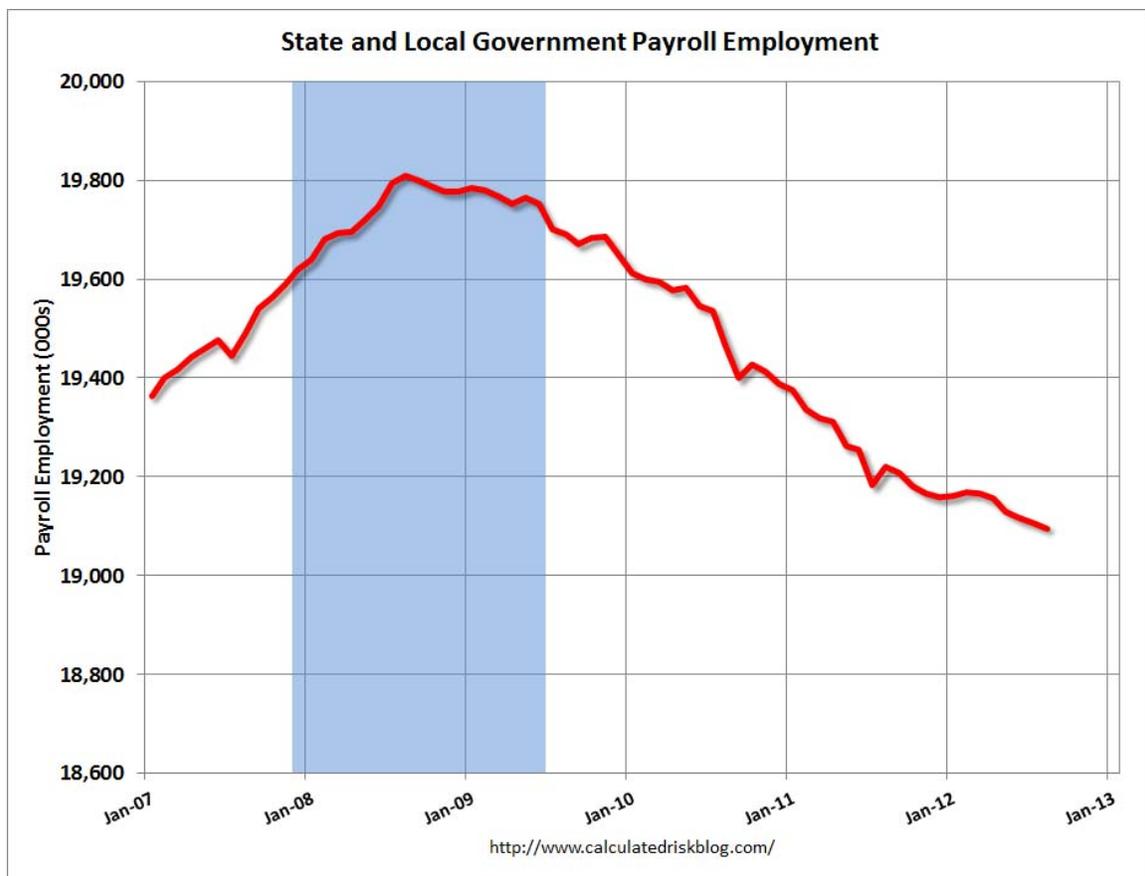


Councilmembers,

## 1. Staffing levels:

Shouldn't the City Council have some sort of understanding of the City's relative staffing levels before there is any discussion of raises?

First, look at this graph showing the number of city and state employees nationwide.



Clearly, even as **most state and local governments deal with GROWING populations, they understand the necessity of CUTTING their overhead** as the Great Recession takes its toll! In contrast, **this city still has more employees than it did in 1997, and plans to add more!**

We have raised the issue of the number of City employees per capita several times in the past, but City management, and a few others, tell us that is not a valid way to measure City staffing needs. It may not be the best way to do so, but it is hardly invalid. Look what this measure reveals:

Year	Population	City Employees	Employees per 1,000 Residents	% Increase Since 1997
1997	60,167	694	11.53	
2007	56,940	810	14.23	+23.4%
2009	45,000	755	16.78	+45.5%
2012	47,473	730	15.38	+33.4%

**The City of Galveston now has 33.4% more employees per capita than it did in 1997!** And, that doesn't take into account the fact that employees should have become much more productive over this 15-year period. You should be able to do more now with fewer people.

To put this in perspective, **for the City to have the same number of employees per capita today as it did in 1997, it should cut 183 employees and be operating with 547 total employees.**

Is it any wonder why the City's infrastructure has been in a shambles for many years? City revenue goes in to salaries and benefits and not streets, curbs, sidewalks, parks, and sewers.

If you don't think that employees per capita is a valid measure, ask the staff for data on the amount of the budget that the City spends on infrastructure versus payroll, and then compare that to cities that do not have crumbling infrastructure and note the difference.

## 2. Pay increase:

The City manager said that **the City's 730 employees need a 2% pay increase as a "morale booster"**. Who is going to boost the

morale of the people who have to pay for this? In today's economy, **just having a job should be a morale booster.** The arguments are that this is a COLA; the cost of living has gone up so the employees need a raise "just to stay even", and other cities pay their employees more than this city.

First, the **cost of living is totally irrelevant.** The cost of living has gone up just as much for everyone in the City. **The income of those who have to pay the bill is what matters.** Hotel owners are doing very well, and sales tax is growing, but many are struggling to get their income back to pre-like levels and to recover from hurricane losses. **Why not get a measure of the City residents' aggregate income** before voting for this based solely on the national CPI?

The proposed raise will cost the taxpayers about \$515,509. Would the taxpayers rather have the City spend this on something else; like an attorney to defend the City from HUD and the rest of the Poverty Industry?

Second, **what other cities pay their employees is also irrelevant.** This city is much poorer than most that it was compared to so tax revenues will likely be much lower. The City can only spend what it collects. The truth is that **the City has paid its employees far more than it can afford for many years, which is why the infrastructure is in such a shocking state of disrepair.** It is time for severe austerity measures to make up for years of neglect. Or, the City can just shirk its responsibility and hope that it can do its best to catch up every time there is a federal Hurricane recovery effort.

### 3. Other Fun Facts

Of the current 730 employees, **55% (402) live off the Island;** 45% (328) live on the Island. A lot of the money that taxpayers pay to City employees **ends up in OTHER CITIES.**

Since 2004, **City employees have received raises totaling 18%**. How many residents are doing that well?

730 employees are not enough. The plan is to **add 14 more**.

The City Manager wants to inject \$100,000 into each of the City's three pension funds for a **total of \$300,000!** Is there no end to this?

In short, Galveston is a city that has bankrupt its infrastructure with its payroll costs. If you want to pay employees more, cut the number to what you can afford without dodging your infrastructure obligations. Serious outsourcing should be at the top of the list!

**Where does each Councilmember stand on these issues?**

Watch the discussion here: <http://youtu.be/MRhLMqzHSuY>