

**AGENDA**  
**NOTICE OF MEETING OF THE CITY COUNCIL OF**  
**SHAVANO PARK, TEXAS**

**This notice is posted pursuant to the Texas Open Meetings Act. Notice hereby given that the City Council of the CoSP, Texas will conduct Workshop Meeting on Monday, June 24, 2019 at 4:30 p.m. at 900 Saddletree Court, Shavano Park City Council Chambers for the purpose of considering the following agenda:**

**1. CALL MEETING TO ORDER**

**2. PLEDGE OF ALLEGIANCE AND INVOCATION**

**3. CITIZENS TO BE HEARD**

The City Council welcomes “Citizens to be Heard.” If you wish to speak, you must follow these guidelines. **As a courtesy to your fellow citizens and out of respect to our fellow citizens, we request that if you wish to speak that you follow these guidelines.**

- Pursuant to Resolution No. 04-11 citizens are given three minutes (3:00) to speak during “Citizens to be Heard.”
- Only citizens may speak.
- Each citizen may only speak once, and no citizen may pass his/her time allotment to another person.
- Direct your comments to the entire Council, not to an individual member.
- Show the Council members the same respect and courtesy that you expect to be shown to you.

The Mayor will rule any disruptive behavior, including shouting or derogatory statements or comments, out of order. Continuation of this type of behavior could result in a request by the Mayor that the individual leave the meeting, and if refused, an order of removal. In compliance with the Texas Open Meetings Act, no member of City Council may deliberate on citizen comments. (Attorney General Opinion – JC 0169)

**4. CITY COUNCIL COMMENTS**

Pursuant to TEX. GOV'T CODE §551.0415(b), the Mayor and each City Council member may announce city events/community interests and request that items be placed on future City Council agendas. “Items of Community Interest” include:

- expressions of thanks, congratulations, or condolences;
- information regarding holiday schedules;
- an honorary or salutary recognition of a public official, public employee, or other citizen, except that a discussion regarding a change in status of a person’s public office or public employment is not honorary or salutary recognition for purposes of this subdivision;
- a reminder about an upcoming event organized or sponsored by the governing body;
- information regarding a social, ceremonial, or community event organized or sponsored by an entity other than the governing body that was attended or is scheduled

- to be attended by a member of the governing body or an official or employee of the municipality or county; and
- announcements involving an imminent threat to the public health and safety of people in the municipality or county that has arisen after posting of the agenda

## **5. REGULAR AGENDA ITEMS**

- 5.1. Presentation / discussion - TML-Health renewal and establishing a defined contribution - Finance Director / Victor Diaz, TML - Health**
- 5.2. Presentation / discussion - Annual update to Compensation Survey Results and City of Shavano Park 2019-2020 compensation – Finance Director / City Secretary / Steve Werling, Werling Associates**
- 5.3. Presentation / discussion - Budget Basics - Finance Director**
- 5.4. Presentation / discussion - Review / Staff analysis of Council Objectives - City Manager**
- 5.5. Presentation / discussion – Review of Budget Calendar - Finance Director**

## **6. ADJOURNMENT**

Executive Sessions Authorized: This agenda has been reviewed and approved by the City's legal counsel and the presence of any subject in any Executive Session portion of the agenda constitutes a written interpretation of TEX. GOV'T CODE CHAPTER 551 by legal counsel for the governmental body and constitutes an opinion by the attorney that the items discussed therein may be legally discussed in the closed portion of the meeting considering available opinions of a court of record and opinions of the Texas Attorney General known to the attorney. This provision has been added to this agenda with the intent to meet all elements necessary to satisfy TEX. GOV'T CODE §551.144(c) and the meeting is conducted by all participants in reliance on this opinion.

### **Attendance by Other Elected or Appointed Officials:**

It is anticipated that members of City Council or other city board, commissions and/or committees may attend the meeting in numbers that may constitute a quorum of the other city boards, commissions and/or committees. Notice is hereby given that the meeting, to the extent required by law, is also noticed as a meeting of the other boards, commissions and/or committees of the City, whose members may be in attendance. The members of the boards, commissions and/or committees may participate in discussions on the same items listed on the agenda, which occur at the meeting, but no action will be taken by such in attendance unless such item and action is specifically provided for on an agenda for that board, commission or committee subject to the Texas Open Meetings Act.

The facility is wheelchair accessible and accessible parking spaces are also available in the front and sides of the building. The entry ramp is located in the front of the building. Sign interpretative services for meetings must be made 48 hours in advance of the meeting. Call the City Secretary at 210-493-3478 x240 or TDD 1-800-735-2989.

### **CERTIFICATION:**

I, the undersigned authority, do hereby certify that the above Notice of Meeting was posted at Shavano Park City Hall, 900 Saddletree Court, at a place convenient and readily accessible to the general public at all times, and said Notice was posted on the 17th day of June 2019 at 10:00 a.m.

**Zina Tedford**  
**City Secretary**

## CITY COUNCIL STAFF SUMMARY

Meeting Date: June 24, 2019

Agenda item: 5.1

Prepared by: Brenda Morey

Reviewed by: Bill Hill

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### **AGENDA ITEM DESCRIPTION:**

**TML Health renewal and establishing defined contributions – Finance Director / Victor Diaz (TML Health)**

X

#### **Attachments for Reference:**

- 1) TML Health FY20 Renewal
- 2) CCPP Comparison

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**BACKGROUND / HISTORY:** The City changed to TML-IEBP for health insurance in 2015 under the Consumer Centered Pool Plans (CCPP) and established a defined contribution level of \$450 per month with 8 plans from which the employees could select. In 2016, health care costs rose slightly and City Council established \$459 per month contribution for each employee with 7 plans available. In 2017, the City experienced a 20% rate increase and TML-IEBP reduced the number of plans to five – three traditional PPO options and two high deductible/HAS options.

