CITY OF TEXARKANA

CITY COUNCIL

AGENDA ● JUNE 7, 2022

Council Chambers	Budget Workshop Meeting	10:00 AM

220 TEXAS BLVD., TEXARKANA, TX 75501

Mayor

Bob Bruggeman

Ward 1	**Ward 3**	**Ward 5**
Jean H. Matlock	Betty Williams	Bill Harp
Ward 2	**Ward 4**	**Ward 6**
Mary Hart	Christie Page	Jay Davis

Vision

The vision of the City is to be a thriving regional center for education, business, and culture which attracts and serves our residents and visitors.

Mission

The mission of the City is to provide customer-focused public services and regional leadership that serve our residents and visitors while offering a safe, vibrant, and welcoming community.

The City Council reserves the right to convene into closed session on any agenda item or issue if applicable pursuant to authorization by the Texas Open Meetings Act (Title 5, Chapter 551 of the Texas Government Code), and will reconvene into open session before taking any final action, decision, or vote on a matter deliberated.

I. CALL TO ORDER

II. WELCOME AND OPENING COMMENTS

III. ITEM FOR DISCUSSION: PROPOSED FY 2023 CITY BUDGET

The Budget Advisory Committee will meet with the City Council to discuss the 2023 fiscal year's budget which becomes effective October 1, 2022.

This year's appointed committee members are:

Van Alexander, Chairperson - (Mayor)
Derrick McGary - (Ward 1)
Carolyn Nance - (Ward 2)
Larry White - (Ward 3)
Pam Hamilton - (Ward 4)
Kelly Mitchell - (Ward 5)
Steve Mayo - (Ward 6)

IV. WATER RATE STUDY PRESENTATION UPDATE - GARY SMITH & NEWGEN STRATEGIES

V. PROPOSED CAPITAL IMPROVEMENT PLAN UPDATE - KRISTIN PEEPLES & DUSTY HENSLEE

Capital Improvement Projects

VI. HEALTH INSURANCE AND COMPENSATION - J.W. BRAMLETT

Insurance and Compensation Presentation

VII. DISCUSSION OF BUDGET RECOMMENDATIONS - VAN ALEXANDER

VIII. ADJOURNMENT

This open meeting of a governmental entity is subject to the Texas Open Meetings Act (Chapter 551, Government Code). The “Council Chambers” is the room or property where the City Council will hold this meeting.

Pursuant to Section 30.06, Penal Code (trespass by license holder with a concealed handgun), a person licensed under Subchapter H, Chapter 411, Government Code (handgun licensing law), may not enter this property with a concealed handgun.

Pursuant to Section 30.07, Penal Code (trespass by license holder with an openly carried handgun), a person licensed under Subchapter H, Chapter 411, Government Code (handgun licensing law), may not enter this property with a handgun that is carried openly.

Pursuant to Section 46.03, Penal Code (places weapons prohibited), subsection (a)(14), a person commits an offense if the person intentionally, knowingly, or recklessly possesses or goes with a firearm, location-restricted knife, club, or prohibited weapon [listed in Penal Code Section 46.05(a)] in the room or rooms where a meeting of a governmental entity is held, if the meeting is an open meeting subject to Chapter 551, Government Code, and if the entity provided notice as required by that chapter.

This facility is wheelchair accessible and handicap parking is available. If you plan to attend this public meeting and you have a disability that requires special arrangements or accommodations, please call 903-798-3900 or (TTY) 1-800-RELAY TX (1-800-735-2989) at least 48 hours in advance.

City of Texarkana, Texas

Version:

Briefing Sheet

Update Date: 6/3/2022 3:28 PM

Lead Department: City Manager **Action Officer:** Vicky Coopwood, Assistant City Secretary

Subject: Capital Improvement Projects

Updates/History of Briefing:

(Insert Date Here):
(Insert Text Here) or Select, Delete this and all text with parentheses and say "NOT APPLICABLE"

Executive Summary and Background Information:

Potential Options:

- List or "None"
-

Fiscal Implications:

(Insert Text Here)

Staff Recommendation:

(Insert Text Here)

Advisory Board/Committee Review:

(Advisory Board/Committee Name OR say "NONE")

Board/Committee Recommendation:

(Insert Date Here):
(Insert Text Here or say "NOT APPLICABLE")

Advisory Board/Committee Meeting Date and Minutes:

(Insert Minutes Here) or Select, Delete this and all text in this area and say "NOT APPLICABLE"

Attachments

a. Capital Improvement Projects 06.07.22 BAC Meeting (PDF)

Capital Improvement Projects

Certificate of Obligation - 20 Year (Annual Debt Service $1.5 million) 20,474,000.00

Fleet Replacement		
Quint 1	1,400,000.00	
Quint 3	1,400,000.00	
Total Fleet Replacement	2,800,000.00	
Streets		**Ward**
Galleria Oaks/Moores Lane-37 No Drainage with sidewalks	3,000,000.00	6
Waco Street Concrete Replacement	3,000,000.00	2
Robison Rd (mill and overlay)	2,400,000.00	2 and 4
Westlawn (mill and overlay)	1,000,000.00	2
Kennedy (mill and overlay)	1,000,000.00	4
Milam (street reconstruction)	250,000.00	1
Belt/Old Boston (street reconstruction/seal)	300,000.00	4
Airline (street reconstruction)	300,000.00	5
Wade Lane/Kenwood Rd (street reconstruction)	700,000.00	2 and 4
13th/14th Street (Mill and Overlay)	1,000,000.00	1 and 3
Tucker Street (Mill and Overlay)	500,000.00	1 and 2
Lincoln Street (Mill and Overlay)	375,000.00	1
Spruce Street (Mill and Overlay)	375,000.00	3
Allen Lane/Phillips Lane (street Reconstruction)	675,000.00	1
Prevenative Maintenance (concrete replacements, overlays, seal coats) - 10 Years at $280,000 per year	2,800,000.00	
Total Streets	17,675,000.00	
Grand Total	20,475,000.00	

