists and I assume you would look for those opportunities.

>> We would. When we've looked for -- recently even looking for a facility for the place testing that we talked about in codenext, the workshop, in November we've had difficulty securing a place for a week. And some of the costs that have come back are as much as \$3,000 trying to secure a large enough space for that. So trying to find an office for a period of time that may be six months or more.

[2:29:19 PM]

There's going to be staffing for that as well. There are some resources that would be expended for that. I think most of it would be towards working with the consultant to make sure that we've engaged everyone as quickly as we can in a manner that we're just using our resources in a manner that gets everybody resolved.

>> Tovo: So this would be for consultant fees.

>> Half of that.

>> Tovo: Thanks for the information and thanks, councilmember troxclair, for identifying this. I'm interested in considering whether that should be a one-time expense. I'm supportive of the neighborhood planning process and make sure it's done with as much community engagement as possible, but I'm not -- I'm not sure I see a downside of seeing how this works over the next year and revisiting it next year with the understanding that we'll continue it if it's been successful and that we'll listen to the community about whether they feel this is a good model. Preview I don't have a final decision. That's some of my thoughts at the moment.

>> Mayor Adler: Yes.

>> Renteria: I'm real concerned about -- because I know this is going to be a recurring expense. You know, we made a commitment to codenext about implementing the program, and if we're having to constantly just -- having to make them come back over and over, it's gonna be a continuous expense because we made that commitment. So I don't see it that -- I don't like the idea of putting it as a one-time expense.

>> Mayor Adler: Ms. Houston.

>> Houston: And I've been through the neighborhood planning process, and it does take forever. Not as long now, but when we first started, it did. And I think it's helpful to have staff out in the community so that people know where to go to get some questions answered. And I don't know where your pilot is looking at, but there are some schools that are underenrolled, who have vacant classrooms that we might be able to use because I think we need to begin to partner with our schools.

[2:31:32 PM]

For six months, five days a week, you know, I think that's something that we should make sure we look for.

>> Mayor Adler: Are there further items on the agenda that people are gonna want to revisit or revote on or raise? Ms. Garza?

>> Garza: I'm going to raise, instead of the -- for the senior homestead exemption, instead of going to 80,000 to go to 77,000, and that would balance our budget and --

>> Mayor Adler: Instead of going to 80 going to can be.

>> Garza: 77.

>> Mayor Adler: 77,000.

>> Garza: That would balance our budget.

>> Zimmerman: Give us a page, item number.

>> Garza: It's not on our concept list -- is it?

>> Kitchen: Yes.

>> Mayor Adler: Do you know, ed, what the impact would be of going from 80 down to 77?

>> I believe somebody sent that to you.

>> Garza: Yeah, I asked for these Numbers and it would be approximately 500,000.

>> Mayor Adler: This is financial policy, as I recall.

>> Troxclair: It's page 14, item 1.01.

>> Mayor Adler: Top of page 14. That would be 500,000?

>> What would this would, mayor, would change that number that's listed there, that 1,593,966 would change to 1,117,799.

>> Mayor Adler: 1,117,000.

>> 77,000.

>> Mayor Adler: 1,117,000.

>> 779.

>> Mayor Adler: I'm sorry?

[2:33:36 PM]

>> 1,117,779.

>> Mayor Adler: So I have that as picking up about \$476,000.

>> That would put you in balance.

>> Kitchen: Mr. Mayor.

>> Mayor Adler: Yes.

>> Kitchen: Just a question. What would be the impact on the taxpayer? I'm not sure I'm reading it right. Do we know?

>> Garza: I think I have that too. At 77, it would be a \$34 savings. At -- at the 80,000, it would be a 48, so a 14-dollar --

>> Kitchen: That monthly or --

>> Garza: I'm not sure.

>> What was the question?

>> Kitchen: It sounds like it's about \$14 difference between 77 and 80, but I was wondering, is that a monthly or an annual?

>> Garza: , I think that's annual.

>> That's an annual amount. Just for context, the typical senior household currently as a result of the reduction in tax rate and 6% general homestead exemption we're already projecting the typical senior

relative to current tax bill will be held right about the same, the tax bill would be basically a zero increase so any increase in the exception as a result of the action you've taken is going to be a reduction in the tax bill for them so -- I forgot the number she read out because I don't have that email but. . .

>> Kitchen: I still would just have to say that I'm -- you know, I'm really glad -- this is very helpful to me to get everything out on the table that we can look, so we can look at, but this one would be very difficult for me because I know for our seniors -- I mean, it's important for everyone, but I'm particularly concerned about our seniors and so I don't think I could be in favor of this one.

[2:35:36 PM]

>> Mayor Adler: Mr. Renteria.

>> Renteria: I guess -- you know, instead of senior, I think we should start looking at the additional staff that we financed for our staff here. I didn't take advantage of it. I still have the full amount of money that's going to go back and I think there might be some of my colleagues here that are also going to return that money back too because I used intern. Maybe we should start discussing that issue, that additional investment that we're -- it's \$1,109,000 and we can use that money to offset the general fund money and not, you know -- and still give tax breaks to our seniors.

>> Mayor Adler: Ms. Gallo?

>> Gallo: I'm not going to support this. I think -- I think this is the very -- excuse me, minimum we should do or our senior population. It's not only for seniors. It's also for disabled. That would be over 35,000 howled that we're talking about. We up here on the dais have talked about protecting and doing things for all of our community. We've talked about supplying health and services for parts of the population in this community that have needs that perhaps other parts of the populations don't have. We've talked about spending over a million dollars for our parks and playground safety and I just -- I think this is a part of our population that is on limited budgets that already last year we were hearing that they are very stressed being able to pay their bills and be able to stay in their homes. We asked tcad the average of -- length of ownership for the senior population, senior and disabled population, and they said the median length of ownership for this part of our population is 16 years. You know, they are very stabilizing forces in our communities and in our neighborhoods.

[2:37:40 PM]

The seniors on limited incomes don't have as much of an ability to be able to pick up and sell their homes and move somewhere else to be able to reduce their costs. They really want to stay in these homes that they've lived in for a long time, that they have the relationships with their neighbors, which I think is so important. I know councilmember kitchen talks all the time about being able and giving our senior population the ability to age in place, and I think this is a very small thing that this community can do to help support that. I think we've talked about spending lots of money in other places, and I think the senior part of our population and the disabled part of our population deserves the same consideration as everyone else in this community does.

>> Mayor Adler: From my perspective, in terms of things, again, you know, as we work through this, it's going to be a question of priorities on these elements. What I would -- I think that what I would do, I've seen -- two things is I would do. On the concept menu, the movement of items to the short-term fund, I would probably take off the rundberg project and the sobriety center project. That would leave \$225,000 in things that we would be indicating were things that we could pick up, put aside in reserve so that we had the availability of money for those events. Some of those events are events that I would like to see if they could get sponsorships or if we raised more money we'd be able to pick them up. I like the idea of creating a financing device within the city that we call short-time investments. In my mind it feels

like economic development contracts we enter into with big companies and these would be economic development contracts we would be entering into with smaller entities, but putting aside the money.

[2:39:46 PM]

That would pick up \$225,000 out of -- that would give us that much additional short-term funding. I've also gotten an indication from asme to help us reach the goals they would not oppose going to the fourth month on what was originally suggested by Ms. Troxclair, and that is greatly appreciated from asme. That would pick up about another \$350,000, I think. Between those two that would get us up to about \$575,000. Which I think would get us to a balanced place. If there was more money to spend, in terms of people throwing out ideas of whether they would spend money, I want to put one more idea out on the table that hasn't been discussed thus fares and because I had too many pieces of paper and missed it, but I've handed out what is the response to request number 165. I'm interested in our -- if we're going to spend a few more dollars I would spend on things we can leverage, things if we spent a little bit now might turn into much more significant sums down the road. We've talked a lot on this dais, Mr. Renteria has, with respect to housing, creating a strike fund, trying to create a device outside of public funding that would enable us to tie up potentially some of the housing that's otherwise going to be lost over the next ten years. In that answer to budget request 165, housings and staff said that the costs they thought to be able to create seed money to development of that strike fund would be 100 -- I think it was \$175,000.

[2:42:03 PM]

Actually, between 100 and \$200,000, I think, is what the memo said. So I would -- if that was -- then I would go to the low end of that range and I would want to put \$100,000 toward supporting and establishing seed money for the strike fund concept. Ms. Tovo.

>> Tovo: Mayor, I missed a piece of the discussion. The delay in the market study was 300ish thousand map was the other you said takes us to a half million dollars.

>> Mayor Adler: This sheet we talked about just before we took the break.

>> Tovo: I'm sorry.

>> Mayor Adler: Taking out the sobriety center leaves us with \$200,000 that would get moved out of general fund.

>> Tovo: Thank you. As I mentioned earlier I would be interested in revisiting two items I brought up yesterday but I'll wait for my colleagues probably to bring them forward. One would be the additional customer service representative, one out of the two, and the other would be moving the Austin fire department equipment to one-time funds.

>> Mayor Adler: Okay. Ms. Houston.

>> Houston: Mayor, I wanted to speak to the over-65 and disabled exemption before we got off of that. I was one of the people that really was supportive of as much of an increase as we were able to eek out to help folks living in their own homes who meet that criteria. As a senior, I'm specifically -- I understand that pressure. We've got a \$70,000 exemption last year, and although 80,000 would be good, at this point with all the other competing interests that we're having, I'm willing to support a 77,000 -- I mean, a 7,000 additional increase in homestead exemptions for seniors because, you know, I've got to be able to balance what's -- what will help them and another 7,000 will help, but also understanding that we've got some other priorities that we haven't begun to address.

[2:44:15 PM]

So I'm willing to support councilmember Garza's 77,000, if that's what I'm understanding you to be recommending. And not the 80.

>> Mayor Adler: Okay. Other items that people want to indicate they're going to potentially bring up?

>> Zimmerman: Thank you, Mr. Mayor. Have we taken an initial -- or have we taken any votes on page 6, item 2.32? I hope I have the right paper here, library resale store, did we vote on that next? 2.32. Did we vote on that yet, Mr. Mayor? 209,000.

>> Mayor Adler: Which page?

>> Page 6.

>> Zimmerman: Page 6.

>> Mayor Adler: It has not come up for a vote, but --

>> Zimmerman: I'd like to --

>> Mayor Adler: Whether it came up with a vote or not --

>> Zimmerman: I'd like to consider -- that's one of my things I'd like to consider. Especially we're talking about the seniors and the high costs that they suffer here. I'd rather see the seniors get relief than have this 209 -- and have this 209,000 freed up for seniors.

>> Mayor Adler: That's 2.32, okay. Are there other ideas people wanted to throw out that we'll raise later? Yes, Ms. Garza.

>> Garza: I have two more. I'm sorry this turned out into a discussion about what I proposed. I want to point out in 2014 we increased senior exemption almost 50%. It went from 51,000 to 70,000, which is great, I think it's great that we're there. All of us have compromised on this. I wanted the 6.7 million for health and human services contracts and because I understood the needs and where -- how we were going to have to stretch our money, I proposed the 5.5 and I'm very grateful that my colleagues supported me on that.

[2:46:25 PM]

I'm going to propose another thing where I'm going to -- proposing using 50,000 out of my office budget to fund the portable. I'm making a compromise there. I think this is a fair compromise. I don't mean to revisit this, but I was concerned about these things with several things that we have passed that I haven't supported. I didn't support the homestead exemption. I didn't support the staffing proposal because I was afraid to be in this exact position that we're in, and so I feel that this is a fair compromise to get us to where we need to be. It still increases the exemption significantly, and we can close that gap hopefully next year, if the support is there.