For FY 2018-19, the City contributes \$553 a month towards each participating employee's medical insurance. This amount does not include City contributions for employees dental, vision or life insurance.

Victor Diaz, the City's TML Health Regional representative, will present the renewal, provide a summary of significant changes in the plans and answer any questions Council may have.

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**DISCUSSION:** To assist Council in establishing the defined contribution, staff has provided the following information: TML Health FY20 renewal/benefit verification form and a rate comparison spreadsheet.

At its May 7 regional meeting, TML Health indicated a 3% overall average rate increase would occur for the new plan year with a maximum increase of 9%. They also provided information regarding changes in the number and types of plans offered, including the CCCP plans. However, the CCCP plans are grandfathered, so the City will be able to continue participation in those offerings.

Staff has updated attachment #2 with the assumption of a 3.5% increase in defined contribution for comparison to this year based on the consensus provided at the June 12 budget workshop. (This year's Consumer Centered Pool Plan Comparison with the FY 2019-20 rates).  $\$553 \times 1.035\% =$

\$572. The employee-only cost is dependent on the participating employee's plan selection. The difference between the current monthly defined contribution of \$553 and the selection is the amount that can be deposited to a Health Reimbursement Account (HRA)/Health Saving Account (HSA) or used to buy down dependent coverage. This figure is located in the highlighted green box. The cost for dependent coverage is also listed and, if an employee used the difference noted above to buy down the cost, it is highlighted in grey. The column "Plan Change" shows the actual dollar change based on the premium rate increase. The last column shows the number of employees participating in each plan.

The City currently has 50 employees with 48 participating in health insurance. There is one vacancy.

If the City were to increase the defined contribution level by 3.5% which is \$19 / employee per month (from \$553 to \$572), the employees would remain neutral in out of pocket costs for their own coverage and HRA/HSA accounts. Additionally, the total cost increase to the City would be approximately \$11,200.

There is no rate change for the dental or vision premiums where the City covers the employee-only premium plus one quarter of any dependent coverage premium.

There is a small decrease in the group life/AD&D premium from \$6.63 a month for \$25,000 of coverage to \$5.85 a month. The City pays this premium for all employees.

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**COURSES OF ACTION:** Multiple options exist to address the situation. Below are alternatives for consideration:

1. Maintain the existing \$553 per month defined contribution amount per employee.
2. Increase the employer defined contribution amount by 3.5%, or \$19 per month to \$572 per employee. Increase in City expenditures of \$11,200.
3. Cover a portion of increased health care cost by increasing the employer defined contribution amount by another factor – to be determined.
4. Consider additional supplemental defined contribution amount towards dependent coverage in addition to employee defined contribution.

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**FINANCIAL IMPACT:** Varies based on course of action as indicted above.

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**MOTION REQUESTED:** Gain consensus for 3.5% increase in the employer defined contribution per employee, bringing the contribution to \$572 per month.



# TML Health Renewal Notice and Benefit Verification Form

## Shavano Park

Original

Plan Year 2019-2020 (12 Months)

Rates are subject to change if there is any legislation passed during the plan year affecting benefits.  
Supplemental benefits cannot be accessed without accessing the TML Health Medical Benefit Plan.  
This renewal notice contains proprietary and confidential information of TML Health.

### Medical

#### Consumer Centered Pool Plans

Plan	Benefit Percent	In Net Ded	Out Net Ded	In Net OOP*	Office Visit	XRay & Lab in OV	Rates	Current	New
P85-20-32-Mac A Choice	80/50	\$200	\$450	\$3200	N/A	No	Employee Only: Employee + Spouse: Employee + Child(ren): Employee + Family:	\$469.76 \$1,258.40 \$826.78 \$1,765.56	\$486.20 \$987.00 \$855.72 \$1,434.30
P85-50-35-Mac A Choice	80/50	\$500	\$750	\$3500	N/A	No	Employee Only: Employee + Spouse: Employee + Child(ren): Employee + Family:	\$436.36 \$1,167.42 \$768.02 \$1,637.50	\$451.64 \$916.82 \$794.88 \$1,332.32
P85-75-475-Mac A Choice	80/50	\$750	\$1000	\$4750	N/A	No	Employee Only: Employee + Spouse: Employee + Child(ren): Employee + Family:	\$390.26 \$1,043.44 \$686.88 \$1,463.44	\$403.92 \$819.96 \$710.90 \$1,191.56
H85-150-55-Mac A Choice	80/50	\$1500	\$1750	\$5500	N/A	No	Employee Only: Employee + Spouse: Employee + Child(ren): Employee + Family:	\$340.76 \$909.44 \$599.74 \$1,275.10	\$352.70 \$715.98 \$620.74 \$1,040.44
H85-250-55-Mac A Choice	80/50	\$2500	\$2750	\$5500	N/A	No	Employee Only: Employee + Spouse: Employee + Child(ren): Employee + Family:	\$309.02 \$823.58 \$543.90 \$1,154.42	\$319.84 \$649.28 \$562.92 \$943.52

\*In Network Deductible applies towards In Network OOP.