City of Texarkana, Texas

Briefing Sheet

Version:
Update Date: 6/3/2022 3:21 PM

Lead Department: City Manager

Action Officer: Vicky Coopwood, Assistant City Secretary

Subject: Insurance and Compensation Presentation

Attachments

a. Insurance and Compensation Presentation 06.07.22 (PDF)

Insurance & Compensation
FY 2022 - 2023

Dependents by Medical Tier

Medical Tier	Employees Enrolled	Spouses	Children	
Employee Only	257			
Employee & Spouse	60	60		
Employee & Children	75		141	
Full Family	103	103	218	
Total	**495**	**163**	**359**	**1,017**

Dependents by Division

Division	Employee Only	Employees on Employee & Spouse	Spouses on EE & Spouse	Employees on EE & Children	Dependents on EE & Children	Employees on Full Family	Dependents on Full Family
City of Texarkana	145	34	34	54	96	72	233
CRC	15	4	4	4	11	3	9
TWU	85	19	19	16	33	26	73
Airport	4	2	2	1	1	2	6
Library	8	1	1	0	0	0	0
Total	**257**	**60**	**60**	**75**	**141**	**103**	**321**

Results of HRA Run Out and Transition to HSA

- HRA run out was $246,648 paid out over the first 6 months
- Year to date (6 months), the PEPM (Per Employee Per Month) claims average excluding the run out is $750 PEPM
- For comparison, at this time last year, the City's un-trended PEPM claims cost were $791 and trended claims to today's dollars would be $848 PEPM (7.3% trend)
- Projections show the City to end up at approximately $775 PEPM through the end of the plan year.
- Last year, the total PEPM claims were $837 which should result in a 7.4% reduction in claims spend from the prior year.

Premium Contribution 95% Employee / 65% Dependents

HSA Plan	Full Time Employees	Medical Rate	City Contribution ($)	City Contribution (%)	Employee Contribution ($)	Total Employee Contribution ($)	Δ From Current ($)	Δ From Current(%)
Employee Only	495	$487.58	$463.20	95.0%	$24.38	$24.38	$24.38	-
+ Spouse	62	$585.32	$380.46	65.0%	$204.86	$229.24	$47.54	26.2%
+ Child(ren)	82	$389.84	$253.40	65.0%	$136.44	$160.82	$23.23	16.9%
+ Family	102	$975.16	$633.86	65.0%	$341.31	$365.69	$60.69	19.9%
Premium Contributions	495	$4,908,882	$4,059,633	82.7%	$849,249			
Employer HSA Contributions	495	$678,900	$678,900	100.0%	$0			
Total Contributions	495	$5,587,782	$4,738,533	84.8%	$849,249			
$ Change From Current		$368,343	$162,988		$205,355			
% Change From Current		7.1%	3.6%		31.9%			

HSA Contributions: $900 EE, $1,500 EE+SP, $1,800 EE+CH, $2,100 EE+FAM

Premium Contribution 95% Employee / 65% Dependents
3 Year Transition (Year 1)

HSA Plan	Full Time Employees	Medical Rate	City Contribution ($)	City Contribution (%)	Employee Contribution ($)
Employee Only	495	$487.58	$479.45	98.3%	$8.13
+ Spouse	62	$585.32	$386.07	66.0%	$199.25
+ Child(ren)	82	$389.84	$245.19	62.9%	$144.65
+ Family	102	$975.16	$641.56	65.8%	$333.60
Premium Contributions	495	$4,908,882	$4,161,713	84.8%	$747,168
Employer HSA Contributions	495	$678,900	$678,900	100.0%	$0
Total Contributions	495	$5,587,782	$4,840,613	86.6%	$747,168
$ Change From Current		$368,343	$265,068		$103,275
% Change From Current		7.1%	5.8%		16.0%

HSA Contributions: $900 EE, $1,500 EE+SP, $1,800 EE+CH, $2,100 EE+FAM

Total Employee Contribution ($)	Δ From Current ($)	Δ From Current(%)
$8.13	$8.13	-
$207.37	$25.67	14.1%
$152.78	$15.19	11.0%
$341.72	$36.72	12.0%

Goal	Difference from Current	Diff / 3 Years Apply to City
95%	5.0%	1.7
65%	1.4%	0.5
65%	-3.2%	-1.1
65%	1.2%	0.4

Compensation Study

Conducted by Public Sector Personnel Consultants

MARKET

Cedar Hill	Midlothian
Corsicana	Nacogdoches
Denison	Palestine
Gainesville	Paris
Huntsville	Sherman
Longview	Tyler
Lufkin	Waxahachie
Marshall	Wichita Falls

Data from private sector was included using Economic Research Institute's Salary Assessor for the Texarkana, TX region

City's current pay grades are below market by more than 5% for 72% of the survey sample:

Relationship to Prevailing Rates	Benchmark Job Classes	% of Sample
Below	54	72%
Comparable	16	21%
Above	5	7%

Compensation Adjustments

The plan is to apply a 3% market increase to all non civil service general fund salaries and then adjust employees below the proposed minimum up to the minimum of the new pay scale.

Adjustment	12-Month Base Cost
3% Increase	$231,000
Below Minimum after 3%	$53,000
Totals	$284,000 plus benefits