2022 City of Knoxville Budget Retreat

Mayor Indya Kincannon

February 11, 2022

Public Works Complex

MAYOR INDYA KINCANNON

DEPUTY TO THE MAYOR & CHIEF ECONOMIC & COMMUNITY DEV. OFFICER STEPHANIE WELCH

- DEPUTY ECD OFFICER REBEKAH JANE JUSTICE
- DEPUTY ECD OFFICER CHERYL BALL
- HOUSING & NEIGHBORHOOD DEVELOPMENT BECKY WADE
- DOWNTOWN & URBAN CORRIDORS RICK EMMETT
- *PLANNING AMY BROOKS*
- *AIRPORT AUTHORITY PATRICK WILSON*
- *ZOO KNOXVILLE LISA NEW*
- *ENTREPRENEUR CENTER JIM BIGGS*
- *KNOXVILLE CHAMBER MIKE ODOM*
- *VISIT KNOXVILLE KIM BUMPAS*
- *KCDC BEN BENTLEY*

DEPUTY TO THE MAYOR & CHIEF OPERATIONS OFFICER DAVID BRACE

- DEPUTY COO & LGBTQ LIAISON CHIP BARRY
- *PUBLIC BUILDING AUTHORITY JAYNE BURRITT*
- *CONVENTION CTR., CIVIC AUDITORIUM & CHILHOWEE PARK MARY BOGERT*
- ENGINEERING HAROLD CANNON
- BUILDING INSPECTIONS PETER AHRENS
- PARKS & RECREATION SHERYL ELY
- PUBLIC SERVICE CHAD WETH
- INFORMATION TECHNOLOGY MARK PARKER
- FLEET SERVICES NICK BRADSHAW

CHIEF FINANCIAL OFFICER SUSAN GENNOE

- DEPUTY FINANCE DIRECTOR BOYCE EVANS
  - PURCHASING PENNY OWENS
- *PENSION BOARD KRISTI PACZKOWSKI*
- EMPLOYEE BENEFITS & RISK CHRISTINE STICKLER
- HUMAN RESOURCES KELLY DRUMMOND
- CIVIL SERVICE VICKI HATFIELD

DEPUTY TO THE MAYOR & CHIEF POLICY OFFICER ERIN GILL

CHIEF COMMUNICATIONS OFFICER KRISTIN FARLEY

- DEPUTY COMMUNICATIONS DIRECTOR ERIC VREELAND
- CENTER FOR SERVICE INNOVATION 311/211 RUSS JENSEN
- SUSTAINABILITY BRIAN BLACKMON
- STATE/FEDERAL LEGISLATIVE AFFAIRS FIONA MCANALLY
- SPECIAL EVENTS KYNDRA BREWER
- POLICY & BUSINESS INNOVATION CARTER HALL
- KNOXVILLE AREA TRANSIT ISAAC THORNE

CHIEF COMMUNITY EMPOWERMENT OFFICER CHARLES LOMAX

- TITLE VI, INCLUSION & EQUITY TATIA HARRIS
- POLICE ADVISORY & REVIEW COMMITTEE TIFFANY DAVIDSON
- EMPOWER KNOX KATHY MACK
- OFFICE OF NEIGHBORHOOD EMPOWERMENT DEBBIE SHARP

CHIEF COMMUNITY SAFETY OFFICER LAKENYA MIDDLEBROOK

FIRE CHIEF STAN SHARP

- ADMINISTRATION DEPUTY CHIEF ROB CHEESMAN
- OPERATIONS DEPUTY CHIEF GARY COMPTON
- *E-911 BRAD ANDERS*
- *KEMA COLIN ICKES*

POLICE CHIEF EVE THOMAS

- ASSISTANT CHIEF MARK FORTNER
- MANAGEMENT & SUPPORT CAPT. DAVID POWELL
- CRIMINAL INVESTIGATIONS DEPUTY CHIEF CINDY GASS
- PATROL CAPT. DON JONES

