



**CITY OF WHARTON
FINANCE COMMITTEE MEETING**

**Monday, June 13, 2022
6:00 PM**

***CITY HALL 120 EAST CANEY STREET
WHARTON, TEXAS 77488***

**NOTICE OF
CITY OF WHARTON
FINANCE COMMITTEE MEETING**

Notice is hereby given that a Finance Committee Meeting will be held on Monday, June 13, 2022 at 6:00 PM at the Wharton City Hall, 120 East Caney Street, Wharton, Texas, at which time the following subjects will be discussed to-wit:

SEE ATTACHED AGENDA

Dated this 9th day of June 2022.


By: 
Joseph R. Pace, City Manager

I, the undersigned authority, do hereby certify that the above Notice of Meeting of the Finance Committee Meeting is a true and correct copy of said Notice and that I posted a true and correct copy of said Notice on the bulletin board, at City Hall of said City or Town in Wharton, Texas, a place convenient and readily accessible to the general public at all times, and said Notice was posted on June 9, 2022, at 4:30 p.m. and remained so posted continuously for at least 72 hours preceding the scheduled time of said Meeting.

The Wharton City Hall is wheelchair accessible. Access to the building and special parking is available at the primary entrance. Persons with disabilities, who plan to attend this meeting and who may need auxiliary aids or services such as interpreters for persons who are deaf or hearing impaired, readers, or large print, are requested to contact the City Secretary's Office at (979) 532-4811 Ext. 225 or by FAX (979) 532-0181 at least two (2) days prior to the meeting date. BRAILLE IS NOT AVAILABLE.

Dated this 9th day of June 2022.

CITY OF WHARTON

By: 
Paula Favors
City Secretary



A G E N D A
CITY OF WHARTON
Finance Committee Meeting
Monday, June 13, 2022
City Hall - 6:00 PM

Call to Order.

Roll Call.

Public Comments.


Review & Consider:

1. Minutes from the meeting held May 16, 2022.
2. Resolution: A resolution of the Wharton City Council approving the Interlocal Agreement with the Texas Municipal League Health Benefits Pool (TML Health Benefits Pool) for medical, long-term disability, life, accidental death & dismemberment, for flexible spending account, health reimbursement account and voluntary vision plans for City employees for the October 1, 2022 to September 30, 2023 Fiscal Year; and Sun Life Financial for voluntary dental coverage for City employees; authorizing the Mayor of the City of Wharton to execute all documents relating to said contracts.
3. Request for Privileged Liens Amnesty.

Adjournment.

City of Wharton
120 E. Caney Street
Wharton, TX 77488

FINANCE COMMITTEE

Meeting Date:	6/13/2022	Agenda Item:	Minutes from the meeting held May 16, 2022.
Attached are a copy of the draft minutes from the meeting held May 16, 2022.			
City Manager: Joseph R. Pace		Date: Thursday, June 9, 2022	
Approval: 			
Mayor: Tim Barker			

**MINUTES
OF
CITY OF WHARTON
FINANCE COMMITTEE MEETING
120 EAST CANEY STREET
WHARTON, TEXAS 77488
Monday, May 16, 2022–5:00 p.m.**

City Manager, Joseph R. Pace, declared a meeting of the City Council Finance Committee duly open for the transaction of business at 5:00 p.m.

Committee Members present were: Mayor, Tim Barker and Councilmember, Russell Machann.

Committee Member absent was: Councilmember, Alice Heard-Roberts.

City Council Member present was: None.

Staff members present were: City Manager, Joseph R. Pace; Assistant to the City Manager, Brandi Jimenez; Finance Director, Joan Anel; City Secretary, Paula Favors and Director of Planning & Development, Gwyn Teves.

Staff member absent was: None.

Visitors: Ms. Melissa Terry, Harrison, Waldrop & Uherek, LLP.

Public Comments. There were no public comments.

The first item on the agenda was to review and consider minutes from the meeting held April 25, 2022. Councilmember, Russell Machann, made a motion to approve the minutes as presented. Mayor, Tim Barker, seconded the motion. All voted in favor.

