

**Minutes**  
**Special Meeting/Budget Workshop**  
**August 30, 2022**

On this 30<sup>th</sup> day of August, 2022, at 6:00 p.m., the City Council of the City of Devine convened in a Special Meeting, the same being opened to the public at their regular meeting place, thereof, at the Dr. George S. Woods Community Center, 200 E. Hondo Avenue, Devine, Texas. Notice of said Meeting having been prescribed in Chapter 551, Government Code, and Vernon's Texas Codes, Annotated, and the following members being present:

Mayor Cory Thompson  
Alderman David Espinosa  
Alderwoman Debbie Randall  
Alderman Rufino Vega  
Alderwoman Angela Pichardo  
Alderman Josh Ritchey

Thus, constituting a quorum.

Personnel present: Dora V. Rodriguez, Interim City Administrator/City Secretary; Denise Duffy, City Accountant; Rob Flores, Director of Public Works/Emergency Management Coordinator; and Pete Sanchez, Field Operations Supervisor.

Others present: Anton Riecher, Devine News.

Mayor Thompson, presiding, declared the meeting open.

The first order of business was the Budget Workshop.

Mayor Thompson reminded Council that one of their main goals tonight is to actually vote on a working tax rate because it needs to be sent to Melissa Lutz at the Medina County Tax Office, and it needs to be put in the newspaper as the proposed tax rate for this coming year.

Alderman Ritchey stated that his biggest concern is the \$334,000 total expenses between the AT&T phone bills, Longevity Pay and IT expenses, Equipment Rentals, Office Supplies, and Dues/Subscriptions. He said he couldn't understand why we're paying so much on all of this.

## Special Meeting/Budget Workshop Minutes

August 30, 2022

Page 2

Interim City Administrator/City Secretary Dora V. Rodriguez went over this with Alderman Ritchey. He felt we are paying too much on phones especially, and he disagreed with the Longevity Pay. He said the City can actually hire another person instead of doing this.

Office Supplies – Interim City Administrator/City Secretary Dora V. Rodriguez went over the Office Supplies. Police Department is \$16,000 more this year, than last year.

Interim City Administrator/City Secretary Dora V. Rodriguez told Council that they just did the tax rates and this is only for them to know so they can come back and let us know where we need to cut. She said they can always go back to the department heads to do cuts.

Alderwoman Randal stated that she had suggested to take the Budget given to them and magically get rid of \$200,000. She said that going mid-range on the tax rate, we should have a surplus; a cushion for emergency things.

SRO – Alderwoman Randall talked about the increase in the Police Department's budget - \$140,000 over last year's budget. She inquired about the increase for the SRO. Interim City Administrator/City Secretary Dora V. Rodriguez explained that they went before the school for this increase. She stated that we get reimbursed from the school for a lot of the SRO's salary.

Software – An additional \$7,000 upgrade was brought up by Alderwoman Randall. Lengthy discussion was held with Interim City Administrator/City Secretary Dora V. Rodriguez regarding a lot of things that were left out of last year's budget when the department heads got with former City Administrator John F. Vidaurri, so they are asking for some of those things again which are needed, with the understanding that a lot will have to be cut from the budget.

Animal Control - \$40,000 extra in Salaries was discussed. Interim City Administrator/City Secretary Dora V. Rodriguez and City Accountant Denise Duffy held discussion on the split salaries for Chief Benavides and Lieutenant Andrews; a part of their salaries comes from Animal Control.

## Special Meeting/Budget Workshop Minutes

August 30, 2022

Page 3

Parks – Discussion was held on the increase of \$4,400 for salaries in the Parks Department. Interim City Administrator/City Secretary Dora V. Rodriguez explained how salaries are calculated in the Budget for all departments. She explained that per Council's request, employees with salaries less than \$50,000 are showing a 6% increase and employees with salaries above \$50,001 are showing a 4% increase in the Budget.

Airport - \$50,000 was budgeted for fuel. Mayor Thompson stated that what we bought in fuel, we have made in revenue. Alderman Ritchey brought up the \$1,000,000 Bond for the Hangars. Lengthy discussion was held on hangars, bays and leases.

