



**CITY OF WHARTON  
FINANCE COMMITTEE MEETING**

**Monday, May 16, 2022  
5:00 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, May 16, 2022 at 5:00 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 12th day of May 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 May 12, 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 12th day of May 2022.

**CITY OF WHARTON**

By:   
Paula Favors  
City Secretary



**A G E N D A**  
**CITY OF WHARTON**  
**Finance Committee Meeting**  
**Monday, May 16, 2022**  
**City Hall - 5:00 PM**

**Call to Order.**

**Roll Call.**

**Public Comments.**


**Review & Consider:**

1. Minutes from the meeting held April 25, 2022.
2. City of Wharton Annual Financial Report for Fiscal Year October 1, 2020, to September 30, 2021, by Harrison, Waldrop & Uherek, L.L.P.
3. Ordinance: An ordinance allowing certain employees of the City who have terminated previous memberships in the Texas Municipal Retirement System (TMRS), to deposit the sums so withdrawn, plus annual withdrawal charges, and allowing and undertaking the cost of allowing any such employee credit in such system for all service to which such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.

**Adjournment.**

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

## FINANCE COMMITTEE

Meeting Date:	5/16/2022	Agenda Item:	Minutes from the meeting held April 25, 2022.
Attached are a copy of the draft minutes from the meeting held April 25, 2022.			
City Manager: Joseph R. Pace		Date: Thursday, May 12, 2022	
Approval: 			
Mayor: Tim Barker			

**MINUTES  
OF  
CITY OF WHARTON  
FINANCE COMMITTEE MEETING  
120 EAST CANEY STREET  
WHARTON, TEXAS 77488  
Monday, April 25, 2022–6:30 p.m.**

City Manager, Joseph R. Pace, declared a meeting of the City Council Finance Committee duly open for the transaction of business at 6:33 p.m.

Committee Members present were: Mayor, Tim Barker and Councilmember, Alice Heard-Roberts.

Committee Member absent was: Councilmember, Russell Machann.

City Council Member present was: Councilmember, Terry Freese and Councilmember, Don Mueller.

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

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 minutes from the meeting held February 14, 2022. Councilmember, Alice Heard-Roberts, 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 American Rescue Plan Act (ARPA) – Coronavirus Local Fiscal Recovery Funds (CLFRF) Allocation:

A. Resolution: A resolution of the Wharton City Council authorizing the approval of the Wharton Recovery Plan associated with the implementation of the City’s American Rescue Plan Act (ARPA) – Coronavirus Local Fiscal Recovery Funds (CLFRF) allocation and authorizing the Mayor of the City of Wharton to execute all necessary documents associated with said plan.

B. Resolution: A resolution of the Wharton City Council adopting the attached policies in connection with the City of Wharton, Texas participation in federally funded projects associated with the American Rescue Plan Act – Coronavirus Local Fiscal Recovery Fund (ARPA – CLFRF) and adherence to the regulations described therein and authorizing the Mayor of the City of Wharton to execute all necessary documents associated with said adoption.

C. Resolución: Una resolución del concejo municipal de Wharton que adopta las políticas adjuntas en relación con la participación de la Ciudad de Wharton, Texas en proyectos financiados con fondos federales asociados con la ley del Plan de Rescate Estadounidense – Rondo de Recuperación Fiscal Local de Coronavirus (ARPA-CLFRF) y el cumplimiento de las regulaciones descritas en el mismo y autorizando al Alcalde de la Ciudad de Wharton a ejecutar todos los documentos necesarios asociados con dicha adopción.

D. Resolution: A resolution of the Wharton City Council authorizing the acceptance of American Rescue Plan Act (ARPA) – Coronavirus Local Fiscal Recovery Funds (CLFRF); and authorizing the Mayor and City Manager to act as the City’s Executive Officers and authorized representatives in all matters pertaining to the City’s implementation of the American Rescue Plan Act (ARPA) – Coronavirus Local Fiscal Recovery Funds (CLFRF) Funds and authorizing the Mayor of the City of Wharton to execute all necessary documents associated with said designation. Director of Planning & Development, Gwyn Teves, stated t

the Committee that the City of Wharton had received a direct allocation from the Federal Government in reference to the American Rescue Plan Act (ARPA) – Coronavirus Local Fiscal Recovery Funds (CLFRF) Allocation. She stated that as part of the requirements for the funding, the City was required to adopt a Recovery Plan to submit to the Treasury Department by April 30, 2022. She stated that the implementation of the funding also required that the following plans and policies be adopted specific to the ARPA Funds:

