



City of Garden Ridge

"A way of life, not just a place to live"

MINUTES CITY COUNCIL SPECIAL MEETING WEDNESDAY, JULY 22, 2020, 2:00 P.M.

Councilmembers Present:

Mayor Larry Thompson
Mayor Pro-Tem John McCaw
Councilmember Lisa Swint
Councilmember Bryan Lantzy
Councilmember Kay Bower

Councilmembers Absent:

Councilmember Todd Arvidson

City Staff Present:

Nancy Cain, City Administrator
Marisa Spencer, City Secretary
Kat Balbi, Assistant City Secretary
Karen Ford, Finance/HR
Ron Eberhardt, Police Chief
Jacob Parsons, Water Manager
Steven Steinmetz, Public Works Director
Linda Crosland, Librarian

1. Call to Order

With a quorum of the City Councilmembers present, Mayor Thompson called the special meeting of the Garden Ridge City Council to order at 2:00 p.m. on Wednesday, July 22, 2020, in the City Council Chambers of the Garden Ridge City Hall, 9400 Municipal Parkway, Garden Ridge, Texas 78266.

2. Roll Call: See above.

3. Pledge of Allegiance: Mayor Thompson led the Pledge of Allegiance and the Texas Pledge.

4. Citizen Comment Period: No one signed up to speak.

5. Consent Agenda

THESE ITEMS MAY BE ACTED UPON IN A SINGLE MOTION. NO SEPARATE DISCUSSION OR ACTION ON THESE ITEMS WILL BE HELD UNLESS REQUESTED BY A COUNCILMEMBER. PUBLIC COMMENT ON THESE ITEMS MAY BE HEARD DURING CITIZENS' PARTICIPATION; HOWEVER, THAT DOES NOT MEAN THE ITEM WILL BE CONSIDERED OUTSIDE THE CONSENT AGENDA.

a) Designate the Comal County Tax Assessor-Collector to calculate the 2020 Tax Rate for the City of Garden Ridge.

Motion: A motion was made by Councilmember Bower, seconded by Councilmember Lantzy, to approve the Consent Agenda. The City Council voted four (4) for and none (0) opposed. The motion carried unanimously.

6. Business Items

The following items are for discussion, consideration, and action.

a) FY2020 Budget Amendment #1 for the City of Garden Ridge.

Mayor Thompson reviewed the Fiscal Year 2020 Budget Amendment #1 for the City of Garden Ridge General Fund and Water Company Operation and Maintenance Fund (see attached presentation). The City Council reviewed the FY2020 Budget Amendments, and Department Heads answered questions from Councilmembers.

- 1. Take action on Resolution No. 463-072020 A Resolution of the City Council of the City of Garden Ridge, Texas, approving Fiscal Year 2020 General Fund Budget Amendment #1 for the period of October 1, 2019, through September 30, 2020.**

Motion: A motion was made by Mayor Pro-Tem McCaw, seconded by Councilmember Swint, to approve Resolution No. 463-072020 A Resolution of the City Council of the City of Garden Ridge, Texas, approving Fiscal Year 2020 General Fund Budget Amendment #1 for the period of October 1, 2019, through September 30, 2020. The City Council voted four (4) for and none (0) opposed. The motion carried unanimously.

- 2. Take action on Resolution No. 464-072020 A Resolution of the City Council of the City of Garden Ridge, Texas, approving Fiscal Year 2020 Water Company Operation and Maintenance Fund Budget Amendment #1 for the period of October 1, 2019, through September 30, 2020.**

Motion: A motion was made by Councilmember Bower, seconded by Councilmember Lantzy, to approve Resolution No. 464-072020 A Resolution of the City Council of the City of Garden Ridge, Texas, approving Fiscal Year 2020 Water Company Operation and Maintenance Fund Budget Amendment #1 for the period of October 1, 2019, through September 30, 2020. The City Council voted four (4) for and none (0) opposed. The motion carried unanimously.

- 3. Take action on Resolution No. 465-072020 A Resolution of the City Council of the City of Garden Ridge, Texas, approving Fiscal Year 2020 Capital Improvements Fund Budget Amendment #1 for the period of October 1, 2019, through September 30, 2020.**

Mayor Thompson stated there are no changes to the Fiscal Year 2020 Capital Improvements Fund Budget. Therefore, no action taken.