>> Mayor Adler: Other things that people are gonna potentially bring up? Well, then, let's put something to a vote. I would propose, then, that -- I'll change my vote on the additional one-month delay on the employment, consistent with asme's willingness to help us get to the goal. That would be line 2.03 on page 2. That would generate an additional -- just under \$350,000. Is that right, Mr. Van eenoo?

>> Yes.

>> Mayor Adler: Okay.

>> For the general fund.

>> Mayor Adler: Any conversation on that before we take a vote? Those in favor of that change did you - - did you want to talk first?

>> Casar: I was going to say I appreciate asme's appreciation I'm a member, it seems based on the conversation on several items it's not necessary for balancing the budget so I'm voting no.

>> Mayor Adler: Those in favor please raise your hand, Houston, troxclair, Adler, kitchen, Garza, Renteria.

[2:48:30 PM]

Those opposed? Pool and Casar. And tovo. What about the short-term fund issue, the cultural contracts? It was that list we handed out, taking off rundberg project and the sobriety center, leaving \$225,000 in projects that we would be indicating at this point not just money into next year's budget but a predisposition to funding that over time. And I think creating what will be a very useful tool for this council over the next several years that I hope we make real strategic use of.

>> Casar: Mayor, I'll move that. Can you remind me what the size of the fund is?

>> Mayor Adler: It would be \$225,000 times four. So it would be \$900,000 we would be putting into that reserve, of which we would only be spending 225,000 of it over the next year. Ms. Tovo.

>> Tovo: I'll second that if you need a second, but I have a question.

>> Mayor Adler: Ms. Tovo seconds it. Yes, your question.

>> Tovo: I just want to confirm that social service contracts were removed from that as well.

>> Mayor Adler: Yes.

>> Tovo: Okay. And then I will -- I seconded it and I plan to support it, but I would say I would -- it would be my interest at the end of the day to see that fund at \$2 million, which is what we removed from a few places, looking now at the 2 million we removed from the economic incentive reserves funds and to have that be \$2 million so we have shifted it from that particular fund into this one, again, because I think it is economic development for community based -- small community-based organizations so I'd like to see that fund brought up to 2 million if we have the ability to do that later.

[2:50:34 PM]

>> Mayor Adler: Any further discussion? We'll take a vote of moving the \$225,000 for those --

>> Zimmerman: Question.

>> Mayor Adler: Sorry, Ms. Troxclair.

>> Troxclair: You might have answered my question. I want to be clear. Are we voting on removing these things or adopting the short-term fund?

>> Mayor Adler: Both. We're talking about taking funding for line 1.12, the contracts, the 1.22 jump on it, 1.35, and 1.32, river city, out of general fund, putting it into a short-term fund, and funding a short-term fund with \$900,000 taken out of one-time funding.

>> Troxclair: So just so I'm clear, if we just wanted to fund all of those things with one-time funds or general funds, that's the amount that we would be looking at?

>> Mayor Adler: Yes, 225 -- if we wanted to -- we could fund it with \$225,000 out of the general fund.

>> Troxclair: Okay.

>> Mayor Adler: Or in essence cover it with a \$900,000 reserve --

>> Troxclair: Okay, I understand. I guess I would point out I think that if we continue this conversation that we will have -- we could very well have \$225,000 in our general fund that we can put to permanently funding all of these things. So I support many of them, and I will vote for them. I think that we can do it under our current budget outline as it is, without creating another fund. So I'm going to vote against this.

>> Mayor Adler: Okay. Mr. Zimmerman.

>> Zimmerman: Thank you, Mr. Mayor. I want to echo councilmember troxclair's thoughts. I think you've done a good job of explaining it, but I'm still not -- I don't know how I can explain to my constituents what we're doing so I'm going to have to vote against.

>> Mayor Adler: I understand. Any further discussion? Yes, Ms. Houston.

[2:52:37 PM]

>> Houston: Mayor, one point. One point 14 and councilmember Renteria's 1.24, we roll that together and we're doing it on the short-term fund 68,000 with a part-time employee, that's on page 17? Both of them had to do with summer internship programs.

>> Mayor Adler: Yes.

>> Houston: Okay. Just confirming.

>> Mayor Adler: 1.42 is in with other funds and half of them fte.

>> Houston: Okay. Summer interns, thanks.

>> Mayor Adler: All right. We're going to take a vote on the short-term fund in essence creation. Those in favor please raise your hand. Mayor pro tem, Houston, Pool, Adler, Garza, Renteria, Casar, and kitchen and Gallo. Those opposed? Two, Zimmerman and Troxclair.

>> Mayor.

>> Mayor Adler: Can you tell us where we are at this point, ed?

>> Not quite. We're still entering those four items.

>> Mayor Adler: Okay.

>> Pretty sure you'll be balanced. That has us at \$172,599 on the general fund with \$1.2 million remaining in your one-time funds.

>> Mayor Adler: Thank you.

[2:54:38 PM]

>> Mayor?

>> Mayor Adler: Yes.

>> Tovo: Could I ask him to say those numbers again and can you give us the total that would be in the community development reserves fund.

>> Short-term?

>> Tovo: Yeah. I'm trying to rename it.

[Laughter]

>> Mayor Adler: Let's call it the community development fund.

>> 900,000.

>> Tovo: And I'm sorry, Mr. Van Eenoo, would you mind reading the others again. 900,000 in that fund, I think I got 1.2 million over in budget stabilization, is that right?

>> Yes.

>> Tovo: And we're how much in the black in the general fund?

>> 172,599.

>> Tovo: Thanks again.

>> Troxclair: Mayor?

>> Mayor Adler: Ms. Pool.

>> Pool: Will you give me the high sign when I can --

>> Mayor Adler: You can do it now.

>> Pool: All right. Rock on.

[Laughter] All right. 3,350,000 one-time C.I.P. Funds for repairs that are needed at northwest pool, and it's item 1.60, page 4, 350,000 one-time C.I.P. And I will make that motion so we can actually vote it.

>> Casar: I'll second that, mayor.

>> Mayor Adler: It's been moved and seconded. One more time.

>> Pool: Sure, I have this one memorized. Page 4, item 1.60, it is to repair the decking, trip hazards along the pool at northwest park, I think that's our 2-most used pool in the city, and it's \$350,000 out of one-time capital improvement funding.

[2:56:58 PM]

>> Mayor Adler: It's been moved, seconded by Mr. Casar.

>> Renteria: Mayor.

>> Mayor Adler: Yes, Mr. Renteria.

>> Renteria: How did you get to that -- to the 350,000 from 1.5 million?

>> Pool: It was from staff. They were looking at a larger project, and when we narrowed it down specifically just to the decking, but here's director Hensley, and maybe Mr. Lazarus can help with the public works aspects of it. I think these two are my favorite -- oh, I better not say that.

[Laughter]

>> Sara Hensley, director of parks and recreation. The number came from the aquatic assessment, first and foremost we looked at the whole replacement of the pool. The two den thousand is if you included that in the complete replacement of the pool obviously the number is less. If you separate that out as a one thing to fix but not the whole pool, the number is higher. Therefore, the difference between the 210 and the 350. So total replacement of the pool is a lot more but when you include all that it's less to do -- it's less as a part of it but by itself, single, one item, it costs a little more.

>> Renteria: So the assessment, would -- the water was leaking out or --

>> This is actually as the councilmember alluded to, trip hazards and accessibility issues around the decking of the pool area. The pool is relatively old and as the water and pump system continues to work and people walk and wheel over this area, the sidewalk -- the area around it, similar to a sidewalk, starts to scam you've got some pieces that are up higher and others lower. It creates trip hazards and is not accessible for people who have mobility challenges.

>> Pool: Then we will have a larger conversation in the next year or so on assessing all of our aquatics infrastructure and look at potential bond item to address all of the really old infrastructure.

[2:59:01 PM]

Some of these park -- pools are 50 years old.

>> Oh, yeah, 1934, unbelievably old.

>> Pool: Duct tape and blue.

>> Duct tape, spit and blue, that's right.

>> Pool: There you go.

>> Renteria: I know that because I have some of the oldest pools in the neighborhood.

>> You do.

>> Renteria: I mean, in Austin, they're the oldest.

>> Pool: This is similar. It's no the same problem that we had at Mabel Davis and metz, but it's the same high-use pool really treasured by the community and we really need to fix the accessibility and trip hazard problem.

>> Yes.

>> Mayor Adler: Further discussion? Ms. Troxclair.

>> Troxclair: I just want to quadruple confirm that this is coming out of the C.I.P. Column, which I think you have confirmed quite a few times, but just making sure now that we've had our new Numbers. So not affecting one-time funds or general funds? Okay. Yes, financial staff? Councilmember pool says yes, C.I.P. Funds.

>> For the.

>> Speaker1: It's going to be C.I.P. And it's also going to show up in your one-time fund. We're taking funds out of stabilization reserve and --

>> Mayor Adler: So it would be a \$350,000 reduction to the one-time fund?

>> That's correct.
>> Troxclair: Okay.
>> Mayor Adler: As an -- go ahead.
>> Pool: I think I made a motion and then I think councilmember Casar --
>> Mayor Adler: Mr. Casar seconded it.
>> Pool: Call the question.
>> Mayor Adler: Is there further conversation on this? One-time funding for this -- Ms. Troxclair.
>> Troxclair: I'm sorry, I was excited to be able to support this one. I thought it was in the C.I.P. Column, and I just feel like I wanted to point out before we took this vote that we, as of now, have a balanced budget with an additional \$1.2 million in one-time funds.

[3:01:10 PM]

We could use that \$1.2 million and apply it to the tax rate and see further cost of living savings for all austinites, and I think in my original proposal, the amount we had been talking about was \$2 million, now we're down to \$1.2 million, and to the mayor's question earlier about how that money, if we used it to impact our -- if we used it to lower our tax rate, how that would impact our roll-back rate for next year, based on my conversations with the financial staff over the break, I think that the \$1.2 million is pretty close to the cushion that we would end up with anyway. So all I'm saying is we can take this \$1.2 million, lower the tax rate, still be in a very healthy financial situation next year with flexible and where to set our tax rate. So I -- I think this is a good place in the conversation to have this discussion because it seems like this might be the last opportunity for us to provide any further tax relief.

>> Kitchen: Mr. Mayor?

>> Mayor Adler: Yes.

>> Kitchen: I had mentioned earlier, when we first brought up this -- the question of the pool, that I would be willing to suggest to folks, if people are interested, that we lower the park block grant from -- in other words, that we subtract the 350 from the park block grant. The reason for that is because when I originally proposed the 1.5, I had in mind that the 350 was coming under that. So I don't know how everybody else feels but I'm happy to make that motion.

>> Mayor Adler: It's been moved to amend the motion to fund that with -- by moving \$350,000 into one-time funding for this item and out of the one and a half million dollars on parks.

[3:03:15 PM]

>> Kitchen: Yeah.

>> Mayor Adler: Ms. Tovo?

>> Tovo: [Off mic] My preference would be not to amend it that way because we -- at the same time that you made your motion to increase by 500,000 in that fund to the parks block grant we were also talking about some of the safety issues, and I think our park staff came up and talked about the fact that just switching out pea gravel alone at our park so they're made Ada accessible, our playgrounds, totals over a million dollars. That gives you the scale of the safety issues we're facing at our playgrounds and because we doesn't designate a particular line item for that it will also come out of the parks grant so I think that parks block grant is going to need to be 1.5 million and so I guess would I -- I will support keeping it at 1.5 in addition to finding the finding for the northwest pool because these seem like discreet needs we should fund. I guess I would submit that for your consideration, councilmember kitchen and others, of a good reason why -- or a reason that appears to me to be a good one for keeping it at that original funding level that we voted on yesterday.

>> Kitchen: Well, we can take two different votes. I don't know how you prefer to do it. We can vote twice.

