

**MINUTES OF THE REGULAR
MEETING OF THE BOARD OF ALDERMEN
TOWN OF BAYVIEW, TEXAS
104 S. San Roman, Bayview, Texas
February 16, 2017**

Elected officials present: Mayor Steenbock, Aldermen Lewis, Mullendore, Stachowiak, and Deason.

Elected officials absent: Alderman Lowder

Regular Meeting

General

1. The Regular Meeting of the Board of Aldermen was called to order by Mayor Steenbock at 6:30 p.m.
2. Mayor Steenbock led those present in the Pledge of Allegiance.
3. Mayor Steenbock thanked everyone for being in attendance. He stated that we have an Executive Session at the beginning of the meeting due to a conference call with the attorney. He also thanked the Los Fresnos Volunteer Fire Department for their continuance in mowing the Bayview Station grounds and the Town Office. He announced that the last day to file an application for Place on Ballot is February 17, 2017 (tomorrow) and the office will be open from 2 p.m. to 5 p.m. to accept application. No applications will be accepted after the deadline.
4. *Public comments and announcements:* Mayor Steenbock stated that now is the opportunity for our citizens to address the Town Council on matters relating to Town business, issues, concerns or interests, including any items that are on the agenda. Speakers are required to state their names for the record and to limit their comments to three minutes. Note: State law does not permit the Mayor/Aldermen to discuss debate or act on items that are not on the agenda. Persons making comments and announcements may be referred to Town Staff for follow up or to have items placed on the agenda for a future Town Meeting.

Richard Whipple stated, "I really appreciate and want to thank the Board for how fast the street signs were put in place. It makes a difference."

At 6:33 p.m. the regular meeting was adjourned by Mayor Steenbock to begin the Executive Session.

EXECUTIVE SESSION

The Executive Session was called to order by Mayor Steenbock at 6:34 p.m. where the Town Council is authorized by Subchapter D Section 551.071. Consultation with Attorney, of the Texas Open Meetings Act for the purpose of:

- a. Discussion of potential litigation with Total Commitment.
- b. Discussion concerning Show Cause Order, Civil Action No. 14-CV-126.
- c. Discussion of current Stop Work Orders.
- d. 180 Review of Town Secretary.

Alderman Mullendore made the motion to adjourn the Executive Session at 7:05 p.m. Second: Mayor Pro Tem Stachowiak. All in favor. Motion carried.

Action Items

1. The Regular Meeting was called to order by Mayor Steenbock at 7:06 p.m.
2. *Discussion and possible action on potential litigation with Total Commitment deliberated in the Executive Session.* Mayor Steenbock stated there is nothing to report at this time.
3. *Discussion and possible action concerning Show Cause Order. Civil Action No. 14-CV-126.* Mayor Steenbock stated there is nothing to report at this time.
4. *Discussion and possible action on current Stop Work Orders deliberated in the Executive Session.* Mayor Steenbock stated that there was a brief discussion but no action at this time.
5. *Results of Town Secretary 180 Day Review.* Mayor Steenbock stated that we did do the 180 day review as per the Employment Policy of the Town of Bayview and found that the secretary is well above the standards.

Old Business

None

New Business

6. *Discussion and possible action approving or rejecting the January 19, 2017 Board of Aldermen Regular Meeting minutes-RS* Alderman Deason stated that there was two corrections: under New Business item #6 the yearly budget was \$7,700 not \$7,000 and under Discussion Items #4 Gary Paris was elected Chairman Pro-Temp not Co-Temp. Mayor Pro Tem Stachowiak made the motion to approve the January 29, 2017 Board of Aldermen regular minutes as amended. Second: Alderman Mullendore. Abstained: Alderman Lewis. Motion carried.