### Monthly Employer Contribution Amounts

TML Health requires 60% employer contribution toward employee medical – Minimum employer contribution is \$191.90

	Employee		Spouse		Child		Family	
Employer Contribution for Active Employees	Amount	% of Rate	Amount	% of Rate	Amount	% of Rate	Amount	% of Rate
	\$_____ or _____%		\$_____ or _____%		\$_____ or _____%		\$_____ or _____%	

### Dental IV

Rates	Current	New
Employee Only:	\$28.44	\$28.44
Employee + Spouse:	\$66.82	\$66.82
Employee + Child(ren):	\$61.10	\$61.10
Employee + Family:	\$85.24	\$85.24

### Vision A

Rates	Current	New
Employee Only:	\$6.76	\$6.76
Employee + Family:	\$20.26	\$20.26

**Basic Life and AD&D: Plan 10 (\$25,000)**

	<u>Current Rate</u>	<u>New Rate</u>
Life:	\$0.230	\$0.194
AD&D:	\$0.035	\$0.040

**Additional Employee Life and AD&D**

<u>Age of Employee</u>	<u>Current Rate per \$1000</u>	<u>New Rate per \$1000</u>
Under 30	0.061	0.061
30 - 34	0.069	0.069
35 - 39	0.100	0.100
40 - 44	0.130	0.130
45 - 49	0.198	0.198
50 - 54	0.332	0.332
55 - 59	0.595	0.595
60 - 64	0.913	0.913
65 - 69	1.513	1.513
70 and over	2.431	2.431

**Dependent Life: Plan 2 (\$5,000/\$2,000)**

<u>Current Rate</u>	<u>New Rate</u>
\$1.60 per dependent unit	\$1.60 per dependent unit

**Voluntary AD&D**

No Voluntary AD&D Coverage

**LTD**

No LTD Coverage

**STD**

No STD Coverage

**Calendar Year Pre-65 Retiree Medical**

No Pre-65 Retiree Medical Coverage

<u>Employer Contribution for Pre-65 Retirees</u>	<u>Employee</u>		<u>Spouse</u>		<u>Child</u>		<u>Family</u>	
	Amount	% of Rate	Amount	% of Rate	Amount	% of Rate	Amount	% of Rate
	\$_____ or _____%		\$_____ or _____%		\$_____ or _____%		\$_____ or _____%	

**Calendar Year Pre-65 Retiree Dental**

No Pre-65 Retiree Dental Coverage

**Calendar Year Pre-65 Retiree Vision**

No Pre-65 Retiree Vision Coverage

**Basic & Additional Retiree Life**

No Basic & Additional Retiree Life Coverage

**Retiree Dependent Life**

No Retiree Dependent Life Coverage



**Continuation of Coverage (Cobra)**

Yes

**Benefit Waiting Period**

1st of mo after date of hire

**Flex, HRA, HSA & RRA**Flex AdminHRA AdminHSA AdminRRA Admin

No

Yes

Yes

No

If employer accesses Flex and/or HRA, HSA or RRA, only one charge of \$3.70 per participant per month will be incurred.

HRA Administration			
Employer making monthly deposit	Y or N	Monthly deposit amount	\$
Employer Prefunding	Y or N	Prefunded amount	\$
If employer prefunds, new employees during the plan year get prorated amount	Y or N	Will prorated amount be divisible by 12 or some other amount?	Div by 12 or Variable or Other \$
Prefund does not apply to new employees	Y or N		
Defined contribution (variable monthly amounts)	Y or N	Monthly defined contribution amount	\$

  

HSA Administration			
Employer making monthly deposit	Y or N	Monthly deposit amount	\$
Employer Prefunding	Y or N	Prefunded amount	\$
If employer prefunds, new employees during the plan year get prorated amount	Y or N	Will prorated amount be divisible by 12 or some other amount?	Div by 12 or Variable or Other \$
Prefund does not apply to new employees	Y or N		
Employer prefund deposit is based on coverage tier	Y or N	Monthly defined contribution amount	\$
Employee Only	\$		
Employee + Spouse	\$		
Employee + Child(ren)	\$		
Employee + Family	\$		

**Signature Section**

The undersigned employer hereby acknowledges that for an employee to receive coverage, TML Health must receive enrollment information within thirty-one (31) days of the commencement of employment regardless of whether the Employer has a waiting or a waiting and orientation period. If an employee is not enrolled within thirty-one (31) days of hire, the employee cannot be added to the Plan until the next Open Enrollment period or a qualifying event occurs.

74-1294692

Tax ID Number

Authorized Signature

Date

Printed Name

Title

The entity named on this Rerate and Benefit Verification Form desires large claim information as specified in Article 21.49-15 of the Insurance Code in Section 2.(2), to be for individual claims that reach or exceed \$35,000 during the plan year. This information is considered confidential for purposes of Chapter 552 of the Local Government Code.

The rates are based on census information five months prior to plan year. If the census changes by more than 10%, TML Health reserves the right to revise rates due to census change and underwriting impact.



