



**FARMERSVILLE CITY COUNCIL
REGULAR SESSION MINUTES
April 26, 2016, 6:00 P.M.
Council Chambers, City Hall
205 S. Main Street**

I. PRELIMINARY MATTERS

- Mayor Helmberger called the meeting to order at 6:00pm. Council members Klostermann, Politz, Hesse, Caspari, and Foy were all present. Reverend Mundy of Galloway Church led the Invocation. Mr. Foy led the Pledges to the Flag of the United States and the Texas Flag.
- Announcements
 - Calendar of upcoming holidays and meetings
 - Arbor Day Tree Sale will be held at The Gazebo on The Square on Saturday, April 30th from 9am-2pm. Seedlings are \$1.00 each with proceeds benefitting the Parks and Recreation Board.
 - The Fire Department's Annual Fish Fry is Saturday, May 14th at the High School from 4-9p.m. Cost is \$11.00 for adults and \$6.00 for children. There is a raffle with prizes of 50" television, \$250.00 visa card, smoker, and a quilt. Tickets are \$1.00 each. There will also be a silent auction for items donated from various businesses and individuals. You do not need to be present to win.
 - Proclamation of May as National Preservation Month
 - Proclamation honoring Chief Sullivan's 30 Years of Service
 - Letter expressing gratitude from Wylie Mayor
 - Chief Sullivan introduced new officer, Bradley Dean.
 - The Chamber of Commerce still has seats available for the Annual Chamber Banquet on May 13th.
 - There will be a 50 mile Ultra marathon Nov. 12th starting at the Onion Shed.

- At this time, Mayor Helmberger moved to Item III.B of the Regular Agenda: Consider, discuss, and act upon auditor's report.
- Anthony Cardiel from Brooks Cardiel addressed the Council. Mr. Cardiel said that over 100 hours were spent on the report. He brought with him a hard copy of the report which can be found on the city's website or requested at City Hall. Mr. Cardiel also presented a power point presentation. Slides are attached at the end of this document or may be viewed by clicking below:



Farmersville, Texas
Audit Presentation
September 30, 2015

4.26.2016 Presented By: Anthony Cardiel, CPA, CFE

- After listening to Mr. Cardiel's report, there were no questions asked. Mr. Cardiel commended Ben White on his interest in making the city better. Mayor Helmberger commented on the process saying that recommendations were made to the city by Brooks Cardiel in August of 2015. Those recommendations were addressed and actions implemented by January 2016. Further, recommendations were brought to Ben's attention today.
- Jim Foy asked how we compared to other cities financially. Mr. Cardiel explained that that is hard to define as there are many factors that play into that. He stated that financially, the City of Farmersville is in good standing. He added that he found Farmersville to be charming and enjoyed working with the city staff.
- At this time, the meeting returned to Section II: Reading of Ordinances.

II. READING OF ORDINANCES

- A. Second reading to consider, discuss, and act upon an amendment to the Fair Housing Ordinance
- Motion to approve was made by Leaca Caspari
 - 2nd to approve was made by John Klostermann
 - All council members were in favor thereby approving the ordinance
- B. First reading to consider, discuss, and act upon a budget amendment that will move the refuse fund franchise fee balance to the street department
- Mayor Helmberger reminded council of where the franchise fee came from, stating that now the money is sitting there waiting to be used. Ben White said that the focus for repairs will be on crack sealing and the Jackson Street project. Mr. White will present the costs to council prior to beginning any work.
 - Motion to approve was made by Leaca Caspari
 - 2nd to approve was made by John Politz
 - Jim Foy questioned the amounts of money documented. Mayor Helmberger clarified the movement of the money. John Klostermann asked if the work will be done in-house or bid out. Ben White replied that it would be bid out. There were no further concerns.
 - All council members were in favor thereby approving the amendment
- C. First reading to consider, discuss, and act upon changes to the Master Fee Schedule regarding average billing payment plan
- Ben addressed Council stating the changes say exactly what is happening with regard to average billing of all utilities. Mayor Helmberger asked how many people have inquired. Ben White replied that approximately 40 residents have shown an interest.
 - Mayor Helmberger began a discussion on ordinance D., as the two are tied together to put average billing in place.
- D. First reading to consider, discuss, and act upon a change to the Utility Ordinance for updates regarding average billing payment plan
- Ben White told the Council that this will be called average billing and payment plan. At this time, Ben addressed each of the 12 items as outlined in the ordinance. It was noted that "Item F" was an error and should be removed. Ben stated that this is not transferable. John Klostermann said it does not run from January to January. Ben White replied that they cycle begins from the time that the customer signs up. Paula Jackson, Interim City Secretary, commented that sewer averaging will remain as is.

