

710 EAST SAN AUGUSTINE STREET

DEER PARK, TEXAS 77536

Minutes

of

A WORKSHOP MEETING OF THE CITY COUNCIL OF THE CITY OF DEER PARK, TEXAS HELD AT CITY HALL, 710 EAST SAN AUGUSTINE STREET, DEER PARK, TEXAS ON SEPTEMBER 17, 2019, BEGINNING AT 6:30 P.M., WITH THE FOLLOWING MEMBERS PRESENT:

JERRY MOUTON, JR.
SHERRY GARRISON
TJ HAIGHT
TOMMY GINN
BILL PATTERSON
RAE SINOR

MAYOR
COUNCILWOMAN
COUNCILMAN
COUNCILMAN
COUNCILMAN
COUNCILWOMAN

OTHER CITY OFFICIALS PRESENT:

JAMES STOKES
GARY JACKSON
SHANNON BENNETT
JIM FOX

CITY MANAGER
ASSISTANT CITY MANAGER
CITY SECRETARY
CITY ATTORNEY

1. MEETING CALLED TO ORDER – Mayor Mouton called the workshop to order at 6:30 p.m.
2. DISCUSSION OF ISSUES RELATING TO THE WATER AND WASTEWATER RATE STUDY PERFORMED BY NEWGEN STRATEGIES AND SOLUTIONS – Matthew Garrett of NewGen Strategies gave an overview of the financial resources needed for 2020 to include projected revenue requirements. Mr. Garrett also highlighted key issues of capital improvement projects, cash capital outlay and raw water. NewGen Strategies independently assessed and evaluated the City's existing water and sewer rates using financial and consumption information. Rate options were discussed pertaining to the estimated sufficiency of the current rates and the recommendation from Staff of Option 2 that entails an increase of 10%. (Exhibit A1-A6)

Assistant City Manager Gary Jackson commented, "The vast majority of what you are looking at in the rate increase is the capital projects. Most of these, in the next two years, are going to be water plant related. We have had a lot of sewer improvements, about 21 million worth, that have been part of the past increases. Over the last 9 years, the City has made substantial catch up improvements on the water and sewer, which are required to flush the toilet and have water come out of the taps to meet all the federal and state standards. Council has been committed to meet all those requirements."

Councilwoman Garrison asked, "Are we going to send something out to our citizens on the 10% increase?"

Mr. Jackson responded, "We will have communication going out to the citizens explaining the increase."

3. DISCUSSION OF ISSUES RELATING TO THE 2019 STRATEGIC PLAN STRATEGY PRIORITIZATION PROCESS AND RESULTS – Public Relations/Marketing Administrator Kristin Callahan advised Council of the history for the prioritization approach presented June 18, 2019. These topics were ranked in two categories, Phase I and Phase II. Phase I would allow the Council to prioritize the strategies within each specific area. Phase II would allow the Council to prioritize the highest-ranked strategies from each area of emphasis in a single pool, providing a picture of the group's overarching goals. The plan consisted of six areas of emphasis that include Leadership and Governance, Quality of Life/Image, Comprehensive Planning, Economic Development, Public Safety and Organizational Excellence. Ms. Callahan advised Council of the Phase II results. (Exhibit B1-B8)
4. DISCUSSION OF ISSUES RELATING TO THE CITY'S INVESTMENT PROGRAM, INCLUDING THE ANNUAL REVIEW OF THE CITY'S INVESTMENT POLICY – Finance Director Donna Todd gave an overview of the Annual Investment Policy Review for 2019. This review incorporated changes into the policy to include "pledged revenue" based on the new Sec. 2256.0208 being added to the Act per HB 2706. Additionally, to ensure a competitive environment when requesting bids for security investments, the Finance Committee was in agreement with the City's recommendation to add Multi-Bank Securities, Inc. to the list of authorized broker/dealers. (Exhibit C1-C2)
5. DISCUSSION OF ISSUES RELATING TO THE FISCAL YEAR 2019-2020 FINAL BUDGET – Finance Director Donna Todd gave an overview of the changes to the final FY 2019-2020 Budget. Ms. Todd gave a detailed explanation of each fund that was effected. (Exhibits D1-D3)

City Manager James Stokes commented, "One thing I would want you to be apprised of, at the Court/Theater building there is a hole in the marble. Public Works Staff has looked into that and they are seeing some troubling sights of crumbling in that area. We are going to have to hire a structural engineer to give us a recommendation on how to handle that. I cannot imagine that will be inexpensive to deal with. We talked about putting that in the budget, but we do not have a clue as to what kind of number will be associated with that. In all likelihood, we are going to have to come back in the new budget year and amend the budget. Assistant Public Works Director Brent Costlow has looked into that along with other Staff. Essentially, some of the steel that is holding up the marble is corroding away in the front. We had no way of knowing that. We only found it accidentally because the marble was damaged."

