



**CITY OF WHARTON  
FINANCE COMMITTEE MEETING**

**Monday, April 13, 2020  
5:30 PM**


***CITY HALL***

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

Notice is hereby given that a Finance Committee Meeting will be held on Monday, April 13, 2020 at 5:30 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 April 2020.


By:   
Andres Garza, Jr., 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 April 9, 2020, 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. **BRILLE IS NOT AVAILABLE.**

Dated this 9th day of April 2020.

**CITY OF WHARTON**

By:   
Paula Favors  
City Secretary



**A G E N D A**  
**CITY OF WHARTON**  
**Finance Committee Meeting**  
**Monday, April 13, 2020**  
**City Hall - 5:30 PM**

**Call to Order.**

**Roll Call.**

**Public Comments.**

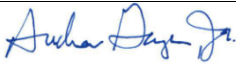
**Review & Consider:**

1. Minutes from the meetings held January 27, 2020, February 10, 2020 and March 23, 2020.
2. City of Wharton Annual Financial Report for Fiscal Year October 1, 2018 to September 30, 2019 by Harrison, Waldrop & Uherek, L.L.P.
3. COVID-19 Fiscal Impact on City of Wharton 2019-2020 Budget.
4. City of Wharton Hotel/Motel Request:
  1. Fiscal Impact of 2019-2020 Budget.
  2. Request from Mr. Vikas Desai, Manager of Holiday Inn and other hotel owners/mangers dated March 23, 2020.
5. City of Wharton Annual Budget Calendar for fiscal year 2020 – 2021.
6. Resolution: A resolution of the Wharton City Council adopting the City of Wharton Temporary Policy and Procedures: HR 6201 Families First Coronavirus Response Act (FFCRA) and Emergency Paid Sick Leave (ESick) Act & Emergency Family and Medical Leave (EFMLA) Expansion Act and setting an effective date.

**Adjournment.**

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

## FINANCE COMMITTEE

Meeting Date:	4/13/2020	Agenda Item:	Minutes from the meetings held January 27, 2020, February 10, 2020 and March 23, 2020.
<p>Attached are a copy of the draft minutes from the meetings held January 27, 2020, February 10, 2020 and March 23, 2020.</p>			
City Manager: Andres Garza, Jr.		Date: Thursday, April 9, 2020	
Approval: 			
Mayor: Tim Barker			

**MINUTES  
OF  
CITY OF WHARTON  
FINANCE COMMITTEE MEETING  
120 EAST CANEY STREET  
WHARTON, TEXAS 77488  
Monday, January 27, 2020 –5:00 p.m.**

City Manager Andres Garza, Jr. declared a meeting of the City Council Finance Committee duly open for the transaction of business at 5:07p.m.

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

Committee Member absent was: None.

City Council Member present was: None.

Staff members present were: City Manager Andres Garza, Jr., Finance Director Joan Andel, City Secretary Paula Favors and Community Development Director Gwyn Teves.

Staff member absent was: Assistant to the City Manager Brandi Jimenez.

Visitors: None.

Public Comments. There were no public comments.

The first item on the agenda was to review and consider the minutes from the meeting held November 25, 2019. Councilmember Russell Machann made a motion to approve the minutes as presented. Mayor Tim Barker seconded. All voted in favor.

The second item on the agenda was to review and consider Ordinance: An ordinance approving an amendment to the City of Wharton Budget October 1, 2018 – September 30, 2019. Finance Director Joan Andel presented the Budget Adjustments to the Committee. After some discussion, Councilmember Russell Machann made a motion to recommend to the City Council to approve the amendments. Mayor Tim Barker seconded the motion. All voted in favor.

The third item on the agenda was to review and consider Resolution: A resolution of the Wharton City Council awarding a contract for the Civic Center Carpeting and authorizing the City Manager of the City of Wharton to execute all documents relating to said contract. Finance Director Joan Andel stated that the City Staff solicited quotes for the Civic Center Carpeting. She stated that a total of five quotes were received.

They are as follows:

- 1. Mohawk Carpeting \$79,583.30
- 2. Rosenberg Carpeting \$49,954.50
- 3. On the Square \$57,1800.00
- 4. J.J. Bubela’s Floor \$62,449.13
- 5. Carpet One \$51,434.68

After some discussion, Councilmember Russell Machann made a motion to recommend to the City Council to award a contract to Rosenberg Carpeting for the Civic Center Carpeting. Mayor Tim Barker seconded. All voted in favor.

The fourth item on the agenda was to review and consider Medical Director Services Agreement:

A. Resolution: A resolution of the Wharton City Council approving the termination of the current Medical Director Services Agreement with Memorial Hermann Medical Group and authorizing the Mayor of the City of Wharton to execute all documents relating to said termination.