- Jim Foy believes there needs to be a move-out clause specifying how to settle-up if a customer moves out. City Attorney, Alan Lathrom, said that paragraph 7 touches on that, however, there is not a specific clause that addresses the balance. Foy added that it just isn't clear that if you have a running balance, you need to pay. Alan Lathrom responded that the purpose of #8 was to address delinquencies but the language may be able to be changed to reflect termination by the city. Jim Foy then asked about deposits. Paula Jackson said that the city will refund deposits after there is a three year history in good standing. Foy believes that new customer requesting average billing still need to pay a deposit.
- Mayor Helmberger said that under #7, "Farmersville Utilities" needs to be changed to "City of Farmersville". He concluded that the changes look good and should be benefit to residents with a fixed budget.
- Motion to approve Item II.C was made by Jim Foy
- 2nd to approve was made by John Klostermann
- All council members were in favor thereby approving the ordinance

- Motion to approve Item II.D with amendments to the ordinance was made by Jim Foy.
- 2nd to approve was made by John Klostermann
- All council members were in favor thereby approving the ordinance

III. REGULAR AGENDA

- A. Consider, discuss, and act upon City Financial Report
- Daphne Hamlin addressed the Council and reported that the City is in good financial standing. She said the electrical fund is a little behind and believes that is a result of the mild winter. Jim Foy agreed saying that the electrical report really jumps out due to usage. Leaca Caspari commented that everyone is right on budget.
 - Motion to approve was made by Leaca Caspari
 - 2nd to approve was made by John Politz
 - All council members were in favor thereby approving the City Financial Report
- B. Consider, discuss, and act upon auditor's report (Refer to beginning of minutes)
- C. Consider, discuss, and act upon First Amendment to License Agreement between Brookshire's and City of Farmersville
- Mayor Helmberger told the Council that the Marketing Committee has money to fund a monument sign on the Brookshire's Property. This

agreement is necessary to do that. The city does not have to do this per ordinance. They could just replace with pole signs. The design is intended to allow other even signs to be placed there as well. The Chamber of Commerce is also contributing \$5,000. John Klostermann said this sign is similar to the ones on the trail. Mayor Helmberger agreed saying that was intentional to create consistency throughout town.

- Motion to approve was made by John Klostermann
 - 2nd to approve was made by Michael Hesse
 - All council members were in favor thereby approving the agreement
- D. Consider, discuss, and act upon a resolution authorizing the award of a contract for City of Farmersville Parks, Right-Of-Way, and Lawn Maintenance
- Ben White presented Council with the bid tabulations and explained how everything was calculated. He recommended that the low-bidder with all documents complete be awarded the contract. That bidder is Oak Grove Landscaping and Irrigation.
 - Michael Hesse asked what the addendum had in it that Mr. McCrary did not complete. Ben White over the addendum item by item and noted the changes and items that were incomplete.
 - Jim Foy asked if all vendors were made aware that an addendum was coming out at the pre-bid meeting. Mr. White said yes and that it is explicitly stated in the bid proposal that it is the responsibility of the vendor to obtain the addendum. He added that in the interest of time, the city would like the ability to execute the contract. Mr. Hesse asked if the city has ever done their own mowing as \$93,000 is a lot of money. Mr. White said that the city has, but due to staff limitations, he would like to have consistency in mowing and staff focused on streets, sewers, etc. Mayor Helmberger asked if these mowing items were on an as-needed basis. Mr. White replied yes.
 - Motion to approve was made by Leaca Caspari
 - 2nd to approve was made by John Politz
 - Jim Foy commented that he would be willing to overlook the missing addendum, but he couldn't dismiss the other portion of McCrary's bid that wasn't complete.
 - All council members were in favor thereby approving the bid award to Oak Grove Landscaping and Irrigation and permitting Ben White to execute as appropriate
- E. Consider, discuss, and act upon a resolution authorizing the award of a Professional Service Provider for the Texas Community Development Block Grant (TxCDBG) Planning and Capacity Building Fund Contract 7215024

