



CITY OF STAFFORD

2610 SOUTH MAIN STREET • STAFFORD, TEXAS 77477
(281) 261-3900 • WWW.STAFFORDTX.GOV

AGENDA

SPECIAL CALLED CITY COUNCIL MEETING

Wednesday, November 13, 2024, at 6:30 p.m.

City Hall, Council Chambers

2610 South Main St, Stafford, TX 77477

1. Call to Order.
2. Pledges of Allegiance.
3. Public Comments.
4. Update from the Operations Task Force.
5. (a) Discussion regarding amending the Budgeting and Long-Range Financial Planning Policy.
(b) Public Comments on item (a).
(c) Possible Consideration of appropriate action on item (a).
6. (a) Discussion regarding funding for the Police Department Step Program.
(b) Public Comments on item (a).
(c) Possible Consideration of appropriate action on item (a).
7. (a) Discussion regarding hiring seven (7) additional firefighters for the Fire Department.
(b) Public Comments on item (a).
(c) Possible Consideration of appropriate action on item (a).
8. (a) Discussion regarding uniforms and safety equipment for Public Works employees.
(b) Public Comments on item (a).
(c) Possible Consideration of appropriate action on item (a).
9. (a) Discussion regarding withdrawal from the Fund Balance for the purchase of vehicles for the Police Department.
(b) Public Comments on item (a).

COUNCILMEMBERS
ALICE CHEN
WILLIAM BOSTIC JR.
TIM WOOD

MAYOR
KEN MATHEW

COUNCILMEMBERS
CHRISTOPHER CALDWELL
VIRGINIA ROSAS
YAVIER HERRERA

(c) Possible Consideration of appropriate action on item (a).

10. Adjournment.

I CERTIFY THAT THE ABOVE NOTICE OF A SPECIAL CALLED MEETING AND AGENDA WAS POSTED ON THE BULLETIN BOARD OF THE STAFFORD CITY HALL ON NOVEMBER 8, 2024.



**Roxanne Benitez, TRMC, OPM, CMCC
City Secretary**

This facility is wheelchair accessible and accessible parking spaces are available. Requests for accommodations or interpretive services must be made 48 hours prior to this meeting. Please contact the City Secretary's Office at (281) 261-3900 for further information.

City Department Audit Grading Rubric for Efficiency and Effectiveness

Each criterion is graded on a scale of 1-5:

- **5** = Excellent
- **4** = Good
- **3** = Average
- **2** = Needs Improvement
- **1** = Poor/Non-Compliant

I. Resource Efficiency

- **Budget Utilization:** Degree to which the department maximizes its budget allocation for intended purposes without unnecessary expenditure.
- **Cost Savings Initiatives:** Implementation of cost-saving practices without compromising service quality.
- **Staff Allocation:** Efficiency in deploying staff based on workload and priority needs.
- **Resource Management:** Optimal use of resources, including materials, facilities, and technology, to reduce waste.

II. Operational Effectiveness

- **Goal Achievement:** Success rate in achieving set goals, objectives, and key performance indicators (KPIs).
- **Process Optimization:** Evidence of streamlined processes to reduce time and resource expenditure (e.g., use of technology, simplified procedures).
- **Service Quality and Consistency:** Consistency in delivering high-quality services across all areas of the department.
- **Response Time:** Timeliness in responding to service requests, complaints, or incidents, with an emphasis on reducing backlogs.

III. Financial Efficiency and Accountability

- **Budgetary Compliance:** Adherence to budget guidelines, with clear, documented explanations for any variances.
- **Cost-Benefit Analysis:** Regular analysis to ensure that investments or initiatives produce significant benefits relative to costs.
- **Transparent Reporting:** Accuracy and clarity in financial reporting to facilitate accountability and informed decision-making.
- **Efficient Procurement:** Timeliness and cost-effectiveness in procurement, with a focus on competitive bidding and vendor management.

IV. Workforce Productivity and Capacity

- **Performance Metrics:** Use of productivity metrics (e.g., tasks completed per employee) to monitor and optimize workforce performance.

- **Skill Development:** Availability of training that improves staff efficiency and effectiveness in fulfilling their roles.
- **Employee Utilization:** Effective assignment of duties to match employees' skills with departmental needs.
- **Turnover Management:** Strategies to retain talent and reduce turnover, minimizing disruptions and preserving productivity.