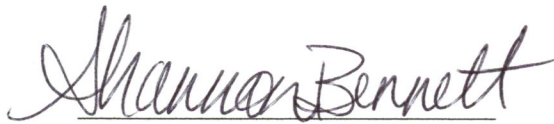
Mr. Costlow commented, "When it was built many years ago, they built everything internally out of steel that was not coated. By the flowerbeds, they left a gap at the bottom where the marble goes around the flowerbeds. Over time, when the marble heats up, it acts like a sauna and pulls any moisture out of that flowerbed up to the marble. Over the years it has just corroded. If you punch on it, the steel just comes right off. The base is corroded as well. I met the structural engineer out there a couple of days ago. The cable system that goes over the arch is in good shape. The issue we are worried about is the backing of where the marble used to stick on that is now pretty much gone. It is being held up by spots of mortar and the epoxy that goes around it and seals it. We are having the engineer do an evaluation for a proposal of what it would take to repair it or if it would be cheaper to take it down and rebuild something else. I hope to have a proposal by the end of the week."

Assistant City Manager Gary Jackson advised Council of the contingency in the Capital Improvement Fund that was increased to try and accommodate the cost.

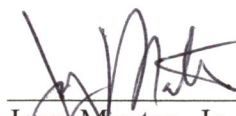
Mr. Costlow concluded the discussion by advising Council that due to the storm that was to come in, the area was roped off and closed for precautionary measures.

6. DISCUSSION OF ISSUES RELATING TO CERTIFICATION PAY PLAN CHANGES
– Human Resources Bill Philibert advised Council on the City's Certification Pay Policy which entails additional compensation for those employees who receive a certification (or licensing) issued by an approved certifying entity that directly relates to their jobs. The certification will be one that is required in order to meet Local, State or Federal regulatory requirements within the department's operations or deemed as beneficial to city operations by City Management. The City has a Certification Pay Committee, which has reviewed certification pays of comparator city groups and the City's existing policy documents to come up with a recommendation for Certification Pay to be effective October 1, 2019. Details of the proposed increases are to be between .12 cents to .80 cents, depending on the certification and also the 9 new certifications that are proposed to be added to the Certification Pay Program that would pay 20 individuals an additional .20 cents an hour. This entire program is designed with controls in place and is at the discretion of the City Manager on the necessary adjustments or changes. (Exhibit E1)
7. ADJOURN – Mayor Mouton adjourned the workshop meeting at 7:10 p.m.

ATTEST:


Shannon Bennett, TRMC
City Secretary

APPROVED:


Jerry Mouton, Jr.
Mayor



September 17, 2019

Water and Wastewater Rate Study Deer Park, TX

NewGen
Strategies & Solutions

ECONOMICS STRATEGY STAKEHOLDERS SUSTAINABILITY

www.newgenstrategies.net

Agenda

- Introduction
- Revenue Requirement
- Rate Options

NEWGEN STRATEGIES AND SOLUTIONS, LLC

2



Introduction

NewGen
Strategies & Solutions

Introduction to Firm and Project Lead

- **Our Firm**
 - NewGen is a management and economic consulting company specializing in municipalities and municipal utilities
- **Project Manager**
 - Matthew Garrett, MBA, CGFO, CPM
 - Former Municipal Finance Director with 16 years experience
- **Lead Analyst**
 - Megan Kirkland
 - Petroleum Engineering Degree from Texas A&M
 - With NewGen since 2018
 - Completed or supported a number of rate studies