Mayor Thompson announced the City Council will recess at 3:06 p.m. for a 10-minute break. Mayor Thompson reconvened the City Council Special Meeting at 3:16 p.m.

b) Proposed FY2021 Budget for the City of Garden Ridge.

Mayor Thompson reviewed a presentation regarding the Fiscal Year 2021 budget proposals for the City of Garden Ridge General Fund, Water Company Operation and Maintenance Fund, Interest and Sinking Fund, and Capital Improvements Fund (see attached presentation). The City Council reviewed the proposed FY2021 budgets, and Department Heads answered questions from Councilmembers.

c) File the proposed FY2021 Budget with the City Secretary.

Motion: A motion was made by Councilmember Bower, seconded by Councilmember Swint, to file the proposed Fiscal Year 2021 Budgets with the City Secretary with one (1) modification to line item 55230 Parks/Recreation of the General Fund-Public Works Expenditures, increasing the budgeted amount from \$20,100 to \$20,600. The City Council voted four (4) for and none (0) opposed. The motion carried unanimously.

Mayor Thompson thanked Karen Ford, Finance/HR, and Department Heads for their efforts in the budget process.

d) Review Budget and Tax Rate adoption process and schedule.

Nancy Cain, City Administrator, reviewed the Budget and Tax Rate adoption process and schedule.

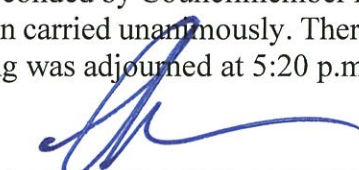
7. Citizen Comment Period: No one wished to speak.

8. Adjournment

Motion: A motion was made by Councilmember Lantzy, seconded by Councilmember Bower, to adjourn. The City Council voted four (4) for and none (0) opposed. The motion carried unanimously. There being no further business, the Wednesday, July 22, 2020, City Council special meeting was adjourned at 5:20 p.m. by Mayor Thompson.

ATTEST


Marisa Spencer
City Secretary


Larry Thompson
Mayor



City of Garden Ridge

FY 2020 Budget Amendment
FY 2021 Budget Proposals



Session Overview

- 2020 Budget Amendment
 - General Fund
 - Water Fund
- 2021 Budget Proposal
 - Big Picture
 - 2020 Progress to build on & 2021 New and Continuing Programs
 - Specific budget reviews
 - General Fund
 - Water Fund
 - Interest and Sinking Fund
 - Capital Improvement Fund

First, the Schedule...



July 2020

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
			1 Council Meeting at 6pm	2	3	4
5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20	21	22 Arvidson out Special Council Meeting Budget Worksession at 2pm (possible Budget filed w/ City Secretary)	23 Municipal Court at 6pm	24	25 Appraisal District submits 2020 Certified Values
26	27 Arvidson out Special Council Meeting Budget Worksession at 2pm (Budget filed w/City Secretary if not filed on July 22)	28 Water at 6pm	29	30 Comal County Tax Office calculates and submits 2020 Tax Rate	31	



August 2020

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
						1
2	3	4	5 Regular Council Meeting at 6p m (Present Tax Rates)	6	7	8
9	10	11 P&Z at 6pm	12	13 Special Council Meeting at 6p m (Budget Public Hearing and Adoption)	14	15
16	17 WMAC at 6pm	18	19	20	21	22
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30						



2020 Budget Amendment₁

- Purpose
 - Fine-tune current budget with up-to-date numbers
 - Apply actual revenue and expenses
- Result
 - Provide more accurate picture for 2021 budget
 - Determine realistic available reserves
 - Make potential forward investments



2020 Budget Amendment₂

- Influence(s)
 - (+) Vacant authorized/appropriated staff positions
 - (+) COVID impact on Operations, Training and Staffing
 - (+) Conservative budgeting
 - (–) Future projects engineering (G: \$113K & W: \$45K)
- Result is additional surplus in G: \$168K , W: \$16K
 - Often pay forward next FY items, this year only \$49K (Bobcat)
 - Fund Water Meter & Wastewater projects w/o debt
- Bottom line is both funds are very healthy