**CONSUMER CENTERED POOL PLANS (CCPP)**

**CITY OF SHAVANO PARK**

**EFFECTIVE 10/01/2018**

**DEFINED CONTRIBUTION**

City of Shavano Park	CCPP Current FY18/19	FY19/20 TML RENEWAL	Plan Change	Percent Increase	# EE Per Plan
<b>PPO</b>					
<b>Plan</b>	<b>P85-50-35</b>				
<i>Benefit % INN</i>	80%				
<i>Deductible INN</i>	\$500				
<i>Out of Pocket</i>	\$3,500				
<i>Office Visit Copay</i>	n/a				
<b>City Contribution:</b>	<b>\$553.00</b>	<b>\$ 572.00</b>			
<b>Employee Only Cost</b>	\$436.36	\$ 451.64	\$ 15.28	3.502%	<b>3</b>
<b>HRA/Contribution</b>	<b>\$116.64</b>	<b>\$120.36</b>	\$ 3.72		
<b>Spouse</b>	\$731.06	\$ 465.18	\$ (265.88)	-36.369%	
<i>Dep. Cost/Contrib.</i>	\$614.42	\$ 344.82	\$ (269.60)	-43.879%	
<b>Child</b>	\$331.66	\$ 343.24	\$ 11.58	3.492%	
<i>Dep. Cost/Contrib.</i>	\$215.02	\$ 222.88	\$ 7.86	3.655%	
<b>Family</b>	\$1,201.14	\$ 880.68	\$ (320.46)	-26.680%	<b>1</b>
<i>Dep. Cost/Contrib.</i>	\$1,084.50	\$ 760.32	\$ (324.18)	-29.892%	
<b>PPO</b>					
<b>Plan</b>	<b>P85-20-32</b>				
<i>Benefit % INN</i>	80%				
<i>Deductible INN</i>	\$200				
<i>Out of Pocket</i>	\$3,200				
<i>Office Visit Copay</i>	n/a				
<b>City Contribution:</b>	<b>\$553.00</b>	<b>\$ 572.00</b>			
<b>Employee Only Cost</b>	\$469.76	\$ 486.20	\$ 16.44	3.500%	<b>2</b>
<b>HRA/Contribution</b>	<b>\$83.24</b>	<b>\$85.80</b>	\$ 2.56		
<b>Spouse</b>	\$788.64	\$ 500.80	\$ (287.84)	-36.498%	
<i>Dep. Cost/Contrib.</i>	\$705.40	\$ 415.00	\$ (290.40)	-41.168%	
<b>Child</b>	\$357.02	\$ 369.52	\$ 12.50	3.501%	<b>1</b>
<i>Dep. Cost/Contrib.</i>	\$273.78	\$ 283.72	\$ 9.94	3.631%	
<b>Family</b>	\$1,295.80	\$ 948.10	\$ (347.70)	-26.833%	
<i>Dep. Cost/Contrib.</i>	\$1,212.56	\$ 862.30	\$ (350.26)	-28.886%	

**CONSUMER CENTERED POOL PLANS (CCPP)**

**CITY OF SHAVANO PARK**

**EFFECTIVE 10/01/2018**

**DEFINED CONTRIBUTION**

City of Shavano Park	CCPP Current FY18/19	FY19/20 TML RENEWAL	Plan Change	Percent Increase	# EE Per Plan
<b>PPO</b>					
<b>Plan</b>	<b>P85-75-45</b>				
<i>Benefit % INN</i>	80%				
<i>Deductible INN</i>	\$750				
<i>Out of Pocket</i>	\$4,750				
<i>Office Visit Copay</i>	n/a				
<b>City Contribution:</b>	<b>\$553.00</b>	<b>\$ 572.00</b>			
<b>Employee Only Cost</b>	\$390.26	\$ 403.92	\$ 13.66	3.500%	
<b>HRA/Contribution</b>	<b>\$162.74</b>	<b>\$168.08</b>	\$ 5.34		
<b>Spouse</b>	\$653.18	\$ 416.04	\$ (237.14)	-36.305%	
<i>Dep. Cost/Contrib.</i>	\$490.44	\$ 247.96	\$ (242.48)	-49.441%	
<b>Child</b>	\$296.62	\$ 306.98	\$ 10.36	3.493%	2
<i>Dep. Cost/Contrib.</i>	\$133.88	\$ 138.90	\$ 5.02	3.750%	
<b>Family</b>	\$1,073.18	\$ 787.64	\$ (285.54)	-26.607%	
<i>Dep. Cost/Contrib.</i>	\$910.44	\$ 619.56	\$ (290.88)	-31.949%	
<b>High Deductible Health Plan</b>					
<b>Plan</b>	<b>P85-150-55 HDHP w/ H.S.A.</b>				
<i>Benefit % INN</i>	80%				
<i>Deductible INN</i>	\$1,500				
<i>Out of Pocket</i>	\$5,500				
<i>Office Visit Copay</i>	n/a				
<b>City Contribution:</b>	<b>\$553.00</b>	<b>\$ 572.00</b>			
<b>Employee Only Cost</b>	\$340.76	\$ 352.70	\$ 11.94	3.504%	6
<b>HSA Eligible/Contribution</b>	<b>\$212.24</b>	<b>\$219.30</b>	\$ 7.06		
<b>Spouse</b>	\$568.68	\$ 363.28	\$ (205.40)	-36.119%	
<i>Dep. Cost/Contrib.</i>	\$356.44	\$ 143.98	\$ (212.46)	-59.606%	
<b>Child</b>	\$258.98	\$ 268.04	\$ 9.06	3.498%	1
<i>Dep. Cost/Contrib.</i>	\$46.74	\$ 48.74	\$ 2.00	4.279%	
<b>Family</b>	\$934.34	\$ 687.74	\$ (246.60)	-26.393%	1
<i>Dep. Cost/Contrib.</i>	\$722.10	\$ 468.44	\$ (253.66)	-35.128%	

**CONSUMER CENTERED POOL PLANS (CCPP)**

**CITY OF SHAVANO PARK**

**EFFECTIVE 10/01/2018**

**DEFINED CONTRIBUTION**

City of Shavano Park	CCPP Current FY18/19	FY19/20 TML RENEWAL	Plan Change	Percent Increase	# EE Per Plan
High Deductible Health Plan					
<i>Plan</i>	P85-250-55 HDHP w/ H.S.A.				
<i>Benefit % INN</i>	80%				
<i>Deductible INN</i>	\$2,500				
<i>Out of Pocket</i>	\$5,500				
<i>Office Visit Copay</i>	n/a				
<b>City Contribution:</b>	<b>\$553.00</b>	<b>\$ 572.00</b>			
<i>Employee Only Cost</i>	\$309.02	\$ 319.84	\$ 10.82	3.501%	21
<b>HSA Eligible/Contribution</b>	<b>\$243.98</b>	<b>\$252.16</b>	\$ 8.18		
<i>Spouse</i>	\$514.56	\$ 329.44	\$ (185.12)	-35.976%	
<i>Dep. Cost/Contrib.</i>	\$270.58	\$ 77.28	\$ (193.30)	-71.439%	
<i>Child</i>	\$234.88	\$ 243.08	\$ 8.20	3.491%	5
<i>Dep. Cost/Contrib.</i>	-\$9.10	\$ (9.08)	\$ 0.02	-0.220%	
<i>Family</i>	\$845.40	\$ 623.68	\$ (221.72)	-26.227%	5
<i>Dep. Cost/Contrib.</i>	\$601.42	\$ 371.52	\$ (229.90)	-38.226%	