B. Resolution: A resolution of the Wharton City Council approving an agreement for Medical Director Services between Dr. Jeff Gubbels and the City of Wharton and authorizing the Mayor of the City of Wharton to execute all documents related to said agreement. City Manager Andres Garza, Jr. stated to the Committee that he had received a letter from Dr. Jeff Gubbels informing him that he would no longer be employed by Memorial Hermann effective January 31, 2020. He stated that Dr. Gubbels stated that he would like to continue to serve as the Medical Director for the City of Wharton Emergency Medical Services. He stated that Dr. Gubbels would be required to get his own coverage for malpractice and medical director liability insurance. He stated that the cost for said coverage would be \$4,600.00 per year. He stated that the policy would have added benefits over his prior coverage with his former employer in that it will indemnify the City of Wharton to any vicarious liability of the contractor (Dr. Gubbels), such as actions arising from quality reviews and adverse employment actions that result from those. After some discussion Mayor Tim Barker made a motion to recommend to the City Council to approve the termination of the current Medical Director Services Agreement and approve the Agreement for Medical Director Services with Dr. Jeff Gubbels. Councilmember Russell Machann seconded the motion. All voted in favor.

The fifth item on the agenda was to review and consider State Award Letter for the City of Wharton Community Safe Room, Phase I. City Manager Andres Garza, Jr. stated to the Committee that he had received the State Award Letter for the City of Wharton Community Safe Room, Phase 1 from Texas Department of Emergency Management. He stated that prior to the City accepting such award, the City Staff was recommending a sub-recipient agreement with Wharton Independent School District that would incorporate all requirements on Wharton Independent School District as Texas Department of Emergency Management is imposing on the City. After some discussion, no action was taken.

The sixth item on the agenda was adjournment. Councilmember Russell Machann moved to adjourn. Councilmember Mayor Tim Barker seconded the motion. All voted in favor.

The meeting adjourned at 6:10 p.m.

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Andres Garza, Jr., City Manager

**MINUTES  
OF  
CITY OF WHARTON  
FINANCE COMMITTEE MEETING  
120 EAST CANEY STREET  
WHARTON, TEXAS 77488  
Monday, February 10, 2020 –5:30 p.m.**

City Manager Andres Garza, Jr. declared a meeting of the City Council Finance Committee duly open for the transaction of business at 5:30p.m.

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

Committee Member absent was: None.

City Council Member present was: None.

Staff members present were: City Manager Andres Garza, Jr., Finance Director Joan Anandel and Community Development Director Gwyn Teves.

Staff member absent was: Assistant to the City Manager Brandi Jimenez.

Visitors: None.

Public Comments. There were no public comments.

The first item on the agenda was to review and consider: Texas Department of Emergency Management Hazard Mitigation Grant Program DR 4332 City of Wharton Community Safe Room Phase I:

A. Resolution: A resolution of the Wharton City Council approving a Grant Agreement with the Texas Department of Emergency Management (TDEM) through its Hazard Mitigation Grant Program (HMGP) for the City of Wharton Community Safe Room Phase I and authorizing the Mayor to execute all documents relating to said agreement.

B. Resolution: A resolution of the Wharton City Council approving the establishment of a Checking Account for the HMGP DR 4332 Hurricane Harvey City of Wharton Community Safe Room with Prosperity Bank and authorizing the Mayor, City Manager and Finance Director as the signatories.

C. Resolution: A resolution of the Wharton City Council approving an agreement between the City of Wharton and Wharton Independent School District for the TDEM HMGP DR 4332 City of Wharton Community Safe Room Phase I and authorizing the Mayor of the City of Wharton to execute all documents relating to said agreement.

Community Development Director Gwyn Teves stated to the Committee that the City of Wharton submitted, to the Texas Department of Emergency Management (TDEM) through its HMGP DR 4332 Hurricane Harvey, a grant application for the City of Wharton Community Safe Room in partnership with Wharton Independent School District. She stated that TDEM had approved the grant application Phase I in the amount of \$446,863.00 (\$335,147.25 federal cost share and \$111,715.75 local cost share) for the first phase identified in the grant application. She stated that the City would have to open a new account with Prosperity Bank for a Premier Money Market Account for the HMGP DR 4332 Hurricane Harvey City of Wharton Safe Room. She stated the City would enter into an agreement with the Wharton Independent School District for the Texas

Department of Emergency Management Hazard Mitigation Grant Program DR 4332 City of Wharton Community Safe Room Phase I. After some discussion, Councilmember Russell Machann made a motion to recommend to the City Council the approval of the Grant Agreement with the Texas Department of Emergency Management (TDEM) through its Hazard Mitigation Grant Program (HMGP) for the City of Wharton Community Safe Room Phase I, the approval of the establishment of a Checking Account for the HMGP DR 4332 Hurricane Harvey City of Wharton Community Safe Room with Prosperity Bank and the approval of an agreement between the City of Wharton and Wharton Independent School District for the TDEM HMGP DR 4332 City of Wharton Community Safe Room Phase I. Mayor Tim Barker seconded the motion. All voted in favor.

The second item on the agenda was to review and consider Resolution: A resolution of the Wharton City Council authorizing the submission of an application to the State Infrastructure Bank Transportation Loan Program through Texas Department of Transportation for the FM 1301 and Railroad Overpass Project and authorizing the Mayor of the City of Wharton to execute all documents related to said submission. Community Development Director Gwyn Teves stated to the Committee that the City Staff had met with representatives from the State Infrastructure Bank Transportation Loan Program through Texas Department of Transportation for the FM 1301 and Railroad Overpass Project. She stated that the City Staff wished to submit an application to the State Infrastructure Bank Transportation Loan Program. After some discussion, Councilmember Russell Machann made a motion to recommend to the City Council to approve the submittal of the application to the State Infrastructure Bank Transportation Loan Program through Texas Department of Transportation for the FM 1301 and Railroad Overpass Project. Mayor Tim Barker seconded. All voted in favor.