7. *Approval or rejection of the January 2017 current financial report with current projected balances –CT* A brief discussion was held on: a) lowering the telephone bill, b) looking into the payment of insurance, c) the accounting analysis for budget versus actual from monthly to yearly, d) both general and ad valorem accounts balances in an upward trend. Alderman Deason made the motion to approve the January 2017 current financial report. Second: Mayor Pro Tem Stachowiak. All in favor. Motion carried.
8. *Approval or rejection of the current Building Inspector's Report including any payment due-RS* Alderman Deason made the motion to approve the Building Inspector's Report of February 2017 including payment of \$50.00. Second: Alderman Mullendore. All in favor. Motion carried.
9. *Presentation of the financial audit for year ending 09/30/2016.-RS* Mayor Steenbock introduced Mr. Carlos Barrera from Long and Chilton to make presentation. Mr. Barrera stated " Just very quick what happened during the year and where you are. Page 15 is your statement of activity and governmental funds and revenues. Let's just go through the governmental funds and activities. If you guys remember, the reason it is presented in these three columns is that fund accounting is on a cash basis and when you do financial statements for a government there is something called *government life safes*, so they take cash basis and make them full accrual. This means you have to take into consideration your payables and your receivables and your fixed assets as well. If you look at it, it's a for profit business, that's what it's giving you. If you look at the third column, for the year ending 9/30/16, your total revenues were \$147,000 and we'll get to the budget in a minute. But obviously, you know where they come from property taxes of \$116,000 and your next biggest item is Utility Franchise which is \$12,255. Then your expenses, in a government fund setting, you can see under debt service there are expenditures there but under a full accrual method that not because it has nothing to do with profit and loss that has only to do with the general fund. So the only thing important there is everything else. For example, payroll expenses is one of your larger ticket items which is \$19,000. The other big one is depreciation because depreciation in effect is you purchase an asset under fund accounting you expense it but under for profit or full accrual, you don't expense it you capitalize it and depreciate it; that's what businesses do. So, we measure that depreciation for a period of time. You can see all your expenses there and it goes on to the other page and you can see total expenditures about \$100,000 so you'll have on an accrual basis you had a \$47,411 excess of revenues over expenses. If you look over to the left, you look at your general fund it had an excess of expenses over revenue \$50,000 because again that is on a cash basis. So, what does all that mean, well look way back to page 29. This is what you all did against the budget. So, you can see the original, final, and actual results on how you did against the budget. On the revenue side, you had budgeted \$129,552 and revenues come in as the largest because again it comes from property taxes. What you ended up with was \$146,133 so you had a budget favorable variance of \$16,581. Again, the largest increase there would have been property taxes which you over collected \$6,995. Sales tax also you didn't plan but you got \$4,264 as well. On your expenditures, it goes the opposite way. For example, payroll expenses you budgeted \$17,426 but you ended up with \$19,050 which you over budgeted \$1,624. Your big one was your debt service. You initially thought you had paid down \$80,000 on the

debt but you paid \$145,000. You over spent on your budget by \$65,000. Your expenses were over by \$66,000 of which \$65,000 was your principal reduction. So, at the end of the day, your fund balance was \$50,030 less than what you had budgeted. Now going to page 13, this is what you ended up with. On September 30, 2016, on your general fund you have cash of \$24,433 and you have receivables of \$6,403. You have unavailable revenue of \$6,403 because technically that is not there yet it's a deferred out flow in flow. So really, it's a result of your cash. As a result of your cash, it's split into two ponds, you have \$14 in speed hum fund which we probably need to get rid of eventually, and the other of \$24,419. That's what you have in your fund. On a government wide basis, you throw-in what you have in capital assets which is another \$788,094, you take account depreciation and what you still owe of \$15,000 on your loan which you will payoff this year. Also, long term liability is \$9,750 which is still that amount on the lawsuit which we put in to be conservative. You end up with net capital investment of \$773,094. At the conclusion of all that is our opinion letter on page 3 and 4 looking at the *Opinions* on page 4 which says the financials presented are clean, they are free from material mis-statements. I want to make sure you understand that. You can have a mis-statement on your financials but as long as it's not material it's ok. Again, it's clean kudos to all of you."

10. *Discussion and possible action approving or rejection of the financial audit year ending 09/30/2016.* -RS Alderman Mullendore made the motion to approve the financial audit year ending 09/30/2016. Second: Alderman Lewis. All in favor. Motion carried.
11. *Discussion and possible action approving or rejection of payment in the amount of \$6,000.00 for the financial audit.* -RS Alderman Lewis made a motion to approve payment in the amount of \$6,000 to Long & Chilton for the financial audit. Second: Alderman Mullendore. All in favor. Motion carried.
12. *Discussion and possible action approving or rejecting becoming a member of International Code Council.* - RS Alderman Deason made motion to table approving or rejecting to become a member of the International Code Council. Second: Alderman Lewis. All in favor. Motion carried.
13. *Discussion and possible action on designating time and project for February 2017 "Bayview Beautification Day."* - RS Mayor Steenbock thanked Mayor Pro Tem Scott Stachowiak for the work done on Saturday January 28th along with those that helped out. Alderman Deason made motion the to make Saturday February 25, 2017 at 8: a.m. at the town office as Bayview Beautification Day. Second: Mayor Pro Tem Scott Stachowiak. All in favor. Motion carried.