>> Mayor Adler: Let's vote twice because we're not linking these two things. We weren't linking before. Let's see if we can continue, see how long we can continue doing that. So first thing we're going to vote on is the motion to pay with one-time funding the \$350,000 for the northwest park -- pool. Any further discussion on that? Those in favor of that item, please raise your hands. One, two, three, four, five, six, seven, eight, nine. Those opposed. It is Zimmerman and --

[3:05:16 PM]

>> Troxclair: Okay. I don't know how to vote on this. I support the -- I support the funding for the pool if we can do councilmember kitchen's idea. So I guess I vote no on this and yes on hers.

>> Mayor Adler: You can do that. So two no votes, Zimmerman, troxclair. Now Ms. Kitchen.

>> Kitchen: I move that we lower the park block grant from 1.5 to whatever 1.5 minus 350 is, so that's --

>> Troxclair: 1.15.

>> Kitchen: Y'all know what I'm talking about.

[Laughter]

>> Mayor Adler: Right it's been moved to lower parks by \$350,000, the block grant from one and a half million to \$1,150,000. Is there a second to that motion? Ms. Troxclair steaks -- seconds that motion? Discussion? Mr. Casar.

>> Casar: Is it correct that we are -- sorry, 1.2 million in the black on the one-time funds while maintaining a tax rate of the proposal.

>> Mayor Adler: Not at this point. We took 350 --

>> Casar: Now we're .8 something in the black.

>> 825.

>> Mayor Adler: We're just at 825. We're below a million dollars.

>> Casar: We still have a pending vote on the housing strike fund one-time expense?

>> Mayor Adler: We do have a pending vote on that.

>> Kitchen: I'll be supportive of that and it sounds like even if we keep the parks block grants at 1.5 million we'll still be able to be within our means with that vote and so I -- I would urge that we -- I think that we've heard a lot from the community that we want more money in health and human services and also in our parks, and I think that it's a good thing that we put in the placeholder at 1.5 million because we can do the 1.5 million and also hopefully see councilmember pool and maybe director Hensley walk across that deck with their eyes closed in short order so I'd be supportive of us doing both.

[3:07:22 PM]

>> Mayor Adler: Further discussion? Ms. Troxclair.

>> Troxclair: Can somebody tell me what the changes -- with the changes that we have made thus far how much additional money we are giving to parks and libraries?

>> Mayor Adler: I have us with about 3.4, \$3.5 million of spending in parks in addition to what was in the manager's budget. Is that correct, Mr. Van eenoo?

>> I agree with that number, in the parks, library, open spaces category.

>> Troxclair: Okay. So, I mean, we're talking about the \$1 million, \$1.5 million block grant but actually the total amount we've committed above and beyond what's in the budget is closer to 3.4 million?

>> Mayor Adler: That's correct. Ms. Pool.

>> Pool: Two things. One, when the community was surveyed about what they value in the community, parks, pools, libraries were at the top of their lists. These are community assets by and large free to

everyone across the city to go and rememberingate in. Parks are a tremendous asset and they are supported far and wide by everybody in the city so we -- many of us on the dais who campaigned on increasing the parks budget and that's because it's where the city wants us to put our funding. So I just say that. I'd also point out I was trying to get this 350,000, which was down from 1.5 million, back into the budget for a couple days now and I wish I had been able to get it in and it hadn't missed the vote yesterday because I don't think we would be shining this bright of a light on this item.

[3:09:27 PM]

This is the top pool that's used, also open year-round, centrally located, Barton springs and [indiscernible], more people go to them but this is the one that's out in what used to be the suburban part of town and this pool is a huge asset and really we're not asking for very much to remove the trip hazards, and then also to remain intact the million and a half needed to repair the playgrounds. They're different projects, they have widespread application throughout the city and it's what the community is asking to us do. So I please would just ask you to leave the million and a half in for the block grant for the parks that's a city-wide application and allow the specific work project of \$350,000 to be done to repair the decking around the northwest pool. Thanks.

>> Mayor Adler: Ms. Kitchen.

>> Kitchen: I feel -- I just want to explain the reason I'm willing to go forward with this. We have a lot of competing interests, and we already have over 3 million in parks. Parks -- we have a huge need in parks. We have a huge need in health and human services. We have a huge need in lots of different areas. So we're going to have to do much, much more to get a bond or something more if we're ever going to get where we ever really need to be in parks. So I'm bringing forward this proposal because I'm balancing the kinds of needs that people have all across the district, and so I feel comfortable bringing that forward. So . . .

>> Mayor Adler: Okay. Any further discussion on this? Ms. Kitchen moves to decrease parks by \$350,000, the block amount. Those in favor please raise your hand Houston, Zimmerman, troxclair, Garza, Renteria, and kitchen. Those opposed? The balance of the panel.

[3:11:28 PM]

It passes. Parks taken down by 350 -- oh, yeah, it's the other way around. I'm going to call the vote again. I did the vote wrong. This is the vote to reduce by \$350,000 the block in parks. That's the vote. Those in favor of reducing the balance by \$350,000 please raise your hand. Houston, Zimmerman, troxclair, Garza, Renteria, and kitchen. And then against it, that -- that was six. Against it are the five remaining. The motion passes. Parks is reduced by \$350,000.

>> Pool: I thought it was the other way around.

>> Mayor Adler: Mm-mm. Ms. Garza?

>> Garza: I want to make a budget amendment. There's -- I'll give a brief overview. Southeast library is closing for six months, it's one of the most used libraries in the city programming. Library staff has said it would cost about 75,000 to get a portable at aid. I would like to use 50,000 of my office budget and then I'm asking for 25,000 of one-time funds so we can get that portable for six months so people can have a computer lab that's outside of -- that's not part of the school. There's a big community concern in using the school as opposed to a separate portable so that's my motion.

>> Mayor Adler: It's been second by Mr. Renteria. Do that a little more slowly. Give me line Numbers.

>> Garza: Okay. It's under parks.

[3:13:37 PM]

1.57 under page 4, 1.57. The library has said it's going to cost 75,000. I know this is not a line item. I don't know how we're going to do this, but I want to use 50,000 from my office budget and so I'm asking for the remainder of the 25 -- the 25,000 to come out of one-time funds.

>> Mayor Adler: What column would you put that minus 50,000 in.

>> I don't know that we have to do anything with that. That's already in councilmember's budget, it would be 25 now the one-time column.

>> Mayor Adler: 25,000 in the one-time column. That's been seconded by Mr. Renteria. Is there any conversation on this? Those in favor please raise your hand. Those opposed. It's unanimous on the dais. Okay.

>> Houston: Mayor?

>> Mayor Adler: Let's put on the table the \$100,000 for the one-time spending for the strike funding and housing. I move for that. Is there a second? Mr. Casar.

>> Casar: Yes. I just had a question. I don't have the piece of paper in front of me now. Maybe I do. But I thought it said 100 to 200.

>> Mayor Adler: It did.

>> Casar: The reason you're picking the lower end of the range when we have the money for it.

>> Mayor Adler: I did that only because when I originally talked about it there wasn't any money in that fund.

>> Casar: It's very important. I mean, I know that -- I hear folks laughing but I think properties that are potentially disappearing from our housing stock and further segregating our city is one of the most serious problems we're facing and if we can fund a consultant that can really do the work and the range is 100 to 200 I would want to provide flexibility for us to get the best report we can get.

[3:15:37 PM]

>> Mayor Adler: Okay. So Mr. Casar moves to mend the motion to go to \$150,000, which is in the middle of the range between one to \$200,000. I'll second that motion. Is there any conversation on that amendment to take it from 100 to 150,000.

>> Houston: My option, I think, mayor -- is there no one in the state of Texas that is interested in doing this, that would come and be a consultant for 50,000? I mean, it's kind of like we're asking people to charge us \$150,000 to come and tell us the best way to develop a strike fund so we can preserve those kinds of houses that are being demolished and build new ones. Just a question on my part.

>> Mayor Adler: I'd say at this point the people working on it are working for free and ultimately this only works if we get market people to actually invest money outside of public financing means. This is going to be 99.9% money that doesn't come from the city if the concept works. And I'd point out that nobody in the world has been able to make a model like this work yet.

>> Casar: Mayor, this would be competitively bid, right, the consultant?

>> Mayor Adler: I don't know the answer to that. As I look at -- as I look at this.

>> Casar: I imagine we wouldn't hand somebody \$150,000 without asking any questions. We wouldn't be asking -- obviously, we would use the money as wisely as possible.

>> Mayor Adler: I would think that we would ask whoever does this to come back to council and present the contract for approval. Any conversation on the amendment to go from 100 to 150? Ms. Troxclair.

>> Troxclair: I guess I just wanted it point out that the budget answer does mention that the funding could come from private investors or from the city and I think if the city committed \$100,000 and they decided that they needed more, I think \$100,000 match from the city would allow them to raise \$50,000 or \$100,000 if the need was more than that.

[3:17:57 PM]

So I just wanted to point that out.

>> Mayor Adler: All right. The amendment is to go from 100 to 150. Any further discussion? Those in favor of that amendment please raise your hand. This is the amendment to go from 100 to 150. Houston, Tovo, Gallo, Casar, Kitchen, Adler. Those opposed? Zimmerman, Troxclair. Now we'll take a vote on the motion to fund the consultant for one-time funding for strike fund. Those in favor please raise your hand. Those opposed. Mr. Zimmerman voting no. The rest of the dais voting yes. Renteria off and Gallo off -- oh, no, you're here, just not sitting down. That passes. So that's \$150,000. Any other changes or items that people want to make to this budget?

>> Houston: You're so quick on that button.

>> Zimmerman: Sorry, go ahead.

>> Mayor Adler: Like jeopardy.

>> Houston: It is.

>> Mayor Adler: Got to be quick around here.

>> Houston: Mayor, yesterday I put a couple things on the table that I'd like to bring back up today.

>> Mayor Adler: Okay.

>> Houston: The first one is on page 16, 1.20, the increase funding for the African-American harvest foundation, \$100,000, and yesterday I think the cultural contracts folks -- is that right? Gave us a sheet that spoke to that. And I think they're here if you have any questions.

[3:19:59 PM]

Is Ms. Hayden here? No? Mr. Jones? Oh, is she coming? Okay. If there's any questions, I'd like to put that on the table again. The African-American harvest foundation has been in operation for sometime and do a really good job in the community trying to make sure that our hard-to-reach youth and drop-out prevention, job training and so this is not anywhere close to what they were -- lost in this last go-round but this will get them up so they can continue some of their programming until the next time the cultural contracts get around.

>> Mayor Adler: This is item 1.2 on the equal of life.

>> Houston: Quality of life on page 16.

>> Mayor Adler: Okay. Staff, can you explain to us why -- this is a -- one of these I think so that are bid, part of the -- a group of contracts where people apply for money. They went through the city process by that note they came anxious it was cut back pretty substantially. Can you explain to the council why?

>> Stephanie Hayden, assistant director, health and human services. We held a request for application process in

[indiscernible] And during that process we had upwards of about \$30 million worth of requests. At the time, we only had \$13.5 million available, and so during that deliberation process, we were working with the health and human services committee, and we just kind of worked through that process to just allocate the funding that we had available.

[3:22:01 PM]

So essentially we just didn't have the funding that was requested.

>> Mayor Adler: Was this -- Ms. Tovo.

>> Tovo: I was just going to say, too, though they had a previous contract but also have a council-initiated additional expenditure that came through Austin Energy. Is that right?

>> So --

>> Tovo: Some of their funding was in different places, not all through health and human services contracts.

>> So the African-American harvest foundation has two contracts. During that solicitation process, the contract with -- where the funding comes from Austin energy was not a part of the process. That money was allocated to that agency as a part of the African-American quality life initiative and so because of that fact, that \$75,000 was not included in the competitive solicitation. Now, they've maintained that 75,000, but their contracted amount was 343,430.

>> Tovo: Thank you.