LAW CHARLES SWANSON

- DEPUTY LAW DIRECTOR RON MILLS

CITY OF KNOXVILLE

MY KNOXVILLE

OUR PURPOSE

Provide a stable foundation for safety, health and the common good

OUR VALUES

Integrity • Stewardship • Service • Respect • Collaboration
Learning & Improving • Equity, Diversity & Inclusion

OUR MISSION

- Provide essential services
- Build and maintain infrastructure
- Facilitate solutions
- Create opportunities

OUR PRIORTIES

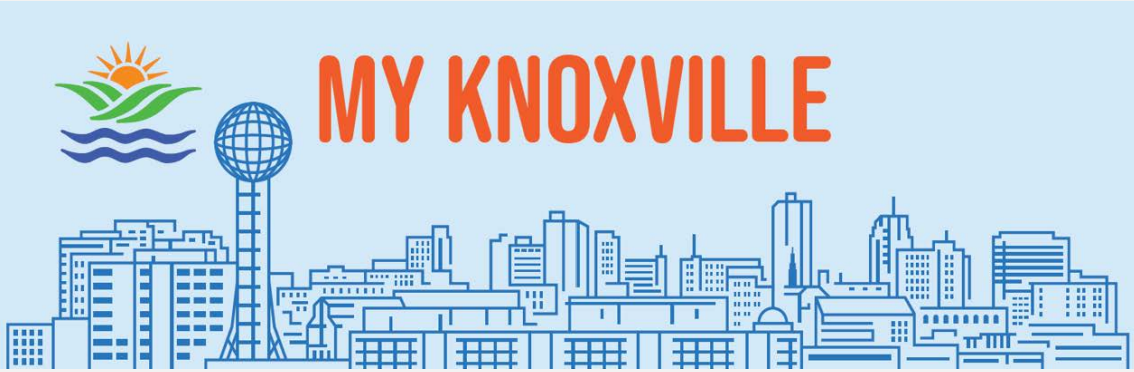
PUBLIC SAFETY

HEALTHY & CONNECTED NEIGHBORHOODS

A CLEAN AND RESILIENT FUTURE

THRIVING BUSINESSES AND GOOD JOBS

GOOD GOVERNANCE



OUR PURPOSE

Provide a stable foundation for safety, health and the common good

Focus + Investment on Our Core = Recovery & Progress

OUR MISSION

- Provide essential services
- Build and maintain infrastructure
- Facilitate solutions
- Create opportunities

Service Infrastructure Partnership

We Are A Service Organization

A Growing Population Expects Efficient, High Quality Services

6.63% Growth in Knoxville population (2010-2020)

9.4% Increase in Building Permits (2016 – 2020)

12% Increase in calls for Police Service (2017-2021)

3.5% Increase in calls for Fire Service (2017-2021)

4% Increase in Non-Emergency Service Requests (2020 – 2021)

Quality Services Require A Competitive Workforce

- COVID has accelerated a multi-year challenge.
- **141** Current Vacancies
  - 110 are in Police, Public Service and Engineering
- **80** Positions on DROP / **241** Eligible to Retire
- Outdated model is not keeping pace.

"This is first time in my career that I've worried we wouldn't have enough staff to cover snow & ice removal."