EE's only

48

2 EE's do not participate in City sponsored medical plan(Military)

Currently, 1 vacancy

Annual expense calculation:

City fully staffed	51
Non-participating EEs	2
	<u>49</u>

	<u>At \$553/mo</u>	<u>At \$572/mo</u>	<u>Difference</u>
EE's	49	49	
12 months	12	12	
per month	\$ 553	\$ 572	
Extended	\$ 325,164	\$ 336,336	\$ 11,172
			% change 3.44%

## CITY COUNCIL STAFF SUMMARY

Meeting Date: June 24, 2019

Agenda item: 5.2

Prepared by: Brenda Morey

Reviewed by: Bill Hill

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### **AGENDA ITEM DESCRIPTION:**

**Presentation / discussion - Annual update to Compensation Survey Results and City of Shavano Park 2019-20 compensation – Finance Director / City Secretary / Steve Werling, Werling Associates**

**X**

**Attachments for Reference:**

1) Compensation Pay Plan Update

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### **BACKGROUND / HISTORY:**

The City adopted their current base compensation plan in Fall 2016. The plan included a revised pay structure, market and internal based pay grade assignments, and an Individual Pay Model to compute the pay for each employee. The plan included a process to conduct annual updates.

Dr. Steve Werling of Werling Associates, Inc., will present an update of the plan based upon the 2019 San Antonio Area Wage and Benefit Survey.

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### **DISCUSSION:**

Staff met with Steve Werling regarding this year's salary study on June 3:

- Seven cities participated in the wage and benefit survey.
- COLA is estimated at 1.90%.
- Updated job description project led to proposed changes for City Secretary and AP/HR Clerk due to additional duties performed
- Wages for employees at the lowest pay grades are either going up or cities have difficulty filling these vacancies.
- Working with City Staff on the latest updated individual pay model worksheets for the 2019-20 pay rate for each employee.

Steve Werling will present the findings outlined in attachment 1. There are several positions that he is recommending a grade increase. He is also recommending a cost of living + 1.5% increase, 3.25% - 3.50% range. The projected annual cost increase would be \$131,541 - \$138,405.

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**COURSES OF ACTION:** Provide guidance regarding compensation for FY 2019-20 Budget.

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**FINANCIAL IMPACT:** To be determined

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**MOTION REQUESTED:** N/A

# **Compensation Pay Plan Update**

## **City of Shavano Park**

June 24, 2019

Presented by:  
**Stephen Werling, DBA, SPHR**



# Purpose of the Briefing

## **Provide City Council with information concerning the update for the compensation pay plan**

- Review Pay Plan Objectives
- Salary Survey and Market Update
- Pay Grade Assignments
- Individual Pay Analysis
- Individual Pay Model



# Review Pay Plan Objectives

Objective	Status
Ensure the City's compensation strategy for its labor force is competitive.	Updated in June 2019 CR = .95
Attract a competent workforce as the City continues to grow.	Continuing difficulty in recruiting Public Works Employees
Minimize and control attrition through competitive wages.	3 Water/Utility Servicemen PW Superintendent Fire Chief 1 Firefighter/Paramedic 1 Police Officer
Meet all legal requirements related to base pay.	FLSA changes this year will not impact the City
Maintain pay equity for employees.	Using IPM to maintain equity.

# Plan Update Process

**Collect market survey data**

**Update job descriptions**

**Update pay structure and pay grade assignments**

- Conduct a market based job evaluation to re-assign pay grades.

**Evaluate individual pay rates.**

- Individual Pay Model changes.
- Annual increase.

**Evaluate costs and recommend implementation strategy.**

# Market Survey Data

## 2019 San Antonio Area Wage and Benefit Survey

- Under 20,000 population

2019 Cities
Alamo Heights
Balcones Heights
Castroville
Helotes
Selma
Shavano Park
Windcrest

2018 Cities
Alamo Heights
Balcones Heights
Castroville
Fair Oaks Ranch
Hondo
Leon Valley
Live Oak
Pearsall
Selma
Shavano Park

**Adjusted 2019 survey data by 3% to July 1, 2019.**

# 2019 Pay Grade Assignments

**Follow the same process as previous studies.**

- **Assign jobs based on market data**
- **Assign jobs with high turnover and entry level based on the average minimum pay in the survey compared to the minimum of the pay grade.**
- **Assign jobs based on internal considerations.**
- **Focus on market sensitive jobs, lower paying jobs, and jobs with changes in duties.**
- **Maintain current pay grade if higher than current market estimate or internal considerations.**

# Recommended Pay Grades

Job Title	2018 PG	SA PG	SA Muni Pop Avg PG	SA Muni Pop 25th PG	2019 Pay Grade	Pay Grade Min	Pay Grade Mid	Pay Grade Max
City Manager	42		42	44	42	107,106	131,205	155,304
Fire Chief	35				35	76,119	93,246	110,373
Police Chief	35		35	36	35	76,119	93,246	110,373
Dir. Public Works	34		33	32	34	72,494	88,805	105,116
Finance Director	34		34	36	34	72,494	88,805	105,116
Police Captain	31		29	31	31	62,623	76,713	90,803
City Secr./HR Dir.	29		27	29	30	59,641	73,060	86,479
Fire Captain	28		27	31	28	54,096	66,268	78,439
Police Investigator	28		24	26	28	54,096	66,268	78,439
Police Sergeant	28		28	30	28	54,096	66,268	78,439
Asst to the City Mgr	26				26	49,067	60,107	71,147
Fire Admin/Lt	26				26	49,067	60,107	71,147
Fire Lieutenant	26				26	49,067	60,107	71,147
PW/Water Super	25		26		26	49,067	60,107	71,147
Police Corporal	24		25	27	24	44,505	54,519	64,532
Firefighter/Para	23				23	42,386	51,923	61,460
Firefighter/EMT	23				23	42,386	51,923	61,460
Court Clerk	20		21	24	23	42,386	51,923	61,460
Water Crew Leader	20				23	42,386	51,923	61,460
Police Officer	22		22	24	22	40,368	49,451	58,534
Code Compl Officer	22		22	24	22	40,368	49,451	58,534
HR-Finance Clerk	18	19			20	36,615	44,854	53,092
PW Office Manager	18				20	36,615	44,854	53,092
Police Office Mgr	17	17			20	36,615	44,854	53,092
Permit Clerk/Recept	17		19	19	19	34,871	42,717	50,563
PW Serviceman	15				18	33,210	40,683	48,155
Water Serviceman	15				18	33,210	40,683	48,155

