

BUDGET WORKSHOP, TUESDAY, AUGUST 27, 2013, 6:00 P.M.

The Mayor and City Council met for a budget workshop on Tuesday, August 27, 2013 at 6:00 p.m. with the following members present: Mayor Diaz, Council Members Rivas, Robinson, Lee, Garcia and Gonzales; City Manager Maner and City Secretary Raines. City Attorney DeFoyd was still out of the country.

Mayor Diaz stated this meeting was called for a workshop on the proposed budget for 2013/2014.

City Manager Maner stated that what he would suggest was for council to discuss what they had called the workshop for.

Council Member Lee stated that he just felt that council wasn't clean on some things, they weren't really ready and after talking to some of the other council members, he decided to call another meeting. He stated that one thing that came up and he didn't mean to say anything negative about any person but after talking to some of the city employees and other council people, he was concerned about the amount of the raise that Ivan was receiving and again, it was nothing against Ivan, he was doing a great job and we were looking for great things from him but he thought at this time with the economy the way it is and the moral the way it is that it was perceived by some of the city workers as being a little high since everyone is getting 3% across the board.

City Manager Maner stated that lets not talk about Ivan, lets talk about the Director of the position, he didn't think it was proper to talk about an employee by name.

Council Member Lee replied that was fine, that was the point he was trying to make. He stated that considering that we did have employees that had been here for a lot longer and Ivan had only been full time for approximately six month and we had other workers that had been full time for a lot longer than that and he didn't have to tell them that police and fire employees, who lay their lives on the line and public works employees who are out there in the heat and cold all the time and all departments who had been here a lot longer and worked hard to prove themselves could very well perceive this as being too much too soon so that was his concern.

City Manager Maner stated that he thought we needed to look at this, it was setting a salary for a position, setting the salary for the Director of Parks and Recreation. He stated that after Council Member Lee came last Monday or one day last week, he sent everybody an e-mail and told them he would like to have a meeting this week and he would like to state it, if he may, for the record, that it was his opinion that you establish a salary for a position, not for an individual. He stated there were different levels of a position and that was why he looked at this as setting the salary, not as a raise period. He stated he would

tell them, and he thought he sent all of them a copy of what he sent out in February when he was interviewing for this position and last year, of course, the salary for this position was \$54,130 but of course that was a different person with a different set of experiences and education and as he told the council in the letter, he didn't anticipate finding anybody that would immediately be at that level of education and experience in the field, therefore to everybody that applied for that office he sent out that letter in February, seven or eight months ago and told them that the starting salary would be in the range of \$45,000 to \$48,000 probably. He stated that Ivan has been full time for that length of time, Council Member Robinson reminded Jack that he was a department head, remember no names. Jack stated he was telling them where that number came from and he didn't say no names, Council Member Robinson stated that he said Ivan. City Manager Maner advised Gregg that he was going to talk about why he set the salary where he did and he couldn't do that without it because that was an individual thing. He stated that Ivan had been part time with Parks and Recreation for many years, he was not a new employee, he was, in fact, second in command in that department and the former directors right hand man was what he called him whether he had the title or not. He stated that he also sent the council a copy of the 2010 copy of the Houston-Galveston Area Council salary survey for parks and recreation directors and there was a lot of difference in those and they would see that there was not one in there even close to that salary, they are all way up and that is the only way they break it up, by population and he thought that went all the way from 10,000 to 25,000 and what he was getting at was that he thought the sum of \$49,000 was a fair and equitable salary to be paying the Director of Parks and Recreation for the City of Jacinto City when you consider the duties and responsibilities of that position. He stated that Council Member Lee had told him that was one of his concerns so he had a few things that he would like to give to the council.

Mayor Diaz stated that she had one question, when he posted this on the website and of course Ivan wasn't the only one interviewed, there were other people.

City Manager Maner stated he thought the posting said salary based on experience and qualifications but when he sent them the letter that was where he put salary.

Mayor Diaz said so whoever it was, they knew how much they were going to make, he replied yes and she said so her thing was that he posted in on the website and they knew what they were going to make so if he hadn't hired him and hired somebody else, that person would have been making the same amount as he was making right now and he said that was correct.