5-Year Plan – Mayor Thompson went over the 5-Year Plan, and talked about the Capital Outlay Wish List, and he explained how the costs are shown on the budget spreadsheet.

Vehicle mileage – Alderman Ritchey inquired as to what mechanism we have in place to track the miles driven on city vehicles, and the times of that driving. According to Director of Public Works Rob Flores, we don't have anything in those trucks.

Backhoes – Alderman Ritchey inquired if we really need two backhoes. Director of Public Works Rob Flores stated that our first priority is to have a backhoe for the Water Department; it's one of our money-makers.

Street Sweeper – Alderman Ritchey inquired if a street sweeper is a high priority. Director of Public Works Rob Flores explained that when they have to cut and repair a street, they can use the sweeper to clean the street and it will also take care of grass growing in the street. Lengthy discussion was held on street sweeping. Mayor Thompson stated that the sweeper is split up between departments, and he added that we need the equipment to maintain what we have.

Alderman Espinosa stated that the department heads make a wish list every year for the budget with the understanding that it will be trimmed. He added that he strongly supports the necessities that we need to have (the proper tools), so he is in favor of the street sweeper.

Vehicles – The only vehicles on the 2022-2023 budget are the two vehicles under the Police Department.

## Special Meeting/Budget Workshop Minutes

August 30, 2022

Page 4

Capital Outlay - \$132,000 is in the budget for General Fund. These are for one-time purchases.

Office Equipment/Software Maintenance – Interim City Administrator/City Secretary Dora V. Rodriguez went over this account with Alderman Ritchey since he had previously inquired about our IT person and why there was so much money in that account. She explained to him that this is not for our IT person; it is for paying our time clock which the employees use to punch in/out – it is for Incode (Tyler Technology). We pay them \$92,000 annually, which is split among all the departments. She went on to explain the breakdowns of each department. Alderman Ritchey felt that this is too much money, and requested, by the next meeting, to see a list of the features that Incode provides; he wants to do some internet research to see if he can find something that costs less.

Longevity Pay – According to Alderman Ritchey, we can actually hire another employee with this amount. He told Council that based on census data, the median income for our zip code area is \$48,000. He said some of our employees aren't making enough money, and the 6% that is in the budget right now, is not enough. He would like to see us cap salaries to no more than 2 x \$48,000 (the median income) which would be at \$96,000 and he would like to see the following:

Employees earning below the median income of \$48,000 – Give them a 10% raise.

Employees earning more than 2 x \$48,000 (\$96,000)– cut their salaries by 10%.

Employees earning within \$10,000 of the median income – leave salaries the same.

Employees earning 1 ½ x \$48,000 (\$72,000) – Cut their salaries by 5%.

Employees earning 2 ½ x \$48,000 (\$120,000) – Cut their salaries by 15 % (he doesn't think we have anybody).

Alderman Ritchey stated that this will cut our budget roughly by \$300,000, by doing it this way and it will equalize the pay. He explained that it will cut a few employees shorter than we'd like to, but it raises our base-level employees who are out there doing that labor to a much closer living wage.

Interim City Administrator/City Secretary Dora V. Rodriguez went over the Longevity tiers.

Council held lengthy discussion and debate.

## Special Meeting/Budget Workshop Minutes

August 30, 2022

Page 5

Alderwoman Randall commented that if we cut salaries for employees who earn over the 2x median income, they will walk. Alderman Ritchey said it would be cutting salaries for the top four positions. Alderwoman Randall asked, "Are you prepared to have these employees walk?" She stated that she will never vote for a pay decrease.

Alderman Espinosa stated that he wants the City of Devine employees to be the top paid employees in this area; he said we are losing them to other cities and we can't blame them. According to Alderwoman Pichardo, everyone is replaceable.

Discussion was held on having to cut \$200,000 somewhere from the budget. Alderwoman Randall inquired about taking away one Police car, and wondered if we even need the two vehicles for this budget and maybe waiting until next year's budget. Mayor Thompson stated that all department heads need to be here at the meeting for next month.

Interim City Administrator/City Secretary Dora V. Rodriguez asked for direction from Council on what to do with the Longevity Pay. Mayor Thompson asked Council for a vote on suspending the Longevity pay. The consensus of Council was 4-1 (4 to keep the Longevity Pay as is until we can talk to the department heads at the next meeting, and 1 to suspend the Longevity Pay for this year).