1. Citizen Participation Plan and Grievance Procedures; and,
2. Section 3 Policy; and,
3. Excessive Force Policy; and,
4. Section 504 Policy and Grievance Procedures; and,
5. Limited English Proficiency Plan; and,
6. Fair Housing Policy; and,
7. Code of Conduct Policy

After some discussion, Councilmember, Alice Heard-Roberts, made a motion to recommend to the City Council to approve the resolutions authorizing the approval of the Wharton Recovery Plan associated with the implementation of the City’s American Rescue Plan Act (ARPA) – Coronavirus Local Fiscal Recovery Funds (CLFRF) allocation amending; adopting the attached policies in connection with the City of Wharton, Texas participation in federally funded projects associated with the American Rescue Plan Act – Coronavirus Local Fiscal Recovery Fund (ARPA – CLFRF) and adherence to the regulations described therein; authorizing the acceptance of American Rescue Plan Act (ARPA) – Coronavirus Local Fiscal Recovery Funds (CLFRF); and authorizing the Mayor and City Manager to act as the City’s Executive Officers and authorized representatives in all matters pertaining to the City’s implementation of the American Rescue Plan Act (ARPA) – Coronavirus Local Fiscal Recovery Funds (CLFRF) Funds. Mayor, Tim Barker, seconded the motion. All voted in favor.

The third item on the agenda was adjournment.

The meeting adjourned at 6:40 p.m.

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Joseph R. Pace, City Manager

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

# FINANCE COMMITTEE

Meeting Date:	5/16/2022	Agenda Item:	City of Wharton Annual Financial Report for Fiscal Year October 1, 2020, to September 30, 2021, by Harrison, Waldrop & Uherek, L.L.P.
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Ms. Melissa Terry, of Harrison, Waldrop & Uherek, LLP, the City Auditors, will present the City of Wharton Annual Financial Report for Fiscal Year October 1, 2020, to September 30, 2021.

City Manager: Joseph R. Pace	Date: Thursday, May 12, 2022
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. Joseph R. Pace  
City Manager

From: Joan Andel

Date: May 10, 2022

Re: Audit FY20-21


The financial audit has been completed by Harrison, Waldrop, & Uherek, LLP. I would like to have Ms. Melissa Terry, Partner with the firm present the results of the audit on Monday, May 16, 2022 at 5:00 p.m. at the Finance Committee meeting and then to the City Council the same evening at the special meeting at 6:00 p.m. The full report will be available to all members at that time.

Should you have any questions, please contact me.



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

## FINANCE COMMITTEE

Meeting Date:	5/16/2022	Agenda Item:	Ordinance: An ordinance allowing certain employees of the City who have terminated previous memberships in the Texas Municipal Retirement System (TMRS), 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.
<p>The City of Wharton has Texas Municipal Retirement System (TMRS) retirement for its full-time employees. The Personnel Department is requesting the City Council consider adopting a Buy Back option through TMRS. This option allows City employees who have previously refunded and forfeited TMRS service to purchase and reestablish that service credit. As of the valuation date, December 31, 2020, there are 12 employees with previously forfeited service credit eligible for buyback under a previously adopted ordinance.</p> <p>Assuming the immediate purchase of all this credit, the increase in liability and contribution rate would be \$391,035 and 0.38% during the next actuarial valuation cycle; however, the City's contribution rate will not be affected until an individual buys the previously forfeited credit. The purchase will be included in that year's valuation impacting the following year's contribution rate.</p> <p>Attached is a TMRS Buyback model ordinance that has to be adopted by the City Council in order to provide Buyback option.</p> <p>Several employees have showed interest in participating in the Buy Back program, which would allow them to rebuild retirement that they would otherwise would have lost.</p> <p>City Secretary, Paula Favors, will be available to answer any questions.</p>			
City Manager: Joseph R. Pace		Date: Thursday, May 12, 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: May 3, 2022  
From: Paula Favors, City Secretary  
To: Joseph R. Pace, City Manager  
Subject: Texas Municipal Retirement System (TMRS) Buy Back Option

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The City of Wharton has Texas Municipal Retirement System (TMRS) retirement for its full-time employees. The Personnel Department is requesting the City Council consider adopting a Buy Back option through TMRS. This option allows City employees who have previously refunded and forfeited TMRS service to purchase and reestablish that service credit. As of the valuation date, December 31, 2020, there are 12 employees with previously forfeited service credit eligible for buyback under a previously adopted ordinance.

Assuming the immediate purchase of all this credit, the increase in liability and contribution rate would be \$391,035 and 0.38% during the next actuarial valuation cycle; however, the city's contribution rate will not be affected until an individual buys the previously forfeited credit. The purchase will be included in that year's valuation impacting the following year's contribution rate.