Council Member Lee ask if he hired in at \$35,000 or \$37,000 or something like that.

City Manager Maner stated that he thought it was \$42,000. He provided an organizational chart that was drawn up for the city in 2010 so the names at the top was not correct but that gave them something they could compare that the organizational had not changed and if they would look under each department it would show them what they were responsible for. He stated that he had never broken this down in numbers but when you want to talk about considering the duties and responsibilities of department heads he thought they needed to consider what those are. He stated there were a lot of intangibles that we can't feel, touch or name but there were certain things that you could name because just like all cities and all other jobs, all departments are not equal and in his opinion, two things that were most easily gauged or measured in determining the responsibilities of the department heads was Number 1 – Budget of that department, how much money are they responsible for and Number 2 – how many employees do they oversee and manage. He provided charts, with no names, just department heads, based on last years budget, it gave them the budget that they have and different scenarios of what each department head makes and would make based on different calculations. He stated that Park and Recreation was in a tie for the second most employees with Fire and EMS and it was third in the budget. He stated that it was a very important department with a lot of responsibilities, that Parks and Recreation did not have a 9 to 5 or 8 to 5 job and none of the departments heads did that, it takes an awful lot of time.

Council Member Lee ask if it was his intention to eventually bring him to the same level that the parks director made before.

City Manager Maner stated no.

Council Member Lee ask that would time and job performance determine how much he was raised.

City Manager Maner stated no, that it was his opinion that this was the salary he proposed and from here on out he/she would get the same annual rate. He stated that the Parks and Recreation Director probably dealt directly with more members of the public than any other department head and we all know that is not easy, that you literally can't please everybody, we have learned that.

Council Member Lee stated that he didn't have any argument with anything he said and he thought he was trying to do what was far for that (City Manager Maner ask that he be allowed to say something before he continued)

He stated that in FY 2008/2009, he recommended and council approved of course, and he gave a department head twice the raise that everybody else received and it was in the

Heritage Hall Department because he felt it was merited and that was why he made this proposal to them, don't think of it as his recommendation, don't think of it in terms of a raise, think of it as is the pay for the department head of parks and recreation worth \$49,000 a year because had we been in last year's budget the department head was making \$54,130 and with the 3% raise all the employees were getting the director of parks and recreation would be making about \$6,000 more than the \$49,000 so it was still considered lower because of the difference in qualifications and level of expertise and now he was ready to answer questions, but he wanted to make those statements to them.

Council Member Lee stated that he didn't have any more questions, as he said, he realized Jack was trying to do what was fair for that position and he guessed that his difference was that he was thinking more of what was fair for all the other employees of Jacinto City, at this time his perception was that he was the only employee that was getting about a 9% raise so that was what he was concerned about, how it was perceived by the other workers.

Council Member Rivas ask if any other employees of the city applied for that position and was advised no other employee of the city applied. Mr. Rivas stated his understanding, he guessed, was the perception of 9% and was that because of what Ivan's salary was prior to this and add 9% to it and it comes up to this?

City Manager Maner stated that at the end of what we call the probation period, when any employee comes to work for the city there is a 90 day probation period, it was his decision not to raise that salary to this level then because, in all honesty, he wanted to see it through the swim season because there are many things going on in the parks and recreation department and the biggest program was the swimming program and he wanted to see how that went, he kept a close monitor on all of it and it was his opinion that the director did a good job, now that didn't mean perfect and that didn't mean there weren't any problems and that was true for all departments and the city.

Council Member Lee ask if he received a raise after 90 days.

City Manager Maner stated he wasn't sure if it was 90 days, that he went from \$42,000 to \$45,000, that he didn't start him at \$45,000 like he told everybody he would start at, he was being very conservative and he had not been disappointed and as he said, nothing is perfect and with all due respect, if you set that salary and adopt the budget at a lesser number you are demeaning that position.

Council Member Garcia stated that Councilman Lee had a concern and the mean time she was doing homework as always and this has never been explained to any of them, this was actually the first time she was hearing it and she was entering her third year and this was

the first time she had heard an explanation like this, she didn't know what salaries were based on so thank him for the lesson. She stated she was doing some homework and she requested to find out how much each employee was getting paid and especially each director because again like he just stated, we are looking at percentages and when you look at that increase, it did seem like (Ms. Garcia was looking for the paper she had her notes on)

City Manager Maner stated that he wanted to remind the council that the recommended Parks and Recreation Budget was actually less than last year.