The third item on the agenda was to review and consider City of Wharton Hotel/Motel Fund Agreements:

- A. Wharton Downtown Business Association.
- B. The Plaza Theatre.

Finance Director Joan Andel stated that on December 9, 2019, the City Council approved the Mayor to execute an agreement with the Plaza Theatre for HVAC improvements to the main auditorium. She stated that the amount of the payment approved thru the City Council budget process was \$5,000. She stated she had received an email from Mr. Russell Kacer with the Plaza Theatre, requesting approval for the funds to be used for a smaller HVAC project in the lobby area that would cost approximately \$5,000. After some discussion Mayor Tim Barker made a motion to recommend to the City Council to approve the change requested by the Plaza Theatre. Councilmember Russell Machann seconded the motion. All voted in favor.

The fourth item on the agenda was adjournment. Councilmember Russell Machann moved to adjourn. Councilmember Mayor Tim Barker seconded the motion. All voted in favor.

The meeting adjourned at 6: 30 p.m.

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Andres Garza, Jr., City Manager



**MINUTES  
OF  
CITY OF WHARTON  
FINANCE COMMITTEE MEETING  
120 EAST CANEY STREET  
WHARTON, TEXAS 77488  
Monday, March 23, 2020 –5:30 p.m.**

City Manager Andres Garza, Jr. declared a meeting of the City Council Finance Committee duly open for the transaction of business at 5:40 p.m.

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

Committee Member absent was: None.

City Council Member present was: None.

Staff members present were: City Manager Andres Garza, Jr., Assistant to the City Manager Brandi Jimenez, Finance Director Joan Anel, City Secretary Paula Favors, Assistant to the Building Official Claudia Velasquez and Community Development Director Gwyn Teves

Staff member absent was: None.

Visitors: None.

Public Comments. There were no public comments.

The first item on the agenda was to review and consider: Resolution: A resolution of the Wharton City Council rescinding Resolution 2005-34 and establishing a new Residential Development Incentive Policy for the City of Wharton, Texas. Community Development Director Gwyn Teves stated to the Committee that he City Staff had been reviewing and working on the Developer Incentive Program adopted in 2004 by the City Council. She stated that the program was adopted on April 12, 2004 by Resolution 2004-28 and modified by Resolution 2005-34 on June 27, 2005. After some discussion, Councilmember Russell Machann made a motion to recommend to the City Council the approval to rescind Resolution 2005-34 and establish a new Residential Development Incentive Policy for the City of Wharton. Mayor Tim Barker seconded the motion. All voted in favor.

The second item on the agenda was to review and consider Amendment to City of Wharton Developer-Customer Utilities, Storm Drainage, And Street Construction Services Agreement with BSR Properties V, LLC. Community Development Director Gwyn Teves stated to the Committee that Mr. Brett Rowley of BSR Properties V, LLC and the City of Wharton had signed a Developer-Customer Utilities, Storm Drainage, and Street Construction Services Agreement on March 12, 2019. She stated that since then Mr. Rowley had come back to the City and had met with staff and was requesting an amendment to the current agreement to include a reimbursement agreement with the City of Wharton. After some discussion, Mayor Tim Barker made a motion to recommend to the City Council the approval of the Amendment to the City of Wharton Developer-Cust

Utilities, Storm Drainage and Street Construction Services Agreement with BSR Properties V, LLC. Mayor Tim Barker seconded. All voted in favor.

The third item on the agenda was to review and consider Resolution: A resolution of the Wharton City Council approving a moratorium on the issuance of all permits for industrial and agriculture development; expansion of existing industrial and agriculture development will be reviewed prior developing within the Wharton City Limits until an ordinance pertaining to such has been approved. Assistant to the Building Official Claudia Velasquez stated to the Committee that the City Staff had been working on a moratorium on the issuance of all permits for industrial and agriculture development. She stated that the expansion of existing industrial and agriculture development would be reviewed prior developing within the Wharton City Limits until an ordinance pertaining to such has been approved. After some discussion Councilmember Russell Machann made a motion to recommend to the City Council approval of the moratorium on the issuance of all permits for industrial and agriculture development; expansion of existing industrial and agriculture development will be reviewed prior developing within the Wharton City Limits until an ordinance pertaining to such has been approved. Mayor Tim Barker seconded the motion. All voted in favor.