NEWGEN STRATEGIES AND SOLUTIONS, LLC

4



Revenue Requirements

NewGen
Strategies & Solutions

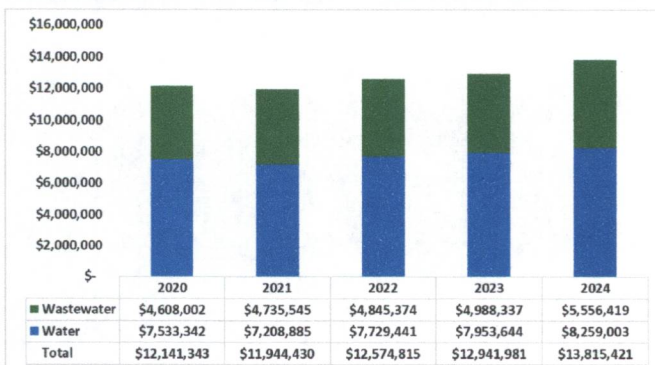
Financial Resources Needed for 2020

- \$ 13,098,280 – Total Expenses
- \$ 12,141,343 - Net Revenue Requirement
 - Removes \$ 956,937 in Non-rate Revenues
 - \$ 655,937 in Prior Year Revenue
 - Water Allocation \$7,533,342 (62%)
 - Wastewater Allocation \$4,608,002 (38%)

NEWGEN STRATEGIES AND SOLUTIONS, LLC

6

Projected Revenue Requirements



NEWGEN STRATEGIES AND SOLUTIONS, LLC

7

Key Issues

- Capital Improvement Projects
 - \$10,153,700 in Capital Projects in the next 2 years
- Cash Capital Outlay
 - Approximately \$1,250,000 each year beginning FY 2021
- Raw Water from City of Houston
 - \$1,065,000 in FY 2020

NEWGEN STRATEGIES AND SOLUTIONS, LLC

8

CIP Funding – Estimated Project Costs

	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024
Water	\$ 3,462,500	\$ 5,350,500	\$ -	\$ -	\$ -
Wastewater	1,140,700	200,000	-	-	-
Total	\$ 4,603,200	\$ 5,550,500	\$ -	\$ -	\$ -

Funded by
2019 Bond

To be Funded
by 2020 Bond

	2020	2021	2022	2023	2024
Existing Debt Service					
Water	\$ 1,545,028	\$ 1,564,440	\$ 1,496,081	\$ 1,489,078	\$ 1,552,271
Wastewater	1,530,190	1,608,471	1,578,077	1,588,311	2,015,630
Total Existing Debt Service	\$ 3,075,217	\$ 3,172,911	\$ 3,074,158	\$ 3,077,389	\$ 3,567,901
Projected Debt Service					
Water	\$ -	\$ -	\$ 367,329	\$ 367,329	\$ 367,329
Wastewater	-	-	13,731	13,731	13,731
Total Projected Debt Service	\$ -	\$ -	\$ 381,059	\$ 381,059	\$ 381,059
Combined Debt Service					
Water	\$ 1,545,028	\$ 1,564,440	\$ 1,863,410	\$ 1,856,406	\$ 1,919,599
Wastewater	1,530,190	1,608,471	1,591,808	1,602,042	2,029,361
Total Combined Debt Service	\$ 3,075,217	\$ 3,172,911	\$ 3,455,217	\$ 3,458,448	\$ 3,948,960

Cash Capital

	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024
Water	\$ -	\$ 937,500	\$ 966,754	\$ 996,921	\$ 1,028,029
Wastewater	-	312,500	322,251	332,307	342,676
Total	\$ -	\$ 1,250,000	\$ 1,289,005	\$ 1,329,227	\$ 1,370,705

*Inflated by Construction Cost Index each year

- Assumes project totals split between areas
 - 75% Water
 - 25% Wastewater

Raw Water

- Purchase Raw Water from City of Houston
- Current Cost: \$1,065,000 (8% of expenses)
- Contract expiring in 2020
- Currently increase by 3.50% plus growth in water consumption each year



Rate Options

Current Rate Performance in FY 2020

• Estimated sufficiency with current rates

Water

Revenue Requirement	\$7,533,342
Projected Revenue Under Current Rates	5,885,062
Over / (Under) Recovery	(\$1,648,279)

Wastewater

Revenue Requirement	\$4,608,002
Projected Revenue Under Current Rates	5,490,671
Over / (Under) Recovery	\$882,669

Total Combined Water and Wastewater

Revenue Requirement	\$12,141,343
Projected Revenue Under Current Rates	11,375,733
Over / (Under) Recovery	(\$765,610)

Days Cash on Hands (180 Days) 346

Rate Options*

	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024
Option 1	5%				
Option 2	10%	5%			
Option 3	12%	2%	5%	2.5%	6%
Option 4	6%			5%	

☐ Staff Recommendation

*Each option assumes annual water/wastewater increase each fiscal year.

