CITY OF LA MARQUE
CITY COUNCIL
BUDGET MINUTES
of
August 5, 2024

1. CALL MEETING TO ORDER
   Meeting was called to order at 10:13 a.m.

2. ROLL CALL
   All members of the Council were physically present.

3. INVOCATION AND PLEDGE OF ALLEGIANCE
   Mayor Bell gave the invocation and City Attorney Knebel led the pledge.

4. PRESENTATIONS
   Mike Brooks, BrooksWatson & Company gave a brief presentation regarding the city's annual audit, revealing that the city has received an "unmodified" rating, the highest rating available.
   Discussions regarding correcting the findings submitted by the auditor ensued.
   The council requested a procedure regarding rate adjustments to utility bills.
   A lengthy discussion regarding the audit process ensued with the council gaining clarity regarding the areas of review, how they are identified, the notable differences between a standard annual report and a comprehensive financial report.

5. NEW BUSINESS

   5.I. Review And Discuss Proposed Fiscal Year 2024-2025 Departmental Budgets And All Funds
   Fire Department
   Fire Chief David Merryman identified that the budget is very lean and the requests of the department were eliminated in order to balance the budget. This will prove to be difficult as it will have a severe impact on vehicle maintenance.
   City Manager Cesar Garcia shared that there are some critical needs that are not included, Ambulance Remounts 2 and 3 are among these needs. Mayor Bell shared his discontent as these items were at one point included in the American Rescue Plan Act (ARPA) funding and were removed, and now they are not being addressed through the budget as well.
   Mayor Pro Tem Compian questioned the ambulance remounts as well, recalling that this project has been funded in the past. Finance Director Christine Turner, clarified that previously these items were not rolled into the next budget if not completed by the end of the fiscal year, which allowed those dollars to be

reappropriated in the next budget. She shared that this is no longer the practice of the department.

Fire Chief Merryman also shared that additional personnel is a priority but is not included.

City Manager Cesar Garcia shared that this is the third year of the Collective bargaining agreement which provides the Union members with an 8% increase, and this is the first year that the department will be fully staffed for the entire year.

A discussion regarding the Galveston County Mutual Aid agreement and billing revenue ensued. It was determined that the city has given mutual aid approximately 446 times and received mutual aid 61 times. The city has received over $600,000 in EMS billing revenue, a significant increase from the previous year's total of approximately $300,000.

Further discussions regarding ARPA funding for the ambulances ensued, Mayor Bell requested that Grantworks attend a budget workshop day to discuss grant funding.

Councilmember Yancy asked for a timeline regarding the ambulance remounts. In 2020 the City Council approved the remounts, however due to COVID-19 and the vehicle shortage the product was unavailable until early 2024.

After prompting, Chief Merryman shared his top 3 needs: remounts, staffing, and new stretchers.

CODE ENFORCEMENT

Chief Merryman shared that there are not many requests in this department, he did share some heartburn regarding limitations in SmartGov, the system being used in this department.

Mayor Pro Tem Compian acknowledged the achievements of the department over the past year, and asked if a "Warning" tag is feasible.

Discussions regarding citizen education, community outreach, training, and staffing ensued.

There are only 5 positions in this department for the proposal, a decrease from the 6 positions in the current budget.

Mayor Bell questioned fluctuations in asset expenditures and mowing.

Councilmember Ross questioned the difference between "8-liners and Coin Amusement" in the report presented by Chief Merryman. After receiving clarification, he asked for an update on the Rental Registration numbers. It was determined that the city is significantly better than where it was a year prior but Chief Merryman was unsure of complete percentage. He also shared concerns with some of the line items that show significant decreases. Although current costs do not support these decreases, it was determined this was done in an effort to better balance the budget. Discussions regarding the need for such drastic cuts ensued.

***Mayor Bell recessed for lunch at 12:41 p.m. and reconvened at 2:07 p.m.*

Clarifications were made regarding the Ambulance Remount. There is one allocated in the American Rescue Plan Act funds. However, there was a concern regarding the timing of the procurement that has caused some heartburn with the grant administrator, that is currently being reviewed.

Mayor Pro Tem also shared that he learned from a citizen that the "red tags" are actually warning tags, so his concerns have been alleviated.

ANIMAL SERVICES
The proposed budget showed an amount of $128,500 for an Animal Service contract. It is actually $133,504 per the city's representative, James Osteen. He shared that the Animal Services have picked up over 330 loose animals over the past 3 years and broke down the costs of the Animal Services contract and compared the cost of maintaining this service as a city, which would be a significantly larger cost burden on the city. Mr. Osteen shared the heartburn of Mayor Bell regarding the increase in city fiscal responsibility this year and the reduction of the county's financial responsibility.