Property taxes – Mayor Thompson went over the tax rate since 1983, as Council reviewed the worksheet. He talked about the different increases in valuation throughout the years. He said that people are done with the increase of property valuations.

Mayor Thompson explained that the City of Devine is only one-quarter of the tax bill; the school makes up about one-half, and the other one-quarter comes from the county and the emergency service districts. According to Mayor Thompson, if we keep the current tax rate at the \$.5298, it would give us about \$240,000 in revenue which would be an increase of \$55 per person for the City of Devine. He explained that on top of that, if we add another \$55 per person for the county and emergency service districts and \$110 for the school, it means that every single person in Devine is paying an extra \$220 overall collectively just this year compared to what they paid last year in taxes.

## Special Meeting/Budget Workshop Minutes

August 30, 2022

Page 6

Alderman Espinosa inquired if there is a problem with staying at the same tax rate. Alderman Ritchey held discussion on having a lack of detail on how we're spending our money, especially with the AT&T and IT bills which we need to bring down. He said we need to find alternatives and until we get to that point, he said, this is his reason for not wanting to increase taxes at all. He talked about stealing from the County in getting our roads paved. Mayor Thompson clarified that it is not stealing. Discussion was held.

Alderwoman Randall stated that whichever budget we go with, \$200,000 still needs to disappear. She spoke of last year's budget having a \$5,000 surplus which was gone in the first three weeks because of things that came up that we needed. Mayor Thompson stated that we need to have surpluses to cover the unknowns.

Alderwoman Randall explained that if we have a No New Revenue at the \$.4527 tax rate and cut \$200,000 off, we will have a \$4,000 surplus. At the \$.5298 tax rate, we would have a \$214,693 surplus. If we go with the middle rate, the \$.4913 tax rate, and take off \$200,000, we will have approximately \$110,000 surplus. Alderwoman Randall told Council that her recommendation is to cut \$200,000 and go with the middle tax rate of \$.4913 which would give us a surplus of over \$100,000 but she said this will only work if we can cut \$200,000 from this budget.

Alderwoman Pichardo agreed with Alderwoman Randall's proposal. She stated we won't make everybody happy but at least we'll have that cut, allowing us to trim the budget with the department heads. She would like to see an itemized list so that we can have a better understanding of what is being cut.

Mayor Thompson reminded Council that our auditors did tell us that we've got to get this turned around. Alderman Espinosa agreed with Alderwoman Randall's proposal. He said there's a lot of things to be considered. Mayor Thompson stated that people will know that we are actually trying and doing our duty as Council to try to ease the pain.

Alderwoman Pichardo added that something will go wrong inevitably, but at least we'll have the money to take care of that, and we can start building on that.

According to Mayor Thompson, we at least have three councilpersons who agree with the \$.4913 tax rate, and he asked Council if they were ready for a consensus.

**Special Meeting/Budget Workshop Minutes**

**August 30, 2022**

**Page 7**

Alderman Ritchey said he didn't like the middle much. He said either max out the tax rate increase and make changes and get out from debt. He said that on the No New Revenue Tax, we already agreed to disagree on that one. He said that Streets and Debt are neck-and-neck #1 for him.

Alderman Vega commented that he likes going with the \$.4913 tax rate because it shows that we are trying to do something for the citizens; he said it also depends on what we cut.

Alderman Ritchey proposed (depending on what we can cut from the budget) that he's willing to meet in the middle for maintaining the current tax rate, if we can also budget in a position for an efficiency manager, and identify better products and services to reduce our costs for the City of Devine to reduce our budget next year.

Council held discussion.

Motion by Alderwoman Randall, seconded by Alderman Espinosa to move forward with a tax rate of \$.4913.

Ayes	--	Four – Alderwomen Randall, Pichardo Aldermen Espinosa, Vega
Nays	--	One – Alderman Ritchey

Motion carried.

Alderman Vega inquired about the Water/Sewer and Street Funds.

Interim City Administrator/City Secretary Dora V. Rodriguez asked Council where they wanted to cut. Alderwoman Randall stated that she wants them to keep the Sweeper.