# Pay Grade Assignment

## Comments

### **City Secretary**

- Assigned one pay grade above the market 25<sup>th</sup> percentile pay grade due to additional duties (Human Resources)

### **Court Clerk**

- Assigned two pay grades above the market average due to the 25<sup>th</sup> percentile, \$43,493. Recommended minimum pay is \$42,386.

### **AP/HR Assistant**

- Assigned one pay grade above the market data due to additional duties (Payroll, Court Clerk)

### **Permits Clerk**

- Increased two pay grades due to change in market pay grade.

### **Police Secretary and PW Office Manager**

- Increased two pay grades to maintain internal equity with Permits Clerk.

### **PW and Works Serviceman, Lead and Superintendent**

- Increased Serviceman jobs three pay grades to set starting pay near \$16.00.
- Increases Lead and Superintendent three pay grades to maintain internal relationships.



# Individual Pay Analysis

## Competitive Compa Ratio - Market

- Market Compa Ratio =  $\text{pay} / \text{market average}$
- Current Market Compa Ratio: 0.98
- The current wages are on average 2% below the **market averages**.
  - Excluding Public Works, PW Office Manager, and Fire

## Internal Compa Ratio - Midpoint

- Internal Compa Ratio =  $\text{pay} / \text{midpoint}$
- Current Internal Compa Ratio: 0.95
- The current wages are on average 5% below the new pay grade midpoint.
  - Includes all employees

# Individual Pay Considerations

## Projected Average Pay Increases

Survey	Proj. 2018	Actual 2019	Proj. 2019
SA Muni	2.61%	3.24%	2.79%
SA	2.96%	2.86%	2.96%
World at Work	3.00%		3.00%

## Historic Average

- **Cost of Living + 1.5%**
- **Current COLA** **1.90%**
- **Historic Increase** **3.40%**

**Recommendation** **3.25% - 3.50%**

# Individual Pay Model

## Establish a policy driven model based on multiple job related factors

- Fix inequities over time
- Increase efficiency of pay decisions
- Re-compute each year
- Employees receive the model results or the annual increase, whichever is greater.

## Target Pay =

[Minimum of the pay grade \* (1+  
(%) Previous experience +  
(%) Tenure in the job in 2016] \*  
(\$ Addl. education] +  
(3.1%) 2017 increase +  
(3.5%) 2018 increase +  
(%) 2019 increase

# Cost

## Annual Cost of Adjustments

<b>Increase</b>	<b>Cost</b>	<b>Compa Ratio</b>
3.25%	\$ 131,541	0.99
3.50%	\$ 138,405	1.00

# Questions

## CITY COUNCIL STAFF SUMMARY

Meeting Date: 6-24-19

Agenda item: 5.4

Prepared by: Bill Hill

Reviewed by: Bill Hill

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### **AGENDA ITEM DESCRIPTION:**

#### **5.4 Presentation / discussion - Council Goals, Objectives and City Council guidance for FY 2019-20 budget - Council**

X

**Attachments for Reference:**

1) Council Draft FY 2019-20 Goals and Objectives

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**BACKGROUND / HISTORY:** During the budget development process in the past five years, City Council has prepared Goals and Objectives that inform and shape the budget. For the past few years, City Council selected eight strategic goals and assigned various objectives to each goal. This approved list was included in the annual budget as well as staff developed Departmental Goals and Objectives.

Some of these objectives are service related and some are resource related. Approved objectives will be planned by staff to be funded in the budget. In a number of cases, the funding of objectives (requirements) in the budget will be based upon the staff's ability to operate within the projected revenues. Thus, planned objectives may be deferred to future years and as the budget evolves, initial objectives that are not be funded will be dropped.

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**DISCUSSION:** Staff has worked a draft listing of FY 2019-20 departmental goals and objectives by department and reviewed with City Council on June 12<sup>th</sup>. As these objectives are refined, staff will bring them back to Council for review.

Using last year's approved list of Council goals and objectives, staff updated the list by striking though those objectives that have been or will be completed and making minor revisions as a starting point in the process. Council reviewed these objectives on June 12<sup>th</sup> and made recommended changes. The version 1 draft has been updated to version 2 (see Attachment 1). Staff recommends that Council.

Council should continue discussion on the proposed overall City Goals and Objectives.

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**COURSES OF ACTION:** Revise and add to the draft FY 2019-20 goals and objectives as appropriate.

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**FINANCIAL IMPACT:** Varies depending on costs associated with approved Objectives.

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**MOTION REQUESTED:** N/A; provide guidance on goals and objectives and reach consensus on updates.

# **Strategic Goals and Objectives**

## **Strategic Vision**

Shavano Park strives to be the premier community in Bexar County, preserving and celebrating its natural setting and small town traditions amid the surrounding area's urban growth.