The second item on the agenda was to review and consider City of Wharton Annual Financial Report for Fiscal Year October 1, 2020 to September 30, 2021 by Harrison, Waldrop & Uherek, L.L.P. Ms. Melissa Terry, of Harrison, Waldrop & Uherek, LLP, the City Auditors, presented the City of Wharton Annual Financial Report for Fiscal Year October 1, 2020 to September 30, 2021 to the Committee. After some discussion, Councilmember, Russell Machann, made a motion to recommend to the City Council the approval of the City of Wharton Annual Financial Report for Fiscal Year October 1, 2020 to September 30, 2021. Mayor, Tim Barker, seconded the motion. All voted in favor.

The third item on the agenda was to review and consider an Ordinance: An Ordinance allowing certain employees of the City who have terminated previous memberships in the Texas municipal retirement system, to deposit the sums so withdrawn, plus annual withdrawal charges, and allowing and undertaking the cost of allowing any such employee credit in such system for all service to which such employee had been entitled at date of such withdrawal, with like effect as if all such service had been performed as an employee of this City. City Secretary, Paula Favors, stated to the Committee that the City of Wharton has Texas Municipal Retirement System (TMRS) retirement for its full-time employees. She stated that the Personnel Department was requesting the City Council consider adopting a Buy Back option through TMRS. She stated that this option would allow City employees, who have previously refunded and forfeited TMRS service, to purchase and reestablish that service credit. She stated that as of the valuation date, December 31, 2020, there were 12 employees with previously forfeited service credit eligible for buyback under a previously adopted ordinance. She stated that assuming the immediate purchase of all this credit, the increase in liability and contribution rate would be \$391,035.00 and 0.38% during the next actuarial valuation cycle; however, the City's contribution rate would not be affected until an individual buys the previously forfeited credit. She stated that the purchase would be included in that year's valuation

impacting the following year's contribution rate. She stated that several employees had showed interest in participating in the Buy Back program, which would allow them to rebuild retirement that they would otherwise would have lost. After some discussion, Mayor, Tim Barker, made a motion to recommend to the City Council the approval of the ordinance allowing certain employees of the City who have terminated previous memberships in the Texas Municipal Retirement System, to deposit the sums so withdrawn, plus annual withdrawal charges, and allowing and undertaking the cost of allowing any such employee credit in such system for all service to which such employee had been entitled at date of such withdrawal, with like effect as if all such service had been performed as an employee of this City. Councilmember, Russell Machann, seconded the motion. All voted in favor.

The fourth item on the agenda was adjournment.

The meeting adjourned at 5:45 p.m.

Joseph R. Pace, City Manager

City of Wharton
 120 E. Caney Street
 Wharton, TX 77488


FINANCE COMMITTEE

Meeting Date:	6/13/2022	Agenda Item:	Resolution: A resolution of the Wharton City Council approving the Interlocal Agreement with the Texas Municipal League Health Benefits Pool (TML Health Benefits Pool) for medical, long-term disability, life, accidental death & dismemberment, for flexible spending account, health reimbursement account and voluntary vision plans for City employees for the October 1, 2022 to September 30, 2023 Fiscal Year; and Sun Life Financial for voluntary dental coverage for City employees; authorizing the Mayor of the City of Wharton to execute all documents relating to said contracts.
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Attached you will find a memo from City Secretary, Paula Favors, regarding the City of Wharton TML Health Benefits Pool re-rate options for the 2022-2023 year. The recommendation from the City Staff is to consider TML Health Benefits Pool for the employee's health insurance plan and contribute the previous year's amount of \$1,250.00 to a Health Reimbursement Agreement (HRA) to offset the deductible or other medical expenses. Also, the City Staff is requesting to continue voluntary Vision Option H to this year's TML Health Benefits Pool plan.

There are no changes in the rates for the Voluntary Sun Life Financial Dental Coverage.

Ms. Favors will be present to answer any questions.