The fourth item on the agenda was to review and consider: Resolution: A resolution of the Wharton City Council approving the purchase through the Texas Department of Information Resources (DIR) for Information Technology upgrades through CISCO Systems, Inc. for cyber security upgrades and installation of said upgrades through Mark Risinger. City Secretary Paula Favors stated to the Committee that the City of Wharton technology footprint had grown significantly in the past fifteen years. She stated that starting from a single server at City Hall and the Police Department, each location now hosts multiple servers and mission critical services. She stated that all City locations were now connected via fiber optic cables, and wireless networks had been added at the Civic Center, City Hall, and the Police Department. She stated that at this stage, additional measures should be implemented to protect the stability and monetary investment the City continues to make in technology. She stated that she obtained a copy of the 2020 Information Technology Recommendations provided by Mark Risinger, the City of Wharton's contract IT guru. She stated that the document describes the current environment and offers recommendations, activities, and enhancements to the City's technology platform that would further enhance reliability and security. She stated that the goal of the following recommendations is to improve the City of Wharton's technology stance by implementing IT and security standard practices. She stated that these practices would focus on preventing issues to the extent possible, detecting events when they do occur, and would alert the appropriate staff. She stated that additionally, these measures would speak to current and future State of Texas cyber security requirements. She stated that each recommendation included budgetary estimates on Capital and Operating expenditures and implementation timelines. She stated that it is important to note that implementing security and reliability is a journey, not a destination, and the City's overall plan must continue to adapt to developments as they arise. She stated that the Cost Estimate Summary was as followed:

#### Cost Estimate Summary

- Total Capital Cost: \$21,500
- Operational Cost: \$2,650
- Labor: 89.5 Hours

After some discussion Mayor Tim Barker made a motion to recommend to the City Council the approval of the purchase through the Texas Department of Information Resources for Information Technology upgrades through CISCO Systems for cyber security upgrades and installation of

upgrades through Mark Risinger. Councilmember Alice Heard seconded the motion. All voted in favor.

The fifth item on the agenda was adjournment. Councilmember Russell Machann moved to adjourn. Councilmember Mayor Tim Barker seconded the motion. All voted in favor.

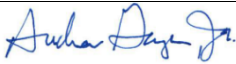
The meeting adjourned at 6:10 p.m.

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Andres Garza, Jr., City Manager

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

## FINANCE COMMITTEE

Meeting Date:	4/13/2020	Agenda Item:	City of Wharton Annual Financial Report for Fiscal Year October 1, 2018 to September 30, 2019 by Harrison, Waldrop & Uherek, L.L.P.
<p>Mr. Steve Van Manen of Harrison, Waldrop &amp; Uherek, LLP, the City Auditors, will present the City of Wharton Annual Financial Report for Fiscal Year October 1, 2018 to September 30, 2019.</p>			
City Manager: Andres Garza, Jr.		Date: Thursday, April 9, 2020	
Approval: 			
Mayor: Tim Barker			



## City of Wharton

120 E. Caney Street ° Wharton, TX  
77488

Phone (979) 532-2491° Fax (979) 532-  
0181

### MEMORANDUM

To: Mr. Andres Garza, Jr.  
City Manager

From: Joan Andel

Date: April 6, 2020

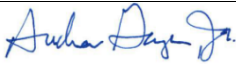
Re: Audit FY18-19

The financial audit has been completed by Harrison, Waldrop & Uherek LLP. I have scheduled Stephen VanManen to be on video conference on Monday, April 13, 2020 at 5:30 p.m. for the Finance Committee as well as at 7:00 p.m. on the same day for the City Council meeting to give the report. The full report will be available to the members on the same day.

Should you have any questions, please contact me.


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

## FINANCE COMMITTEE

Meeting Date:	4/13/2020	Agenda Item:	COVID-19 Fiscal Impact on City of Wharton 2019-2020 Budget.
<p>The City Staff will present to the City Council the COVID-19 Fiscal Impact. Finance Director Joan Andel will update the City Council of the impact the pandemic is having and will have on the City's current budget.</p>			
City Manager: Andres Garza, Jr.		Date: Thursday, April 9, 2020	
Approval: 			
Mayor: Tim Barker			

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

## FINANCE COMMITTEE

Meeting Date:	4/13/2020	Agenda Item:	City of Wharton Hotel/Motel Request: <ol style="list-style-type: none"> <li>1. Fiscal Impact of 2019-2020 Budget.</li> <li>2. Request from Mr. Vikas Desai, Manager of Holiday Inn and other hotel owners/mangers dated March 23, 2020.</li> </ol>
<p>On March 19, 2020 the City Staff and the Mayor met with Mr. Vikas Desai, Manager of Holiday Inn. In his request there are several items from the City due to the decline in occupancy in hotels. Mr. Desai has submitted his letter stating his request. Attached is his letter.</p> <p>Also, attached you will find a memo from Finance Director Joan Andel regarding the Hotel/Motel Budget.</p>			
City Manager: Andres Garza, Jr.		Date: Thursday, April 9, 2020	
Approval: 			
Mayor: Tim Barker			



## City of Wharton

120 E. Caney Street ° Wharton, TX  
77488

Phone (979) 532-2491° Fax (979) 532-  
0181

### MEMORANDUM

To: Mr. Andres Garza, Jr.  
City Manager

From: Joan Andel

A handwritten signature in blue ink, appearing to be "Joan Andel", is written over the printed name.

Date: April 9, 2020

Re: Mr. Desai request

On March 19, 2020 the City staff and the Mayor met with Mr. Vikas Desai, Manager of Holiday Inn and several other hotel owners/managers. They were requesting several items from the City due to the decline in occupancy in the hotels. At the conclusion City staff requested that Mr. Desai submit a letter and stating his request. Attached is the letter from Mr. Desai.

I have prepared an analysis of the Hote/Motel Fund with the decrease in anticipated revenue, committed and anticipated expenses. I would like to place this on the Finance Committee on April 13, 2020 for discussion and then on the City Council agenda the same day if there is a recommendation from the committee.

