

Council Minutes August 3, 2020

STATE OF TEXAS §

COUNTY OF TARRANT §

CITY OF BEDFORD §

The City Council of the City of Bedford, Texas, met in Special Session at 5:30 p.m. in the Council Chambers of City Hall, 2000 Forest Ridge Drive, on the 3rd day of August, 2020 with the following members present:

Michael Boyter	Mayor
Tom Burnett	Councilmembers
Dan Cogan	
Ruth Culver	
Rob Gagliardi	
Amy Sabol	

Councilmember Sartor arrived at 6:29 p.m.

constituting a quorum.

Staff present included:

Cliff Blackwell	Interim City Manager
Michael Wells	City Secretary
Chuck Carlisle	Facilities and Risk Manager
Sean Fay	Fire Chief
Jeff Gibson	Police Chief
Don Henderson	Parks Superintendent
Meg Jakubik	Strategic Services Manager
Maria Joyner	Finance Director
Kenny Overstreet	Public Works Director
Bill Syblon	Development Director

CALL TO ORDER

Mayor Boyter called the Special Session to order at 5:30 p.m.

OPEN FORUM

Nobody signed up to speak during Open Forum.

SPECIAL SESSION

1. Discussion on budget work session held August 1, 2020 and other budget related items.

Interim City Manager Cliff Blackwell discussed priorities within the proposed budget and stated items were left out in order to give the Council options. The tax rate used to build the proposed budget is the voter-approved rate. Strategic Services Manager Meg Jakubik presented an overview of the discussion at the Budget Work Session held on August 1, 2020.

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Finance Director Maria Joyner presented the five-year forecast model of the General Fund. Assumptions built into the forecast include slight increases in sales tax; a flattening of increases in property values; increases in the Municipal Cost Index; no salary increases for general employees in the upcoming fiscal year, and three percent increases in the following years; no changes to the public safety step plan; and a flat contribution rate for the pension plan through the Texas Municipal Retirement System (TMRS). There was discussion on the City's liability regarding TMRS, including that the City is funded at approximately 58 percent; the voter-approved tax rate of \$0.571968 per \$100 valuation, which is also the proposed tax rate, and different options at the proposed tax rate, the no-new-revenue tax rate and the current tax rate. Ms. Joyner stated at the proposed tax rate, the City would have a surplus of \$2,223,931 with a fund balance of 32.6 percent.

There was discussion on funded positions that staff had no anticipation of filling, including the City Hall receptionist and the Senior Center supervisor, as well as including half of the regular part-time Recreation Division staff and a quarter of the Parks and Recreation Director position, for a savings of \$189,691. There was further discussion on positions that are not coming back due to facility closures; a reduction in the Aquatics Division budget in line with only the Roy Savage Pool being in operation the following year; maintaining the budget for the summer day camp if an interim solution is developed; Recreation staffing and the Senior Center being combined with Recreation; the level of participation in current recreation programs; a proposal from Recreation on programming at another facility; special events and festivals; maintaining Library staffing and filling vacant positions; staffing and vacancies at the Police Department; other vacancies across the City; personnel funding being scaled back based on historical trends; funding for facility repairs; and options regarding health insurance, including total savings with each option, \$58,400 in funding built into the budget for Health Savings Account (HSA) contributions, and total savings of approximately \$420,000 with moving to Aetna.

Ms. Joyner stated the surplus at the no-new-revenue rate would be \$1,861,530. There was discussion on the reduction in the budget from the previous year due to the loss of tenured personnel, one-time items in the current budget, and revenues being kept constant. There was discussion on savings, including the payment for the Trinity Railway Express at \$50,200 and the vacancies discussed previously at \$189,691, increasing the surplus to \$2,463,822 at the voter-approved rate and \$2,101,421 at the current rate. There was discussion on the total number of funded, unfilled positions in the City; vacancies carried over from previous years; tracking savings from unfilled positions; budgeting for public safety overtime, including overages in the Police Department being offset by salary savings; the purchasing coordinator position; the purchasing process, including that it is currently decentralized, employee spending authority, procurement cards, and potential discounted bulk rates from vendors; the different health insurance options, including increases to HSA contributions and that there is no cost difference to the City for any of the options; various options for employee compensation increases; reallocating the Accounting and Risk Management divisions from the Water Fund to the General Fund; various enhancements to the TMRS plan; the priority supplemental requests totaling \$706,105; and reasons for employees leaving the City, including pay, benefits, and retirement.