>> Mayor Adler: So the program -- it's a program that you would still recommend if there was additional funding to spend on it?

>> Absolutely. They're actually exceeding their performance measures. All contracts have performance measures and they have exceeded their performance.

>> Mayor Adler: Mr. Van eenoo, would you tell us where we are on Numbers.

>> We are at 172,599 to the good on the general fund, \$1 million -- 1.1 --

[3:24:08 PM]

[audio stopped]

>> Mayor Adler: Ms. Garza seconds that. Any discussion before we take a vote?

>> Houston: It's my understanding that will be a one-time only because they will be doing the competitive bid process the next time.

>> Mayor Adler: Those in favor please raise your hand Houston, Adler, Garza, Casar, and Gallo, five votes. Those opposed? The other six. We have an abstention, Mr. Renteria abstains, 5-5-0, still does not go in the budget. Next item to be considered --

>> Houston: The other one on the table was kazi fm radio and I call it Koop radio, both community radio stations, both are community-funded, and not -- no commercial support, fund-raising. I passed out a letter from kazi, and they talk about what they've raised in what they need as a one-time support that, you know, comes out to be about \$45,000.01 time only and then Koop -- Koop.

[Laughter] It's right there by my house, I see koo&it's Koop. It would be about that same range so if we could do 40 a piece of one-time only, and I know I see people cringing but, you know, these are community radio stations that have a broad reach and have a very different kind of clin tell than any other -- clientele than any other stations in the city so I'd be willing to support them even if I have to draw you down money from some other place.

[3:26:21 PM]

Again, it's one time only and they understand that.

>> Mayor Adler: It's been seconded by Ms. Pool. That's \$80,000 to the two radio stations. Mr. Zimmerman.

>> Zimmerman: Thank you, Mr. Mayor. Well, I've got a number of dear friends that I don't always agree with, they're an arkists, they have radio stations going on around the city and they would insist their radio stations are extremely important to the Austin community. And in the same way that I would have to turn my friends down on their request if they made them, I'm afraid I have to turn this down. I'm sure these are terrific radio stations. It's just if we approve this, we have to approve other similar requests to be fair to other groups, I would think. So --

>> Mayor Adler: It's been moved and seconded on this. Ms. Troxclair?

>> Troxclair: So I hope that after we take this vote I will get the opportunity to make a motion to use the remaining \$1 million in one-time funding to apply it towards --

>> Mayor Adler: I'll recognize you.

>> Troxclair: But I just wanted to say I think that based on the Numbers that we have I think we might have about \$50,000 left over after that. So although I would prefer to take that vote first, I would be willing to support the -- if that motion passes and there's left-over money I would be willing to support using the excess funds for the radio station.

>> Mayor Adler: Okay. Those in favor of \$80,000 to radio stations please -- sorry, Ms. Houston.

>> Houston: I was going to say rather than take the vote on the 80,000, if it's about -- there's about 25,000 left, I think both radio stations would be appreciative of the offer and so I would amend my motion to be \$25,000 each.

>> Mayor Adler: \$25,000 each, the motion is now at \$50,000. Anybody have an objection to Ms. Houston amending her motion? Then the motion is at \$50,000.

[3:28:22 PM]

It's been seconded. Any further discussion? Those in favor of the 50 --

>> Troxclair: Sorry, mayor. I was doing that macroughly in my head -- math roughly in my head. Can you confirm? I thought we had about \$1,050,000 in our one-time funds right now.

>> It's 1 million.

>> Troxclair: Ed, come on.

[Laughter] I thought that we started out with 1.2 million and then we've spent 150,000 on the housing initiative. Did we spend another \$50,000 somewhere?

>> Mayor Adler: We did --

>> Troxclair: On the portable? So that's still \$25,000. No?

>> We're all at \$1 million so I'd have to give you a reconciliation.

>> Troxclair: Okay. I don't know where the money went then. All right.

>> Mayor Adler: Sometimes when they do their formulas, monies get prorated out and it doesn't quite work the way it does on a simple spreadsheet. All right, the motion is \$50,000, \$25,000 for each of the two radio stations. Those in favor please raise your hand. It's Ms. Houston, Ms. Pool, Ms. Garza. Those opposed? The balance on the dais. Ms. Tovo?

>> Tovo: Let me just say, though, that I like the approach of having a fund where small community organizations can apply for infrastructure support and so if there's a subsequent motion to allocate some money that would be a fair and open process for organizations that could include kazi and Koop to apply for that infrastructure support. I would -- I would vote for it and I would love to see that happen in our community development incentives fund. I think that would be the right place.

[3:30:24 PM]

But again, that would alleviate some of the concerns I have about making decisions here on the dais about what the right amount is and which organizations we're going to allocate it to. A more general category of about the same allocation would be something I'd support.

>> Casar: Mayor?

>> Mayor Adler: I like that name a lot, community development incentives fund. Mr. Casar?

>> Casar: I would support that kind of motion if it was made as well. My preference would be the take of the balance of the one-time fund and split is evenly between the parks grant, but I can't make that because I was on the losing end of the parks vote. But I think that would be a great way to spend it.

>> Mayor Adler: The next vote we'll take is Ms. Troxclair's motion.

>> Troxclair: Thank you. I think y'all know what I'm going to propose right now, but we have about a million dollars left in our one-time funds. My only proposal was to draw down the budget stabilization

fund from 12 and a half% to a level that would allow us to free up about two million dollars. And the intent of that motion as it was included in our concept menu was to apply that two million dollars to the tax rate, which would bring our tax rate down to .4579 from .4598 and lead to -- bring our total property tax savings for the median homeowner up to over \$16. And I understand that that money has been slowly whittled away over the past few hours, but there's still a million dollars left in that account, and I would just make the motion that we take that million dollars and apply it to a reduction of the tax rate so that -- I think --

>> Zimmerman: Can I second that first?

>> Mayor Adler: Mr.

[3:32:24 PM]

Zimmerman seconds that motion.

>> Troxclair: I guess I want to say that we've had such a broad range of priorities between the 10 council district and the mayor, and due to the increase in revenue coming into the city we've been able to adequately fund a lot of different areas. And this one million dollars would be a huge gesture for those of us who ran on reducing the cost of living to be able to take something back to our constituents and say here's what I did for you, in addition to providing additional funding for health and human services and culture contracts and pools and parks and everything else that we've done, this would be a really important gesture and we have the money. So I would just ask for your support.

>> Mayor Adler: Discussion on this item? Ms. Garza?

>> Garza: I want councilmember troxclair to know that I support her. I'm not sure I will vote on this just yet and I appreciate her fiscal conservative ideas. I'm wondering how this would affect the median homeowner. What is -- is there a way to calculate what the savings -- I'm sorry y'all are making faces. Maybe you don't want to calculate that.

>> You would have to give us a little time to do it precisely. I can kind of do it offhand and say it will probably result in slightly less than a 10th of a penny reduction in the tax rate. You're currently at 4598. I'm going to guess this would put you at about 4589. And probably about a 2.05 reduction in the tax bill for a homeowner.

>> Garza: Thank you.

>> Mayor Adler: Further discussion on this item?

[3:34:27 PM]

Ms. Kitchen?

>> Kitchen: I'm going to support this. I think that two dollars may not seem like a lot, and if we hadn't been in a position where we had to raise fees so much I might not support it because we were able to get \$12 off a combination of other factors, but because we're in a position where we had to raise fees and the net impact on our taxpayers is still going to be higher I'm going to go ahead and support this. That combined with the fact that we have put -- we continue to have needs, but I'm proud of what we've been able to put in health and human services and the other areas also.

>> Mayor Adler: Further discussion on this item? Those in favor of putting a million dollars to reducing tax rate please raise your hand? Houston, Zimmerman, troxclair, Adler, Gallo and kitchen. That's six votes. Those opposed? It's the remaining five on the dais. Anything further to discuss? That passes. Further discuss? Mr. Zimmerman.

>> Zimmerman: Could we go back to page 6? I just want to get a vote on this to see if anybody would like to reallocate 2.32? 2.32, the library resale store. I think there's been a lot of good discussion here and I think there's probably a better way to use that 209,000 that would distribute it more around the

entire Austin community. So I'd like to move that we realize the 209,000-dollar savings that we close library resale store if I could get a second on that.

>> Mayor Adler: Is there a second to line 2.32?

>> Houston: I'll second it.

>> Mayor Adler: Ms. Houston seconds that. Any discussion on this item? Those in favor of passing item 2.32 raise your hand?

[3:36:30 PM]

Zimmerman and Ms. Houston. Those opposed please raise your hand? Gallo also voted no. The others it's a balance -- troxclair also voted no. Those are three votes. Those that are opposed to it -- four?

>> Zimmerman: Can we start over?

[Laughter].

>> Mayor Adler: Those in favor of this line 2.32 please raise your hand? It is -- that means cutting the \$209,000. That is Houston, Zimmerman, troxclair and Gallo. Those opposed please raise your hand? It's the balance of the dais. Anything else?

>> Houston: This is a question for my colleague, councilmember pool. On page 21, 1.29, is there any way you all could do this healthy food option on the corner stores with \$300,000 and free up \$100,000 to put in this community development fund for people to have opportunity to ask for grants as we were just talking about?

>> Pool: My understanding is that this has been pretty specifically allocated. And if you will give me a minute I can pull it up and tell you exactly what it is, including the locations around town. And it may be that rather than taking from the healthy corner stores initiative we should pull that money from a category that's more specifically related like in economic development for that, rather than health and human services. So I really think we have scrubbed this one to an inch of its life on all of the specifics that it's going to be able to pay. And maybe councilmember Garza can help with that while I'm trying to find the specific backup.

>> Houston: The only reason I ask is because there's money for equipment, and this is equipment money and I still don't know what happens to the equipment if a corner stores decide after two years they don't want to participate in the project anymore.

[3:38:45 PM]

I still haven't gotten an answer to that.

>> Pool: So we have 150 for corner stores, 100 for farm markets and 100,000 for double dollars. And 50,000 is for a staff member to manage the specifics. So I hope -- I would say no, there's no way to reduce it from the pilot. As I say, this has been really intense si scrubbed by the -- intensely scrubbed by the staff with our sustainable policy board and our health and human services folks and the office of sustainability. And when the healthy corner stores sign up they can signing a memorandum of understanding for all the specifics required to keep the program going. And it's a pilot. I think it will -- at the end of the year we'll find out how well it does. It sounds like there's tremendous community support, including significant areas in district 1.

>> Houston: It looks like the pilot is going to be -- there are three who have already signed an mou in 78744 and two in 78745. So if we could limit it to those five who have already signed the memorandum of understanding --

>> Pool: I tell you what, rather than trying to pit one program that goes to nutrition programs for folks who don't have access to nutritious foods, let's see if we can dig around and find a better fit for this. We

do have that experience in other cities do show that the corner stores do stay in the program, they do not drop out --

>> Mayor Adler: Let me ask a question this way. There's \$172,000 left in the general fund amount. Ms. Tovo suggested taking some amount of money, putting it into a competitive bid process for smaller community groups, sort of a capacity funding fund.

[3:40:47 PM]

We could take \$150,000 out of general fund if we wanted to create that kind of capacity fund. Would that be something worth doing?

>> Tovo: Mayor, I thought we just allocating the remaining of our one-time funds for tax relief. Do we actually have any one-time funds remaining?

>> Mayor Adler: No, no. I said \$172,000 in the general fund.

>> Tovo: Oh, I'm sorry.

>> Mayor Adler: Any questions? Do we have to take that 170,000 or \$150,000 and create that capacity fund?

>> Renteria: What do we really have? How much money do we really have?

>> Our Numbers are showing 29,297 of one-time funds available, 172,599 still in the general fund.