Attached is a TMRS Buyback model ordinance that has to be adopted by the City Council in order to provide Buyback option.

Several employees have showed interest in participating in the Buy Back program, which would allow them to rebuild retirement that they would otherwise would have lost. The Human Resource Department is asking that City Council consider approving the request.

Please find attached the letter from TMRS regarding the Buy Back Option.

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



April 19, 2022

Paula Favors  
Human Resources Director/City Sec  
City of Wharton  
120 East Caney St.  
Wharton, TX 77488

Via Email

Re: Buyback

Dear Ms. Favors,

Thank you for your interest in offering your city employees the Buyback option with TMRS. This option allows city employees who have previously refunded and forfeited TMRS service to purchase and reestablish that service credit.

As of the valuation date, December 31, 2020, there are 12 employees with previously forfeited service credit eligible for buyback under a previously adopted ordinance. Assuming the immediate purchase of all this credit, the increase in liability and contribution rate would be \$391,035 and 0.38% during the next actuarial valuation cycle; however, the city's contribution rate will not be affected until an individual buys the previously forfeited credit. The purchase will be included in that year's valuation impacting the following year's contribution rate.

Enclosed for your information is a TMRS Buyback model ordinance that has to be adopted by the city council in order to provide Buyback option. Please note, the dates in Sections 1 and 2 of the ordinance must indicate the actual date on which the ordinance is finally adopted.

When the ordinance is adopted, please send me a copy of it.

Once the completed ordinance has been received, we will prepare and send Buyback Applications for all employees who have forfeited service. Upon receipt of any individual applications and payments, each Member's account will be updated to reflect the Buyback purchase. Each employee is encouraged to buy this service as soon as possible to eliminate any further penalty accrual charges.

If you have any questions about Buyback option or the ordinance, please contact me at 512-225-3764.

Sincerely,

A handwritten signature in blue ink, appearing to read "Anthony Mills", is written over a light blue rectangular background.

Anthony Mills  
Director of City Services

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

**AN ORDINANCE ALLOWING CERTAIN EMPLOYEES OF THE CITY WHO HAVE TERMINATED PREVIOUS MEMBERSHIPS IN THE TEXAS MUNICIPAL RETIREMENT SYSTEM (TMRS), 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.**

**WHEREAS,** The actuary of the Texas Municipal Retirement System has determined that all obligations charged against the City's account in the benefit accumulation fund, including the obligations arising as a result of this ordinance, can be funded by the City within its maximum contribution rate and within its amortization period; and,

**WHEREAS,** The City Council has determined that adoption of this ordinance is in the best interests of the City.

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

**Section I:** Pursuant to Section 853.003 of Subtitle G of Title 8, V.T.C.A., Government Code, as amended, the City of Wharton hereby elects to allow any member of the Texas Municipal Retirement System who is an employee of this City on the \_\_\_\_ day of May, 2022, who has terminated a previous membership in said System by withdrawal of deposits while absent from service, but who has at least 24 months of credited service as an employee of this City since resuming membership to deposit with the System in a lump sum the amount withdrawn, plus a withdrawal charge of five percent (5%) of such amount for each year from date of such withdrawal to date of redeposit, and thereupon such member shall be allowed credit for all service to which the member had been entitled at date of termination of earlier membership, with like effect as if all such service had been rendered as an employee of this City, whether so rendered or not. The City agrees to underwrite and hereby assumes the obligations arising out of the granting of all such credits, and agrees that all such obligations and reserves required to provide such credits shall be charged to this City's account in the benefit accumulation fund. The five percent (5%) per annum withdrawal charge paid by the member shall be deposited to the credit of the City's account in said benefit accumulation fund; and the deposits of the amount previously withdrawn by the member shall be credited to his or her individual account in the benefit accumulation fund of the System.

**Section II:** This ordinance shall be become effective on the \_\_\_\_\_ day of May, 2022, which is a date on or after the date set forth in Section 1, above.

**Severability**

If any court of competent jurisdiction rules that any section, subsection, sentence, clause, phrase, or portion of this ordinance is invalid or unconstitutional, any such portion shall be deemed to be a separate, distinct, and independent provision, and any such ruling shall not affect the validity of the remaining portions hereof.

**Passage and Approval**

**PASSED AND APPROVED** by the City Council of the City of Wharton, Texas, on the 16<sup>th</sup> day May 2022.

**CITY OF WHARTON, TEXAS**

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

**ATTEST:**

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

**APPROVED AS TO FORM:**

\_\_\_\_\_  
**PAUL WEBB**  
City Attorney