## **Mission**

The City of Shavano Park provides exceptional leadership and delivers exemplary municipal services in a professional, cost-effective and efficient manner to citizens, business owners and visitors to facilitate economic growth and enable an exceptional quality of life and workplace consistent with our small town values and character.

## **Values**

- Honesty
- Integrity
- Accountability
- Excellence
- Professionalism
- Innovation
- Inclusiveness
- Open, clear, proactive and transparent communications and Government
- Responsiveness and Customer Service

## **Essential Task List**

- Provide, Efficiently Use, and Protect Fiscal Resources
- Maintain Effective Staffing Resources
- Provide and Maintain Infrastructure
- Maintain a Superior Water System
- Provide Police Services
- Provide Fire / EMS Services
- Conduct Municipal Planning
- Enforce Ordinances / Standards consistently
- Provide Outstanding Customer Service to citizens and visitors

## **Strategic Goals**

1. Provide excellent municipal services while anticipating future requirements
2. Protect and provide a city-wide safe and secure environment
3. Preserve City property values, protect fiscal resources and maintain financial discipline
4. Maintain excellent infrastructure (buildings, streets and utilities)
5. Enhance and support commercial business activities and opportunities
6. Enhance the City image and maintain a rural atmosphere
7. Promote effective communications and outreach with citizens
8. Mitigate storm water runoff

## **Objectives**

### **1. Provide excellent municipal services while anticipating future requirements**

- Provide exceptional customer service to citizens and visitors
- Enforce ordinances / policies consistently
- Engage residents to participate in municipal planning
- Review Contracts / Professional Services and request RFQs as appropriate
- Fully fund Capital Replacement requirements as scheduled

### **2. Protect and provide a city-wide safe and secure environment**

- Effectively conduct “Community Policing” to keep Shavano Park citizens safe
- Actively respond to citizen concerns
- Proactively enforce city ordinances, criminal statutes and Texas Transportation Code provisions
- Proactively pursue reduction of neighborhood crime across the city
- Consistently maintain average police and fire response times to 3-4 minutes
- Routinely emphasize friendly “customer service” and image of City while patrolling
- Effectively communicate to citizens police security efforts in crime control measures and trends
- Fully implement the standard procedures for the new Fire Engine 139 and ensure safe access across the City
- Continue fire safety measures / improvements by reducing the risk of a forest fire for all municipal areas in coordination with the Texas A&M Forest Service

3. Preserve City property values, protect fiscal resources and maintain financial discipline

- Investigate revenue enhancement options
- Continue growth of the Oak Wilt Fund
- Strive to earn the Texas Comptroller Transparency Star Award
- Earn Government Finance Officers Association Budget Award
- Maintain Reserves IAW our Fund Balance Policy

4. Maintain excellent infrastructure (buildings, streets and utilities)

- Complete a city-wide street assessment, maintenance, and replacement schedule
- Continue to implement asphalt preservation applications east side of NW Military from De Zavala to Cliffside Road; applications include crack seal and seal coat to assist in maintaining pavement conditions.
- Implement environmentally friendly parking options in partnership with TxDOT and otherwise promote natural parking south of City Hall.
- Maintain essential public water infrastructure to include a capital replacement program
  - Continue to take corrective action on dead end main issues to lessen flushing and reduce loss ratio rate.
- Complete assessment of city requirements for NW Military MPO project scheduled for 2020
- Complete planning with TxDOT for relocation and improvements to portions of the water mains on NW Military prior/ job bid for MPO project
- Assess City requirements for relocation and improvements to portions of the water mains on NW Military and to determine funding sources to resource
- Investigate alternatives to increase productivity and life expectancy of the Trinity Well pump, motor, and ground storage tank
- Complete the plan to remodel the City Hall public bathrooms.
- Widen rear driveway to allow for better access of Ladder Truck to rear of truck bays

5. Enhance and support commercial business activities and opportunities

- Continue to survey Shavano Park businesses concerning city support
- Continue to maintain an updated business directory supplement and include in the Shavano Park resident directory

6. Enhance the City Image while maintaining a rural atmosphere

- Emphasize friendly customer service and make opportunities to engage with public
- Continue to coordinate with Bitterblue for completion of sidewalk trail north from Lockhill Selma to Salado Creek
- Consider a City/Community partnership in securing a City pavilion / play-scape
- ~~• Secure the donation of a pavilion to the City~~
- ~~• Solicit the donation of a play scape to the City~~
- Implement recommendations concerning access from Cliffside to the San Antonio Linear Park and trail system

- Continue ~~Maintain~~ Tree City USA recognition
- ~~Consider permanent green space on the municipal tract~~
- Continue and promote ~~Maintain~~ Firewise recognition
- Develop a plan and implement a ~~Explore options for~~ second rain garden at City Hall and consider plans for other locations
- Develop and implement a landscaping plan for the City Monument at City Hall and other city properties
- Maintain and promote National Wildlife Federation recognition as a Community Wildlife Habitat

#### 7. Promote effective communications and outreach with citizens

- Maintain and continue to improve the City Communications Plan
- Conduct four City sponsored events (Arbor Day, Independence Day, National Night Out, December Celebration)
- Support the City of Shavano Park celebration of Fiesta in coordination with Arbor Day with Fiesta Metals
- Maintain City website and evaluate additional website applications
- Conduct written engagements with Citizens (Water System, Town Plan, RR Stickers, Key Numbers, i-INFO)
- Continue to conduct website surveys
- ~~Survey residents concerning the value of the Community Directory and consider options for publishing in 2021~~
- Decide and consider options for comprehensive Town Plan for 2018

