

STATE OF THE CITY AND GOALS FOR 2023

CITY OF STAFFORD TX

25TH OF JANUARY, 2023

BY MAYOR CECIL WILLIS

25+ months ago, I received the honor of being elected “The Mayor of Stafford”. It is truly humbling to have your peers select you to manage their business and affairs. These past 2+ years have flown by. But during that period, we have continued to remain focused and moved the City forward.

I want to welcome those here in person and those who are viewing and thank you on behalf of myself and City Council. Most cities that I’m familiar with simply give an annual presentation by the Mayor and some staff.

In Stafford, we have always presented more. You not only get a status report, but you also have the ability to ask questions and offer suggestions. This is a format we have practiced for decades.

Assembled tonight are your Council Members, City Department Heads, Legal Counsel, City Engineer, and Stafford Centre Manager to address any questions you may have.

Stafford, in my opinion has been fortunate to have had a group of dedicated elected officials and professional staff through the years that have helped guide us to where we are today.

No matter who you are or what type of organization you have, it is important to have committed and dedicated individuals engaged in the process. We continue to have opportunities to address as I mentioned to the Department Heads at our very first meeting. In my opinion, as we move forward, we will need to address ways to continue to be responsive in all areas of change that continues around us.

As I stated last year, the City of Stafford is Alive and Well. This year the City of Stafford is even more Alive and Well. After facing COVID, 2 winter freezes, supply chain issues, debating whether we were headed into a recession or were already in one, and finally dealing with an unsecured southern border.

I can state that Stafford is still standing and moving forward. I feel confident in making this statement due to the continued effort of the citizens, commercial base, Council, and the great City staff. A number of new and modified employee positions have been filled. New computer equipment and software programs are in the pipeline. Annual street maintenance repairs are back on track and expanding just to name a few. I will give more specific examples as we go through this presentation.

There will always be a small group that advocates we should do things differently in any organization. I like to think they simply don't understand the complexity of the operation. There are rumblings by a few that we should change what we are doing financially and possibly reinstitute property tax. Let me state my positions clearly, the budget I presented for 2022-2023 Fiscal Year reflects a "Zero Property Tax" for the 29th consecutive year and proposed an increased fund balance. So, count me as a No Vote for personal property tax for the City of Stafford.

The Zero Property Tax helps the City to attract not only a commercial base, but residents do enjoy not having to pay a personal property tax.

So, let's dive in and look at facts regarding the City of Stafford: Finances, every business, organization, and family monitors its finances. No one regardless of who they are cannot survive on a credit card for long. You have to have a sound policy and firm base. We have been blessed to have both. It was by design and not luck. Previous Mayors and Councils believed fervently in this idea.

We will continue to start budgeting conversations timely and discuss any new objectives we might have. Using the experience and knowledge of our Chief Financial Officer Ms. Alka Shah and her staff along with our financial advisors and auditors. We base all discussions on sound governmental accounting principles.

We start from the bottom up in our budget preparedness. We want to meet our current service and improve if we can on them.

Personnel

We have been able to grow our numbers from last year. We currently have authorized 176 full-time and 85 part-time positions.

Infrastructure & Development

From both City and Public investments.

Infrastructure

We have completed the connectivity of Trinity Drive into the Grid. The annual \$1 million street maintenance program is moving forward, and we are already evaluating our approach for this year. We are preparing our request to Fort Bend County for their next Mobility Bond Project.

TxDOT is close to wrapping up the FM 1092 mobility maintenance project, this will provide for safer travel conditions on that corridor.

Drainage system improvements

Our consulting City Engineer is doing an evaluation of drainage issues that we can provide a positive solution to. We are also working extensively with Missouri City to provide additional detention

capabilities in the Willow Waterhole watershed and improve flow in 2 major channels.

Developments

Since May 2022, the City of Stafford has processed (or is currently processing) in excess of 1100 commercial permits.

- The valuation of these commercial businesses is estimated at nearly \$300M.
- In addition, the City of Stafford has processed over 500 residential permits.
- The valuation of these residential permits is estimated at over \$100M.

