

COMMUNITY SERVICES COUNCIL COMMITTEE
FEBRUARY 4, 2026
DRAFT MINUTES

Council present:

Victoria Johnson
Phil Anderson
Alexa Boedeker

Council Absent:

Staff present

Tommy Ludwig, City Manager
Eric Oscarson, Deputy City Manager
Harlan Jefferson, Deputy City Manager
Monica Solko, Deputy City Secretary
Matt Ribitzki, Deputy City Attorney

1. CALL TO ORDER – Time: 1:00 p.m.

Chair Victoria Johnson called the meeting to order. **Time: 1:03 p.m.**

2. CITIZEN APPEARANCES

- None.

3. GENERAL

**A. Minutes from the February 4, 2026 Community Services committee meeting.
(Staff Contact: Lisandra Leal, Assistant City Secretary)**

Motion made by Phil Anderson and seconded by Alexa Boedeker to approve.

Motion passed 3-0.

4. REPORTS AND PRESENTATIONS

A. Receive a report, hold a discussion, and provide recommendations to the city council on new billboards with revenue sharing on City property. (Staff Contact: Alex Philips, Economic Development Director)

Eric Oscarson, Deputy City Manager, presented information to the committee regarding proposed new billboards with revenue sharing opportunities on city property. The presentation included a potential location along I-35 corridor, a proposed digital billboard design, and a proposed partnership agreement providing a \$50,000 base payment plus 30% revenue sharing, estimated at approximately \$125,000 annually.

Discussion included the city's current ordinance prohibiting new billboards, potential legal considerations related to amending or creating exceptions to the sign ordinance, responsibility for regulating advertised content, and concerns that ordinance changes could allow additional billboard requests citywide. Committee members also discussed the potential use of digital boards to promote city events. Staff noted that monument signs could be constructed by the city without amending the ordinance to display city information.

The committee was split on the proposal and recommended staff present the item to the full City Council for consideration.

B. Receive a report, hold a discussion, and provide recommendations to the city council on FY27 employee compensation and benefit strategies. (Staff Contact: Cheryl Marthiljohni, Director of Human Resources)

Cheryl Marthiljohni, Director of Human Resources, presented the FY27 employee compensation and benefit strategies to the committee.

Presentation included:

- Option 1: Average 3% Merit for eligible employees (no Market Adjustment), Average 3% Police/Fire Step
- Option 2: Average 3% merit + Market Adjustments for eligible employees, Average 3% Police/Fire Step and \$14/hr. minimum adjustments for Part-time employees
- Option 3: Average 3% Merit + Market Adjustments for eligible employees; Average 3% Police/Fire Step and \$13/hr. minimum adjustment for Part-time employees.
- Benefits Strategies:
 - Add extra personal holiday
 - Volunteer Paid Leave
 - Four-day work week
 - Sell back paid leave time (Vacation/Sick)
 - Purchase additional paid leave time (Vacation/Sick)
 - "In the Seat" Leadership Opportunities
 - Stay Interviews conducted by Leadership
 - Veteran Day Celebration/Appreciation and/or add as part of paid holidays
 - Review additional certification pay opportunities in various departments
 - Shift differential pay for certain departments
 - Build career pathways for certain positions (Level I, II, III)
 - Update position description to better align with responsibilities
 - Define essential personnel
 - Review top-out ranges in compensation/step plans.

Committee discussion included annual budget considerations, property taxes, diversifying sales tax revenue, stormwater fees, potential future state restrictions,

grant opportunities, maintaining facilities with quality staff, and innovative approaches to workforce recruitment and retention. Members also discussed legislative constraints, workforce flexibility, and operational considerations related to four-day work weeks.

The committee thanked staff for their work and requested continued exploration of a combination of options that would best support employees and recommended staff present the item to the full City Council for consideration.

C. Receive a report, hold a discussion, and provide recommendations to the city council on the new 8% contribution rate with Texas Municipal Retirement System (TMRS). (Staff Contact: Cheryl Marthiljohni, Director of Human Resources)

Cheryl Marthiljohni, Director of Human Resources, presented information regarding the new 8% contribution rate option available through the Texas Municipal Retirement System (TMRS). She explained that HB 3161, passed during the 89th Legislative Session, created a new 8% employee contribution rate in addition to the existing 5%, 6%, and 7% options. The new rate became effective September 1, 2025, and would require adoption of an ordinance by participating cities.

Employee Impact – 8% Options*



Option 1	Count	Avg \$ Change	Avg % Change
Increase	428	\$1,468	14%
Decrease	0		
Less Than +/- 1% Change	0		
Option 2	Count	Avg \$ Change	Avg % Change
Increase	395	\$1,320	13%
Decrease	25	(\$700)	-9%
Less Than +/- 1% Change	8	\$52	0.4%
Option 3	Count	Avg \$ Change	Avg % Change
Increase	426	\$881	9%
Decrease	1	(\$162)	-1%
Less Than +/- 1% Change	1	\$76	0.3%

**Assumptions include employee retirement at age 60 and a 3% salary increase annually.*

Committee discussion included the financial impact of the benefit option, employee impacts related to the additional 1% contribution with other payroll deductions such as health insurance and Social Security.

Committee members expressed they were not in favor of moving to the 8% contribution rate at this time and preferred staff focus on merit, market, and other employee benefit options.

Alexa Boedeker left the meeting at 2:31 p.m.

5. REQUESTS FOR FUTURE AGENDA ITEMS OR REPORTS

- None.

6. RECESS INTO EXECUTIVE SESSION

In accordance with Chapter 551 of the Texas Government Code, the City Council may convene in Executive Session in the City Council Workroom in City Hall to conduct a closed meeting to discuss any item listed on this Agenda.

A. Pending or contemplated litigation or to seek the advice of the City Attorney pursuant to Section 551.071, Texas Government Code

7. ADJOURN

Chair Victoria Johnson adjourned the meeting.

Time: 2:33 p.m.

Monica Solko
Deputy City Secretary