Council discussed starting with the current rate, Aetna option #4 on the health insurance, doing something with employee compensation, and moving Risk Management and Accounting to the General Fund.

There was discussion on the fiscal impact of a two and three percent across-the-board pay plan adjustment; the impact of Phase Next on future budgets; Police Department staffing, including incentives for hiring experienced officers, their lateral hiring program, the impact of COVID-19

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on recruiting, and resources for recruiting and incentives; the supplemental request for a public safety dispatch position; the public safety step plan and the number of employee who reached the maximum step; and previous compensation and compression adjustments.

Ms. Jakubik stated an across-the-board pay grade adjustment of two percent and three percent would cost \$400,377 and \$600,580 from the General Fund respectively. There was discussion on the supplemental request for an assistant emergency management coordinator; a TMRS package with 50 percent updated service credit and 70 percent annuity at \$1,320,460; setting the tax rate at the current tax rate; a new fence and gate at \$320,000, as well as a camera system at \$77,000, for the Law Enforcement Center (LEC); plymovent systems at Fire Stations 1 and 2 for \$110,000; using \$100,000 from the Facility Maintenance Fund balance to partially pay for the fence and gate at the LEC; the supplemental request for firefighter cancer screening at an ongoing cost of \$10,000; extractor dryers for the Fire Department; a brake lathe for Public Works; roof replacements at City Hall Building A and the Animal Shelter; painting the trim at the LEC; and using the Library Maintenance Fund to replace carpet in the Library children's area.

Council was of the consensus for the following: to set the maximum tax rate to be considered at the current rate of \$0.569000 per \$100 valuation; to fund a two percent pay plan adjustment for all employees; Aetna option #4 on the health insurance; to reallocate the budgets for Accounting and Risk Management from the Water Fund to the General Fund; to upgrade the TMRS package to include 50 percent updated service credit and 70 percent annuity; to fund the cancer screening supplemental request; to fund the fence and gate at the LEC from the surplus and the Facility Maintenance Fund; and to fund plymovent systems at Fire Stations 1 and 2. Council was also of the consensus to replace the carpet in the children's area of the Library out of the Library Maintenance Fund. The remaining surplus would be \$126,257.

2. Call a public hearing on the proposed FY 2020-2021 budget to be held on Monday, August 17, 2020 at 6:30 p.m. in the City Hall Council Chambers.

Motioned by Councilmember Cogan, seconded by Councilmember Culver, to call a public hearing on the proposed FY 2020-2021 budget to be held on August 17, 2020 at 6:30 p.m. in the City Hall Council Chambers.

Motion approved 7-0-0. Mayor Boyter declared the motion carried.

3. Consider a proposed tax rate and set two public hearings on the proposed tax rate, if required.

Motioned by Ruth Culver, seconded by Rusty Sartor to consider a tax rate of \$0.569000 per \$100 assessed valuation to be voted on the August 24, 2020 agenda, and schedule a public hearing to discuss the tax rate on Monday, August 17, 2020 at 6:30 p.m. at Bedford City Hall or may be held virtually utilizing procedures as authorized by the State of Texas.

Motion approved 7-0-0. Mayor Boyter declared the motion carried.

ADJOURNMENT

Mayor Boyter adjourned the Special Session at 8:44 p.m.

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Michael Boyter, Mayor

ATTEST:

Michael Wells, City Secretary