2020 Budget Amendment₃

- Specifics
 - General Fund
 - Water Fund



City of Garden Ridge

FY 2021 Budget Proposals

General Fund

Water Fund

Interest and Sinking Fund

Capital Improvement Fund



City Budget Big Picture ¹

- Substantial/significant progress w/ 2020 Budget & Amendment
- 2021 Budget builds on those successes
- Personnel expenses increasing again this year
 - Pay
 - 3% increase to cover Cost of Living (tbd) and Pay for Performance program
 - Set-aside for implementation of Pay Equity, Grades and Steps Program
 - Stipends for Council and Mayor
 - Benefits
 - Increased: Med (9%), Vision (5%), W. Comp (5%), SUI (.65%), Ret (.14%)
 - No Change: Dental, Life/D&D, Long/Short Disability



City Budget Big Picture ₂

- Reserves
 - 9.9 months for General Fund (9.1 in 2020, 9.1 in 2019, 10.6 in 2018)
 - 13.3 months for Water Fund (11.8 in 2020, 12.8 in 2019, 12.3 in 2018)
 - Built up in order to fund some projects w/o incurring debt
- Debt load
 - Total Debt \$11.7M
 - Healthy & relatively low at 1.48% of Estimated Appraised Value
 - Bond Market Raters accept < 5%
 - Municipalities constitutionally capped to < 10%
- Conservative philosophy is the bedrock of our budget



Property Value to Debt Ratio

City	Prop Value	Debt	%
New Braunfels	7,138,579,463	257,886,560	3.61%
Cibolo	2,089,725,081	62,590,000	3.00%
Schertz	3,761,245,673	82,217,741	2.19%
Universal City	1,447,010,917	28,439,000	1.97%
Converse	1,598,205,376	28,526,950	1.78%
Selma	1,139,076,476	17,515,000	1.54%
Garden Ridge	790,037,627	11,730,000	1.48%

Sources

Prop Values: Comal & Guadalupe County

Debt Amounts: [Comptroller.tx.gov](https://comptroller.texas.gov/transparency/) "Transparency" page



General Fund Big Picture

- General Fund balanced to surplus (+ \$5541)
- Assumptions
 - Estimated 3% tax revenue growth
 - Revenue & expenditures remain flat (vs. 2020 Budget)
- All departmental budgets increased
 - Admin: 11% (5%)*, Court: 6.4%, Library: 3.8%, Public Works: 2.4%
Community & Events Center: .4%, Police Department: .06%
 - Budgets will increase though pending personnel system improvements
 - Equity Adjustments, Grades & Steps Program
 - *Admin is holding area for pending increases in all departmental pay



Water Fund Big Picture

- Water Fund balanced to surplus (+\$1712)
- Assumptions
 - Overall revenue increase of .3%
 - Water sales increase of 1.5%
 - Increase offset by loss of projected interest revenue
- Water budget increased .2%
 - Largest increase in Personnel Services



2020 Budget Successes¹

- Personnel
 - First full year of Pay and Performance program
 - 1.7% Cost of Living (all) with 1.3% Pay for Performance available to Leadership, tied to Evaluations
- Citizen Communications & Government Transparency
 - Video live streamed/online accessible with indexed agendas for all meetings
- E-Government
 - Billing system and payment options added/improved
- Continuity of Operations
 - Emergency Management provided resources for COVID Contingency Ops
 - Remote work policies written/tested, equipment purchased
 - Library equipped to provide services in COVID environment
- Water Company
 - Sustainable path with new water rates effective Jan 2020



2020 Budget Successes₂

- Security
 - PD Park upgraded with video surveillance
 - Password Management System delivered
- Studies and Analyses
 - Wastewater system designed with extensive external coordination
- Parks
 - Park land expanded and facilities enhanced / increased Child Safe Zones
- Old City Hall complex
 - HVAC replacement
- CIP closed out