Option 2 Water Rates – Staff Recommended

Water - Current

	Inside City	Residential Outside	Commercial Outside
Minimum Charge	\$ 12.46	\$ 15.58	\$ 18.69
Volumetric Charge*			
0-2,000 gallons	\$ 0	\$ 0	\$ 0
2,001+ gallons	4.82	6.02	7.23

Water – FY 2020

	Inside City	Residential Outside	Commercial Outside
Minimum Charge	\$ 13.71	\$ 17.14	\$ 20.56
Volumetric Charge*			
0-2,000 gallons	\$ 0	\$ 0	\$ 0
2,001+ gallons	5.30	6.62	7.95

*Rate is per 1,000 gallons

Option 2 Wastewater Rates – Staff Recommended

Wastewater** - Current

	Inside City	Residential Outside	Commercial Outside
Minimum Charge	\$ 12.46	\$ 15.58	\$ 18.69
Volumetric Charge*			
0-2,000 gallons	\$ 0	\$ 0	\$ 0
2,001+ gallons	5.19	6.49	7.78

Wastewater** - FY 2020

	Inside City	Residential Outside	Commercial Outside
Minimum Charge	\$ 13.71	\$ 17.14	\$ 20.56
Volumetric Charge*			
0-2,000 gallons	\$ 0	\$ 0	\$ 0
2,001+ gallons	5.71	7.14	8.56

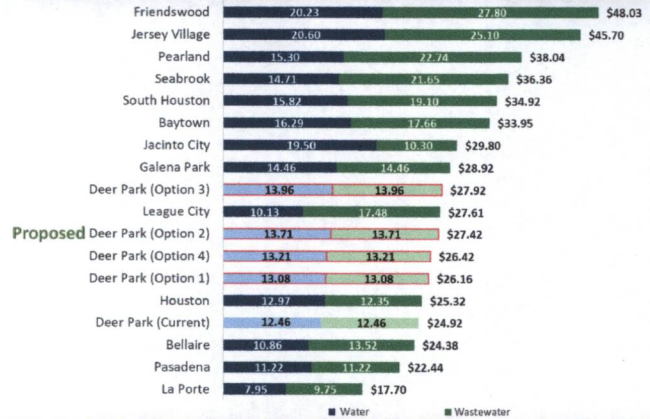
*Rate is per 1,000 gallons

**Residential has a 20,000 gallons maximum

Community Rate Comparisons

- Comparisons between communities are very common, but may not tell the whole story
- Each system is unique in geography, age of infrastructure, capital maintenance effort and typical usage patterns

Residential Current Rate Comparisons – 2,000 Gallons

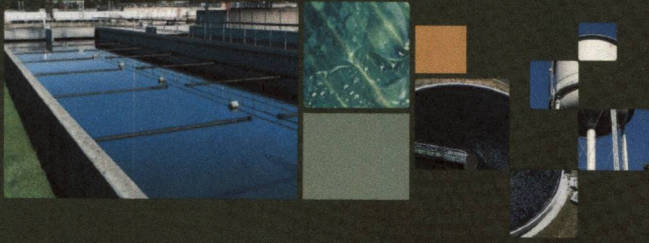


Residential Current Rate Comparisons – 8,000 Gallons



Residential Current Rate Comparisons – 15,000 Gallons





Thank you for your time.

**NewGen
Strategies & Solutions**

NewGen Strategies & Solutions
275 W. Campbell, Suite 440
Richardson, Texas 75080

Feel free to contact us

Matthew B. Garrett
Executive Consultant

by phone at 972.675.7699
or via email at mgarrett@newgenstrategies.net

Megan Kirkland
Staff Consultant

by phone at 972.432.6218
or via email at mkirkland@newgenstrategies.net

The background features abstract blue geometric shapes, including triangles and polygons, in various shades of blue, creating a modern and professional look.

2019 Strategic Plan City Council Prioritization

Results - Phase 1 and Phase 2

2019 Strategic Plan

- ▶ Over the course of several months, City Council, City Administration and Directors worked with Ron Cox to develop the 2019 Strategic Plan.
 - ▶ The final plan includes six areas of emphasis:
 - ▶ Area of Emphasis 1: Leadership and Governance
 - ▶ Area of Emphasis 2: Quality of Life/Image
 - ▶ Area of Emphasis 3: Comprehensive Planning
 - ▶ Area of Emphasis 4: Economic Development
 - ▶ Area of Emphasis 5: Public Safety
 - ▶ Area of Emphasis 6: Organizational Excellence - NEW!
- 
- The background features abstract blue geometric shapes, including triangles and polygons, in various shades of blue, creating a modern and professional look.