Council Member Garcia continued, saying that Parks and Recreation Director did start, and she was actually surprised because she had know him for so long that she actually thought he was here longer than what she found out, that the start date was back on October 2, 2008 and he was hired on a part time basis, salary increased because he was the interim director at \$42,000 back on February 2, 2013 and then he did get a raise when he was moved into the position of the director back on April 16, 2013 at \$45,000 and it appears that being set at \$45,000 and with the increase to \$49,000, it appears that it is a 8.889% raise so she looked at other directors as well, she wasn't just picking at one particular department, she looked through all the other departments. She stated that when we had our first budget workshop, that was one of the first questions she ask, was each department getting a raise and it was stated a 3% raise so she went back and calculated what each department director was making this year and with the 3% increase and it appears that the City Managers current salary would be \$99,133 plus the auto allowance \$6,460 so that would actually put him at \$105,593 and with a 3% increase it brought it down to \$102,107 and that was in every department and she didn't know if the computer was calculating it in a different way or what but we were off about \$27.00 and she didn't know if the computer was generating it differently, she was not familiar with it.

City Manager Maner explained to Ms. Garcia how the calculations were done that you always rounded up because when you were preparing your expenditures you never wanted to be below what the actual expenditures were and the budget was always in whole numbers nearest to \$10.00. He explained that was for budget purposes, that when Kathy put this into the payroll system, it would be the exact figure.

Council Member Garcia stated that we had some long term employees, our City Attorney started in 1967, our book keeper since 1980, our police chief since 1981, our city secretary since 1985, that these years were incredible.

City Manager Maner stated that we try our best to give our employees a good working environment .

Council Member Garcia stated that her question also was that the 2010 survey that he sent them was an average salary, but it didn't say if that was the starting salary for each position or what it was based on, that she knew everybody's job was different but she knew they looked at experience and degrees and certifications and she knew that we didn't look at that and she also looked into different positions and was curious if we were where we should be and went over different positions and salaries as outlined in the summary survey.

City Manager Maner stated that we had been over this in the past, that he didn't know if it was since she had been on council and we were in the mix somewhere, some high, some low but when you look at certain things, that she had commented the other night that we were in such good financial condition and things like that and you have to take into consideration quality as well as quantity, he commented on the public works department with a budget of well over 2 ½ million dollars and you pay that department head \$79,380 and he thought that was certainly in line but anything could be considered anytime they want too, the council did control the purse strings of the city, there was no doubt about that and that was fine, that was the way it was meant to be but he would caution them that we have good people, we have satisfied citizens, we give them a level of services with the money that we have available that he thinks is something to be proud of; our city council meetings do not have people lined up to gripe at out about things, it was more in line of people to praise us and he personal opinion is that non of our department heads are overpaid.

Council Member Garcia went over average salaries from the 2010 Salary Summary for different positions, so looking at these numbers just make she thing that as a council did they need to readjust somewhere.

Council Member Gonzales stated that all of those were really based on the size of the city and he guessed total revenue or what they could afford.

Mayor Diaz stated that she was sure education was considered.

City Secretary Raines stated that she normally didn't say anything but ask could she make a statement, and advised that a lot of this was based on what they do, that in a city this size we don't do one job, we do everything, we work in the water department, we work in the court or anything that need to be done.

Mayor Diaz went over all the city programs that the employees help out with and how much work it is, that it takes a lot of time, not just city time but personal time as well.

City Manager Maner stated that yes, our Fire Chief happened to be our IT Department.

Chief Squyres went over the many different jobs that he did and that he and Joyce and to some degree Kathy run the GLO Grant which with Round 1 alone put \$225,00 back in the city coffers that would have been paid to an outside grant administrator and nobody got a salary raise for that and commented on what we would be doing in the upcoming Round 2.2 Grant because we were not paying anyone to do this, and to be real honest had we know how much work it was he didn't know if we would have volunteered for that, but that was \$400,000 the city didn't have to spend over the course of four years and it was not a bad deal for the city.

City Manager Maner advised that council could review this any time they wanted too.