Continued development at the Grid

These businesses have opened since last year's State of The City:

- 2/10/2022 7-Eleven, 11201 West Airport
- 6/28/2022 Lazy Dog, 12223 Southwest Freeway
- 11/8/22 Kelsey-Seybold Clinic, 11211 Nexus Avenue

SMSD

SMSD and the City have a theme “We are One”. The district is a component entity of the City. It is often referred to as our crown jewel. Recently, it has taken on even more glitter as our new STEM Academy received an “A” rating in its 1st year.

Another bright spot is the increased scoring for our remaining campuses. The goal is the same, being the best we can be as a District. I would like to recognize the Board, superintendent, and staff for the great job and continued commitment to our students at SMSD. Success is only possible when all are on board and heading in the same direction.

Stafford EDC

Another component entity of the City is the Stafford Economic Development Corporation headed by Councilman Wen Guerra. The task of this 7-member board is to help promote Economic Development by attracting new businesses and retaining existing businesses in our

community. I want to acknowledge their efforts and commend them for the diligence.

Department Reports

The Police Department under Chief Richard Ramirez: 2022 was a very productive year for the Stafford Police Department. The department has once again received accreditation from the Texas Police Chief Association. This is the second time the department has achieved accreditation in the last 5 years. The department is audited every three years for accreditation.

The department also completed phase 1 of the FLOCK license plate reader and has been instrumental in clearing many crimes that otherwise would have had no leads to follow up on. In the first week of January the system helped track a suspect in a child abduction case out of Del Rio. Stafford Patrol Officers located the suspect and recovered the abducted child so that she could be safely returned to her family.

The Criminal Investigations Division worked a Homicide that spanned across the nation. Due to the hard work and countless hours our detectives put into this case all four suspects have been placed in custody and are awaiting trial. Detectives had to travel to Louisiana and Michigan to make arrests in this case.

Two Stafford Patrol Officers received lifesaving awards because of their heroic actions. A call of a suicidal subject with an aggressive dog was received. When the officers arrived, they found the subject had hanged himself. The officers entered the residence, without regard to their own safety. The officers were able to get the subject down and restrain him before he could do further harm to himself. The subject was transported to a local hospital and the dog was safely given to a family member.

The Fire Department headed by Chief Larry Di Camillo: Continues to maintain an ISO Rating of I, which is the highest.

- 4,527 incident responses
 - 56% EMS related

- 44% Fire related
- 6:06 minute was average response time
- 32.91% were simultaneous incidents
- 29:12 minute was average on-scene time
- Most common occupancy type for incidents (Most common first):
 - Single family residences
 - Apartments
 - Hotel/motel
 - Parking lot/garage
 - Commercial roadway
- Station Activity (Busiest first):
 - Fire Station #1
 - Fire Station #3
 - Fire Station #2

- Creation of 3-FT Lieutenant and 3-FT Fire Fighter positions in FY23
- Purchase of 4X4 grass/brush fire vehicle

The Administration Department: A vital component of normal day-to-day City operations is the Administration Department, which is typically the first point of contact for visitors and callers. This department is comprised of City Secretary Roxanne Benitez, Assistant City Secretary Shandra Phillips, and Administrative Services Coordinator Richelle Worthington. There have been many positive changes in this department, which includes two newly appointed employees, Ms. Benitez and Ms. Phillips, as well as the promotion of Ms. Worthington, a long-term Stafford employee. Although compact, this department maintains all City ordinances, resolutions, and vital historical records as well as process public information requests, all in a timely manner. They also create agendas and minutes for all City Council, SEDC, and Committee meetings. In addition, the Administration Department is responsible for all City elections. City

Secretary Roxanne Benitez serves as the Election Official and the entire staff receive continuous training as elections are essential to our democracy. Ms. Benitez and her Staff have done an excellent job of streamlining several processes, which have significantly increased departmental productivity and reduced expenditures.

The Finance Department headed by our Chief Financial Officer Alka Shah: The goals of this year's budget were:

- **Maintain Service Levels**
- **Streamline Procedures to be effective**
- **Rebuild Fund Balance**
- **Balance Budget as required by laws**

I am pleased to report that we have achieved all these goals which can be verified by the facts.