V. Community Impact and Satisfaction

- **Public Accessibility:** Ease of access for the public to department services, including digital and in-person options.
- **User Satisfaction:** Measurement of community satisfaction through surveys, feedback, and complaint resolution.
- **Public Awareness Initiatives:** Effectiveness of outreach programs in educating the community about department services.
- **Community Engagement and Responsiveness:** Responsiveness to community needs and feedback, showing a commitment to continuous improvement.

VI. Compliance and Legal Adherence

- **Policies and Regulations:** Adherence to relevant laws, regulations, and policies.
- **Documentation:** Proper maintenance and organization of legal and regulatory documents.
- **Risk Management:** Presence of processes to assess, monitor, and mitigate risk.
- **Audit Findings Resolution:** Responsiveness to prior audit findings and compliance corrections.

VII. Financial Management and Efficiency

- **Budget Management:** Adherence to budget limits, with explanations for any variances.
- **Financial Transparency:** Openness and accuracy in financial records and reporting.
- **Resource Allocation:** Efficient use of funds and resources for public benefit.
- **Procurement Procedures:** Adherence to transparent and fair procurement practices.

VIII. Performance and Service Delivery

- **Service Quality:** Evaluation of whether services meet quality standards and goals.
- **Timeliness:** Adherence to deadlines and responsiveness to community needs.
- **Performance Metrics:** Clear metrics for tracking and reporting departmental performance.
- **Continuous Improvement:** Evidence of efforts to improve services based on feedback.

IX. Human Resources and Workforce Management

- **Staffing:** Appropriate staffing levels and efficient allocation of human resources.
- **Training and Development:** Access to training and development opportunities for staff.

- **Workplace Culture:** Promotion of diversity, equity, and inclusion.
- **Employee Retention:** Efforts to reduce turnover and maintain institutional knowledge.

X. Transparency and Community Engagement

- **Public Accessibility:** Ease of access to department information and data.
- **Community Feedback:** Mechanisms for gathering and addressing community feedback.
- **Public Meetings and Communication:** Frequency and quality of public meetings, press releases, etc.
- **Ethical Standards:** Evidence of high ethical standards and avoidance of conflicts of interest.

Scoring and Interpretation

- **Score Range 21-25:** Highly Efficient and Effective. Consistently exceeds efficiency and effectiveness standards.
- **Score Range 16-20:** Effective, with Minor Efficiency Improvements Needed. Generally meets goals but may have a few areas for increased efficiency.
- **Score Range 11-15:** Satisfactory, with Room for Improvement. Meets minimum requirements for effectiveness and efficiency but could optimize further.
- **Score Range 6-10:** Below Average. Needs considerable improvements in efficiency and effectiveness.
- **Score Range 1-5:** Ineffective. Falls significantly short of efficiency and effectiveness standards; major improvements required.

This rubric place weight on outcomes, impact, and efficiency measures, focusing on how well the department (e.g., public works, finance, or parks and recreation) utilizes resources, achieves goals, and serves the community effectively. This rubric provides a comprehensive framework to evaluate a department's effectiveness, efficiency, and accountability. It should provide a clear picture of both the performance and operational efficiency of the department.

DIVIDER PAGE

City Department Audit Rubric Model for Efficiency and Effectiveness

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Criteria	Description	Score (1-5)	Observations	Recommendations
I. Resource Efficiency				
Budget Utilization	Degree to which budget allocation is maximized without unnecessary expenditure.			
Cost Savings Initiatives	Implementation of cost-saving practices without impacting service quality.			
Staff Allocation	Efficient deployment of staff based on workload and departmental priorities.			
Resource Management	Optimal use of resources, reducing waste and improving operational sustainability.			
II. Operational Effectiveness				
Goal Achievement	Success rate in meeting departmental goals, objectives, and KPIs.			
Process Optimization	Streamlining of processes to reduce time and costs, with integration of automation or simplification where possible.			
Service Quality and Consistency	Consistency in high-quality service delivery across all areas.			
Response Time	Timeliness in handling service requests, complaints, or incidents, with an emphasis on reducing backlogs.			
III. Financial Efficiency and Accountability				
Budgetary Compliance	Adherence to budget guidelines, with explanations for variances.			
Cost-Benefit Analysis	Evaluation to ensure benefits outweigh costs in departmental initiatives.			
Transparent Reporting	Clear and accurate financial reporting, promoting accountability.			
Efficient Procurement	Timeliness and cost-effectiveness in procurement, focusing on competitive and fair vendor selection.			
IV. Workforce Productivity and Capacity				
Performance Metrics	Use of productivity metrics to evaluate and improve workforce efficiency.			
Skill Development	Access to training that enhances workforce effectiveness.			
Employee Utilization	Effective assignment of tasks that align staff skills with department needs.			