Prioritization approach

- ▶ During the June 18 City Council workshop, Council was presented with a two-part prioritization process for ranking the strategies in each area of emphasis.
- ▶ Phase 1 would allow the Council members to prioritize the strategies within each specific area. Strategies ranked at a level representing Council majority support or higher would move on to Phase 2.
- ▶ Phase 2 would allow the Council members to prioritize the highest-ranked strategies from each area of emphasis in a single pool, providing a picture of the group's overarching goals.
- ▶ The mechanism chosen to provide the surveys to Council was Survey Monkey, an online platform with which the City has a current contract.

Directors' testing period

- ▶ Prior to providing Council with links to the Phase 1 survey, Directors and Administrators were given an opportunity to review the strategies as written, make any final adjustments.
- ▶ This period also allowed time to test the Survey Monkey platform for any potential concerns.
- ▶ The final strategies - reviewed by staff for optimal structure - were presented to Council as the Phase 1 survey on July 8.

Phase 1 - July 8-19

- ▶ City Council completed the Phase 1 survey between July 8 and July 19.
- ▶ Results were compiled during the following week, July 22-26, and presented to City Administration and the Directors on July 29.
- ▶ Out of a total of 38 possible strategies, a total of 20 were ranked highly enough by the Council as a whole to move onto the overall prioritization phase (Phase 2).
- ▶ The following are the strategies assessed by the Council during Phase 2, organized by Area of Emphasis.

Phase 2 strategies: Leadership and Governance

- ▶ Develop a public meeting format to address specific issues.
- ▶ Establish a proactive process to fill positions to volunteer or be on a Board/Commission.
- ▶ Update Communication Plan to address continuing misinformation in social media.
- ▶ Establish a proactive legislative platform.

Not assessed as Part of Phase 2:

- ▶ *Establish strategies for intergovernmental relations (Area Mayors, Harris County Precinct 2, DPISD and other entities).*
- ▶ *Establish a system for regular review of the City Charter.*

Phase 2 strategies: Quality of Life/Image

- ▶ Establish a comprehensive redevelopment and beautification master plan.
- ▶ Review, revise and enforce code enforcement policies/ordinances including animal control.
- ▶ Complete Type B projects and evaluate needs for its continuation and operations.

Not assessed as Part of Phase 2 :

- ▶ Achieve "Scenic City" designation.
- ▶ Review and develop strategies to address changing demographics of the community.
- ▶ Establish a master traffic signalization plan, including traffic preemption devices, and intersection lighting and signage throughout the city.

Phase 2 strategies - Comprehensive Planning

- ▶ Establish a master plan for City facilities for maintenance and/or replacement of all city facilities including but not limited to: A new Activity Center (to include a tourism center); a new Community Center; the Deer Park Public Library; the Avon and Kingsdale Centers; the replacement of Fire Stations #1 and #2; a review of the facilities maintenance program, with an eye toward consolidation and centralization.
- ▶ Upgrade Drainage Plan and establish implementation plan.

Not assessed as Part of Phase 2 :

- ▶ Develop a comprehensive street assessment program (including condition of pavement, signage, traffic signals, etc.)
- ▶ Develop a utilities master plan to include a master water plan of the entire city, and a cost recovery strategy.
- ▶ Establish a financial master plan.
- ▶ Update the Master Technology Plan to include, but not be limited to, utilities and facilities.

Phase 2 strategies

Economic Development

- ▶ Continue outreach efforts to encourage tourism in partnership with Tourism Committee.
- ▶ Create a city-wide redevelopment plan.
- ▶ Continually explore economic development incentives and revitalization incentives.
- ▶ Promote quality of life as a component of economic development and tourism.

Not assessed as Part of Phase 2 :

- ▶ *Establish revenue from user fees to assist with cost recovery.*
- ▶ *Establish a plan to promote the city's historical assets.*

Phase 2 strategies - Public Safety

- ▶ Improve emergency operations center and disaster recovery for critical function capabilities to include both expansion and/or relocation.
- ▶ Update commodity flow study.
- ▶ Upgrade community warning systems.
- ▶ Develop plan for volunteer firefighter recruitment and retention, including increasing pension benefits, applying response stipends and preparing/promoting a recruitment video.
- ▶ Improve emergency management planning with dedicated staff.
- ▶ Harden critical infrastructure facilities.

Not assessed as Part of Phase 2 :

- ▶ *Look for opportunities to leverage technology to improve public safety.*
- ▶ *Add Park Rangers to assist police in patrolling parks throughout city.*
- ▶ *Establish a new classroom facility at the Fire Drill Field.*

Phase 2 strategies

Organizational Excellence

- ▶ Establish a Workforce Master Plan.