>> Tovo: Mayor, I know we've voted this and need to move on and so on and so on forth, but I just want Mr. Van eenoo to address one last time why in the past it's been the financial staff's recommendation not to use what is in essence one-time funding to reduce the tax rate. Could you just explain again one last time for us what the connection is between having done that and where that effective rate will be set next year? Because it does -- it will set up a situation that we'll have to be aware of going into next year's budget.

>> And the result of that action is that the property tax revenue and the general fund budgets will be a million dollars less and there will be a transfer in from the reserves that will keep the budget in balance. The result of the property tax revenue being less, it does affect your calculations for your next year, your effective tax rails and roll back tax rates would be lower than they otherwise would be.

>> Mayor Adler: We will in essence start out with an effective rate that raises a million dollars less next year than the effective rate would have otherwise raised.

[3:42:54 PM]

>> That's correct.

>> Mayor Adler: We're still with Ms. Houston's request.

>> Troxclair: I just wanted to ask, I missed how much you said was in the one-time fund.

>> 29,297.

>> Troxclair: In one-time fund.

>> Correct.

>> 172,599. And the exact amount of the tax rate can only be changed down to the fourth decimal point, so the exact amount of that revenue reduction was 971491. If you want to update your spreadsheet. That's why it's not a million dollars exactly. And the median tax bill savings was actually \$1.96 per year.

>> Tovo: Thank you, Mr. Van eenoo. I didn't mean to take us backwards. I understand we're talking about corner stores. I just think that's a very concerning policy direction and just had to circle around back to it again before we were completed here today.

>> Pool: Mayor? I just want to emphasize what the mayor pro tem said. That is, that ties council ago hands going into next year and I just want to make sure everybody recognizes that.

>> Mayor Adler: Yes, Ms. Troxclair?

>> Troxclair: Do we have a motion on the floor right now?

>> Mayor Adler: Ms. Houston is trying to find money to create a fund that could be used administered by staff for providing capacity to small organizations.

[3:45:01 PM]

>> Troxclair: I would be willing to support a motion that -- it sounds like from the number that Mr. Van eenoo just gave us that we have about 29,000 left in one-time funds, which is what I thought before we took the vote on her radio station issue. So I'm willing to -- I would be willing to support a motion that would allocate \$25,000 in one-time funds to the radio stations, councilmember Houston.

>> Houston: I'll second that.

>> Mayor Adler: The motion has been changed to do \$25,000 for the radio station. It's been seconded. Further discussion?

>> Houston: For capacity building, for capacity building pool that will be implemented by economic development or --

>> Mayor Adler: So not just for the the radio, but to create a pool that would be competitively administered by the economic development folks. Yes, Ms. Pool?

>> Pool: So I have a question of economic development staff. Could we possibly for capacity building, is it possible to use the hotel occupancy tax like we do for cultural contracts staying at capacity? And there's almost \$10 million in that portion that goes to cultural contracts. Okay, so maybe you can help us understand why it's a great idea, but we can't do it?

>> Good afternoon, assistant director and Lela fireside will probably join me in my response. But the hotel occupancy tax is an ineligible income for capacity building. What we did this year is use our Texas commission for the arts grant of 28,000 and matched it with operating funds.

>> Pool: I do remember that now. Thank you for reminding me.

>> No problem.

>> Pool: I do know that kazi and maybe Koop do get money from maybe the cultural funding.

[3:47:02 PM]

>> I just e-mailed staff -- the Koop does receive funding this year for \$24,000 and is specific for arts-related programming. So if kazi was to apply and agree to do art-type interviews and focus on certain music, that is an eligible activity.

>> Pool: That could be seen as capacity building. That might be a nice fit and there might be more funds available through that route.

>> Funding for the actual programming would be an eligible expense, but for the capacity-building program that we were talking about yesterday for the 150, it would be to train staff, your board, develop strategic plans and one other activity. So it's to develop the capacity of the organizations.

>> Pool: Thanks.

>> Tovo: So when we talked yesterday and asked you that question it sounded like if we set up a little bit of money to [indiscernible] Infrastructure -- not capacity building, but infrastructure support for the same kind of organizations you target with your capacity building, is that something that you feel comfortable as economic development administering through a similar process? Different criteria, but similar process?

>> We have the infrastructure but we only currently have two staff that focuses on over 250 contracts. And so to add an additional program we would need to look at our capacity because right now we're just maxed out in terms of staffing. Plus we also run an additional program called artists inc. In addition

to the 250. So we're already training artists and that's an eight-week intense program, but a year's worth of preparation.

[3:49:07 PM]

So we have staff -- the structure built, but not enough staff.

>> Tovo: So back to this idea. I really think it's a good idea and it's not -- but again, I would rather we allocate a little bit more money and allow it to be an open process, but it sounds like from the staff side they may have some trouble administering it. So a little sometime mid as to where -- stymied as to where to go next. I think it's good based on the conversations we've had, to have 75,000 or somewhere in that realm allocated for infrastructure type support for organizations.

>> Mayor Adler: What happens in the budget, Mr. Van eenoo, if we approve this tax rate and we don't allocate at this point that last 172,000 and the last 29,000? In essence there's \$200,000 that would be unallocated, but we still approve the tax rate? So in essence we would then have a line item that would be unallocated and then the council when we best figured out how to do this could allocate those sums. Could we do that?

>> I think you would be essentially adopting a budget with a small surplus, that would be okay as long as it's not in a deficit.

>> Mayor Adler: Then I would propose we just do that and let that money fall to the bottom as surplus and then we can figure out what might be the best view.

>> Houston: Right. And we could have time to talk with the city manager and staff about the best ways to move forward.

>> Mayor Adler: Okay. Ms. Tovo.

>> Tovo: Can I ask our economic development staff member to follow up?

>> Yes, thank you again. Staff just reminded me that we had proposed in the beginning of the budget process setting up an incubator system for different creatives, and staff thinks that we would be able to develop a type of incubator program to help with the capacity of non-profits, not just art non-profits, but non-profits in general.

[3:51:12 PM]

But it would be a competitive application process.

>> Mayor Adler: That sounds good.

>> Tovo: Were you contemplating funding infrastructure improvements through that incubator or was it more like the kind of capacity building work that you're doing with arts organizations and non-profits?

>> Exactly.

>> Tovo: The latter?

>> For fashion or for other types of incubators, small business type incubators.

>> Tovo: Thank you. I wonder, mayor, if one solution might be to -- it sounds like there's some very good ideas here and that we could with more time get to a good program that really meets some of the needs that we've talked about. So I wonder if allocating that money to our community development incentives fund, reserve fund, whatever we're going to call it, would be one place to put that surplus and then we can talk about whether or not to spend it and if so how.

>> Mayor Adler: Okay.

>> Tovo: If somebody tells me how much that is, I'll make that motion.

>> Mayor Adler: It would be 172,000 plus the 29,000. There's a total of \$201,000 as yet unallocated and the yes is just to put it into the community development incentive fund. Which is the reserve you're

creating new. It's been moved to move the balance, sweep the balance of the money. Seconded by Mr. Renteria. Ms. Gallo?

>> Gallo: I think that's a wonderful idea. And one of the other things that I just want to bring forward again, and I think mayor pro tem tovo's office was also looking into this, that there's over \$800,000 in Austin energy's budget for community program support. We've passed that out a week or so ago, but it may be worth looking at those line items too and if that money could be put into this fund with maybe a better allocation.

[3:53:13 PM]

It looks like perhaps there are items that have just been started out at some councilmember's request and have just been repeated over and over again, but it's over \$800,000. It has things in it like sickle cell sponsorships, Christmas lighting, juneteenth celebration, the harvest foundation is in there. We've got things like the UT solar decathlon, the Texas robot prep, something at houston-tillotson. I just think there's a lot of potential with those funds to maybe just go back in and look at them one more time and just allocate them perhaps to something else that might be a priority at this point in time. But I'm not quite sure how we do that in the budget process, but that is an amount of money that seems to continue to fund the same things from year to year with maybe not much oversight going to that.

>> Mayor Adler: But that's something we could pick up later rather than try to do it on the dais. It's been moved to take whatever is left in the balance, put it into the community development incentives fund. And it's been seconded by Mr. Renteria. Any discussion? Those in favor please raise your hand? Those opposed?

>> Zimmerman: Abstaining.

>> Mayor Adler: Mr. Zimmerman abstaining, the rest voting yes. I think that ends our budget.

>> Zimmerman: Mr. Mayor? I do have one final report that has nothing to do with the Numbers we've just been discussing relating to page 5 on the 1.71. And I've got an overhead I would like to put up here quickly. We had just approved I believe \$350,000 for a swimming pool in district 7, and by using some of the non-obligated funds in the 2010 bond, it's a similar pool of money. We approved \$500,000 earlier today and there's another 350,000 that would be available to satisfy 1.71 in the C.I.P. Budget.

[3:55:26 PM]

It's nothing to do with fund or one-time funds, but it's a C.I.P. Request to be put towards the Anderson mill road project, as I've put in 1.71. So I'd like to move the 350 of that be committed to 1.71.

>> Mayor Adler: Okay. We gave earlier as the council direction the \$500,000 of unearmarked money in the bond package be earmarked for the Parmer lane project we're doing in conjunction with the mayor and the city of cedar park. Mr. Zimmerman is now proposing that in addition to that 350 in that of a different, but similar fund, we spend \$350,000 on another project at Anderson mill.

>> Zimmerman: Right. Anderson mill is our most congested feeder. It connects U.S. 183 with ranch road 620.

>> Mayor Adler: Is there a second to this? Ms. Troxclair seconds this. This is not money that changes any of our budget. I'm going to vote against this because I think it's bad policy for us to be doing this. I think that the council, your colleagues listened to you this morning and yesterday and I think exhibited a kind hand in support of what you were trying to achieve. I'm afraid of opening up the floodgates here. I'm going to vote no against this return to the well. Any further discussion on this? Those in favor of this proposal please raise your hand? Preliminary, Ms. Troxclair? Those opposed, please raise your hand? Thank you. Are you ready now to take a vote, final vote on the operating budget, which is item number 1?

[3:57:32 PM]

The final dollar is zeroed out because we swept the last amount of money into the -- whatever it was that was left, approximately \$200,000 more or less got swept into the fund that enables people -- the community development incentives fund, zeroed us out. Since we're now ready, I would ask that the clerk would please call the roll.

>> Mayor Adler?

>> Yes.

>> Mayor pro tem tovo.

>> Yes.

>> Councilmember Houston.

>> Yes.

>> Councilmember Zimmerman.

>> Nay. >>

>> Councilmember troxclair.

>> Yes.

>> Councilmember pool.

>> Yes.

>> Councilmember Garza.

>> Yes.

>> Councilmember Renteria.

>> Yes.

>> Councilmember Gallo.

>> Delightfully and enthusiastically yes.

>> Councilmember Casar.

>> Yes.

>> Councilmember kitchen.

>> Yes.

>> Mayor Adler: It passes on a -- the operating budget passes on a 10-1 vote. And I would dare suggest that there were few in this city eight months ago that would have predicted we would have accomplished that.

[Applause]. We will now go to item number 2, which is adopting the capital budget. Item 2 is an ordinance adopting the city's capital budget for fiscal year 2015-2016. Staff, do you want to present us the manager's budget with any amendments?

>> Yes, mayor, we're going to bring up a presentation.

>> Mayor Adler: Thank you.

[3:59:35 PM]

>> Renteria: Mayor, I want to make a brief comment. I really want to thank -- I'm really grateful for the staff and all the work they've done, but I'm really hoping that next year we start the process just a little bit earlier and be a little bit more transparent because I think that's a lot -- if I was confused, I know the people in my district were very confused about the process. So I hope that next year that we will have an earlier, more transparent process that -- hope it's not as many of these big old worksheets. You did a good job, but this process was just so confusing that I'm hoping that, you know, maybe we can do a little bit more transparent.