Criteria	Description	Score (1-5)	Observations	Recommendations
Turnover Management	Strategies for talent retention to reduce turnover and disruptions.			
V. Community Impact and Satisfaction				
Public Accessibility	Ease of public access to department services, including digital options.			
User Satisfaction	Measurement of community satisfaction with services through surveys, feedback, and complaint resolution.			
Public Awareness Initiatives	Effectiveness of outreach programs in raising awareness about department services.			
Community Engagement and Responsiveness	Responsiveness to community needs and feedback, with evidence of continuous improvement.			
VI. Compliance and Legal Adherence				
Policies and Regulations	Adherence to relevant laws, regulations, and policies.			
Documentation	Proper maintenance and organization of legal and regulatory documents.			
Risk Management	Presence of processes to assess, monitor, and mitigate risk.			
Audit Findings Resolution	Responsiveness to prior audit findings and compliance corrections.			
VII. Financial Management and Efficiency				
Budget Management	Adherence to budget limits, with explanations for any variances.			
Financial Transparency	Openness and accuracy in financial records and reporting.			
Resource Allocation	Efficient use of funds and resources for public benefit.			
Procurement Procedures	Adherence to transparent and fair procurement practices.			
VIII. Performance and Service Delivery				
Service Quality	Evaluation of whether services meet quality standards and goals.			
Timeliness	Adherence to deadlines and responsiveness to community needs.			
Performance Metrics	Clear metrics for tracking and reporting departmental performance.			
Continuous Improvement	Evidence of efforts to improve services based on feedback.			
IX. Human Resources and Workforce Management				
Staffing	Appropriate staffing levels and efficient allocation of human resources.			

Criteria	Description	Score (1-5)	Observations	Recommendations
Training and Development	Access to training and development opportunities for staff.			
Workplace Culture	Promotion of diversity, equity, and inclusion.			
Employee Retention	Efforts to reduce turnover and maintain institutional knowledge.			
X. Transparency and Community Engagement				
Public Accessibility	Ease of access to department information and data.			
Community Feedback	Mechanisms for gathering and addressing community feedback.			
Public Meetings and Communication	Frequency and quality of public meetings, press releases, etc.			
Ethical Standards	Evidence of high ethical standards and avoidance of conflicts of interest.			

Scoring and Summary

Total Score	Interpretation
21-25	Highly Efficient and Effective. Consistently exceeds standards for efficiency and effectiveness.
16-20	Effective, with Minor Efficiency Improvements Needed. Generally meets goals, with minor areas for improvement.
11-15	Satisfactory, with Room for Improvement. Meets minimum requirements but can further optimize.
6-10	Below Average. Needs significant improvements in efficiency and effectiveness.
1-5	Ineffective. Fails to meet basic standards; requires substantial improvements.



CITY OF STAFFORD

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Memo

To: Mayor and City Council
From: Alka Shah, Chief Financial Officer
Date: November 7, 2024
Re: Financial Management Policy

I am writing to express my concerns following last night's unanimous decision to repeal the financial management policy that was previously implemented to enhance the city's financial stability. While I acknowledge and respect the council's authority to make such decisions, I believe it is crucial to consider the potential consequences of this repeal on our city's financial health and reputation.

The financial management policy has played a pivotal role in improving our fund balance, escalating it from less than a million dollars to nearly ten million dollars. Furthermore, the positive effect on our bond rating from A2 to A3 has significantly benefitted the city, allowing us to issue bonds at lower interest rates. Repealing this policy might not only tarnish the city's image but could also pose challenges when seeking to borrow funds in the future.

My role is that of an advisor to the Mayor and Council, as well as an implementer of your directives. However, part of my job description is to maintain the financial well-being of the City, and I want to go on the record and warn each of you of the adverse implications of your potential decision that will reverse the strengthening foothold we have built thus far; it is an eventuality. I recommend that you consider alternative approaches and maintain the financial management policy as one of our guiding principles.

DIVIDER PAGE

RESOLUTION NO. 41-21

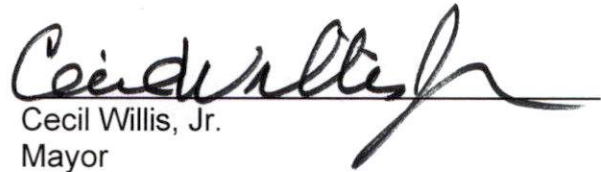
A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF STAFFORD, TEXAS, ADOPTING A BUDGETING AND LONG-RANGE FINANCIAL PLANNING POLICY FOR THE CITY.