Council Member Garcia stated that another thing that she noticed was that each of the department heads were required to do certain training and she knew the police officers had to attend to keep up their certifications, etc.. She stated that she didn't know if in the Parks and Recreation there was training that was required to better improve that position, not to put more work on anybody but if you are going to be in a leadership position you need to receive training and she didn't know if that was written somewhere or if that was a requirement so maybe that was something else they could look at.

There was general discussion as to the different types of training that was required for different departments.

City Manager Maner stated that he was a believer, even when it was not required, that education would only help our people do their jobs.

Council Member Rivas ask Ms. Garcia if on those averages she had was there anything about the time they have in to get to that and she advised it didn't say anything about time or whether it was a starting salary, experience only or education or certification required, it was just said average salary.

Council Member Rivas ask that they excuse him when he says this, that he was not calling them this, but antiques cost a little more, he changed it to fine wine or seasoned. He said he would just like to say to Ivan that where he worked, he left a place to go there for \$5.00 less than where he is at now and he made that choice because of what he wanted and when they talk about that at work the guys just tell him that he hired in wrong and he thinks that he might have just hired in right.

Council Member Gonzales address the City Manager and ask him to correct him if he was wrong, there was a pay scale for the bottom side and top side for any of the department head's jobs as far as the low end and high end and City Manager Maner advised him there

was not that he was familiar with at all but of course we changed department heads so seldom but there was nothing in the city policy about this.

Council Member Gonzales stated the reason he ask he was just trying to make sense of what he was hearing and based on what he knew where he worked, whenever there was a promotion to a major role as the Parks and Recreation Director was, they would start on the low end and they would progress depending on the year of service and of course how well they do their job and it doesn't look like we are doing that here, we don't have too just because they do it down there but it just make more sense to him if we did have a progression, like a stepping stone.

City Manager Maner stated that the only raise we give and it wasn't automatic, we might have to go without it sometimes and it has varied over the years and that was the across the board raise at budget time.

Council Member Garcia stated that in the past 10 years it had been pretty much steady with a 3% raise with a few exceptions.

City Manager Maner stated that in 2008/2009 that it was a 5% raise and that was one of the last good years of the economy.

Council Member Garcia stated that 2010 was 1% and ask how that happened.

City Manager Maner stated it was due to the economy, but unlike other cities that you read about in the paper, no Jacinto City employee has been laid off due to the economic hardship.

Council Member Robinson ask the City Manager if in Heritage Hall on the Homebound Meal could he double check that number \$10,490 was what he showed in 6763.

City Manager Maner advised that he was a contractor and he checked his figure stated that he had rounded it up to \$10,810.

Council Member Robinson stated that he thought that he saw somewhere that he make \$11.40 an hour.

Mr. Maner advised that he was contract so he was not on the list and Mr. Robinson ask him to check it if he didn't mind.

City Manager Maner advised that he made \$14.68 an hour but keep in mind that he used his own vehicle and fuel and received no reimbursement.

Council Member Robinson ask if he worked about 1020 hours a year or 4 hours a day.

City Manager Maner ask Cindy how much he worked and she replied that he worked 3 hours per day.

City Manager Maner advised that as of the end of July, that out of that \$10,400 that was budgeted we had spent 86% of it so we were right on budget.

Council Member Robinson ask about the \$30,000 transfer that was left in last year's budget and put back in this year.

City Manager Maner advised that Department 30 was nothing but a bookkeeping entry where we take money and put in there to pay for water lines.

Council Member Robinson stated that on the cash balance sheet we showed \$88,168 that hadn't been spent either.

City Manager Maner stated that we had that money on hand in case we had an emergency cave in or something.

Council Member Gonzales stating that looking at the expense report for parks and recreation, and he had talked to JJ about this, the 6722 item ball park maintenance and also 6836 park maintenance and he saw that we still had overage in these items, one was \$5,000 and one was \$2600.00 and this was just a suggestion that he knew that Mr. Rivas talked about it and if we could use that money for say one of the buildings that we need to purchase since the money is there now and we won't have to budget that for the next year.

City Manager ask if he was talking about the restrooms, concessions or what and Mr. Gonzales stated yes, one of those buildings.