We have implemented some financial policies to provide guidance to staff and management; to name a few; Financial Management Policy including first ever Fund Balance Policy, Investment Policy, and Purchasing Policy. The City's Chart of Accounts

has been revised to be able to pull the data to analyze the financial position of the City. We have funded the implementation of an upgraded financial software Incode 10 to be more effective and efficient.

The external audit firm Whitley Penn has completed the state required certified independent financial audit. Again, this year the City has been awarded a clean and “Unmodified” audit opinion, which is the highest level of opinion that can be given to our financial statements. It means that our financial statements are reliable and free from any misstatements.

When Ms. Shah took over the office, the ending budgeted fund balance of the general fund for the fiscal year 2021 was projected at \$154,408. Under our initiatives, we ended that year with \$4.3 million in fund balance and we will end the fiscal year 2022 with \$7.6 million in fund balance.

	FY21 Budget	FY21	FY22
General Fund	154,408	4,293,226	7,565,852
MST Fund	1,058,984	2,299,875	3,075,278
Hotel Occupancy Fund	7,608,240	7,715,743	7,768,831
Capital Project Fund	70,531	4,137,589	3,570,231
Non-Major Governmental Funds	697,593	391,423	402,229
Total	9,589,756	18,837,856	22,382,421

The City's cash position is also very sound with \$15.4 million in liquid cash and \$10.6 million invested in government agencies, brokered CDs, and Treasury Notes as permitted by Public Funds Investment Act. With the implementation of Investment Policy and aggressive action taken by our Chief Financial Officer, the City has earned over \$162K in interest this fiscal year. Please make a note that last fiscal year it was less, around \$2K.

The total sales tax revenue received in fiscal year 2021 is \$22.1 million and in fiscal year 2022, it is \$25.9 million with a net increase of \$3.8 million. To put this in perspective, in the entire State of Texas we have ranked 66-69 in sales tax receipts out of the 1,169 cities for the first 4 months this fiscal year.

Another noteworthy information is the City's Pension Plan for our full-time employees. The Texas Municipal Retirement System (TMRS) has reported the City's retirement plan position is at 102.11%, which means the plan's fiduciary net position is higher than the pension liabilities. This is first time in the history of our organization.

The Recreation and Civic Center under the leadership of Ms. Susan Ricks: The Stafford Civic Center has been a landmark in Stafford since 1986. The Civic Center has booked many events over the past 35 years and continues to book a multitude of diverse events now. It showcases three tiered levels with a stage and balcony. Theatre style we can accommodate up to 900 guests. Banquet style we can accommodate up to 300 with a dance floor. We have weddings, receptions, concerts, cultural programs, plays, body building competitions, comedians, graduations, business meetings, conferences, tradeshows, parties, dance recitals, and SMSD events just to name a few.

The Stafford City Pool opened in 1984 making many Stafford residents happy to have a cool, refreshing, and fun activity for their family. It opens on Memorial Day weekend each year and closes on Labor Day weekend. We host Stafford Swim Team and SMSD Swim Team each year. Stafford Residents can purchase a pool tag for the entire season for only \$15 per person. You can also take swim lessons at the pool and rent the pool for a private party. So come make a splash and enjoy the cool water on one of our hot summer days. Our pool managers, guards, and gate keepers will be looking forward to your visit.

The Stafford Centre is guided by Mr. Bryan Blaum of FMSquared: Emerging out of the pandemic, the Stafford Centre witnessed a dramatic uptick in business in fiscal year 2021-22. The Centre exceeded revenue projections, while simultaneously spending less than budgeted expenditures. The key to the success of the Centre is directly attributable to the diversity of programming the facility hosts on an annual basis. The Stafford Centre frequently features events from

India, Asia, Africa, and South America as well as North American performances. In fact, in December the theater was the locale for four sold out Houston's Urban Nutcracker performances. Houston Urban Nutcracker is the widely popular African American interpretation of the classical Nutcracker Ballet. The Stafford Centre is one of the highlighted attributes of this great City, and we continue to invest in its future. This past year, we upgraded our theatrical lighting and during this fiscal year we will be replacing our 20-year-old chillers and building automation system. The future looks even brighter for the Centre, and we are committed to fostering its continued growth.