Please contact me if you have any questions.



March 23, 2020

To City of Wharton and Wharton County Appraisal District:

Thank you for meeting with all of the Wharton county hoteliers last week. I am writing to highlight our situation at hand in hope for the city to help us during this crisis.

As a result of the rapidly-evolving Coronavirus (COVID-19) situation, there have been several economic disruptions that have impacted the hospitality industry including the cancelation of public events, the shutdown of major tourist destinations, global travel restrictions, the transition to remote workforces, and postponing or cancelling of many work projects at hand.

As you can understand, these disruptions pose unique challenges for our hotel business which is affecting our ability to pay debts, payroll, accounts payable, and other overhead expenses. Our customer base mainly consists of corporate, blue collar workers, and highway travelers. As it is, our occupancy from past year and a half had been declining and running at around 50-60% due to lower oil demand which had been a huge demand driver in this area in past years. Now, with coronavirus and the restrictions on work that has been imposed by its effects, our occupancy has dropped even further by 90%. Unfortunately, we anticipate this will be our new normal for a very extended period of time.

As a result, we are requesting the following assistance be considered:

- We would like to request that our city hotel occupancy taxes be waived for the remainder of this calendar year
- We would like to request a discount in utility rates offering us a much-needed break in expenses
- Lastly, we would like to request your assistance in obtaining a waiver for property taxes through the Wharton County Appraisal District for the current year and possibly the next year.

As a successful small business owner, we take pride in offering not only a valuable service to the community but also providing employment to several hard-working individuals. With the country forecasted to fall into a deep depression that will take a minimum of 2-3 years to come out of, small businesses such as ours will undoubtedly struggle to remain successful. Despite the difficulties surrounding this, we would like to make every effort to remain open, conducting business as usual and continuing to provide our employees with a sustainable income to help them make it through this difficult time.

We appreciate your time and consideration and are grateful for any assistance you are able to provide at this time.

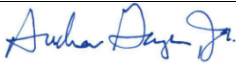
Sincerely,

Vikas Desai

(979)257-9625

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

## FINANCE COMMITTEE

Meeting Date:	4/13/2020	Agenda Item:	City of Wharton Annual Budget Calendar for fiscal year 2020 – 2021.
<p>Attached is a copy of the proposed City of Wharton Budget Calendar for fiscal year 2020-2021.</p> <p>Finance Director Joan Andel will be present to answer any questions.</p>			
City Manager: Andres Garza, Jr.		Date: Thursday, April 9, 2020	
Approval: 			
Mayor: Tim Barker			



## City of Wharton

120 E. Caney Street ° Wharton, TX  
77488

Phone (979) 532-2491° Fax (979) 532-  
0181

### MEMORANDUM

To: Mr. Andres Garza, Jr.  
City Manager

From: Joan Andel

Date: April 6, 2020

Re: Budget calendar

Attached is the budget calendar for Fiscal year October 1, 2020- September 30, 2021. Please note, there are three (3) budget workshops for the City Council listed. Final adoption and setting of tax rate will occur at City Council meeting on September 28, 2020.

I would like this placed on the City Council agenda for the meeting on April 13, 2020 for approval.

Should you have any questions, please contact me.

Thank you.

**CITY OF WHARTON  
BUDGET CALENDAR  
FISCAL YEAR OCTOBER 1, 2020- SEPTEMBER 30, 2021**

<i>DATE</i>	<i>ACTIVITY</i>
April 13, 2020	Present budget calendar to City Council.
April 30, 2020	Receive estimate of total taxable value from appraisal district.
May 04, 2020	Distribute budget workpapers to department heads.
May 29, 2020	Department Heads return budget workpapers to finance department.
June 8-11, 2020	City Manager and Finance Director review workpapers and meet with Department Heads individually to discuss.
June 23, 2020	Budget Workshop with City Council - 6:00 p.m. City Hall
July 6, 2020	Complete the first draft of City Manager's proposed budget.
July 20, 2020	Budget workshop with City Council - 6:00 p.m. City Hall
July 25, 2020	Certified appraisal roll due from Appraisal District.
August 11, 2020	Budget Workshop with City Council - 6:00 p.m. City Hall
August 15, 2020	Publish notice of public hearing on tax increase (if necessary)
August 21, 2020	City Manager files proposed budget with City Secretary
August 24, 2020	City Manager presents proposed budget to City Council. Public hearing on tax increase (if necessary)
August 29, 2020	Publish notice of second public hearing on tax increase (if necessary) Publish notice of tax revenue increase (if necessary). Publish notice of revenues and expenditures.
September 14, 2020	Public hearing on proposed budget- revenues and expenses. Second public hearing on tax increase (if necessary)
September 28, 2020	Adopt budget, appraisal roll and set the tax rate.