>> Mayor Adler: I think we can and I agree with you on that. I think we were kind of making up the process as we went along and I'm proud of the process that we went through. I think it was reasoned and deliberate, but no question but that we can make it better.

>> Houston: And mayor, I'd like to say that if it's not inappropriate, let's give the city manager and all the staff a hand.

[Applause].

>> We still have eight items to go before we're actually done.

[Laughter]

>> Ott: I guess I want to take a chance and just enjoy it. I do want to take a turn also to thank just an incredible staff and obviously the four individuals that are sitting in front of us today for your leadership from the beginning and almost to the end. I know that there are people in the back room for you that are not here and I know you're probably in your offices watching and have been and working.

[4:01:43 PM]

Sincere thanks to you as well. Department heads and folks you have in the back room, many thanks to you as well. You just saw the display here. Mayor and councilmembers, I know you have a little more work to do, but our sincere appreciation to you for your leadership and guiding us through this in response to our budget recommendations. We certainly appreciate that. And congratulations a little prematurely on your first fiscal plan as the new 10-1 council for the city of Austin.

>> Mayor Adler: Thank you, sir. Mr. Van eenoo.

[Applause].

>> So mayor, staff only has one amendment to the operating budget that was delivered to you on July 30th. It's the same item that you saw during the operating budget where we appropriated \$925,000 to a special revenue fund related to a FEMA reimbursement for this project. This is the capital budget side of that equation, \$925,000 for this road rehabilitation project. And again, this is our FEMA funds. This chart here reflects all of the capital budget changes that you just adopted through the work you've done over the last two and a half days. Most of these things should look familiar. Two-million-dollar reduction in our building services department. Those are funds that were going to go to various facility improvements and renovations. Community -- communications and technology management, slight reduction in the C.I.P. There that had to do with the reduction in the police officers that you approved and we fund a lot of the equipment for the police officers out of our C.I.P. Program, particularly the technology equipment. So that C.I.P. Will come down a lot bit to sync up with the budget you've approved. The real estate services item, a reduction of one million dollars, is related to the additional development services staff and renovations that are going to ultimately be needed over at the one Texas center building. We did keep \$300,000 of those funds to do the preliminary design work and to develop the site.

[4:03:43 PM]

We'll probably have to come back to council with a funding plan for those renovations midyear. \$500,000 for the Georgian acres neighborhood park. The park improvements, that's the block grant money of \$1,150,000, we separated that from the pool improvement, \$350,000. \$325,000 of additional funds for the codenext project and the body cameras at 1.525 million. So the difference of \$367,000. So those would be -- \$57,360. Those would be the amendments you are approving with the document we've provided you already today.

>> Pool: Mayor, do we need a motion to adopt before we can discuss? I'd be happy to move approval.

>> Mayor Adler: Councilmember pool moves adoption of the ordinance for the city's capital budget for fiscal year 2015. Is there a second to that motion? Mr. Renteria. Is there a motion to adopt item 2 with the amendments from the council concept budget as reflected in the spreadsheets provided? And I think have you incorporated those on to here? We need to make that change?

>> Yes.

>> Mayor Adler: Okay. Will someone move to update it? Ms. Garza. Seconded by Ms. Houston. Any discussion? First we'll vote on the amendments that are overlaid. Those in favor of the amendments please signify by raising your hand. Those opposed? It's unanimous on the dais. With Ms. Troxclair off. That gets us then to the budget amendment itself as approved. We need to call the roll. We're voting on the

[4:05:48 PM]

[inaudible]? Do you know where Ellen is? Hold on a second, please.

>> Zimmerman: Could you explain again the sequence of the votes we've just taken?

>> Mayor Adler: We had first the manager's budget. We amended it with all of the amendments, including those that came from the dais today. Now it's been amended to -- now that we have that reconciled, capital budget in front of us.

>> Zimmerman: Yeah. So the capital budget -- okay. I see. We did the amendments just now. Okay, I see.

>> Mayor Adler: Correct.

>> Pool: Mayor, I'd like to request are we waiting until councilmember troxclair gets back?

>> Mayor Adler: Yes.

>> Pool: If we do that I would like to request that we revote on the first one that we voted on.

>> Mayor Adler: Okay. We can do that.

>> I haven't found her.

>> Mayor Adler: All right. To make sure that I counted the votes correctly, we have -- someone has moved the city manager's capital budget. I want to make sure I counted the votes correctly so I'll recount. Those in favor of the amendment that was offered to amend the city manager's capital budget with the amendments that he presented as well as the ones that were approved on the dais here, those in favor of that amendment please raise your hand? Those opposed? It is unanimous with all present. We will now take a vote on the capital budget as amended. Would the clerk please call the roll?

>> Mayor Adler?

>> Yes.

>> Mayor pro tem tovo.

>> Yes.

>> Ms. Houston.

>> Yes.

>> Councilmember Zimmerman.

>> Aye.

[4:07:48 PM]

>> Councilmember troxclair.

>> Yes.

>> Councilmember pool.

>> Yes.

>> Councilmember Garza.

>> Aye.

>> Councilmember Renteria.

>> Yes.

>> Councilmember Gallo.

>> Still enthusiastic yes.

>> Councilmember Casar.

>> Aye.

>> Councilmember kitchen.

>> Yes.

>> Mayor Adler: It is approved unanimously. We are now at number three, adopting the ordinance for fees, fines and other charges. Mr. Van eenoo.

>> We're going to do the same exercise, I'll walk you through a number of amendments to the fees and fines that were outlined in the proposed budget, just changes and corrections we found since we delivered the budget to you. The first one I'm just going to skip over. As soon as I'm done going through the other departments, Austin energy will come up and make a brief presentation about the changes to their rates and tariffs. They also have a handout, a strike out underlined version to see what the changes are. I will steal a little bit of their thunder and say they're changes are expected to result in a \$1.11 reduction in the typical one thousand kilowatt customer. For Austin water utility you can see there's some small reductions that are being recommended relative to what's in the proposed budget related to three municipal district charges. Looking at the watershed protection department, you'll recall that we've had quite a bit of discussion with this body about altering their proposed rates and the new rate structure to implement a 50% cap. I am not going to read through all these for you, but watershed staff is here to answer any questions you have about that, but the bottom line is that this would be a 50% cap on the increases for residential customers. That too will have the result in a lower customer bill than what we projected in the proposed budget from \$11.59 monthly to \$10.86 monthly is what we project the new rate at. This is more the same clarifying language associated with the drainage utility fee and that 50% cap.

[4:09:55 PM]

We had a variety of changes that we're needing to make as a result of development services being separated from planning and building. As we did that separation we got a few things wrong. One of the things that's going to be happening is this tree permit removal program. That's moving two development services portion of the fee schedule and so it's not needed in watershed section of the fee schedule anymore. We're just deleting that fee from watershed's portion. It will still exist, it does exist over in the development services portion of the fee schedule. Moving on to planning and zoning, the development services surcharge, that's a surcharge that is added to permits that funds technology needs with the split of planning and development review into two departments. That surcharge now needs to be reflected in both areas of the fee schedule. When we put it together we only got it on the development services side. This would be putting it back on the planning and zoning area where it needs to be as well as if they're going to continue to charge that surcharge. In regards to the historic preservation, again an issue with how we split it out -- split the department, we got too much of the fee over on the development services side and not enough of the fee on the planning and zoning side. You will see this one again when we get to development services, just a reallocation of that historic preservation fee. This is just some clarifying language, pretty minor stuff where it said less than 250 acres, it needed to say less than or equal to and our attorneys have assured me we needed to get the word plus in there. So it's \$4,206 for greater than or equal to 250 acres plus three dollars for every acre over that. We move on to the development services department. I've already talked a little bit about this, these historic home fees. This is a matter of taking what had been one department and fees in one

department, splitting them into two and just not quite getting that right on our first go round. So these are just corrections.

[4:11:57 PM]

Then finally an adjustment. I believe this is the last one, an adjustment to reflect that the cost of service study, making minor adjustments to this fee for pipeline building plan review, hazardous pipeline building plan review. And just one more. We do have a handout. Clerk, are you handing out that -- they have it already. This is my last slide and I'll talk about the handout you have is again in development services, just inadvertently admitted fee related to small project site plans. It's not an increase, it's just got left off of the fee schedule when we were putting it together again as we were splitting apart those two departments. The handout you have shows a number of fee changes beyond what are on these slides for development services. That has to do with the item that I approved on the operating budget to move their fees to the full cost of service. Staff had proposed this two-year phased implementation. Council adopted an item 1, additional revenues, and adopted increasing the fees to full cost of service. So the handout you have shows those various changes in fees from fiscal year -- from what we've proposed to what would now need to be adopted in order for you to sync up with the operating budget you just approved. So with that, mayor, those are the amendments of the fee ordinance that the staff has to offer. I'm sorry, then ae is going to come and talk about their tariff and rate changes.

>> Mayor Adler: Okay.

>> Gallo: Mayor, has this been passed out or e-mailed to us?

>> This we passed out to you on the first day of the budget readings. Two days ago. I'd be happy to give you another copy.

>> That would be great if you don't mind.

>> And these fees should be in your handout as well.

[4:14:03 PM]

>>

>> Mayor Adler: Go ahead.

>> Good afternoon, mayor and council. Chief financial officer for Austin energy. I'd like to go over a few changes we made to the tariff and fees that were originally found in the city manager's budget delivered on July 30th. I would add that this document that we passed out today, the red line version, does not contain the three changes that council made yesterday, which was the changing of the demand charge, adding the vash to the cap discounts and removing the P 4, so those will be done in the final document. The document I gave before you, you can see through there has numerous red lines. There's a total of 104 changes, but 65 of those are related to Austin energy reducing the Austin energy efficiency charge as part of the community benefit charge. When we presented this to the electric utility commission on August 17th we had an overage of about nine million dollars and they elected to return that to the ratepayer. So we'll be returning that over a three-year period. So providing an additional \$1.11 reduction to the average residential bill. We have 15 omissions that we had to correct, which was we had condensed the tariff from about 80 pages down to less than 60 and added a five-page glossary to it. And when we did that we had omitted putting in the supplemental regulatory charge in those tables for the non-summer months.

[4:16:11 PM]

That is a charge that's only assessed to our customers outside the city of Austin limits and it's to recover the P.U.C. Appeal from back in 2012. That charge is not happen increase or change. We're currently assessing those customers. And that will expire once we fully collect that from the customers. We also clarified on how the house of worship discounts are applied relative to the psa, the regulatory and community benefits charge. And we also have three changes associated with our residential pilot programs or time of use prepayment and our electric vehicle plug-in, which are three pilot rates that we're recommending for this year. So with that I can answer any questions you might have.

>> Mayor Adler: Any questions? Ms. Tovo?

>> Tovo: I guess my first question is I assume we don't need to vote on the issues we voted on yesterday. That as you instead, we would be reneged in the final document, -- they would be reflected in the final document, but we on don't need to vote on them in this context.

>> I believe they're part of the operating budget, if I'm correct.

>> Tovo: They were amendments to the tariff.

>> Yes, you did the revenue side. So when we make these changes, our actives will match those revenues and we will revise that number and give that to the city finance as a part of the 14-day notice.

>> Tovo: Okay. So we don't need to officially vote on that right now.

>> That's correct.

>> Tovo: Can you help me understand what the average bill impact would be of the reduction in the community benefit charge? And you said that -- you used the language that the -- the electric utility commission elected to return that to the ratepayers, but they only make recommendations to us.

>> Correct.

>> Tovo: So they passed a recommendation that that be reduced -- that charge be reduced.

>> That's correct. When we presented the budget to them August 17th, which was three days before the council had their hearing on the tariffs, they recommended the budget to full council with two recommendations.