#### 8. Mitigate storm water runoff

- ~~Support the mitigation of stormwater problems throughout the City~~
- Complete Drainage plan culverts at Chimney Rock, Windmill and Bent Oak.
- Initiate a Preliminary Engineering Report to determine the options and a more refined cost estimate for remaining drainage areas as presented in the KFW Engineering Drainage Study
- Assess the implementation of the previously approved prioritized plan to address City drainage issues; revise the plan and implement as it is feasible
- Continue drainage improvements
- Provide maintenance of our storm water to include inlets and channels, ensuring proper drainage into our watersheds to include brush clearing projects
- Examine Lockhill Selma pooling of water

## CITY COUNCIL STAFF SUMMARY

Meeting Date: June 24, 2019

Agenda item: 5.5

Prepared by: Brenda Morey

Reviewed by: Bill Hill

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### **AGENDA ITEM DESCRIPTION:**

Discussion / action - FY 2019-20 Budget Calendar - Finance Director

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#### **Attachments for Reference:**

1) Proposed FY2020 Budget Calendar

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**BACKGROUND / HISTORY:** Staff drafted the FY2020 Budget Calendar to allow Council/Staff to arrange their schedules for the required meetings over the next several months.

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**DISCUSSION:** Attached is a copy of the Proposed FY2020 Budget Calendar. Updates highlighted yellow.

At the May 13<sup>th</sup> meeting, Council considered the proposed budget calendar meeting schedule and approved the dates for the first two budget workshops (June 12 at 5 pm and June 24<sup>th</sup> at 4:30 pm before the normal City Council meeting).

At the June 12<sup>th</sup> workshop, Council provided consensus to meet on Tuesday, July 9 at 4:00pm for the budget workshop addressing capital replacement funds and expenditure estimates. Consensus was also provided for the Thursday, August 8 special meeting at 5:30pm for the City Manager to present the FY 2019-20 Budget and the Wednesday, August 14 special meeting at 5:30pm for the record tax rate vote.

This calendar provides for the City Council establishing overarching Goals and Objectives as you have the past few years. Typically, the eight goals established in previous years do not vary significantly, but the objectives do change as priorities and requirements change and other objectives are accomplished. This is an important element of guidance provided to staff for the entire year, but also those objectives that require fiscal funding must be included in the budget.

Note: Staff intends to present the budget as early as possible. Considering that the certified tax rolls are not provided to the City until a/o 25 July and that Effective and Rollback tax rates are not provided until after that – providing the record City Manager budget is not scheduled until August 8<sup>th</sup>.



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**COURSES OF ACTION:** 1) Review the remainder of the proposed dates and highlight any dates with possible conflicts. Confirm August 20 and August 26 workshops, and September 16<sup>th</sup> special council meeting.  
2) Accept the Budget Calendar as submitted or provide further guidance

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**FINANCIAL IMPACT:** N/A

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**MOTION REQUESTED:** Accept the FY 2019-20 Budget Calendar as submitted.

# PROPOSED BUDGET CALENDAR FOR FY 2019-20

## 2019

15-30 April	Receive Preliminary Property Tax Report; pass to Council
4 April – 9 May	Budget Kick Off with Departments - FY 2019 -20 Goals, Objectives, Unfunded Requirements
14-24 May	Department Budget Meetings - FY 2019-20 Goals, Objectives, Unfunded Requirements
<b>Monday 6 May</b>	Brief Water Advisory Committee FY 2019-20 Goals and Objectives
<b>Monday 10 June</b>	Water Advisory Committee Meeting / Budget Workshop (Revenues, G&O)
<b>Wednesday 12 June</b>	Council Workshop 5:00pm – Set Initial Goals, Objectives, and Budget Guidance
3-14 June	Prepare Revenues for Preliminary Budget
<b>Monday 24 June</b>	Council Workshop - Budget Basics and Staff Analysis of Council Objectives / Salary Study Presentation 4:30pm (before regular City Council meeting)
<b>Monday 8 July</b>	Water Advisory Committee Meeting - Budget Workshop - Water Fund Expenses
<b>Tuesday 9 July</b>	Budget Work Shop 4:00pm – Capital Replacement Funds; Expense Estimates
25 July	Bexar County Appraisal District Provides Certified Tax Roll; pass to Council
~ July 25 - 2 August	Bexar County Tax Assessor Collector Calculates & Provides Effective and Roll Back Rates
<b>Tuesday 30 July (T)</b>	Water Advisory Committee Meeting - Approve Initial Water Fund Budget
<b>Thursday 8 August</b>	Special Council Meeting 5:30pm - <ul style="list-style-type: none"> <li>- City Manager Submits Proposed FY 2019-20 Budget (No anticipated Council action)</li> <li>- Receive Effective and Rollback Calculation</li> </ul>
<b>Monday 12 August</b>	Special Council Meeting / Workshop 5:30pm <ul style="list-style-type: none"> <li>- Discuss tax rate; if proposed tax rate will exceed the rollback rate or the effective rate (whichever is lower), take record vote and schedule Public Hearings.</li> </ul>
Wednesday 14 August	Publish Notice of 2019 Tax Year Proposed Tax Rate (Effective & Rollback) (Dates of Public Hearings Published in News Paper)
<b>Tuesday 20 August</b>	Special Council Budget Workshop 5:30pm
<b>Monday 26 August</b>	Budget Work Shop 5:30pm / Regular Council Meeting
Wednesday 28 August	Publication Notice of 1 <sup>st</sup> and 2 <sup>nd</sup> Budget Reading
<b>Monday 16 September</b>	Special Council Meeting 6:30pm – <ul style="list-style-type: none"> <li>- 1<sup>st</sup> Reading of Budget/Public Hearing</li> <li>- Schedule and announce meeting to adopt tax rate 3-14 days from this date.</li> </ul>
<b>Monday 23 September</b>	Regular Council Meeting – <ul style="list-style-type: none"> <li>- 2<sup>nd</sup> Reading of Budget/Public Hearing</li> <li>- Adopt Budget by Ordinance</li> <li>- Levy Tax Rate by Resolution and take record vote</li> </ul>