## FINANCE COMMITTEE

Meeting Date:	4/13/2020	Agenda Item:	Resolution: A resolution of the Wharton City Council adopting the City of Wharton Temporary Policy and Procedures: HR 6201 Families First Coronavirus Response Act (FFCRA) and Emergency Paid Sick Leave (ESick) Act & Emergency Family and Medical Leave (EFMLA) Expansion Act and setting an effective date.
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The purpose of this policy is to provide guidance and instruction to employees on how to manage time away from work if a leave of absence is needed in accordance with the Emergency Paid Sick Leave Act (ESick) and the Emergency Family and Medical Leave (EFMLA). When a nationwide emergency rises to the level resulting in school dismissals, child care program closures, quarantine, and the like, this policy addresses time away from work for employees to provide care for their children, themselves, and/or other individuals in a manner allowing for the continuity of the required City operations and service delivery.

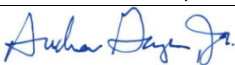
Emergency Sick Leave (ESick) under this policy is paid at the employee's regular rate of pay for employees' own illness or quarantine and 2/3's their regular rate of pay for an employee to take care of a family member or child as listed below. Employees who qualify have certain job protections under the Families First Coronavirus Response Act (FFCRA).

The policy would allow for 80 hours of pay for full time employees and up to \*60 hours of paid leave for part time employees at the regular rate of pay, if leave is required because:

1. Employee is subject to a Federal, State or local quarantine or isolation order related to COVID-19;
2. Employee has been advised by a health care provider to self-quarantine due to concerns related to COVID-19;
3. Employee is experiencing symptoms of COVID-19 and is seeking a medical diagnosis;
4. Employee is caring for a family member who is subject to (1) or (2);
5. Employee is experiencing any other substantially similar condition specified by the Secretary of Health and Human Services in consultation with the Secretary of the Treasury and the Secretary of Labor.
6. Employee is caring for a son or daughter of such employee if the school or place of care of the son or daughter has been closed, or the child care provider of such son or daughter is unavailable, due to COVID-19;

City Staff is requesting to exempt City Staff from the Emergency Family and Medical Leave (EFMLA) portion of the act since all employees are deemed essential to maintain the continuity of operations of the City. EFMLA can last up to 12 weeks, which could cause an undo hardship on City Department.

Attached is a memo from City Secretary Paula Favors and a draft copy of the Policy.

City Manager: Andres Garza, Jr.	Date: Thursday, April 9, 2020
Approval: 	
Mayor: Tim Barker	



# City of Wharton

120 E. Caney Street ° Wharton, TX 77488  
Phone (979) 532-2491 ° Fax (979) 532-0161

Item-6.

## MEMORANDUM

Date: April 8, 2020  
From: Paula Favors, City Secretary  
To: Andres Garza, Jr., City Manager  
Subject: Temporary City of Wharton Emergency Paid Sick Leave Act (ESick) and the Emergency Family and Medical Leave (EFMLA).

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Please find attached a draft policy to provide guidance and instruction to employees on how to manage time away from work if a leave of absence is needed in accordance with the Emergency Paid Sick Leave Act (ESick) and the Emergency Family and Medical Leave (EFMLA). When a nationwide emergency rises to the level resulting in school dismissals, child care program closures, quarantine, and the like, this policy addresses time away from work for employees to provide care for their children, themselves, and/or other individuals in a manner allowing for the continuity of the required City operations and service delivery.

Emergency Sick Leave (ESick) under this policy is paid at the employee's regular rate of pay for employees' own illness or quarantine and 2/3's their regular rate of pay for an employee to take care of a family member or child as listed below. Employees who qualify have certain job protections under the Families First Coronavirus Response Act (FFCRA).

The policy would allow for 80 hours of pay for full time employees and up to \*60 hours of paid leave for part time employees at the regular rate of pay, if leave is required because:

I am requesting to exempt City Staff from the Emergency Family and Medical Leave (EFMLA) portion of the act since all employees are deemed essential to maintain the continuity of operations of the City. EFMLA can last up to 12 weeks, which could cause an undue hardship on City Department. After researching other cities throughout the state, this is the best way cities are putting into place to help continue the continuity of City operations and provide for the safety and welfare of City Employees and Citizens.

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



## Temporary Paid Leave Requirements – HR6201 Effective April 1 and ending December 31, 2020

	EMERGENCY PAID SICK LEAVE ACT	FMLA EXPANSION
Which employees are eligible?	All employees, regardless of tenure.	All employees with at least 30 calendar days of employment as of the date the employee needs leave under this provision.
Duration of leave?	<ol style="list-style-type: none"> <li>1. Fulltime: 80 hours</li> <li>2. Part-time: Number of hours the employee averages over 2-weeks</li> </ol>	12 weeks (first 10 days unpaid, 10 weeks paid, as described below)  *May use Emergency Sick Leave (2 weeks) during first 10 days of unpaid leave.
For what purposes can leave be taken?	<p>Leave applies when an employee is unable to work (or telework) in the following instances:</p> <p>For an employee who:</p> <ol style="list-style-type: none"> <li>1. Is subject to a federal, state or local quarantine or isolation related to the coronavirus.</li> <li>2. Has been advised by a healthcare provider to self-quarantine due to the coronavirus.</li> <li>3. Is experiencing symptoms of the coronavirus and seeking a medical diagnosis.</li> </ol> <p>To care for a family member:</p> <ol style="list-style-type: none"> <li>1. When the family member is subject to a federal, state or local quarantine or isolation related to the coronavirus.</li> <li>2. When the family member has been advised by a healthcare provider to self-quarantine due to the coronavirus.</li> </ol> <p>To care for the employee's child:</p> <ol style="list-style-type: none"> <li>1. Whose school has been closed because of the coronavirus.</li> <li>2. Whose childcare provider is unavailable due to the coronavirus.</li> </ol>	<p>Leave applies when an employee is unable to work (or telework) because they are caring for their child under 18 years of age:</p> <ol style="list-style-type: none"> <li>1. Whose school has been closed because of the coronavirus.</li> <li>2. Whose childcare provider is unavailable due to the coronavirus.</li> </ol>
What is the rate of pay during leave related to the employee's own condition?	<p>The employee's regular rate of pay</p> <p>Up to \$511 per day and up to \$5,110 total</p>	None