City Manager: Joseph R. Pace	Date: Thursday, June 9, 2022
Approval: 	
Mayor: Tim Barker	



City of Wharton

Item-2.

120 E. Caney Street ° Wharton, TX 77488
 Phone (979) 532-2491° Fax (979) 532-0181

MEMORANDUM

Date: June 7, 2022

Paula

From: Paula Favors, City Secretary

To: Joseph R. Pace, City Manager

CC: Joan Andel, Finance Director

Subject: TML Health Benefits Pool Insurance Coverage for 2022-2023 Options

The City of Wharton received the Rerate Options for the 2022-2023 year, for the following:

	Total Covered	Current Rate	Stay the Same 17% Increase	Monthly Increase to Employee	Annual Increase to the City
Employee	100	\$ 564.52	\$ 660.50		\$ 115,176.00
Spouse	2	\$ 581.46	\$ 680.30	\$ 98.84	
Children	11	\$ 429.04	\$ 501.92	\$ 72.88	
Family	1	\$ 1,100.80	\$ 1,287.94	\$ 187.14	

Currently
 \$30 Office Visit
 \$60 Specialist Visit
 \$75 Urgent Care
 \$0 Tela Health Copay

\$500 ER Copay

	Total Covered	Current Rate	Option 1 13.41% Increase	Monthly Increase to Employee	Annual Increase to the City
Employee	100	\$ 564.52	\$ 640.24		\$ 90,864.00
Spouse	2	\$ 581.46	\$ 659.46	\$ 78.00	
Children	11	\$ 429.04	\$ 486.52	\$ 57.48	
Family	1	\$ 1,100.80	\$ 1,248.44	\$ 147.64	

Increases Out of Pocket from \$5k to \$6K

	Total Covered	Current Rate	Option 2 11.44% Increase	Monthly Increase to Employee	Annual Increase to the City
Employee	100	\$ 564.52	\$ 629.10		\$ 77,496.00
Spouse	2	\$ 581.46	\$ 647.96	\$ 66.50	
Children	11	\$ 429.04	\$ 478.12	\$ 49.08	
Family	1	\$ 1,100.80	\$ 1,226.68	\$ 125.88	

Increases Out of Pocket from \$5k to \$7K

Vision	Employee Paid	No Change	
Life \$25,000	\$0.194 per \$1,000	No Change	
AD&D	\$0.040 per \$1,000	No Change	
Long Term Disability	\$0.040 per \$100	No Change	

It is my recommendation that the City Council consider approving TML-Health Benefits Pool for the 2022-2023 health insurance plan and contribute the previous year's amount of \$1250 to a Health Reimbursement Agreement (HRA) to offset the deductible or other medical expenses. The City Staff is looking into ways to assist employees with their medical expenses. The hopes are this would allow the employee some flexibility to help assist them with future medical expenses. If the City would continue to enter into a HRA along with the current Flexible Spending Account (FSA) Section 125 with TML-HEALTH BENEFITS POOL employees will be able to continue to access the benefits of both accounts.

If you have any questions, please contact me at (979) 532-2491 Ext. 225. Thank you.

**CITY OF WHARTON
RESOLUTION NO. 2022-XX**

A RESOLUTION OF THE WHARTON CITY COUNCIL APPROVING THE INTERLOCAL AGREEMENT WITH THE TEXAS MUNICIPAL LEAGUE HEALTH BENEFITS POOL (TML HEALTH BENEFITS POOL) FOR MEDICAL, LONGTERM DISABILITY, LIFE, ACCIDENTAL DEATH & DISMEMBERMENT, FOR FLEXIBLE SPENDING ACCOUNT AND HEALTH REIMBURSEMENT ACCOUNT PLANS FOR CITY EMPLOYEES FOR THE OCTOBER 1, 2022 TO SEPTEMBER 30, 2023 FISCAL YEAR AND AUTHORIZING THE MAYOR OF THE CITY OF WHARTON TO EXECUTE ALL DOCUMENTS RELATED TO SAID AGREEMENTS.