Mayor Thompson asked Director of Public Works Rob Flores if he was prepared to go over Public Works, or if he preferred to come back to the next meeting. Director of Public Works Rob Flores directed Council to pull the two Public Works trucks; he said they will make do with what they have. Council held discussion that this would cut \$70,000 from the budget.

## Special Meeting/Budget Workshop Minutes

August 30, 2022

Page 8

Mayor Thompson suggested for Public Works to bring in the vehicles that we're thinking about replacing. He said that maybe they can be parked outside at the next meeting so Council can actually look at the equipment, in person, right before the meeting so they can make a decision; he suggested that they drive these vehicles to the meeting instead of their personal vehicles.

According to Director of Public Works Rob Flores, the Street trucks are the most worn. He explained that historically, new vehicles go the Water Department and from the Water Department, they go to the Street Department, so they're pretty worn by this time.

Interim City Administrator/City Secretary Dora V. Rodriguez told Council that when former City Administrator Gary Pelech was here, we would auction off the vehicles, so she will contact him to get the name of the auctioneer we used for the auction.

According to Mayor Thompson, everything else is for things that they would like or need replaced over the next five years. He explained that they want Council to see it now so we can understand as we're making this budget, what's coming up next year. Next year they will be needing a backhoe.

Council discussed that Water/Sewer is in a deficit. Mayor Thompson commented that we don't normally talk about the Water/Sewer budget. He explained that we normally just discuss the General Fund side of things. He said that their side is more of an "absolute", "must-need" or "don't need" kind of thing; where in General Fund, we have more play with what's actually available.

No action taken.

The second order of business was Informational Items.

Council discussed the following:

- Cyber Security Training – Mayor Thompson mentioned that the Cyber Security Training needs to be done; it's the same video from last year, and we do this every year.

## Special Meeting/Budget Workshop Minutes

August 30, 2022

Page 9

- Property regarding Fred Morales – Alderwoman Pichardo inquired if we ever got an appraiser for the property that Fred Morales was interested in. According to Interim City Administrator/City Secretary Dora V. Rodriguez, City Attorney Tom Cate is reaching out to Sam Noble on this. Mayor Thompson added that appraisals are taking almost a month.
- Grass Notice – Alderwoman Pichardo said the notice was about cutting grass but also talked about debris, so she inquired where we are with the property behind Bushel & A Peck, and with the property behind the city park in District 2. She stated that she thought that TCEQ was called on the property behind Bushel & A Peck and across the street with all the vehicles and debris. According to Interim City Administrator/City Secretary Dora V. Rodriguez, TCEQ did not have to be called on this one because they are not even zoned correctly. She explained that Eddie Diaz did send them a letter and they are moving everything. She will follow up with Mr. Diaz on Martin's property. Discussion was held on this being in District 1.
- Use of City Vehicle – Alderwoman Pichardo said she got a call regarding an employee using a City vehicle for personal use. She informed the caller that Administration handles that. Interim City Administrator/City Secretary Dora V. Rodriguez asked Alderwoman Pichardo to send her an email about this so she can look into it.
- Library Facebook – Alderman Ritchey informed Council that he received a phone call from someone who was upset that the Library posted on their Facebook page about the Notice to Cut Grass. He said they didn't think it was appropriate for the Library to be posting this on their Facebook page instead of the City's. Interim City Administrator/ City Secretary Dora V. Rodriguez explained that they did this because the City does not have a Facebook page, and they are helping us get the word out.
- Street Paving – Alderman Ritchey brought up that Commissioner Jerry Beck, Pct. #4, has talked about only being able to do Zig Zag but no other streets. Interim City Administrator/City Secretary Dora V. Rodriguez said that he is correct. She stated that they have spoken to Commissioner Beck, and he explained that the rain has pushed him back on other projects and he will only be able to pave Zig Zag, but he's hoping to get it done by the end of the fiscal year. Council held brief discussion on Shaver needing to get paved.

**Special Meeting/Budget Workshop Minutes**

**August 30, 2022**

**Page 10**

There being no further business to come before the governing body, motion made by Alderman Espinosa, seconded by Alderwoman Pichardo to adjourn meeting.

Ayes	--	All
Nays	--	None

Motion carried.

---

Mayor

---

City Secretary