2020 Budget - Still Working

- Personnel
 - Admin cross-training improving attain “bench-strength” in all reception functions
 - Efforts slowed by COVID and position vacancies
 - Staff / Commissions training & professional development (slowed due to COVID)
- Continuity of Operations
 - Council Chambers & Conf. Room Video Teleconferencing software and equipment
- Studies and Analyses
 - Zoning and Water Ordinances
 - Water Master Plan / Transportation Master Plan pending final review and Impact Fee Committee
 - Water meter system analysis and Bid Solicitation (RFP) package prep
 - Wastewater system Bid Solicitation (RFP) package prep
- Security
 - Camera systems integration, adding critical infrastructure locations
 - City network server upgrades / User access and acceptable use protocols added/improved
 - Password Management System training pending (slowed by COVID)
- Workflow Management (Cartegraph)



New/Continuing for 2021 ¹

- E-Government and outreach
 - Continue efforts to reduce “touch operations,” paper, and mailings
 - Online improvements: Website reviews/maintenance/improvements and Social Media
- Ordinance reviews and re-writes
 - Prioritized and complete review of all ordinances
- Plat, permit, and variance recording/organizing
 - Acquire/incorporate software integration package, possibly obtain third-party assistance
- Emergency Management
 - Improve training, education, procedures and relationships
- Council Stipend creation
 - Mayor: \$250/pay period, beginning May 2021 // Budget impact 2021: \$2750, 2022: \$6500
 - Council: \$50/Council meeting, beginning May 2022 // Budget impact 2021: \$0, 2022: \$3000
 - Total Budget impact 2021: \$2750, 2022: \$9500 (75/25 General and Water Funds)
 - Implementation tied to new terms of office ~



New/Continuing for 2021 ²

- Personnel Staffing
 - Bring up to full strength
 - Continue to develop full inter-office support
- Personnel Training (Leadership & Professional)
 - Increase training and certification opportunities/incentives
 - Explore online offerings to enhance/augment traditional training
- Personnel System
 - Take next step(s) in retention, incentives and “upward mobility”
 - Work toward Market Equity
 - Create/implement city-wide personnel grades and steps
 - Leadership will develop system for implementation in FY 2021
 - Departments may develop unique criteria for steps
 - Budgeted in lump sum holdings (Admin & Water) distributed to departments when ready



New/Continuing for 2021 ³

- Two projects are planned, but not in budget (yet)
 - Currently in pre-bid solicitation phase
- Bids received in CY 2020 will be presented to Council for approval
- Funding will come from General and Water Fund Reserves
 - Based on Amended 2020 and Proposed 2021 Budget Reserve levels
 - No debt will be incurred
 - Both projects are projected to repay reserve funds (durations tbd)
 - Repayment is expected but not required to maintain adequate reserves
- Reserves will remain strong
 - Maintain higher than generally acceptable minimums (per auditor)
- Projects
 - Advanced Metering Infrastructure (AMI) system
 - 2252 Pressurized Wastewater system initial start-up



New/Continuing for 2021 ⁴

- Advanced Metering Infrastructure (AMI) System funding
- Pay for project out of Water Fund Reserves
- Water Fund Reserves more than adequate to fund project
 - While retaining Auditor-recommended set-asides

Budgeted Reserve level in 2021			\$1,831,203
Retained Reserve : 6 Months of Operations	\$ 524,310	}	
1 st Debt Serv. Pmt (83%)	\$ 559,438		- <u>\$1,083,748</u>
Remaining/Available for AMI project			\$ 747,455
Expected AMI project cost			\$ 700,000



New/Continuing for 2021 ⁴

- 2252 Pressurized Wastewater System
- Pay for project with General Fund Reserve loan to Water Fund
- GF Reserves more than adequate to fund project
 - While retaining Auditor-recommended set-asides

Budgeted Reserve Level in 2021	\$2,495,407
Retained Reserve : 6 Months of Operations	<u>- \$1,513,488</u>
Remaining/Available for loan to Water Fund for project	\$ 982,919
Expected project seed cost	\$ 950,000



Individual Budget Reviews

- General Fund
- Water Fund
- Interest and Sinking Fund
- Capital Improvement Fund



Next steps...

- Staff makes modifications if required
- Council files Budgets with City Secretary
- Council presents Budgets to City in Public Hearing

- Council approves Budgets...



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FY 2021 Budget Proposals