* * * * *

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF STAFFORD, TEXAS:

Section 1. The City Council of the City of Stafford, Texas, hereby adopts a policy entitled "City of Stafford Budgeting and Long-Range Financial Planning," a copy of which is attached hereto as Exhibit "A" and made a part hereof for all purposes.

PASSED, APPROVED, AND RESOLVED this 15th day of September 2021.


Cecil Willis, Jr.
Mayor

ATTEST:



Nicola Browe, Acting City Secretary

EXHIBIT A

Budgeting and Long-Range Financial Planning

Establish guidelines for budgeting to help ensure a financially sound City and establish a long-range financial planning process that assesses the long-term financial implications of current and proposed operating and capital budgets.

A. Balanced Budget

The City Mayor shall file annually, a structurally balanced budget for the ensuing fiscal year with City Council pursuant to the prevailing state and local law. A structurally balanced budget is further defined as recurring revenues funding recurring expenditures and adherence to fund balance policies. Deferrals, short-term loans, or one-time sources will be avoided as budget balancing techniques. A structurally imbalanced budget proposal shall be accompanied by a plan to return the budget to structural balance and the resulting five year financial forecast that reflects steps to be taken to return the budget to structural balance.

B. Current Funding Basis (Recurring Revenues)

The City shall budget and operate on a current funding basis. Revenues and expenditures shall be budgeted on a cash basis. Expenditures shall be budgeted and controlled so as not to exceed current revenues. Recurring expenses will be funded exclusively with recurring revenue sources to facilitate operations on a current funding basis.

C. Use of Non-Recurring Revenues

Non-recurring revenue sources, such as a one-time revenue remittance or fund balance in excess of policy can only be budgeted/used to fund non-recurring expenditures, such as capital purchases or capital improvement projects. This will ensure that recurring expenditures are not funded by non-recurring sources.

D. Sales Tax from Incentive Grant Agreements

1. Sales tax revenues generated from incentive grant agreements will not be used to fund recurring operating expenditures but rather non-recurring capital purchases, economic development projects or capital improvement projects.
2. As the economic development sales tax is intended for use to promote economic development activities, the City shall strive to fund incentive agreements from economic development sales tax first, then from general fund sales taxes.
3. A transfer from General Fund sales tax to fund pay-as-you-go capital projects will be budgeted with a target of 10% of the annual General Fund budgeted sales tax, when it is financially feasible.

4. Revenue Estimating for Budgeting- In order to protect the City from revenue shortfalls and to maintain a stable level of services, the City shall use a conservative, objective, and analytical approach when preparing revenue estimates. The process shall include analysis of probable economic changes and their impacts on revenues, historical collection rates, and trends. This approach should reduce the likelihood of actual revenues falling short of budget estimates and should avoid mid-year service changes.
5. Performance and Merit Pool- When funding is available, the budget shall include an amount adequate to cover an overall average performance and merit increase as proposed annually by the City Mayor. This amount will be calculated for each department, based on budgeted salaries for the year, and will be placed in the appropriate budget accounts. The City does not give cost of living increases. Other than adjustments due to changes in the compensation plan, salary increases are to be earned through merit and/or promotion increases.
6. The City Council shall delegate authority to the Director of Finance in managing the budget after it is formally adopted by City Council.
7. In order to preserve projected fund balances/ ending balances based on projected revenues and expenditures for the current fiscal year, City Council will amend the annual budget for all funds as set forth in the projections. City Council will amend the current fiscal year budget to projections annually through adoption of an ordinance amending the budget.
8. Operating Deficits- The City shall take immediate corrective actions if at any time during the fiscal year expenditure and revenue re-estimates are such that an operating deficit is projected at year end. Corrective actions in order of precedence are:
 1. Reduce transfers to the Capital Improvement Fund for pay-as-you-go CIP.
 2. Deferral of capital purchases
 3. Expenditure reductions
 4. Hiring freezes
 5. Freeze merit increases
 6. Use of fund balance
 7. Lay-off employees

Short-term loans shall be avoided to balance the budget

The use of fund balance, which is a one-time revenue source, may be used to fund an annual operating deficit, only with a subsequent approval of a plan to replenish the fund balance if it is brought down below policy level.

9. Five-year Forecast of Revenues and Expenditures- The forecast assesses long-term financial implications of current and proposed policies, programs, and assumptions

that develop appropriate strategies to achieve the City's goals. The forecast will provide an understanding of available funding; evaluate financial risk; assess the likelihood that services can be sustained; assess the level at which capital investment can be made; identify future commitments and resource demands; and identify the key variables that may cause change in the level of revenue. The forecast will be used to identify anticipated financial issues so that a plan can be developed to correct anticipated issues before they become reality.