City Manager Maner discussed the figures stating that they had a total of approximately \$8600.00 and he did know that in the ball park maintenance there was a plan in that to stock up on some things for the fields, dirt, etc., but let him point out the big picture, they could do exactly what he was asking, this was August 27th and any expenditure we are going to make on the restrooms or concession stand would be big enough that we would have to go through the bid process and it would just not be fiscally possible to do it before the end of this budget, therefore we couldn't spend that money until we had a bid in and approved but that was kind of bad news, the good news is that any money that is left over stays in general fund and council has the choice to do with it as they please.

Council Member Lee ask him if he was considering something that was less than \$50,000 and Council Member Gonzales stated yes, depending on what buildings that we needed over there, he knew Mr. Rivas mentioned that he wanted to combine a concession with the bathrooms and that would be more feasible, he thought, in the long run but this would maybe take care of only the concession part but if there were plans to combine them, it would make more sense to wait.

City Manager Maner stated that he was totally in favor of the project and would love to do it but he just didn't think we could do it in the time allowed.

Council Member Lee stated that going back to the Parks and Recreation Director salary, he just wanted to say that if council were to make a decision to not approve that, that he would like to say for himself that he would have no intention of demeaning the Parks Director, it would just be for the good of the city and the other thing that someone had spoken to him about and it was a concern, and he had already talked to him about, was the radio's that needed to be purchased and he thought that we had talked about going ahead and buying them out of this budget this year.

City Manager Maner stated that would be up to the council, that at a council meeting they would have to make a decision.

Council Member Lee advised the council that they needed to make that decision, they needed to go ahead and get the money for those radios and get that taken care of, that it wouldn't effect this budget at all and the only reason he was bringing it up was because that originally we had talked about taking care of it in next year's budget and someone ask why it was no longer on the proposal and that was why.

Lon stated that they were going to have to get delivery dates and he had already ask for that but he didn't know how long it was going to actually take to get the radios in so as soon as had that, he could advise Jack and the council as to how long it is going to take and that can guide them as to whether it could be this budget or next year but it was probably going to be pretty tight, and he thought that whether it was this year or next year they would have to ask council to amend the budget.

Council Member Lee stated the point he wanted to make was that it wasn't just because the city manager pull the money off the budget, there was a reason for it.

Council Member Rivas stated that one of the things that he also thought that we were forgetting on parks and recreation was how well things were going with the baseball fields and soon to be a softball league. He stated that the baseball side themselves had fall

registration and from what he understood, it was a success so there was going to be a league for fall ball (City Manager Maner stated increasing the work load).

Council Member Rivas ask about the lights for the field and if we worked on that and Mr. Maner advised that the budget had \$30,000.

Council Member Rivas stated that he took it that it was be looked into to be sure that was sufficient for what we needed.

City Manager Maner stated that the only thing that would really cover what we needed was several hundred thousand to do all new lights, this was just the minimum that would get us by.

Council Member Robinson ask did we not get the quotes, were we just using the numbers that we had, that he keeps hearing that we are adding two lights on one pole and for \$30,000 that was a lot of money.

Ivan answered the question but it was not picked up by the sound system.

Council Member Rivas ask how many poles we had out there and was advised there were seven poles.

Council Member Garcia stated going back topic number one, were we ok, as a council, with the pay for the Parks and Recreation Director, were we ok with the increase, we didn't want problems at the last minute.

Council Member Rivas stated that looking at his experience, time served and what he had heard was nothing bad, nothing but good and he knew that his work load was tremendous, the people that he deals with, all ages, all groups it was all there and like he said, he thinks he hired in right.

Mayor Diaz said the work load was going to be more with holiday activities coming up.

Chief Ayala stated that the parks always look nice and he hears a lot of good comments on them.

Mayor Diaz stated that anytime anyone call her from the park with a complaint, she calls him after hours and she calls Kyle late as well and whatever complaints she has received all the department heads have taken care of them and she thinks they are all doing a fantastic job and she was going to put her input in because everyone keeps saying just council but she as Mayor has an opinion as well and to keep up the good job.