The Human Resources Department headed by Ms. Shanell Garcia: The City of Stafford Human Resources Department is centralized for all departments within the City and is responsible for a variety of core organizational functions which include employee relations, compensation & benefits, employee training & safety, recruiting & on-boarding, and performance management.

Human Resources worked with Public Personnel Consultants to complete and implement a market Compensation Study that evaluated the City's market competitiveness. All employees received a salary increase as a result of the surveys completed in 2022.

Human Resources worked with all City departments to either recruit, hire or onboard 50 plus employees in 2022, which included some newly added positions and Department Heads. 176- Full-Time Budgeted (this includes the 4 new Fire positions approved on 12/7) and 85- Part-Time Budgeted.

New Positions			
Finance	1	FT	Staff Accountant
Development Services	1	FT	Project Manager
	1	PT	GIS Technician
	1	FT	Code Compliance Technician (Rental Registration)
	1	FT	Economic Development Administrator
Police	1	FT	Police Sergeant (dedicated to SMSD)
	1	FT	Police Officer (dedicated to SMSD)
	1	PT	Telecommunications Officer
Fire	3	FT	Fire Lieutenants
	3	FT	Firefighters
	1	PT	Grant Coordinator

Human Resources	1	PT	HR Administrative Assistant
Multimedia Comm	1	FT	SMETV Production Engineer (transition contractor to FT)
Total	17		14 FT 3 PT

The City was able to maintain minimal increases for all lines of insurance coverage and introduced a new plan, that includes a Health Savings Account which allows another avenue for employees to prepare and save for future retirement insurance costs.

In 2022 Human Resources hosted or helped coordinate a number of engaging or educational employee events such as:

- **Vaccine Clinic**
- **Hosted in person Open Enrollment Meetings**
- **Employee Appreciation Dinner**
- **Veterans Day Recognition**
- **Leadership Retreat**
- **Public Works Training**

The Multimedia Department: The Multimedia Department continues its growth with new Director Robert Frith, and an additional full-time Multimedia Specialist. Also, and most recently, an offer was made and accepted for a new Website and Social Media Specialist who we are confident will contribute to the expansion of our online presence, which will increase more traffic on the world wide web as well as physically to our City. This addition solidifies the Multimedia Staff of four with decades of experience and expertise. The City's newly designed website was launched, and it has already proven to be an integral tool for communicating with our community and beyond. We are working to continue growing the website's capabilities with helpful additions that will allow easier access to vital information for our citizens. We are consistently communicating through social media with Facebook, Instagram, Nextdoor, YouTube, LinkedIn, and Twitter with vital information, extreme weather alerts including professionally produced video vignettes with lifesaving information, community event notifications, and more. We continue our collaboration with

Houston Community College to produce and broadcast on SMETV and posting online every meeting in our City, The Stafford Weekly News, which showcases the many amazing things happening in our City, Special events such as the July 4th Freedom Rings Concert, the SMSD Education Foundation's Benefit Golf Tournament and Holiday Concert, and the Spartan Sports Central show that shines a bright light on our outstanding Stafford schools' athletes and coaches. We have completed and implemented a new mini studio within City Hall which allows for more flexibility to produce high quality and important communications. With the stated additions and progress, the Multimedia Department's goals for this new year are to:

- Continue the growth of our website and online presence to include new and creative ways for our citizens to gain easier access to vital information as well as report issues and concerns.
- Create and distribute professional, high-quality communications about our city and services, providing a

one stop shop for citizens to go to for anything they may need from their City.

- And strengthen and solidify City and business collaborations on all multimedia platforms to greatly increase commerce for the City of Stafford.

The Development Services/Public Works Department led by Mr. Jose A. Pastrana, PE: Mr. Pastrana and this department continues to provide excellent and effective services to the residential and commercial developers. Placing special emphasis in attracting new businesses and ensuring that all Stafford residents enjoy a high quality of life, with safe streets, flood protection, access to shops, dining, and a full spectrum of services.

There are several components to this department, it is truly multifaceted. The Development Services side is comprised of Permits, Inspections, Planning, and Zoning which strives to provide the best customer service for both residents and businesses who seek to pull permits or develop in the City. The Planning and Zoning oversees

current and long-range planning through the review of construction plans, specific use permits, and zoning amendments. Permits and inspections issue construction permits and ensure compliance with all applicable building codes and City ordinances. The prime directive of the department is to make the development experience seamless from initial pre-application meeting to final occupancy. This group of talented and dedicated professionals ensure that all construction happening in Stafford meets all the applicable codes, laws, and regulations; thus, ensuring that the City develops in an orderly, attractive, enduring fashion.