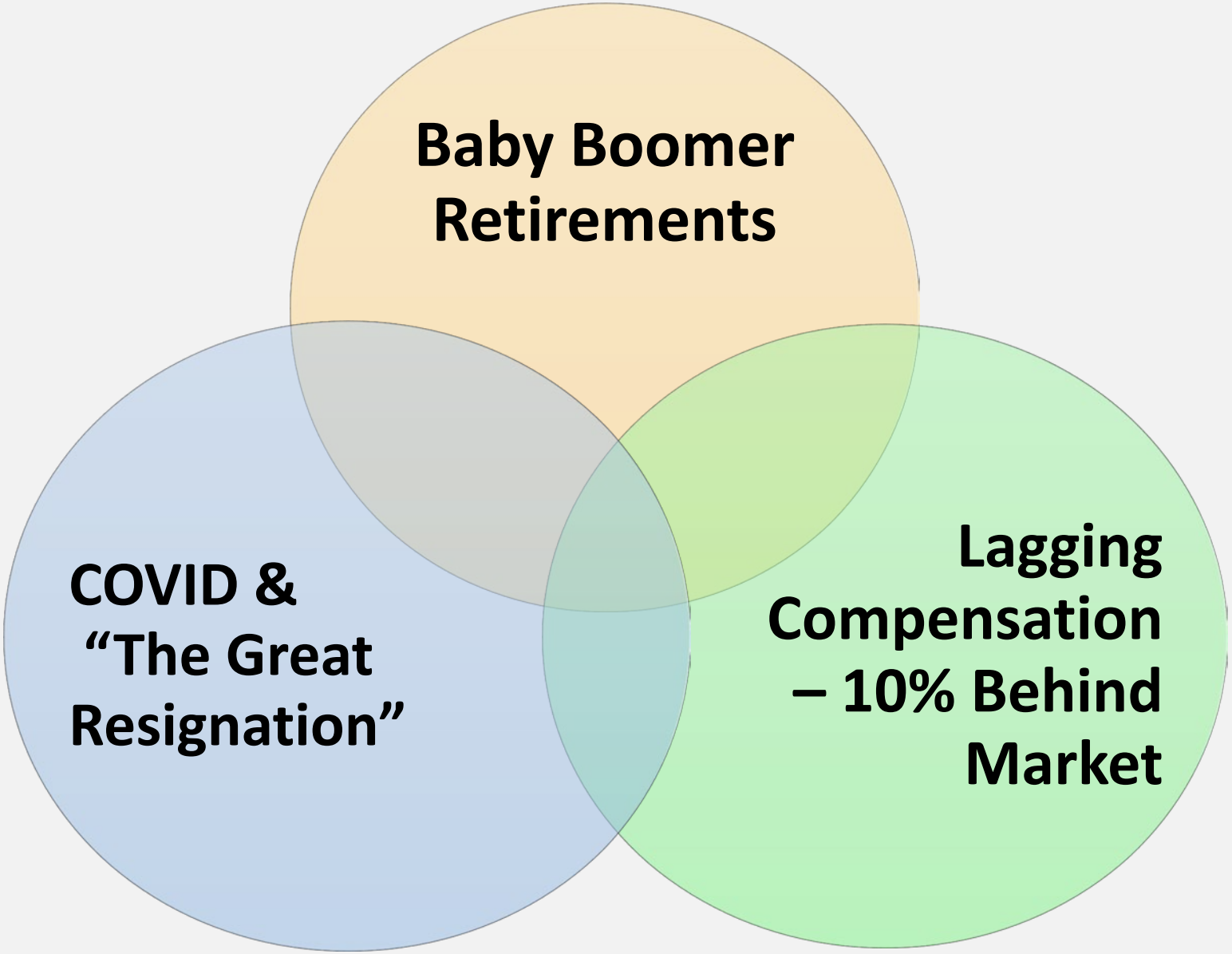
"…It seems like there's not enough policemen out there."

"We need more officers, whatever it takes."

"Even with a lack of manpower, we've adapted to change and continued to fulfill mission. We can be proud of that."

"We should hire the best and keep the best."

The Current Landscape



Compensation History

- **2007 Mercer Comprehensive Study**
  - $2.6M in adjustments for all employees over three budget years
  - Employee concerns over transparency, process and implementation.
- **2015 Segal Public Safety Compensation Study**
  - $1M in adjustments focused on public safety
  - Micro, surgical approach.

An ideal approach:

- Annual analysis and adjustments
- 5-Year Comprehensive study & adjustments.

Commitment to a Long-Term Strategy

- **Creation of a Full-Service Human Resources Department**
  - Recruit, Retain and Develop a Quality Workforce
  - Ongoing & Consistent Compensation Analysis – Prevent Future Crisis

- **Management Advisory Group (MAG) Classification & Compensation Study Report**
  - On average - 10% behind market
  - We lag behind peers in ALL levels – min, midpoint & max
  - Significant compression at all ranks beyond entry
  - Talent is leaving the City for higher wages and high quality applicants are not applying due to low starting salaries

We Need to Act Decisively to Tackle the Issue

1. **Retain Employees** and support the talent we have right now
2. **Balance Inflation** with higher-than-normal across-the-board increase
3. **Meet the Market** with competitive salary schedules
4. **Establish Predictable "Step" Pay** for Police & Fire
5. **Address Compression** for long-term employees
6. **Modernize Incentives** for professional development

Questions & Discussion

Our Infrastructure Supports Opportunity

Deferring Maintenance Short Sells our Future

- Core City infrastructure supports our economy, environment, and quality of life.