Not assessed as Part of Phase 2:

- ▶ *Conduct an organizational review of work/life balance and respond accordingly.*
- ▶ *Review and update personnel policies on a regular basis.*

Phase 2 results

- ▶ During Phase 2, each Council member ranked the 20 priorities included from highest to lowest.
- ▶ Of the 20, 10 strategies ranked at a level representing Council majority support or higher.

1. (2.86 rating)

- ▶ Establish a master plan for City facilities for maintenance and/or replacement of all city facilities including but not limited to: A new Activity Center (to include a tourism center); a new Community Center; the Deer Park Public Library; the Avon and Kingsdale Centers; the replacement of Fire Stations #1 and #2; a review of the facilities maintenance program, with an eye toward consolidation and centralization.

2. (3.14 rating)

- ▶ Upgrade Drainage Plan and establish implementation plan.

3. (4.71 rating)

- ▶ Complete Type B projects and evaluate needs for its continuation and operations.

Phase 2 results, continued

4. (6.86 rating)

- ▶ Develop a public meeting format to address specific issues.

5. (8.43 rating)

- ▶ Improve emergency operations center and disaster recovery for critical function capabilities to include both expansion and/or relocation.

6. (8.86 rating)

- ▶ Review, revise and enforce code enforcement policies/ordinances including animal control.

7. (9.43 rating)

- ▶ Update community warning systems.

Phase 2 results, continued

8. (10.14 rating)

- ▶ Develop plan for volunteer firefighter recruitment and retention, including increasing pension benefits, applying response stipends and preparing/promoting a recruitment video.

9. (10.29 rating)

- ▶ Harden critical infrastructure facilities.

10. (10.57 rating)

- ▶ Promote quality of life as a component of economic development and tourism.

Next steps

- ▶ As with the 2014 Strategic Plan, each department will integrate the goals detailed in the 2019 Strategic Plan into their ongoing operations.
- ▶ Council will be provided with annual updates on the status of each Area of Emphasis and the associated strategies.
- ▶ While the results of the Prioritization exercise provide insight, they in no way preclude any of the strategies from being addressed as funding, resources including staff time, and other factors, allow.
- ▶ Going forward, City Council agendas via the Legistar system will feature the capability to denote and track tasks included in the Strategic Plan.

**City of Deer Park
Annual Investment Policy Review – 2019
Record of Changes**

To comply with the Texas Public Funds Investment Act, Government Code Ch. 2256 as amended (the "Act"), the governing body of an investing entity shall (1) review its investment policy and investment strategies not less than annually, and (2) adopt a written instrument by rule, order, ordinance, or resolution stating that it has reviewed the investment policy and investment strategies. The written instrument so adopted shall record any changes made to either the investment policy or investment strategies.

The investment policy for the City of Deer Park was last reviewed and updated on September 25, 2018. During the last year, the policy received re-certification from the Government Treasurer's Organization of Texas ("GTOT"), and that certification is valid for two years to July 31, 2021.

Following the State's most recent legislative session in 2019, one minor change is being incorporated into the policy based on the new Sec. 2256.0208 being added to the Act per HB 2706. This new section includes "pledged revenue" and that additional reference has been included in the policy. This change was discussed with the City's Finance Committee at a meeting on September 17, 2019. At that meeting, the Committee also reviewed and discussed the list of authorized broker/dealers. At the recommendation of the City's Investment Advisor, Valley View Consulting, L.L.C., the City proposes adding another broker/dealer to the list to ensure a competitive environment if and when the City requests bids for security investments. The Finance Committee is in agreement with the City's recommendation to add Multi-Bank Securities, Inc. to the list of authorized broker/dealers. Specifically, Carol Mackoff of Multi-Bank Securities, Inc. is responsive to bid requests and knows the Act through her long association with and participation in the Government Treasurer's Organization of Texas.

Below is a summary of the minor changes to the policy being presented for annual review on September 17, 2019:

2-274 Authorized and Suitable Investments-Bond Proceeds – Based on the new Sec. 2256.0208 being added to the Act, the policy will now reference "Bond proceeds and pledged revenue may be invested..." rather than simply "Bond proceeds may be invested...." It is not necessary to change the section heading.