- I. **Revenues and Resources:** Maintain a balanced and diverse revenue system that minimizes the City's exposure to economic cycles and risk.
 - a. **User Fees** – For services that benefit specific users, the City shall establish and collect fees to recover the costs of those services. A list of various fees schedule needs to be reviewed annually to ensure the rates are in-line with the costs incurred.
 - b. **Administrative Service Charges** – The City shall determine annually the administrative service charges due to the General Fund from SEDC fund.
- II. **Expenditures and Services (non-capital)** Identify and set priorities for services, establish appropriate service levels and administer the expenditure of available resources to help ensure fiscal stability and the effective and efficient delivery of services.
- III. **Capital Expenditures and Improvements:** Annually review and monitor the state of the City's capital equipment and infrastructure, setting priorities for its replacement and renovation based on needs, funding alternatives, and availability of resources.
- IV. **Fund Balance/Ending Balances:** Maintain the fund balance of the City's general fund at levels sufficient to protect the City's creditworthiness as well as its financial position during emergencies or economic fluctuations.

The City shall maintain the General Fund unreserved fund balance equivalent to three months of normal recurring operating costs, based on current year budgeted expenditures. If the fund balance exceeds this amount, the amount in excess of policy requirements may be utilized to fund one-time expenditures in the next fiscal year's budget.

Use of Fund Balance/Working Capital- Fund Balance/Working Capital shall be used only for emergencies, non-recurring expenditures, or major capital purchases that cannot be accommodated through current year savings. Should such use reduce balances below the level established as the minimum required fund balance, restoration recommendations will accompany the request/decision to utilize said balances.

The General Fund's fund balance is divided into four categories:

- a. **Nonspendable** – The Nonspendable fund balance includes amounts that are considered Nonspendable, such as inventories and prepaid items.
- b. **Restricted Fund Balance** – The Restricted fund balance includes amounts that can be spent only for the specific purposes stipulated by constitution, external resource providers, or through enabling legislation.
- c. **Committed Fund Balance** – The Committed fund balance includes amounts that can be used only for the specific purposes determined by a formal action of the government’s highest level of decision-making authority.
- d. **Assigned Fund Balance** – The Assigned fund balance classification are intended to be used by the government for specific purposes but do not meet the criteria to be classified as restricted or committed. In governmental funds other than the general fund, assigned fund balance represents the remaining amount that is not restricted or committed.
- e. **Unassigned Fund Balance** – The Unassigned fund balance is the residual classification for the government’s general fund and includes all spendable amounts not contained in the other classification. In other funds, the unassigned classification should be used only to report a deficit balance resulting from overspending for specific purposes for which amounts had been restricted, committed or assigned.

Economic Development Corporation- As sales tax revenue fluctuates due to changes in economic conditions, the SEDC shall maintain an unreserved fund balance no less than 10% of budgeted sales tax revenues.

The City shall maintain the Debt Service fund balance equivalent to an annual debt payment for the following year both for the City and SEDC.

From: [Virginia Rosas](#)
To: [Alka Shah](#); [Roxanne Benitez](#); [Ken Mathew](#)
Subject: Re: Purchase of Police Vehicles
Date: Thursday, November 7, 2024 5:19:14 PM
Attachments: [goldbrownbar\(brownsmlbottom\) 9cad4eb9-d07e-4e6f-957c-9eaacf1b032c.png](#)
[facebook 32x32 973128e2-d025-4614-a63e-a0c3ea53f1f5.png](#)
[twitter 32x32 0bc38866-13c9-4513-bb95-16511c69daa9.png](#)
[instagram 32x32 c1f4ba21-ce1f-435c-a946-4751754580f1.png](#)
[linkedin 32x32 a27ecece-5467-437f-836e-54177903bef2.png](#)
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[goldbrownbar\(brownsmlbottom\) 9cad4eb9-d07e-4e6f-957c-9eaacf1b032c.png](#)
[facebook 32x32 973128e2-d025-4614-a63e-a0c3ea53f1f5.png](#)
[twitter 32x32 0bc38866-13c9-4513-bb95-16511c69daa9.png](#)
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Roxanne:

I am requesting that this item be placed on the Special Called Meeting next week in conjunction with the police departments STEP Program funding discussion.

The withdrawal of funds from the fund balance for police vehicles needs to be discussed.

Respectfully submitted,
Virginia Rosas

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