In the year 2023, Development Services will place particular emphasis on re-development within our City limits. To that end, we will focus our attention in updating the City's master Comprehensive Development Plan and ensuring that the Capital Improvements Plan, Land Use Plan, and Zoning Map, are in sync. Getting these plans to march in-step will ensure effective development and re-development

efforts and optimize the use/development of our most valuable asset, Our Land.

The Public Works Department is responsible for maintaining the streets, drainage, parks, facilities, vehicles, landscaping, right-of-way, and properties owned by the City of Stafford and the Stafford Municipal School District. Public Works also includes Building Inspections and Engineering design and construction, which is responsible for managing Capital Improvement Projects, engineering plan review, and platting. 2022 was, just as 2021 was, full of challenges including a winter storm and the ever-present Hurricane threats. Public Works crews rose to the challenge throughout the year, providing effective Disaster Preparedness and Recovery to the City. The Citizens of Stafford could, as always, count on the professionalism, and dedication of the Public Works Crews. The Public Works Department counts itself as the tip-of-the-spear in Disaster Recovery and true First Responders who at all times, ensure the safety of citizens and City resources.

The Street, Parks, and Vehicle Maintenance Division is comprised of a few, proud, hard-charging, Can-Do employees. Their mission includes, providing top-notch, responsive, Public Works services to the City's Parks, Street Maintenance, and Drainage System operation and maintenance. This group is also responsible for all, Environmental matters, TCEQ compliance, Coordination with adjacent municipalities, Floodplain Management, and Supporting Stafford Municipal School District. They, of course also provide direct support to Fire and PD when responding to accidents and emergencies. As a side job, these few and proud employees are responsible for Facilities Maintenance throughout the City, and Traffic Signals, Street safety lights, and right-of-way matters.

Coordination of Landscaping along highways 59 and 90Alt, with TxDOT. The City PWD spearheaded a project with TxDOT re-landscaping the freeze-damaged areas along highways 59 and 90ALT. The City paid for the design and construction management of

the project, and TxDOT paid for all the materials, equipment, and labor costs.

The Stafford Code Compliance Team is made up of Animal Control, Consumer Health, Residential Rental Inspections, and Code & Zoning Enforcement.

The City of Stafford's Code Compliance Department's commitment to the safety and the well-being of our citizens, pets, property owners, and patrons is a testament to the Team Members dedication and professionalism.

The Stafford Code Teams have gone above and beyond to ensure our community is a safe and enjoyable place to own a Home, own a Business or to Visit any of the Restaurants in our community.

The work that the Code Team does on a daily basis is not always easy, but it is necessary to maintain the high standards that we have set here at Stafford.

The Team has performed admirably through long and difficult times, managing to provide service with a smile and the highest degree

of professionalism. They will certainly meet all expectations in the years to follow.

Economic Development is another component to this department. It is my desire in the near future to fill our Economic Development position. This position is the latest edition to this department. I believe it will allow for more efficiency and provide one central department to meet the applicants needs.

The Information Technology Department under Director Ryan Young: Information Technology is an internal service department. IT is responsible for providing the technology tools that allows the other departments of the City of Stafford to function more efficiently. This technology provides access to outside resources, information collection, and ease of use applications that allows City staff to function in a modern world. The Information Technology department has recently completed projects to redesign the phone system into a redundant failover configuration, implemented improved network security, increased network fault tolerance, implemented a completely

new backup and recovery system, and implemented a server room environmental monitoring system. The near-future plans are for further improvements to the City's data center facility to allow for continued improvements to the City of Stafford's technology infrastructure. As well as the implementation of new tools for the management and monitoring of the City's data systems.

The Municipal Court Department, Judge Debra Sinclair presides over the Court and Ms. Nicole Nguyen along with the Deputy Clerks facilitates the daily operation: The Court Department continues to operate on a full schedule. There are still some COVID protocols in place such as masks are required while in court and plexiglass dividers are still used in the seating area to protect the citizens as much as possible. The Texas Supreme Court has issued its latest orders that require these continued protections.