POLICE
Police Chief Randall Aragon and members of the department's leadership gave a brief presentation sharing the department's statistics for the year, concluding with the announcement of only having 1 officer vacancy and no vacancies in telecommunications. At the current budgetary levels the department would not be able to proceed with accreditation, the Safe City Initiative, dedicated traffic units, proactive policing, and property/vacation checks or escorts. This also jeopardizes special operations such as narcotics, gang enformements, criminal investigations, as well as life safety equipment.
Mayor Bell shared his thoughts regarding the police leadership team's assertion that they were asked to cut services. Mayor Bell believes that if the budget should be cut it should not be done by public safety.
Mayor Pro Tem Compian shared that this is not a "doomsday" situation. The city has been in much more difficult situations and yet the department has managed to thrive. The department has achieved some great accomplishments and they should be proud. He shared his feeling that the city needed to maintain the tax rate, in order to continue the great work being done.
A lengthy discussion regarding the department's "cuts" ensued. Mayor Bell expressed his deep disapproval of the significance of the items that were cut from the budget, and some of the less significant items that city administration has chosen to fund in the proposal.
Councilmember Ross recommended batch ordering the necessary life safety equipment. If there are 50 in the total need, it should be purchased in smaller quantities to extend shelf life.
When asked what the top 5 needs are, department leadership requested staffing, equipment, and facilities, "the basic necessities" are the primary focus.
Councilmember Lowry supported the police department and their needs, "they have been hearing next year is going to be your year, let this year actually be their year".
La Marque Police Association President Sgt. Conan King spoke saying that the department lacks the basic equipment needed to do their job.
The council assured the police department that every attempt will be made to ensure they have the necessary equipment to be effective and safe.

***Mayor Bell called a brief recess at 4:10 p.m. and reconvened the meeting at 4:40 p.m.*

GENERAL FUND

Finance Director Christine Turner and City Manager Cesar Garcia gave a brief overview of the taxable values and a brief demonstration of how these are affected by volatile changes. The city received an updated Tax Calculation worksheet from the Tax Appraiser's Office that showed additional resources of $322,000.

Mayor Bell showed three areas of concern regarding the General Fund summary sheet presented, where the projections shown do not reflect some of the accomplishments presented by the departments earlier in the day.

City Manager Garcia also reminded the public that there are COLA's of 8% for Fire and 6% for Police as dictated by their Collective Bargaining Agreements, and 2% for the remaining staff members.

Upon review of the current fiscal year's budget, it was discovered that a budget was adopted with a deficit of approximately $1.1 million. This led to a spirited discussion, as no member of the council could recollect having that information previously.

James Osteen shared that some of the numbers are wrong on the summary sheet. The Animal Control expenditures are shown as $186,411 but, it should be $128,500.

LIBRARY

Library Director Amy Miller started by sharing that there has been a major increase in program participation due to the change from having a Youth Librarian to a Youth Program Director, and they increased their summer programming by 30 events. She requested funds for air conditioning repair estimated at $11,000, the tutoring service requested by the council, and senior programming.

Mayor Pro Tem Compian clarified that the Library is open to all, not just residents. This was confirmed.

Library Director Miller shared that many residents come into the library to assist with filling out FEMA and insurance claims. She hopes that the Library is a "first stop" for community resources.

Mayor Bell shared his desire for the Summer Camp to continue next year, and asked Director Miller for a recap for this year. She shared that the team made it through, but she is requesting funding for future years as well as some accommodation to supplement the service.

Councilmember Yancy shared her support for the continuation of the program, due to the literacy needs in the community. She encouraged community partnerships to strengthen the program.

SALES TAX

Mayor Bell identified that the city has reasonably been concerned regarding sales tax numbers. However, the current sales tax documents received today show that the feared deficit is no longer a concern, as the Finance Director predicted. Mayor

Bell shared his excitement, as he believes municipalities should be run on sales tax and user fees, instead of being primarily supported by property taxes.

6. EXECUTIVE SESSION
   There was no executive session.

7. ACTIONS TAKEN FROM EXECUTIVE SESSION
   No actions were taken.

8. ADJOURNMENT
   Mayor Pro Tem Compian made a motion to adjourn. Councilmember Ross seconded the motion. **MOTION CARRIED UNANIMOUSLY.**

   ***Meeting was adjourned at 6:12 p.m.*