	EMERGENCY PAID SICK LEAVE ACT	FMLA EXPANSION
How does the new leave law impact existing leave policies and requirements?	Coronavirus-related sick leave must be made available in addition to any other accrued sick leave provided by the employer. The employee can elect, but is not required, to have this new coronavirus-related sick leave apply before any other sick leave.	Employees who take Public Health Emergency Leave will be eligible for the same amount of FMLA leave (12 weeks) as employees who take leave for other FMLA covered reasons.
Are employees required to provide notice?	Follow reasonable notice procedures of employer after first workday employee receives paid sick time.	Only if the leave is foreseeable. Otherwise standard FMLA notice rules apply.
What is the rate of pay during leave to care for another individual	<ol style="list-style-type: none"> <li>1. Two-thirds of the employee's regular rate of pay</li> <li>2. Up to \$200 per day.</li> <li>3. Employees may supplement the pay with accrued leave.</li> </ol>	<ol style="list-style-type: none"> <li>1. First two weeks are unpaid (but the employee can use paid coronavirus sick leave under the column at left).</li> <li>2. Next 10 weeks are paid at two-thirds the employee's regular rate of pay, up to \$200 per day and \$10,000 total. Employees may supplement the pay with accrued leave.</li> </ol>



**CITY OF WHARTON  
TEMPORARY POLICY AND PROCEDURES: HR 6201 Families First Coronavirus  
Response Act (FFCRA)**

**Emergency Paid Sick Leave (ESick) Act & Emergency Family and Medical Leave (EFMLA)  
Expansion Act**

(Policy may be amended due to further federal guidance  
and is only valid through December 31, 2020.)

**PURPOSE**

The purpose of this policy is to provide guidance and instruction to employees on how to manage time away from work if a leave of absence is needed in accordance with the Emergency Paid Sick Leave Act (ESick) and the Emergency Family and Medical Leave (EFMLA). When a nationwide emergency rises to the level resulting in school dismissals, child care program closures, quarantine, and the like, this policy addresses time away from work for employees to provide care for their children, themselves, and/or other individuals in a manner allowing for the continuity of the required City operations and service delivery.

Leave under this policy is paid at the employee's regular rate of pay and employees who qualify have certain job protections under the Families First Coronavirus Response Act (FFCRA).

**EFFECTIVE DATE**

The policy is effective beginning April 1, 2020 until December 31, 2020.

**SCOPE**

The ESick Act and the EFMLA Act provide paid leave to full-time and part-time employees when they are unable to work for reasons outlined in this policy. The City has determined to pay the required 2/3 rate of pay under certain federal guidelines. Employees will be able to utilize their available Emergency Leave, Vacation or Comp Time for the remainder to receive the employee's regular rate of pay when using ESick to take care of another individual.

This policy supersedes all previously implemented policies regarding emergency leave. In the event this policy is in conflict with any local, state or federal laws, the federal or state or local laws take precedent.

## **DEFINITIONS**

- **Quarantine/Isolation-** A requirement set forth by local, state or Federal Government or healthcare provider requiring an individual to seclude themselves from contact with others by remaining in their home for a specified period of time. Under Shelter in Place orders, all City of Wharton employees are considered essential employees required to continue essential community services.
- **Child Care Provider** – a provider who receives compensation for providing child care services on a regular basis – Elementary or secondary schools are included for purposes of this policy.

## **EMPLOYEE RESPONSIBILITIES**

Employees who think they qualify for leave under this policy must notify their supervisor and/or Human Resources as soon as possible. This notification allows the City to take appropriate workplace precautions to protect other employees. Any medical information provided to the City is confidential. Only appropriate, need to know information will be provided to City management or other first aid/safety personnel as required for implementing appropriate workplace precautions to maintain a safe work environment. Employees are required to provide appropriate medical documentation to support the usage of leave for this policy. When applicable, employees are also required to provide appropriate documentation for any school or day care closures.

Employees who are on leave due to the reasons outlined within this policy must contact their supervisor on a weekly basis, or as soon as practical, to provide updated work status information.

The employee may not take leave, or refuse to work, simply to avoid possible exposure to a causative agent in the workplace. Employees who have concerns about their own or a family member's disability that creates an increased risk associated with the COVID pandemic are encouraged to notify Human Resources to discuss possible accommodations in accordance with the Americans with Disabilities Act.