[4:18:20 PM]

One is to omit funding for the economic development department, which was a part of your concept list, so we did not include that. The other one was to reduce the ees portion of the benefits charge, which was not on your concept list, so that's why we recommended to hear the tariff before the council here.

>> Houston: Some people may know what ees is, but I don't.

>> The energy efficiency services, which is part of the community benefit charge.

>> Tovo: We discussed earlier in the process the fact that some of those energy efficiency funds were a little bit behind in being spent. Can you address -- I think councilmember Casar, you brought forward a measure to make sure that those funds carry forward to the -- to subsequent years and it's my understanding that Austin energy is reducing -- is adopting that practice.

>> I believe that was the weatherization funding. Within the Austin energy efficiency there are a number of -- energy efficiency there are a number of programs there. We control both the spending and the expenditure on that side and to date we're not -- until the year end closes we won't know the exact amount, but we leave about nine million dollars has been collected that has not been spent on those programs over the last several years. And so we could do one of two things. We could increase funding in future years or we could have returned that to ratepayers.

>> Tovo: Yeah. I wish we had an opportunity for a broader discussion about this because the task force that's been looking at these issues have recommended some programs they wanted us to consider and we could have used that funding for that purpose rather than reducing the charge. Anyway...

>> Mr. Zimmerman?

>> Zimmerman: For what it's worth, thank you for reducing the charge.

[4:20:22 PM]

>> Tovo: It's ultimately our decision. Those programs -- the full purpose of them is to reduce the cost for the utility when we bring down people's energy usage, we're -- we're setting ourselves on a path of if they work well eliminating the need to invest in costly capital projects to produce more energy. So it is a financially wise investment to invest in energy efficiency programs.

>> I would add that we elected to do this over a gradual period so we would still be overfunded next year and the following changes. If we decide to make changes to those programs we'll still have that room to do that.

>> Mayor Adler: Further comments? Is there a motion to amend the fees, fines and other ordinances amended by the council concept budget as reflected in the spreadsheet we were working on? Kitchen moves, troxclair seconds? Is there a second to approve the fees? Garza seconds. Any discussion? Those in favor please raise your hand. We have to read the roll again, no?

>> Troxclair: Is this all the fees or just the fees specific to Austin energy.

>> Mayor Adler: These are fees, fines and charges for 2015-2016. Mr. Van eenoo presented all of those with the exception of Austin energy. Austin energy provided detail on theirs.

>> Troxclair: Okay. But the motion now is for all fees, fines and charges, is that correct? That's correct. It's been moved and seconded as amended by the work we have done at the dais.

[4:22:25 PM]

This requires a record vote and we're asking the clerk now to call the roll.

>> Mayor Adler?

>> Yes.

>> Mayor pro tem tovo?

>> Aye.

>> Councilmember Houston is off the dais. Councilmember Zimmerman?

>> Nay.

>> Councilmember troxclair?

>> No.

>> Councilmember pool?

>> Yes.

>> Councilmember Garza?

>> Aye.

>> Councilmember Renteria?

>> Yes.

>> Councilmember Gallo?

>> Yes, but less enthusiastically.

[Laughter].

>> Councilmember Casar?

>> Aye.

>> Councilmember kitchen?

>> Yes.

>> Mayor Adler: It is approved. Councilmember troxclair?

>> Troxclair: I just want to make sure that councilmember Houston would have the opportunity to record her vote. I'm sure she just stepped off the dais if for a minute. It's been a long afternoon.

>> Mayor Adler: We're going to hold this vote open until she comes back.
>> Zimmerman: I think she's going to be back shortly.
>> Mayor Adler: We'll hold this vote open until she comes back and we'll move to the other three.
>> Kitchen: Could I just ask a question. Mr. Van eenoo, if you all could -- I'm sure you will be doing this, but I think it would be helpful for the -- for the public and for us too, I remember a chart that showed us -- listed all the fees and what happened with the fees as well as the net -- the net result of the property tax reduction. So I'm sure you will updating that because we made a few changes today. Am I making sense? Do you understand what I'm talking about? As I recall --
>> We already had that updated. It's now a \$3.98 per month increase for the typical rate and utility payor. I can go through the list if you want.

[4:24:27 PM]

>> Kitchen: I was interested in what the net was?
>> The net is 3.98 a month. The net started at over \$11 in the proposed budget, but has progressively come down.
>> Kitchen: So we brought it down to 3.98. That's net of fees and taxes?
>> That's net of all of the major utility rates and fees and the tax rate?
>> Thank you.
>> In fact, to be real clear, when we were looking at the forecast budget it was estimated that the increase of all-in taxes and fees was going to be in excess of \$18.
>> That's correct.
>> Mayor Adler: A and at this point it's been reduced to \$3.98, is that correct?
>> That's correct.
>> Mayor Adler: Any idea when the net increase has ever been that low?
>> A long time. I know you've asked a question about the property tax rate and this is definitely -- other than the year we established the hospital district is definitely the first time that the tax bill, the typical owner pays has actually gone down in the last 20 years.
>> Mayor Adler: Do you remember when the last time the increase has been slowed to as low as it is this time, \$3.98?
>> Not in my seven year, 10-year with the city. It's only 1.3% is the growth rate in that fee, so that's very low.
>> 1.3% total. Thank you.
>> Mayor Adler: We'll now finish the vote. Ms. Houston, I'm afraid I didn't capture your vote on approving -- everyone else had voted aye. We're keeping the vote open until you came back.
>> Houston: Thank you for doing that. I will take your enthusiastic yes.
>> Mayor Adler: It is unanimous on the dais.
>> She obviously didn't hear my last vote.
>> Troxclair: Mayor, councilmember troxclair and I both voted no.
>> Zimmerman: We had two no votes.

[4:26:28 PM]

>> Mayor Adler: Two no votes on the fees. That was a 9-2 vote. Sorry. Agenda items 4 to 6 can be taken on consent if no councilmember has pulled them for discussion. Items 4 through 6 are the A.P.D., E.M.S. And A.F.D., that's the police department, the emergency medical services and the Austin fire department classifications. And positions. Is there a city manager presentation on the number of positions for each of these items?

>> There's not. You should have all received yellow sheets for four, five and six. Those are changes just to sync up with the changes you made during the operating budget discussion.

>> Mayor Adler: You guys are quick. Good job. Is there a motion? Ms. Houston?

>> Houston: Point of inquiry. Can we vote on them separately --

>> Mayor Adler: We can vote on them separately.

>> Houston: I'd like to separate them, please.

>> Mayor Adler: We'll first take up item number 4, which I think is the one that was the Austin fire department. Is there a motion to move to adopt item number 4? Ms. Gallo, seconded by Ms. Garza? Any discussion? Mr. Zimmerman?

>> Zimmerman: Mr. Mayor, we had a discussion on some of the new upper management positions that were added number of months ago. And I expressed opposition to that so I'll be voting against this because in my opinion the fire department is too top heavy in management, so I'll be voting against.

>> Mayor Adler: That said all those in favor of adopting item number 4 please raise your hand? Those opposed? Three no votes, Houston, Zimmerman, Troxclair. It passes. Is there a motion to approve item number 5, which I think is police?

[4:28:30 PM]

Is there a motion to approve number 5? Ms. Houston moves, seconds by Mr. Renteria. Any discussion? Those in favor of approving item number 5 please raise your hand? Those opposed? It's unanimous on the dais. That gets us to number 6, E.M.S., a motion to approve E.M.S.? Ms. Garza, seconded by Mr. Casar. Any discussion? Those in favor of approving item number 6 please raise your hand? Those opposed? It also passes unanimously. I'll now take up items seven, eight, nine, ten. We'll take them up together unless there's a request to break them out. You would describe for us what seven, eight, nine, ten are.

>> I'm going to let deputy budget officer Kim Springer do those.

>> Mayor, items seven through ten are related to capital budgets for general obligation bonds as well projects related to Austin energy, Austin water and aviation. State, federal law require city adopt reimburse resolutions in order for us to appropriate back -- debt-backed funds today and issue that debt at a later date to reimburse ourselves. This maintains our tax-exempt status for those bonds and these carry out that action. Item 7 is general obligation bonds and supports both 2012 and 2013 bond program appropriations, as well as two items related to certificates of obligation and then items eight is related to Austin energy projects, item 9, anniversary water, item 10 is aviation.

>> Mayor Adler: Is there a motion to approve item 7, 8, 9, 10? Ms. Pool moves. Is there a second?

[4:30:31 PM]

Mr. Renteria. Any discussion?

>> Zimmerman: Mr. Mayor, I had expressed objection to the certificates of obligation. They had not been voted on for library expenditures, 3.5 million. So I'm going to be voting against this because of the certificates of obligation.

>> Mayor Adler: Okay. No further discussion. Those in favor of approving items seven, eight, nine, ten, please raise your hand. Those opposed. Mr. Zimmerman voting no. The vote is 10-1. Items -- are approved. Do we have anything else on the budget?

>> Yes.

>> Mayor Adler: Oops, sorry. This vote is in addition to and separate from the vote to adopt the budget. This is a vote to set the tax rate. We're now going to consider item 11 to ratify the property tax increase that's reflected in the budget. This is a property tax increase?

>> This is not the vote -- this is not the vote to establish a tax rate but it is required under state law that you ratify the tax increase in the budget. You will not be actually adopting the tax rate until September 22.

>> Mayor Adler: Is it a tax rate increase in the budget?

>> This -- mayor, this just acknowledges that you have increased the tax rate to support the operating budget you just approved.

>> Mayor Adler: I thought we lowered it.

>> Tax revenue, I'm sorry.

>> Mayor Adler: What? Tax revenue. Okay. We now consider item 11 to ratify the property tax revenue reflected in the budget.

[4:32:33 PM]

Those words okay, counsel? I can't say, honestly, that we're ratifying a property tax increase because there isn't a property tax increase.

>> I think from the perspective of state law you're still above the effective tax rate.

>> Mayor Adler: Got you.

>> You are ratifying that it will take more tax dollars for this budget than for the current fiscal year.

>> Zimmerman: It's an increase in the tax levy.

>> Yes.

>> Zimmerman: The amount of money taken from taxpayers.

>> Mayor Adler: We now consider item 11 to ratify the property tax levy increase, is that okay, reflected in the budget, vote required by state law. Council must make this vote separately to make clear we know it will take more property taxes than the city raised last year to pay for the budget that we have approved for this year. This is not a vote on the tax rate. It will take a separate vote on the tax rate on September 22, after the budget is adopted and after we have completed the process required by law to adopt the tax rate. Is there a motion to ratify the property tax levy increase reflected in fiscal year 2016-2016 budget adopted by council today. Mr. Renteria moves. Is there a second? Ms. Garza seconds. Any discussion? We have a motion and a second. To ratify the property tax levy increase reflected in fiscal in-2016 2015-2016, budget. Paver favor. Those opposed. It is 9-2 with Zimmerman and troxclair voting no. 11 passes on a vote of 9-2. Okay. We now take up item 12 to approve a resolution the current council as the board of the Mueller local corporation.

[4:34:40 PM]

Do I have a motion to take this action? Mr. Renteria moves. Seconded by Mr. Casar.

>> Tovo: Mayor.

>> Mayor Adler: Yes.

>> Tovo: I need to add an E to my name please.

>> Mayor Adler: Add a what?

>> Tovo: An E to my name.

>> Mayor Adler: Your name was misspelled.

>> Tovo: It was. I believe this was part of the agenda where I had to add my E at the end of my name.

[Laughter]

>> Mayor Adler: We wouldn't want to miss that. Any objection to amending what was presented to us to add the appropriate E in Ms. Tovo's name? Seeing none that amendment is adopted and all those in favor of the motion please raise your hand. Those. 10-1, Mr. Zimmerman voting no. At this point, council is going to recess to convene the following, the Austin housing finance corporation and the Mueller local

government corporation. At this time we're going to -- is it time to -- so I recess the meeting that we're in now and we're going to convene the meeting of the Austin housing finance corporation. It is 4:35. We are in Austin city hall, 301 west second street. We'll now convene this meeting. Do you want to start us off?