WHEREAS, The City of Wharton received the renewal rate for medical, long-term disability, life, accidental death & dismemberment for city employees; voluntary Vision Option H, and Sun Life Dental and,

WHEREAS, The City of Wharton medical plan with Texas Municipal League Health Benefits Pool would be renewed with an ___% increase; and,

WHEREAS, The City of Wharton would provide to each full-time employee a \$1,250 yearly contribution to the employee health reimbursement account (HRA) administered by the TML Health Benefits Pool; and,

WHEREAS, The Mayor of the City of Wharton has executed on behalf of the City said agreement.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF WHARTON, TEXAS as follows:

Section I. That the Wharton City Council hereby approves the interlocal agreement with the Texas Municipal League Health Benefits Pool for medical, long-term disability, life and accidental death & dismemberment coverage; voluntary Vision Option H, and Sun Life Dental, signed by the Mayor.

Section II. That Wharton City Council hereby approves providing to each full-time employee a \$1,250 yearly contribution to the employee health reimbursement account (HRA) administered by the TML Health Benefits Pool.

Section III. That the Mayor of the City of Wharton execution of all documents relating to the aforementioned agreements are hereby approved.

Section IV. That this resolution shall become effective immediately upon its passage.

Passed, Approved, and Adopted this 13th day of June 2022.

CITY OF WHARTON, TEXAS


By: _____
TIM BARKER
Mayor

ATTEST:

PAULA FAVORS
City Secretary

City of Wharton
 120 E. Caney Street
 Wharton, TX 77488

FINANCE COMMITTEE

Meeting Date:	6/13/2022	Agenda Item:	Request for Privileged Liens Amnesty.
<p>The City of Wharton has issued privileged liens under the Chapter 34 Health and Sanitation Sec. - 34-56. - Same—Collection of expenses, for properties within the City for having to maintain grass and/or weeds for those not in compliance since 1998.</p> <p>Since that time, the City has issued over 800 liens. After an internal audit of the active liens, it was discovered that there was over \$300,000 in outstanding liens and over \$600,000 in interest. The City Staff is requesting in an effort to collect some of the outstanding lien debt, the City Council consider approving an amnesty on the interest due on these liens. It is the City Staff’s request that the amnesty run through September 15, 2022, forgiving the interest amount only.</p> <p>If approved, letters would be mailed to the current property owner listed under the Wharton Central Appraisal District (CAD), notifying them of the lien and of the amnesty. Property owners would have until September 15, 2022, to pay their lien and the \$26 lien release fee to have it released by the City.</p> <p>City Secretary, Paula Favors, will be present to answer any questions.</p>			
City Manager: Joseph R. Pace		Date: Thursday, June 9, 2022	
Approval: 			
Mayor: Tim Barker			



City of Wharton

120 E. Caney Street ° Wharton, TX 77488
Phone (979) 532-2491° Fax (979) 532-0181

MEMORANDUM

Date: June 8, 2022

From: Paula Favors, City Secretary

To: Joseph R. Pace, City Manager

Subject: City of Wharton Chapter 34 Health and Sanitation – Weedy Lots Liens

The City of Wharton has issued privileged liens under the Chapter 34 Health and Sanitation Sec. - 34-56. - Same—Collection of expenses, for properties within the City for having to maintain grass and/or weeds for those not in compliance since 1998.

Since that time, the City has issued over 800 liens. After an internal audit of the active liens, it was discovered that there was over \$300,000 in outstanding liens and over \$600,000 in interest. The City Staff is requesting in an effort to collect some of the outstanding lien debt, the City Council consider approving an amnesty on the interest due on these liens. It is the City Staff's request that the amnesty run through September 15, 2022, forgiving the interest amount only.

If approved, letters would be mailed to the current property owner listed under the Wharton Central Appraisal District (CAD), notifying them of the lien and of the amnesty. Property owners would have until September 15, 2022, to pay their lien and the \$26 lien release fee to have it released by the City.

If you have any questions, please contact Paula Favors at (979) 532-2491 Ext. 225. Thank you.