## **POLICY**

### **Emergency Paid Sick Leave Act (ESick)**

To comply with the Emergency Paid Sick Leave Act (ESick), the city allows for 80 hours of pay for full time employees and up to \*60 hours of paid leave for part time employees at the regular rate of pay, if leave is required because:

1. Employee is subject to a Federal, State or local quarantine or isolation order related to COVID-19;
2. Employee has been advised by a health care provider to self-quarantine due to concerns related to COVID-19;

3. Employee is experiencing symptoms of COVID-19 and is seeking a medical diagnosis;
4. Employee is caring for a family member who is subject to (1) or (2);
5. Employee is experiencing any other substantially similar condition specified by the Secretary of Health and Human Services in consultation with the Secretary of the Treasury and the Secretary of Labor.
6. Employee is caring for a son or daughter of such employee if the school or place of care of the son or daughter has been closed, or the child care provider of such son or daughter is unavailable, due to COVID-19;

Employees who are unable to work due to the reasons above or are caring for a family member who is ill due to COVID-19 or is awaiting a medical diagnosis due to COVID-19 symptoms are entitled to leave at their regular rate of pay as outlined in this policy.

*\*Part time employees may receive up to a maximum of 60 hours based on the average number of hours worked in the previous 2-week period. This amount may be less based on the employee's previous hours worked in a 2-week period.*

Employees requiring leave beyond 80 hours due to reasons #1-#5 above may utilize their accumulated leave time to cover the remaining time that is required, this will fall under the requirements of our Family Medical Leave (FMLA) policy, which allows for 12 weeks of job-protected leave.

## **POLICY**

### **Emergency Family and Medical Leave Expansion Act (EFMLA)**

The Families First Coronavirus Response Act (FFCRA) expands the Family Medical Leave Act (FMLA) to cover a qualifying need related to a public health emergency with respect to the COVID-19 pandemic of 2020.

The only qualifying reason for EFMLA leave is to care for a child (under 18 years of age) of an employee if the school or place of care has been closed, or the child care provider of such child is unavailable due to the COVID-19 pandemic.

### **Exemptions**

Due to the nature of their work, City of Wharton Employees are considered essential and are exempted from the Emergency Family Medical Leave Act (EFMLA) emergency responders are not covered under this policy. Should an employee have a need for emergency leave, Human Resources and the appropriate staff member shall review requests on a case by case basis to see what can be allowed while maintaining minimum Public Safety staffing standards.

**Procedure**

As soon as practical, employee is to notify their supervisor of their need for Emergency Paid Sick Leave Act (ESick). The supervisor will work with the employee to determine if there are any alternate solutions (telecommuting, adjusting work schedules, etc.) to meet the needs of both the employee and the City.

If no alternate solution is available, the employee is to request leave through the Human Resources Department. Human Resources will be tasked with ensuring no alternate solution is available. Note that this leave can be applied intermittently, as determined on a case-by-case basis.

Once approved for ESick, the employee is responsible for notifying their supervisor of their status on a weekly basis. Notification requirements will be determined by the supervisor.

Violation of any part of this policy, failure to follow the requirements of this policy, and/or falsification of any information or documentation related to this policy, will be subject to disciplinary action up to and including termination.

\_\_\_\_\_  
Andres Garza, Jr.  
City Manager

\_\_\_\_\_  
Date

**CITY OF WHARTON  
RESOLUTION NO. 2020-XX**

**A RESOLUTION OF THE WHARTON CITY COUNCIL ADOPTING THE CITY OF WHARTON TEMPORARY POLICY AND PROCEDURES: HR 6201 FAMILIES FIRST CORONAVIRUS RESPONSE ACT (FFCRA) AND EMERGENCY PAID SICK LEAVE (ESICK) ACT & EMERGENCY FAMILY AND MEDICAL LEAVE (EFMLA) EXPANSION ACT AND SETTING AN EFFECTIVE DATE.**

**WHEREAS,** HR 6201 Families First Coronavirus Response Act (FFCRA), temporarily amends and expands the Family and Medical Leave Act to provide paid job protected leave to both full time and part time employees; and,

**WHEREAS,** The City of Wharton agrees to provide Emergency Paid Sick Leave (ESick) to both full and part time employees who qualify; and,

**WHEREAS,** The City of Wharton exempted all employees until the Emergency Family and Medical Leave (EFMLA); and,

**WHEREAS,** The attached City of Wharton Temporary Policy and Procedures: HR 6201 Families First Coronavirus Response Act (FFCRA) Emergency Paid Sick Leave (ESick) Act & Emergency Family Medical Leave (EFMLA) Expansion Act is in effect through December 31, 2020.

**NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF WHARTON, TEXAS that:**

**Section I.** The Wharton City Council approved the City of Wharton Temporary Policy and Procedures: HR 6201 Families First Coronavirus Response Act (FFCRA) Emergency Paid Sick Leave (ESick) Act & Emergency Family Medical Leave (EFMLA) Expansion Act.

**Section II:** That this resolution become effective April 1<sup>st</sup>, 2020.

**Section III:** That this policy is effective through December 31, 2020.

**Passed, Approved, and Adopted** this 13<sup>th</sup> day of April 2020.

**CITY OF WHARTON, TEXAS**

**By:** \_\_\_\_\_  
**TIM BARKER**  
Mayor

**ATTEST:**

\_\_\_\_\_  
**PAULA FAVORS**  
City Secretary