

FMTF Suggestions - High City Control and High General Fund Impact

City Study ID	FMTF #	Category	Suggestion	Level of City Control	General Fund (GF) Impact	FY13 GF Impact	Status	Added by Council Member
1	n/a	Cost Effectiveness	Review Houston Fire Department (HFD) service levels, processes, equipment utilization, and service delivery models to optimize response times, cost, and Insurance Services Office (ISO) ratings. Implement changes based on optimal design.	High	High	Low	Previous studies can be updated	n/a
n/a	1.01	City Initiative / Efficiency	Investigate alternative service models for Houston Fire Department (HFD) concerning deployment of apparatus to Emergency Medical Services (EMS) calls. <i>Including outsourcing EMS.</i>		Include with 1			n/a
n/a	1.04	City Initiative / Efficiency	Review Insurance Services Office (ISO) rating for fire response time related to consolidation of fire stations.		Include with 1			n/a
n/a	1.05	City Initiative / Efficiency	Optimize fire station utilization to better match demand and required services.		Include with 1			n/a
n/a	8.01	Privatization	Outsource EMS.		Include with 1			n/a
n/a	8.02	Privatization	Outsource EMS with savings earmarked to pay unfunded pension liabilities.		Include with 1			n/a
2	n/a	Cost Effectiveness	Inventory all General Fund assets. Assess assets for cost effectiveness of continued use. Dispose of excess assets. Purchase cost effective assets. Put all assets on cost effective renewal/refresh plan that is continually maintained and refreshed.	High	High	High	Inventory, assessments, and planning underway	n/a
n/a	1.03	City Initiative / Efficiency	Develop citywide asset base analysis.		Include with 2			n/a
n/a	1.11	City Initiative / Efficiency	Audit city equipment: audit current equipment, particularly in Public Works & Engineering and Solid Waste.		Include with 2			n/a
3	1.15	Cost Effectiveness	Centralize all finance employees so they report directly to the Finance Department. Include enterprise funds so the finance director is aware of all department finances. This creates transparency for long-term fiscal responsibility.	High	High	High	Done for some back office departments that have citywide impact	n/a
4		Pensions	Evaluate sustainability of existing pension plans provided by the City and make recommendations for increasing retirement security of City employees and retirees.	High	High	High	Not started	n/a
n/a	7.01	Compensation	Reduce and/or stop automatic Cost of Living Adjustments (COLAs) for pensions.		Include with 4			n/a
n/a	7.02	Compensation	Reduce benefits <i>and</i> accrual rates-- <i>including COLAs, DROP, and survivor benefits</i> -- in all pension plans.		Include with 4			n/a
n/a	7.03	Compensation	Eliminate Deferred Retirement Option Plan (DROP) in all pension plans.		Include with 4			n/a
n/a	7.04	Compensation	Eliminate DROP for all classified employees hired after 2007.		Include with 4			n/a
n/a	7.05	Compensation	Reduce post-retirement survivor benefit from 100%.		Include with 4			n/a
n/a	7.12	Compensation	Eliminate differentiation of benefits between new and existing workers.		Include with 4			n/a
n/a	7.13	Compensation	Explore an increase in retirement age for all employees.		Include with 4			n/a

n/a	7.14	Compensation	Eliminate current bifurcated approach to compensation negotiations to facilitate a more coordinated consideration of all elements of the city's compensation program.		Include with 4			n/a
n/a	7.15	Compensation	Require full funding of the Actuarial Required Contribution (ARC) for each of the three city pension plans. Prohibit meet and confer adjustments to the funding of the ARC.		Include with 4			n/a
n/a	7.17	Compensation	Discontinue practice of funding the payment of pension obligations with debt (both in the market and from the pension plans).		Include with 4			n/a
n/a	7.18	Compensation	Lower the 8.5% investment return target to 7% in all pension systems.		Include with 4			n/a
n/a	7.19	Compensation	Roll back all retirement plan changes to pre-2001 levels.		Include with 4			n/a
n/a	7.20	Compensation	Permanently close the defined benefit pension plan to new entrants, enrolling all new employees in defined contribution plans modeled after existing public university plans or the Thrift Savings Plan offered to federal employees.		Include with 4			n/a
n/a	7.21	Compensation	Establish a citywide defined contribution plan and have city employees individually decide about participation.		Include with 4			n/a
n/a	7.22	Compensation	Limit pension distributions to the same guidelines established by the IRS for Individual Retirement Accounts. Withdrawal may occur no earlier than age 59.5 without incurring an early withdrawal penalty.		Include with 4			n/a
n/a	7.23	Compensation	Require that the city have equal representation on the three pension boards. The mayor shall appoint half of the trustees of the pension boards.		Include with 4			n/a
5	n/a	Health Benefits	Reduce City subsidy of health benefits for active employees and/or retirees. Do this through some combination of direct cost shifting, increasing deductibles/co-payments, and limiting retiree health benefits subsidies and eligibility.	High	High	High	Done in the past	n/a
n/a	3.01	Health Benefits	Increase employee co-payment in health plans.		Include with 5			n/a
n/a	3.02	Health Benefits	Increase percentage of employee premiums paid in health plan.		Include with 5			n/a
n/a	1.07	City Initiative /Efficiency	Limit increase in city contributions to a fixed percentage of all retired and active employee health benefits.		Include with 5			n/a
n/a	3.03	Health Benefits	Provide access only benefits (health and disability) for pre-65 retirees.		Include with 5			n/a
n/a	3.04	Health Benefits	Limit increase in city contributions to a fixed percentage of retiree health benefits.		Include with 5			n/a
n/a	3.05	Health Benefits	Increase city employee contribution percentage to 30% for health benefits.		Include with 5			n/a
n/a	3.06	Health Benefits	Change the city/employee contribution ratio to 80/20 for health benefits		Include with 5			n/a
6	5.04	Miscellaneous	Analyze the property tax benefit of terminating Tax Increment Reinvestment Zone (TIRZ) agreements.	High	TBD	TBD	Previous studies can be updated	n/a
7	6.02	New Revenue	Explore annexation opportunities. [Note: this is assumed to mean full annexation opportunities, as the City continually enters into Limited Purpose Annexations.]	High	TBD	TBD	Previous studies can be updated	n/a