Mayor Diaz advised the City Manager that she went over the budget and she had gone to him and talked with him about numerous things and she thinks it is good and let's just all work together and keep on going, we had another year coming and busy holidays coming up and she had a lot of ideas and she was ready to put Kyle and Ivan to work and as soon as it got a little bit closer she would discuss it with the council, we just need to work together.

Council Member Robinson stated that he did have a lot of work and he understood that but so did a lot of other people and he didn't disagree with Jack one way but also hiring people, he stated that he bring them in based on experience, education and so forth and he was going to have a lot more coming on and he realized that and his only concern was looking at some of the stuff and we needed a pretty tight budget and he didn't know how the rest of them felt but he didn't like amending the budget throughout the year every time we want to do something, if we have a budget, we should stay pretty close to it, if we can't afford to paint the gym this year we don't paint it, what was more important, painting the gym or doing something else, the fire department needs work and we haven't even talked about that hardly, the police station needs work. He stated the bathrooms were put in the budget and they didn't get done and there was some other stuff that didn't get done but he agrees with the Mayor, our department heads are good and our city employees are good and a lot of them do more than just wear one hat and it was everyone of the employees doing that.

Mayor Diaz stated that she had never heard one employee say that wasn't their job, they weren't going to do it.

The City Secretary stated that we had 63 full time employees and a lot of part time and each one was just as important as the other from top to bottom and that was just the way she felt.

Council Member Lee stated that he agreed with just about everything that had been said tonight, his point was still that he thought that the raise for the parks director was too much too soon.

Council Member Gonzales stated that he felt that way as well just because he had been around that and had seen these promotion and he thought the fairest way was a stepping stone like he mentioned and it was what it was here, they did have a word in it and they could change it if they liked and he would just like to see more years of service be a big player here also. He thinks most of the employees, the older ones of course, probably feel that they deserve a little more because of the loyalty they have shown here in the city and that was just his opinion.

Council Member Garcia stated that as for her, she was big on education and on the job training and again she would go back and say that stepping into leadership requires training and it was based on how much work you do, how much you put into it, you put in more, you deserve more, you put in less time and less work you deserve less and she has see our Parks and Recreation Director, with no experience, in a supervisory position making improvements and like he said in the e-mail, none of us have known our positions and have been perfect at it, have fallen and gotten back up and she was in agreement with Mario as to you have to work your way up, you have to prove yourself and she didn't know if this was the right starting pay, if not, who was she to say, there was not a right or wrong answer to this because every city does pay according to their budget but she does believe in progressively growing and it may be as Mayor and Council we are in agreement with this or it may not, maybe we can come to an agreement as to what it should be set at, maybe more than 3%, maybe there was an agreeing point . She stated that she had seen changes and she couldn't deny that and the Parks and Recreation Director has improved, she stated she didn't know what was right and what was wrong, but she did know that was not the only department that comes with a lot of responsibilities, it was everybody, they all wear a lot of hats and she didn't have the answer, but whatever, they as a whole board comes too, she just doesn't want surprises the day that it has to be finalized, she wants to know what to look forward too.

City Manager Maner stated that by law, we have to have a public hearing before the next council meeting and the next one after that. He stated that our City Charter states that it is his job to present them a budget and he would have one for them and it was the job of the City Council to adopt a budget.

Council Member Garcia stated this was a workshop when we come and discuss whatever it is that we need to share, this is the moment, their job was not to talk about it outside, that she didn't like that, this was the place if there was anything as a council they needed to put on the table, this was the place.

City Manager Maner stated that he totally agreed with that and with all due respect to the council, this was our third workshop, that we had two prior to this and none of these issues were mentioned and that is why it surprised him when they came up after the last meeting. He stated that he thinks communication is important to everybody, that is why we were here tonight.

Council Member Garcia stated she thought part of that was because we got the budget on that day, we weren't give a day or two previously to look at and be prepared before the meeting and she knew that at the second meeting they went through it all in comparison to the first meeting, she wasn't speaking for everybody.

City Manager Maner stated that as he said last time, he was personally available at any time, feel free to call him or come by with questions, comments or suggestions.

Mayor Diaz adjourned the meeting at 7:15 p.m..

Respectfully submitted,

A handwritten signature in cursive script that reads "Joyce Raines". The signature is written in black ink and is positioned above the printed name and title.

Joyce Raines
City Secretary