2-280 Qualified Financial Institutions and Broker/Dealers – Reflecting the City's recommendation to add another firm to the list of authorized broker/dealers, the revised list, if approved, would be as follows:

Duncan-Williams, Inc.
FTN Financial
Hilltop Securities
Multi-Bank Securities, Inc.
Wells Fargo Securities, LLC

As a matter of housekeeping, following voter approval on May 4, 2019 of seven charter amendments, specifically Proposition C, the language related to passage of the ordinance was updated by removing the requirement of three readings of ordinances except in cases when additional readings are required by another provision of the City Charter.

CITY OF DEER PARK
CHANGES INCLUDED IN THE FISCAL YEAR 2019-2020 FINAL BUDGET
REVENUE

Fund 010 – General Fund

Additional \$257,748 resulting from an increase of \$402,748 in the ad valorem tax revenue following the Truth-In-Taxation calculation offset by a reduction in prior year revenue of \$145,000 resulting from the revisions to the General Fund expenditures.

Fund 084 – Golf Course Lease Fund

Additional \$160,000 transfer from General Fund resulting from the revisions to the Golf Course Lease Fund expenditures.

Fund 090 – Capital Improvements Fund

Additional \$800,000 resulting from a reduction of \$48,072 in the estimated transfer from the General Fund to the Capital Improvements Fund offset by an increase of \$848,072 in prior year revenue needed to fund the revisions to the Capital Improvements Fund expenditures.

Fund 101 – Special Revenue: Hotel Occupancy Tax Fund

Reduction of \$45,000 in prior year revenue resulting from the revisions to the Hotel Occupancy Tax Fund expenditures.

Fund 200 – Debt Service Fund

Additional \$31,690 resulting from an increase of \$110,323 in the ad valorem tax revenue following the Truth-In-Taxation calculation offset by a reduction in prior year revenue of \$78,633 resulting from the revisions to the Debt Service Fund expenditures.

Fund 400 – Water & Sewer Fund

Additional \$291,852 to reflect the use of fund reserves (i.e., prior year revenue) resulting from the revisions to the Water & Sewer Fund expenses.

CITY OF DEER PARK
CHANGES INCLUDED IN THE FISCAL YEAR 2019-2020 FINAL BUDGET
EXPENDITURES

Fund 010 – General Fund

Reduction of \$4,500 for scanners for the Finance Department associated with the conversion to Incode 10 as the scanners were purchased during the current fiscal year (note: this equipment will allow for scanning of documents into the General Ledger system (Finance)).

Moved \$30,000 from the current budget year to the new budget year for additional charges associated with the hosting/transaction fees for the registration software for Parks and Recreation (Parks and Recreation Administration).

Moved \$70,148 from the current budget year (originally budgeted at \$65,000) for a replacement vehicle as despite being ordered almost 12-months ago, the truck has still not been delivered, and the City cannot get a guaranteed delivery date from the dealership. If the truck is received after September 30, 2019 it will be charged to the new budget. If the truck is delivered before the end of the current fiscal year, these funds will not be spent in FY 2019-2020 (Parks Maintenance).

Moved \$37,172 from the current budget year (originally budgeted at \$40,000) for a replacement vehicle as despite being ordered almost 12-months ago, the truck has still not been delivered, and the City cannot get a guaranteed delivery date from the dealership. If the truck is received after September 30, 2019 it will be charged to the new budget. If the truck is delivered before the end of the current fiscal year, these funds will not be spent in FY 2019-2020 (Parks Maintenance).

Additional \$6,500 representing the agreed-upon value (based on prior auction results) of the vehicle being transferred from the Crime Control and Prevention District to the Engineering Department (Planning & Development).

Additional \$6,500 as a transfer to the Crime Control and Prevention District for the agreed-upon value of the vehicle being transferred from the District to the Engineering Department (General Government).

Additional \$160,000 as a transfer to the Golf Course Lease Fund for the replacement of 11 air conditioning units at the Battleground Golf Course (General Government).

Reduction of \$48,072 in the transfer to the Capital Improvements Fund for future capital projects based on the final changes in net revenue in the General Fund (General Government).

Reallocation of the \$500,000 contingency by lowering the general contingency to \$400,000 and allocating \$100,000 of the original \$500,000 to the salary contingency for a planned adjustment to part-time rates, the allocation of such adjustment not yet computed on a departmental basis (General Government).

CITY OF DEER PARK
CHANGES INCLUDED IN THE FISCAL YEAR 2019-2020 FINAL BUDGET
EXPENDITURES

Fund 084 – Golf Course Lease Fund

Additional \$160,000 for the replacement of 11 air conditioning units at the Battleground Golf Course, including crane rental and electrical costs associated with the replacement of this aging equipment (note: the refrigerant for these older units will be obsolete as of January 1, 2020).