>> Good afternoon, board of directors, Betsy Spencer, Austin housing finance corporation. Today is an unusual day in the sense that you have two different agendas. One for the budget and one for the regular council meeting and we had the housing finance corporation posted for both. So I believe that if we do the first item and then hopefully do the second agenda at the same time.

[4:36:45 PM]

I'm not sure legally. I think as the board meeting we can do both. Okay. So the first agenda that you've got would have been posted from your morning agenda with the budget, and that's authorizing a resolution both for the operating budget and the capital budget for the service agreement, our department, the city department, neighborhood housing community development, executes a service agreement each year with the Austin housing finance corporation to administrator the funds we administer through the finance corporation for the variety of programs that we offer. So items one and two for the agenda posted on your morning budget agenda I offer on extent but obviously I'm D consent but obviously I'm available for -- consent but obviously I'm available for questions.

>> Zimmerman: The resolution number you just mentioned, sorry, is it 20150908hafc00? Is that the resolution?

>> There's one for item 1 and item 2.

>> Zimmerman: I wanted you to read them into the record to make sure I was looking at the right thing.

>> Let me double-check, sir. I'm sorry. So the resolution for item number 1 would be 20150908-ahfc00.

>> Zimmerman: Okay.

>> Mayor Adler: Okay. Is there a motion to approve items one and 2? Ms. Pool moves. Is there a second? Mr. Renteria. Any discussion? All in favor of approving one and two please raise your hand. Those opposed. Mr. Zimmerman votes no. The rest voting yes. 10-1.

>> Then I would offer, if you would look at the agenda that is attached to the city council meeting time certain at 3:00 there are three items on that.

[4:38:47 PM]

They are all for contracts that we execute through the service agreement and I could not have offered those until you had authorized the budget or service agreement.

>> Mayor Adler: Now we're still in housing but we can vote on these as council or -- this is still housing items.

>> Yes.

>> Mayor Adler: Got it, okay.

>> Mayor Adler: On this agenda we have three items in the agenda published. I think we have a speaker signed up on these items. Is -- that's Mr. Pena? Is he here? Andrew brown? Andrew brown here? Okay. That takes us back to our agenda. We have on the consent agenda three items. Is there a motion to approve items one through 3 of the consent agenda? In Renteria moves. Is there a second? Ms. Garza. Any discussion? Mr. Zimmerman.

>> Zimmerman: Thank you. Question on item 1. On the 17,125,000 right above it says that this is a combination, right? We have a department of housing and urban development so this would be federal money, right.

>> That's correct.

>> Zimmerman: And it says and the local housing funds. So what is the breakdown between those two out of the 17 million? The H.U.D. Versus the local.

>> Right, I've got that. I apologize.

[4:40:48 PM]

I believe, sir, that the housing assistance fund was 350,000 and it was roughly 7 million -- I apologize, the item right before. It's actually \$7,125,572 federal funds and \$350,000 of local funds.

>> Zimmerman: I'm sorry. That doesn't add up to 17 million.

>> Is that not adding up?

>> Zimmerman: Not even close.

>> Oh, and 10 million of capital.

>> Zimmerman: 10 million of capital.

>> Yes, sir, the two previous items, all the funds together, which created the money that would be in the service agreement,.

>> Mayor Adler: Any more discussion on the consent agenda, 1 through 3? Those in favor please raise your hand. Those opposed. Zimmerman, troxclair voting no. The vote is 9-2.

>> Thank you very much.

>> Mayor Adler: Thank you. Now we're going to -- do we recess or do we adjourn? We're going to adjourn the housing meeting unless there's objection. Seeing none, the housing meeting stands adjourned. That pulls us, I think, now we're back into the city council meeting. So we're back into the budget meeting. That calls up, then, item number 12, just the board of -- we've done 12. All right. That's what I had as number 12.

>> We did 12 already, right?

>> Mayor Adler: All right we're now going to call to order the meeting of the Mueller local government corporation that we just appointed ourselves to.

[4:43:02 PM]

>> Good afternoon --

>> Mayor Adler: Could you turn it up, bend it a little bit. End piece.

>> Deputy cfo, vice president of the Mueller local government corporation. On your agenda today are three items, one to appoint chair mayor Adler and vice chair Kathie tvo. Second item is the minutes from last year's meeting and third to approve the operating budget for the mlgc.

>> Mayor Adler: The consent agenda consists of those three items. Is there a motion to approve the consent agenda? Yes, Ms. Gallo. Is there a second? Ms. Tovo. Any discussion? Ms. Tovo.

>> Tovo: I don't know if I need to mention it again, but agenda item 1 I just need to add that E.

>> Yes, vice chair with an E I believe is the action.

>> Zimmerman: Mr. Mayor?

>> Mayor Adler: Yes.

>> Zimmerman: Quick question while we're looking at this. Maybe mayor pro tem can inform me on this. Sometime back I had supported a resolution that I think changed the commission makeup for Mueller such that you had to reside in a neighborhood or community adjacent to the Mueller development to serve on that commission. Do you recall that ordinance change that we --

>> Mayor Adler: Yes, yes.

>> Zimmerman: And so consistent with that, I'm trying to understand how we create a commission that says you must live within the community or close by but then we appoint ourselves -- I live way out in northwest Austin. I'm nowhere close to the Mueller community.

[4:45:02 PM]

So I'm trying to reconcile this conflict. How can the commission be required to live around Mueller but the board can live anywhere in Austin?

>> The commission is a different entity than the board. The board sits on the local government corporation to issue bonds and to take other appropriate actions relating to the development, which has been developed in part through selling city property. So it's really a city function, and that's why you, as the councilmembers, sit as the board.

>> Zimmerman: But if it's a city function, why did we limit the commission to only being adjacent to the Mueller development? If it's a city-wide project, chat commission be limited to one area.

>> The commission has different functions and activities than the local government corporation.

>> Mayor Adler: Actually, the answer --

>> The commission is an advisory commission.

>> Mayor Adler: I think the answer is the council had the prerogative to appoint who it wanted to to the commission and we have the prerogative to appoint this so the answer to the question is how do we justify that, wouldn't be a question for council, that would be a question for your colleagues.

>> Zimmerman: Okay. So there's no conflict of interest created for a councilmember who is actually in, you know, the Mueller area. So we have a councilmember that covers the Mueller area, right? Then we have a councilmember like myself who is far, far removed geographically, so does that not create a conflict for the person --

>> No, there's no conflict of interest.

>> Zimmerman: For the person who actually lives there?

>> Correct.

>> Zimmerman: Okay.

>> Mayor Adler: All right. We have the motion to approve consent agenda which consists of those three things, three items. No further debate, we'll take a vote. Those in favor of the consent agenda, please raise your hand. Those opposed. 10-1, Mr. Zimmerman voting no. Before we adjourn the budget meeting, councilmembers, I want to make sure of one thing with respect to the budget before we leave.

[4:47:09 PM]

There was some conversation about the fee that was charged for the permit associated with the health [indiscernible] Situation. We had asked staff to come back and tell us what revenue we would not collect if we did not charge that fee to one-time vendors -- I mean, 1-day events with one vendor. As it current sits, we did not incorporate that -- that change. My sense was is that the council wanted to do that. If we want to go ahead and do that, we would vote to reconsider the vote that we took first, and then we would make that change. Does that create problems if we do that?

>> I think you should -- I think we passed out this yellow sheet.

>> Mayor Adler: Yes.

>> Handout during item 1, \$53,739 revenue reduction. If you were to reopen item 3 to establish this new fee of \$35 for the one-day, one-vendor temporary food permits you'd have to then go back and reopen item 1 and find a way to rebalance your budget after --

>> Mayor Adler: We could take a motion to say we wanted to do that and that last action we took where we swept the money into the fund it would be the -- the sweep would be decreased by that amount.

>> That's right.

>> Mayor Adler: So my question to the council is do we want to do those two things so as to have -- not have the fee increase for inspections for the one-day, one-vendor situation?

>> Zimmerman: So moved. I think that was our intention but I'd like to move that, if --

>> Mayor Adler: Okay. Mr. Zimmerman votes to reconsider items 3 and 1.

[4:49:09 PM]

Is there a second.

>> These would need to be roll call votes again.

>> Mayor Adler: I understand. Three and 1, is there a second to that? Mr. Casar that's correct. Those in favor of -- Mr. Casar seconds that. Those in favor --

>> Zimmerman: Point of inquiry. I thought once we vote a budget in throughout the year isn't it possible to make budget amendments throughout the year that don't make you go back and take another roll call vote on what you did?

>> Yes. At your next meeting could you vote to amend the fee ordinance to establish this lower fee.

>> Zimmerman: Why couldn't that process be done right now? We're making a very simple budget amendment. We don't have to go back and reopen everything up. We can not open up and not do the recorded votes all over again.

>> You're not posted to do a budget amendment but if you wanted to do something like that on your next agenda to -- I'm sure that we could put something on your next agenda to mend this fee and to amend.

>> Mayor Adler: My sense, it will take us 30 seconds to get through this. Let's just go through this and get this done and then it represents what it is that we want to do. There's been a motion and second to reconsider. Those in favor please raise your hand. I think it's unanimous on the dais. We're now reconsidering three and one. We want to -- I'll entertain a motion for number 3 consistent with what we did before, with the exception that it adopts the \$35 rate for a new class of one-day one-vendor events. It's moved by Ms. Houston, seconded by Mr. Renteria. Any discussion? Hearing none, we need to -- the vote to amend, all in favor of amending it raise your hand. Those oppose. The amendment passes. Final vote on number 3 as amended. We need a roll call vote. Would you please lead us through that.

[4:51:13 PM]

>> Mayor Adler, mayor pro tem tovo, councilmember Houston, councilmember Zimmerman.

>> Zimmerman: Yes.

>> Councilmember troclair, councilmember pool, councilmember Garza, commissioner,.

>> Renteria: Yes.

>> Councilmember Gallo.

>> Gallo: Yes.

>> Councilmember kitchen.

>> Kitchen: Yes.

>> Mayor Adler: It's approved. I think that was unanimous. Now we'll go to item number 1. Which was also -- we approved the motion to reconsider, entertain an amendment to amend where we were before on number 1, so as to reflect the revenue loss associated with the fee change we just made and to decrease the last item we had done before the sweep and to the fund by whatever the lost revenue would be. About \$55,000 or so. Is there a second to that? Mr. Casar. Mr. Casar moves that amendment. Second from Mr. Renteria. Those in favor please raise your hand. Those opposed. We'll now take another roll call -- it passes unanimously. We'll now take another vote on number 1. This is the main motion. This is the overall budget.

>> Mayor Adler.

>> Mayor Adler: Yes.

>> Mayor pro tem.
>> Tovo: Yes.
>> Houston: Yes.
>> Zimmerman: No.
>> Troxclair: No.
>> Pool: Yes.
>> Garza: Aye.
>> Renteria: Yes.
>> Gallo: Yes.
>> Casar: Yes.
>> Kitchen: Yes.
>> Mayor Adler: Ms. Troxclair when we took the vote before you had voted yes. Are you changing your vote now?
>> Troxclair: I am. I'm really torn about it. I'm really torn about it because I think there are so many good things in the budget, but I was reminded of a pledge I took to not support a budget that wasn't at the effective tax rate and so --

[4:53:25 PM]

>> Mayor Adler: Okay. Then I'll recount the vote asinine-2. The budget passes -- as 9-2. Budget passes. That has us through all that. One item left on our agenda. We are now adjourning the budget meeting.

(END of Budget Readings 9/8, 9/9 and 9/10/15 Combined)