

§ STATE OF TEXAS
§ CALDWELL COUNTY
§ CITY OF LULING

THE CITY COUNCIL OF THE CITY OF LULING, MET IN PUBLIC HEARING ON THURSDAY, FEBRUARY 21, 2019 AT 5:30 P.M. IN CITY HALL 509 EAST CROCKETT STREET.

The following members were present:

Mike Hendricks	Mayor
Jackie Campbell	Council Member
John Wells	Council Member
Wayne Tresner	Council Member
James Nickels	Council Member
CJ Watts	Council Member

Staff Members present:

Mark Mayor	City Manager
Bill Sala	Police Chief
Sonny Rougeou	Finance Director
Liz Mundine	Finance Administrative Assistant

City Secretary, Martha Velasquez was absent.

1. Call Meeting to Order.

Mayor Mike Hendricks called the meeting to order.

2. Budget Work Session on the 2019/2020 Proposed Budget.

City Manager, Mark Mayo, stated that there were several issues that came out of the last public hearing; so this packet that was given to you yesterday addresses all the questions. The only thing that is not in here is what we were looking up on EMS. Mark stated that they meet with the County Judge and they already have \$250,000 planned and budgeted; that is exactly what we have to cover that. Mark stated that we are still sitting on \$250,000 loss to operate the service, but we are still looking at getting some additional revenues. We have another meeting with the Judge, City of Lockhart and Emergency Management and see about picking up some runs and transfers to the County. We have spoken to Richard about covering part time help, and how to manage the over time. Mark stated that we cannot guarantee a part-timer covering the over time.

Mark stated that we do not want to be sub-standard on service. We want to take to the County about picking up some of the transfers and runs. The Judge stated that Lockhart EMS is asking for a 3rd ambulance to be able to handle the transfers. They are losing money by not being able to pick up those transfers so Mark asked why you can't call us LULING EMS to pick up those transfers and pick up some of that revenue. It may not work out because it may be too far for us to do those runs but we won't know until we attend to pick up those runs. Mark stated we are losing money and they are losing money so hopefully we can work this out.

Sonny Rougeou stated that one of the questions were about the minimum fund policy. Sonny stated that the worksheet that shows the calculations based on the budget you have, when you talk about the salary it will increase maybe about \$20,000; however the balance from this budget year should cover the cost.

Sonny stated that as March 31, 2018 we had \$889,000 in fund balance, our year to date we have a surplus of \$413,000 and he estimates that February and March we will go in the hole \$180,000 because we have collected all of the majority of our taxes in December and January. There is an item that is booked into revenue and he will probably move it and defer it, which is the St. David's Grant, and defer it to next year because that is when

we will spend the money to offset the grant revenue. We have been presented during our budget process about \$61,000 towards Capital area for things that are needed. The next item was in the wage increase. We came up with 2 scenarios. We have about 85 employees and 18 are salaries and we looked at the minimum if we gave a 3% increase to that employee and it came out to \$725. So we said we give every hourly employee at \$800 increase and salary \$1,000 increase, and that came out to about 2.5% overall increase. Scenario 1, we could give an across the board of \$850 which came up to 2.21% budget increase. The Chief sent in a justification of his additional employee in animal control and increase of salaries for his 2 animal control officers. He is aware that if they were to get a raise and the additional employee approved they would not be eligible for the cost of living raise this year.

Council Member Wayne Tresner stated that he was looking at the Scenario 1 and that he favors that scenario because the salary people on their expertise should be awarded. Council Member Jackie Campbell stated that they (salary) employees are already getting paid higher wages and that the lower paid employees need every dime they can get, because looking at the salary on some of these employees she doesn't know how they can maintain a family on that salary.

Mark Mayo stated that you can't look at their hourly wage of pay because you have to take into consideration the benefits that they City offer. He stated that a lot of companies pay higher wages but do not offer any benefits. You need to take into consideration the vacation and sick time that the city pays and the insurance where the City does pay a portion of the dependents. They also have the match of what the City puts towards retirement.

Mark stated that he would like to address the upper level. He stated that since he has been here the last 5 years, he received a raise the first year he was here. We have brought the budget before the Council and Mark has gone on record not taking a raise because of what the issues we have with the City nor have we given any raises to any one unless it was a merit raise. There was a percentage raise given a couple of years ago and besides those 5 years ago there was a percentage raise. Council Member Jackie Campbell stated that she understands and that she likes it. She stated that she had spoken to Liz about the raises. Mark Mayo stated that if you look at the scenario it shows Mark getting a 1% and lower employee rate would be 3% or more.

Finance Director, Sonny stated that at this time we are paying a million dollar and it will come a point where the City won't paid 100% of the employee.

At the workshop everyone agreed we go with scenario A on the raises and approving the Chief Police's recommendation of adding an additional employee to animal control and giving them a pay increase to \$14.05.

Liz Mundine reported that we were contacted by St. David's Foundation that they were engaging some landscape design to select certain parks for conceptual plan designs, and this afternoon we received an email that our Edgar B. Davis North side park was selected to be utilized, and we have a meeting coming up on Monday. They are coming to see the park and are going to engage in having a conceptual plan for Northside that will be fully funded by St. David's Foundation.

Mark stated that he just got back from the mitigation plan, and it is a plan written by H2O to get FEMA money. What we are going to address is the ditch that runs from the Mill to the baseball field. We are going to address this to go after FEMA money for preventive measures, and we are working at the Civic Center.

3. Adjourn

There was no other business and the meeting was adjourned.

Approved: _____

Mike Hendricks, Mayor
City of Luling

Martha C. Velasquez
City Secretary