Fund 090 – Capital Improvements Fund

Additional \$50,000 for architectural services for the Activity/Visitation Center that will not be completed in the current fiscal year.

Additional \$500,000 for the new EMS Annex being constructed adjacent to Fire Station #3, including final architectural work, furniture, etc. to complete the project.

Additional \$250,000 to the contingency due to potential emergencies and/or repairs or replacement of buildings and equipment.

Fund 101 – Special Revenue: Hotel Occupancy Tax Fund

Reduction of \$45,000 for consulting and contract labor related to the restoration of the bridge at the Battleground Golf Course as the work is expected to be completed during the current fiscal year (Historical).

Fund 200 – Debt Service Fund

Net reduction of \$72,749 from the proposed Series 2019, Limited Tax Refunding to refund \$4,825,000 of Series 2010 Certificates of Obligation for the years 2021-2030.

Reduction of \$247,309 in debt service resulting from a change in allocation between the Debt Service Fund and the Water and Sewer Fund.

Fund 400 – Water & Sewer Fund

Moved \$44,543 from the current budget year to the new budget year for a replacement vehicle as despite being ordered almost 12-months ago, the truck has still not been delivered, and the City cannot get a guaranteed delivery date from the dealership. If the truck is received after September 30, 2019 it will be charged to the new budget. If the truck is delivered before the end of the current fiscal year, these funds will not be spent in FY 2019-2020 (Water/Sewer Maintenance).

Additional \$247,309 in debt service resulting from a change in allocation between the Debt Service Fund and the Water and Sewer Fund (Water/Sewer Debt Service).

Employee Name	Dept #	Current Cert Rate	10/1/19 Cert Rate w/new amounts
Employee	82-300	\$ 0.12	0.20
Employee	40-501	\$ 0.12	0.20
Employee	10-405	\$ 0.12	0.20
Employee	40-505	\$ 0.12	0.20
Employee	10-404	\$ 0.12	0.20
Employee	40-501	\$ 0.12	0.20
Employee	10-401	\$ 0.12	0.20
Employee	10-410	\$ 0.12	0.20
Employee	40-506	\$ 0.12	0.20
Employee	40-501	\$ 0.12	0.20
Employee	10-403	\$ 0.12	0.20
Employee	40-506	\$ 0.12	0.20
Employee	10-410	\$ 0.12	0.20
Employee	10-300	\$ 0.12	0.20
Employee	40-506	\$ 0.12	0.20
Employee	10-403	\$ 0.12	0.20
Employee	10-403	\$ 0.12	0.20
Employee	40-505	\$ 0.12	0.20
Employee	40-501	\$ 0.12	0.20
Employee	40-501	\$ 0.12	0.20
Employee	10-404	\$ 0.24	0.40
Employee	10-404	\$ 0.24	0.40
Employee	40-501	\$ 0.24	0.40
Employee	10-405	\$ 0.24	0.40
Employee	10-404	\$ 0.24	0.40
Employee	40-501	\$ 0.24	0.40
Employee	40-506	\$ 0.24	0.40
Employee	10-410	\$ 0.24	0.40
Employee	10-401	\$ 0.24	0.40
Employee	40-506	\$ 0.24	0.40
Employee	10-401	\$ 0.35	0.50
Employee	10-401	\$ 0.35	0.50
Employee	40-501	\$ 0.35	0.50
Employee	40-505	\$ 0.35	0.50
Employee	10-401	\$ 0.35	0.50
Employee	10-401	\$ 0.35	0.50
Employee	10-401	\$ 0.35	0.50
Employee	40-506	\$ 0.35	0.50
Employee	10-300	\$ 0.35	0.50
Employee	10-401	\$ 0.35	0.50
Employee	10-300	\$ 0.35	0.50
Employee	10-401	\$ 0.35	0.50

116 staff receiving cert pay
42 at less than 50 cents currently (36%)

14713.65 Annual cost incr. to raise existing 42 staff to new minimum (.20) is:

14013.00 Annual cost to add 9 new certs to the list

NEWLY ADDED CERTIFICATIONS (2019): ALL AT \$0.20 per hour LEVEL

Arborist
certified Parks & Rec. Professional
Certified Therapeutic Recreation Specialist
Aquatics Facility Operator
Certified Pool Operator
A+
Network+
CCBA/PBA
CBAP/PMP
CGCIO

TMCCP

Wastewater 1 and 3
UST A and B (4)
Water Distribution B & C