n/a	6.08	New Revenue	Implement recycling fee and expand recycling program citywide.		Include with 7			n/a
n/a	6.09	New Revenue	Implement a garbage fee.		Include with 7			n/a
8	n/a	New Revenue	Implement a waste reduction fund, move costs out of General Fund, and create a fee to support disposal and expansion of recycling in alignment with the practices in other major cities.	High	High	High	Previous studies can be updated	n/a
9	6.13	New Revenue	Explore the possibility of a “Blight Fee” on foreclosed homes (foreclosure fee paid by bank or purchaser).	High	TBD	TBD	Not started	n/a
10	6.15	New Revenue	Utilize a firm such as Fire Recovery USA to collect payments from insurance companies when HFD puts out fires, conducts inspections, and provides EMS.	High	TBD	TBD	Not started	n/a
11	6.16	New Revenue	Increase program sponsorship with the private sector. For example, local professional sports teams could subsidize city recreational sports.	High	High	High	Currently being done and working to expand efforts	n/a
n/a	6.20	New Revenue	Increase taxes to the referendum cap.		Include with 11			n/a
n/a	6.22	New Revenue	Increase property tax rate.		Include with 11			n/a
n/a	6.24	New Revenue	Increase property taxes with increase earmarked for paying unfunded pension liabilities.		Include with 11			n/a
n/a	6.25	New Revenue	Eliminate post-2001 property tax exemptions with increase earmarked to pay unfunded pension liabilities.		Include with 11			n/a
n/a	6.26	New Revenue	Discontinue residential tax exemption for elderly.		Include with 11			n/a
12	n/a	New Revenue	Increase property taxes through some combination of increasing the ad-valorem tax rate or decreasing exemptions without exceeding City Charter limits.	High	High	High	Not started	n/a

Additional Options Lower Than High/High That Council Members Would Like Considered

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n/a	1.06	City Initiative/ Efficiency	Evaluate art expenditures for possible reduction or elimination.	High	Low			Sullivan
n/a	1.08	City Initiative/ Efficiency	Reevaluate all existing contracts: city should audit all contracts to identify services that are currently contracted out to determine if these services may be more efficiently handled in-house by city employees.	Too broad				Noriega
n/a	1.09	City Initiative/ Efficiency	Review outsourced services in order to determine if it would be more efficient to bring work in-house.	Too broad				Noriega
n/a	1.17	City Initiative/ Efficiency	Consider establishment of a nonpolitical, independent fiscal office for the purpose of objectively evaluating the long-term impact of city financial decisions and proposals.	Low	Medium			Christie
n/a	2.15	City/ County Coordination	Explore possibility of collaborating with other entities (school districts, Harris County) to implement a regional health care plan for city employees.	Low	High			Noriega
n/a	2.17	City/ County Coordination	Consolidate city and county jail systems.	Medium	High			Laster, Noriega

n/a	4.02	Labor Relations	Require classified employees to participate in Social Security.	Low	Low			Noriega
n/a	6.03	New Revenue-Miscellaneous	Reinstate \$7.50 mileage fee for ambulance service.	High	Medium			Christie, Laster, Noriega, Sullivan
n/a	6.04	New Revenue-Miscellaneous	Create a public safety fund paid for by a citywide fee. Fund all police, fire, crime lab, emergency center, and municipal courts from the fund. Reduce the ad valorem tax rate by the equivalent amount.	Medium	Medium			Laster
n/a	6.19	New Revenue-Miscellaneous	Require HFD to record health and automotive insurance information for all patients transported by ambulance.	High	Low			Noriega
n/a	6.21	New Revenue - Property Tax	Reevaluate the appraisal process for non-residential valuations. [Note: Currently In progress]	Medium	High		Ongoing	Laster
n/a	6.23	New Revenue - Property Tax	Establish different tax rates for commercial, industrial, and residential property.	Medium	High			Laster
n/a	6.31	New Revenue	Regain control of 1¢ sales tax revenue from METRO.	Low	High			Sullivan
n/a	7.16	Compensation	Require all departments to pay full cost of benefits earned as they are earned in the year they are earned (sick leave, pension, vacation, etc...). Funds should be placed in a separate account to be used for no other purpose.	High	Low			Christie, Noriega