- Steady, strategic investments prevent catastrophic failure.

Infrastructure is Critical to Neighborhoods

- Residents & business expect safe, well-maintained roads, sidewalks, greenways, and other amenities.

- Investing in safe streets for all users supports sustainability and equity.

Quality Parks Create Community Character

- Steady improvements at neighborhood parks across the City

- Regional parks serve as community-wide assets

Climate Resilience Through Infrastructure

City infrastructure helps fight climate change and protects us from it.

- City facility energy use
- Stormwater maintenance & improvement
- Urban forest protection and expansion

Investments matter most for those who are most vulnerable.

Infrastructure Supports Housing

City funding made First Creek at Austin Homes possible:

- New streets
- Sidewalks
- Underground utilities
- Greenspace
- Recreation Area

The Result: 440 units

for families at 30, 60 and 80 percent AMI

Infrastructure Investment Can Be Transformative!

Transforming Western Video:
https://www.engagetheteam.com/western

Questions & Discussion

City Partnerships Solve Big Problems

Public Private Partnerships Address Housing Needs

- Since 2012, $55M in City funds have leveraged $208M to support **1,550+** affordable units.
- Affordable Rental Development Fund: $1 from City leverages $14.81 in private funds.
- Since January 2020, City Council has approved PILOTs that made possible 380+ new housing units.

Photo Credit: InsideofKnoxville | 4th Purpose Foundation

Partnerships as Path toward Mental Health Stability

- Acute/Behavioral Care Facility at St. Mary's
  → Critical proposed link to in-patient services
- Co-Responder Program
  → Connection with immediate services and longer term case management
- Behavioral Health Urgent Care Center (BHUCC)
  → Proven Success
  - +60% of people entering BHUCC report as homeless.
  - Of these, **79%** have entered housing within 60 days.
  - **Over 80%** are supported by long-term counseling.

Addressing Violent Crime through Community Safety

Highlights from the Violence Interruption Fund

- FY22 focus on partner capacity building
- Peer City Training for Staff and Partners
- Est. $300K invested in focused programs for Opportunity Youth, with more on the way
- Pilot Street Outreach program in design

City Programs Support Jobs & Investment

- Economic Development tools support job creation, leverage private investment, and remove blight:
  - PILOTs, TIFs, Façade and Historic Preservation Grants
- Small Business & Diversity Outreach increases City spend with diversity business enterprises.

Partnerships Drive Regional Prosperity

Projects

- Broadband Access
- Co-Starters
- 100 Knoxville
- African American Equity Restoration Task Force

Strategic Platform

Knoxville Chamber Path to Prosperity

CITY OF KNOXVILLE

Looking Ahead

- Residents and business expect high quality services and great public amenities.
- Meeting that demand requires investing in our employees and the infrastructure of the future.
- Creative, partnership-driven solutions can help address local challenges

CITY OF KNOXVILLE

FY23 Budget Timeline

February 11, 2022	Budget Retreat
March, 2022	Mayor available to meet individual council members
March 22 – 24, 2022	Mayor's Budget Hearings
April 22, 2022	Mayor's State of the City Address
May 3, 2022	First reading of proposed budget & tax ordinances
May 12, 2022	Knoxville-Knox Planning Commission Hearing on CIP
May 12 – 13, 2022	Legislative budget hearings
May 13, 2022	Public Hearing
May 17, 2022	Second reading of proposed budget & tax ordinances
June 15, 2022	Last possible day to approve Budget/Tax Ordinances
July 1, 2022`	New Fiscal Year Begins

Questions & Discussion