The Court Department continues to use zoom proceedings in special circumstances. Special circumstances will include defendants that are ill or that live out of town.

The Court Department is continuing with its evening dockets on the second and fourth Tuesday of each month at 5:30 pm.

As a convenience to our citizens, The Court Department accepts payment of fines via phone, online or in the drop box located at the front of the Court Department.

The Court Department staff is always available to answer questions during court hours which are Monday-Friday, 8:00am - 5:00pm., and on the second and fourth Tuesdays from 8:00am -7:30pm.

Contracted Professional Services

Mr. Art Pertile and his associates with Olson & Olson continue to advise and guide our legal needs. Again, let me say I believe them to be the premier municipal law firm and have served the City exceptionally well.

Jones Engineer Solution led by Mr. Bob Jones continue to guide our engineering plans through mobility, drainage, and other

infrastructure issues. His professional experience and knowledge has and continues as an invaluable component for our City.

Mr. Lawrence Vaccaro a long time and most valuable member of our team continue to provide invaluable information in many areas of the City operation.

Now, let's focus on some more facts:

- Stafford is still moving forward with a bright future.
- Our Certified Tax Base is 3,739,344,022 up by 575,851,198.
- These increased evaluations help SMSD and WCID#2 continue to improve their tax base by the City continuing to grow its base. We must continue to remember we are a complete City not a bedroom community.
- The Fund Balance increased from \$4.3 million in 2021 to \$7.6 million in 2022.

- Stafford continues to rank in the top 6-7% in sales tax receipts in the entire State of Texas.

2023 Goals

GOAL NO. 1. Diversity

In my opinion, the diversity of this community has shaped who we are. We can never allow any distractions to take away the pride and togetherness this community embraces.

GOAL NO. 2. Increase our fund balance

We have made improvements over the past 2 fiscal years. The balance is increasing. In government it is vital not only for our daily operations but very critical for the rating agencies.

GOAL NO. 3. Mass Transit

We must continue to find ways to improve transit in Stafford and the region. We are running out of land to expand our roadways and

ultimately will have to accept another form of travel other than everyone jumping in their vehicle and taking off.

GOAL NO. 4. Quality Development/ Redevelopment

This is what our future is. If we are successful, we will continue to attract individuals to our community and SMSD. Many conversations are ongoing as to how to best to accomplish our goal.

GOAL NO. 5. City, SMSD, and HCC Collaboration

A truly unique opportunity in 1 location, you can receive your high school diploma and an associate degree or certificate at the same time. The numbers are increasing yearly. This coming May it is anticipated that 68 SMSD graduates will qualify with 38 receiving an associate degree and 30 receiving a certificate in 4 programs. We must continue to expand on each and ever opportunity.

Conclusion

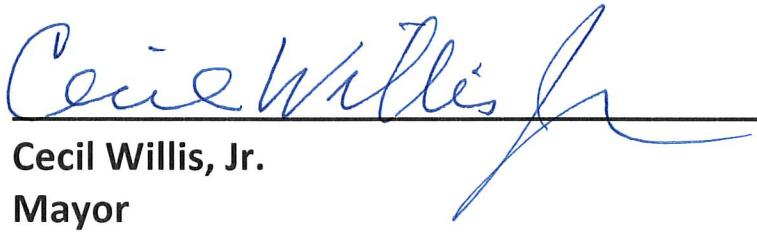
What can be drawn from the information presented? First, as the old saying goes, we can never rest on our own laurels.

We all know what we have and what we are facing. Only the good Lord knows what lies ahead of each of us. In my opinion, first and foremost we need to use our common sense. As we move forward, we must stick to the principles that guide us and have led us to where we are and continue to improve upon those.

As a United City, we can take advantage of the opportunities we are presented and move into new programs and incorporate new ideas. I wish to assure you that I, this Council, and our City Staff understand our responsibilities and are committed to moving all of Stafford forward with the help of our entire community.

Again, "We Are One", as we move forward in 2023.

Respectfully Submitted,


Cecil Willis, Jr.
Mayor