Future Agenda Items - Any current member of the Board, in good standing, may add one agenda item to the agenda of a future meeting specified by that Alderman. No agenda item added by an Alderman may be removed, altered or modified without the written consent of the Alderman adding the agenda item unless the language or content of the agenda item conflicts with state or local laws. Nothing was added.


Discussion Items

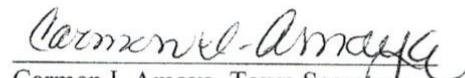
1. Discussion Rentfro Law bill. – RS Mayor Steenbock stated that Connie has been going through these to decipher because it is difficult. He continued stating that Connie has found double billing and errors. He confirmed that he will continue to have Connie review these. Alderman Deason stated that he would appreciate having copies of these ahead of time and that we keep good records of what is being spent on the Special Use Permit.
2. Discussion on bridge maintenance. – GL Mayor Steenbock stated Garry found the stuff for the bridge and the cost was \$217.24/ freight was \$110.00. He also stated that Garry was going to be up close to Dallas and he would pick it up to save the \$110. He continued by stating that Garry had also mentioned that the people selling these cautioned him that we have to make sure that the rail we have is going to fit inside that head.
3. Discussion on Road Plan. – RS Mayor Steenbock stated that he has met with Roger Mantony and what he sent out to everybody was a draft vision with his input. He continued stating “we talked a lot about North Valencia and feel that we can go awhile before having to chip seal North Valencia. He does feel like we have to go another round like we did and concentrate on the edges that are breaking. Roger felt that it could go another year or two before it actually had to be chip sealed. That was his input and I don’t anyone else in town that would have road expertise.” Alderman Deason stated “this comes from the engineers who said that the roads should get chip sealed every 4 to 5 years. Every road would get that and you could do a mile or a mile and a quarter each year. It would be ongoing where you would have to do some roads every year.” Mayor Steenbock responded “I still feel very strongly that we should have this laid out for the citizens so that they know and that’s where I’m trying to go with this. Let me talk about what is in this draft vision: North Valencia repair as necessary and re-evaluate at least annually; West Reparo rebuilt at least to caliche base using contractor and then look at paving with town resources if we do not feel we can accomplish this hire a contractor at later date. Aida had gotten a quote and it was like \$65,000. Roger really felt like we could pave it. He has a buddy that has the equipment: East Reparo repair as necessary like we did North Valencia; Red Crown we have a new home at the end of the road and they are not living on caliche they are living on mud. We are talking about 800 ft. from pavement at least get them to caliche to their house; Poco Parte bridge investigate what it would take to put railing in. Maybe it’s not feasible, maybe it’s way beyond our means. ” Alderman Deason suggested that we go to the county and present as a hazardous bridge but also go with the county for West Reparo and Calle Hermosa. Alderman Lewis stated that the county has refused us before. Mayor Steenbock continued with the draft vision “does anyone need roundup or anything. Establish a weed control maintenance schedule plan.” Alderman Lewis volunteered a “blow torch kinda” which if you wilt the weeds it will kill the root. Mayor Steenbock continued saying he was going to go forward with this.
4. Update on the FM2480 final inspection. -SS/LD No update.

5. Emergency management update. - GP. Gary Paris reported “there were two meetings he was going to. One on the Mosquito Vector control workshop in San Benito and we are having our first monthly Cameron County Emergency Management meeting next Friday. Two things that came up on the State website: 1) we are in drought so be careful burning trash and 2) the Gulf is ten degree’s warmer caution we could have a problem this summer.”
6. Report from the Building and Standards Commission. – Roger Mantony No updates.

Adjourn

At 8:05 p.m. a motion was made by Alderman Deason to adjourn the meeting. Second: Alderman Mullendore. All in Favor. Motion carried.


Robert Steenbock, Mayor


Carmen I. Amaya, Town Secretary