



MEMORANDUM

TO: Mayor and Council

FROM: Ed Van Eenoo, Chief Financial Officer *EW*

DATE: August 10, 2021

SUBJECT: Fiscal Analysis of 2.0 Officers Per 1,000 Ballot Petition

The purpose of this memorandum is to inform you of the estimated five-year fiscal impact of the proposed ballot proposition for the election to be held November 2, 2021 related to Police staffing levels, community engagement time, training, pay stipends, and various other requirements.

The analysis summarized on the following pages addresses four key provisions of the petitioned ordinance that would have significant fiscal impacts on the City's budget. Specifically, the petition would require the following:

"The city council shall ensure at all times that the police department achieves the following minimum standards:

- (A) the employment of at least two sworn officers for every 1,000 residents, as determined by the city demographer based on the most recent data available from the United States Census Bureau, while maintaining not less than 35% community engagement time for all front-line officers whose time is measured on the basis across the entire police force;**
- (B) full enrollment for no fewer than three full-term cadet classes for the department, until such time as the staffing levels for the department return to the levels prescribed in the 2019-2020 city budget;**

(C) an additional 40 hours each year of mandatory continuing education and in-service training for all sworn officers employed by the department above the hours required by the Texas Commission on Law Enforcement, with an emphasis on training outside a classroom setting that will equip the officers to handle evolving, fluid, dangerous situations and enhance their own safety and that of the public...; and

(D) a program designed by the police chief to enhance recruiting and retention of officers by providing incentives in the form of additional compensation or compensatory time for:

(1) Officers proficient in the five most common non-English languages spoken in the city, based on the most recent information available from the United States Census Bureau,

(2) Officers who participate in a mentoring program for cadets in the department academy, and

(3) Officers in good standing and eligible for an honorable conduct citation or equivalent recognition every fifth year.”

The petitioned ordinance also includes various other provisions, however, these other provisions are estimated to result in only a negligible, if any, additional fiscal impact and are not covered in this memorandum.

In developing the estimated costs to meet the requirements of the petition, the Financial Services Department, in collaboration with staff from the Austin Police Department’s Research and Planning unit, created a range dependent upon a variety of variables using a “Low Scenario” and “High Scenario”. One critically important factor to both scenarios is the definition of community engagement time. In the City of Austin, the phrase ‘community engagement time’ has traditionally been used interchangeably with the phrases ‘proactive time’ and ‘uncommitted time.’ For example, the Austin Police Department report titled *Community Policing Advancement in Austin*, published in 2018, uses all three terms interchangeably throughout the report. Furthermore, the report defined uncommitted time as *on-duty time that is not spent responding to calls for service*. This is the definition of community engagement time used in this analysis. If community engagement time were to be defined differently, then the costs of implementing the petition would potentially be significantly greater than those estimated in this analysis.

Other key assumptions underlying each of the scenarios are detailed below:

Low Scenario

- Annual Population Growth: 1%
- Annual Wage Growth: 1%
- Vacancy Rate: 6.3% (3-year average)
- The purchase or lease of a new training facility and the hiring of 12 additional training personnel
- The construction of one new police substation to accommodate the increased number of patrol staff
- The purchase of all related vehicles and equipment
- Stipend provisions: \$50 monthly increase in the existing language stipend; new \$175 per month mentorship stipend; new \$500 one-time honorable conduct stipend
- *Low Scenario Notes:*
 - Meeting the 2.0 officers per 1,000 population *employed at all times* provision under the assumed vacancy rate of 6.3% necessitates budgeting for 2.13 officers per 1,000 population
 - Meeting the 35% community engagement time (interpreted as officer uncommitted time) provision under this scenario is projected to necessitate reallocating specialized units to Patrol to maintain appropriate emergency response times

High Scenario

- Annual Population Growth: 2%
- Annual Wage Growth: 2%
- Vacancy Rate: 6.3% (3-year average)
- The purchase or lease of a new training facility and the hiring of 12 additional training personnel
- The construction of three new police substations to accommodate the increased number of patrol staff
- The purchase of all related vehicles and equipment
- Stipend provisions: \$175 monthly increase in the existing language stipend; new \$350 per month mentorship stipend; new \$1,000 one-time honorable conduct stipend
- Assumes employment of 2.35 officers per 1,000 population to achieve the 35% community engagement time (interpreted as officer uncommitted time) provision *without* the need to reallocate specialized units to Patrol to maintain appropriate emergency response times

- *High Scenario Note:*
 - Achieving 2.35 officers per 1,000 population employed under the assumed vacancy rate of 6.3% necessitates budgeting for 2.5 officers per 1,000 population

Using the above assumptions, the estimated 5-year cumulative cost for the Low Scenario is \$271.5 million with an average annual cost of \$54.3 million. The estimated 5-year cumulative cost for the High Scenario is \$598.8 million with an average annual cost of \$119.8 million. These numbers are inclusive of operational, maintenance, and capital costs. The large cost differential between the two scenarios is driven primarily by differences in the number of new officers that would be needed to meet the requirements of the petition. In the Low Scenario, an estimated 316 officers would need to be added in the first year and an estimated total of 403 officers would need to be added over five years. In the High Scenario, an estimated 680 officers would need to be added in the first year and an estimated total of 885 officers would need to be added over five years.

Note that these cost estimates are reflective of the full projected costs of complying with the petition assuming that the prescribed staffing levels can be achieved on the timelines articulated. If the hiring of additional officers takes longer, then the costs would be lower in the initial years of implementation prior to reaching the full amounts summarized above. Furthermore, this analysis is based solely on the requirements of the ballot proposition, independent of any potential actions taken by Council in future budgets.

As always, please contact me if you have any questions.

Xc: Spencer Cronk, City Manager
Anne Morgan, Interim Deputy City Manager
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Joseph Chacon, Interim Police Chief
Kerry Lang, Interim Budget Officer