- Ben presented the bid tabulations and recommended that GrantWorks be awarded the contract for the CDBG Planning and Capacity Grant
 - Motion to approve was made by Leaca Caspari
 - 2nd to approve was made by John Politz
 - All council members were in favor thereby approving the bid award
- F. Consider, discuss, and act upon a resolution authorizing signatories for the TxCDBG Planning and Capacity Building Fund Contract 7215024
- Motion to approve was made by Jim Foy
 - 2nd to approve was made by Michael Hesse
 - All council members were in favor thereby approving the resolution
- G. Consider, discuss, and act upon a resolution regarding Civil Rights in accordance to the policies set forth by the TxCDBG requirements
- Motion to approve was made by John Klostermann
 - 2nd to approve was made by Michael Hesse
 - All council members were in favor thereby approving the resolution
- H. Consider, discuss, and act upon the electric system surcharge
- Ben White reviewed why the surcharge was implemented. It was established to help with improvements. The city did not do much with the account until we took over the electric. Jeramy Jones ensures that the money is spent wisely so that we make smart improvements. Ben White asked Daphne Hamlin how much the surcharge brings in annually. She responded \$150K.
 - Jim Foy said that this came about from Sharyland's proposal of \$500 K for improvements. He recounted the minutes from 2012. He said his intention, initially was to have a four year program to raise that money and then do away with it. He still believes it should be a four year program and that it should expire in Feb. 2017. It needs to be addressed now since we are getting ready to do next year's budget.
 - Mayor Helmlinger asked what would happen if we did away with the surcharge. Ben White responded that it would most likely slow down the pace of work but other factors play into it as well, like the cost of fuel. Overall, Mr. White believes we will be in a good position financially. We need a status update to look at what items from Sharyland's original report have been accomplished and what still needs to be done.
 - Leaca Caspari asked that when the surcharge was implemented was there a specific time frame or purpose. Mr. White responded that no, that was not specified. Mr. Foy reminded everyone that this was money was to be used to bring us up to the standard not to raise money for the general

fund. Ben White believes we need to assess the amount of open wires and copper replacement.

- Mayor Helmberger said to take a look at the contracts and provide a status report in July to see how we stand based on the original report
 - No motion, no action
- I. Consider, discuss, and act upon Judge Self's memo regarding Collin County's Mobility Plan
- Mayor Helmberger explained that the Collin County Planning Board expressed a need for Limited Access Roadways (LARS). The board and local mayors met to discuss the county's proposal. Not a single mayor agreed with it. There is a need for a LAR just not as proposed, which cites the LAR along Hwy 380 & Hwy 78. Mayor Helmberger believes that we as a city need to adopt a resolution saying we are not in favor of this proposal. NCTXCG needs to do further studies as to where this road can go. The court has already acted on this and we do not agree.
 - Need a resolution opposing proposal for next meeting
- J. Consider, discuss, and act upon signage along TxDOT facilities
- Ben reported that he contacted TxDOT regarding monument signs and beautification signs. Money is available but he is waiting to hear back from TxDOT. Mr. Hesse said Ben addressed his request, but he really just wants to see a sign form 380.
 - No motion, no action
- K. Consider, discuss, and act upon the creation of City social media accounts with responsibility imbedded in to the City Secretary job description
- Ben White is very hesitant to implement this. Michael Hesse believes it could be a great tool as long as very specific boundaries are in place. Mr. Foy completely agrees and said TML offers training. He is 100% behind the idea. Leaca Caspari noted that it's interactive so we would have to be responsive. Ben White is concerned with the time needed as he is already short-staffed. He said it is not to be used as a discussion board but for factual information regarding the city. Michael Hesse said if it becomes a problem then we deactivate or ask people to come into Council meetings to voice concerns. Leaca Caspari said send someone to training prior to implementing and set parameters. Mayor Helmberger said we need to be very, very careful with a strict policy in place. Alan Lathrom commented that Mayor and council members must stay off. Ben will send staff to TML training and come back to Council at a later date.
 - No motion, no action

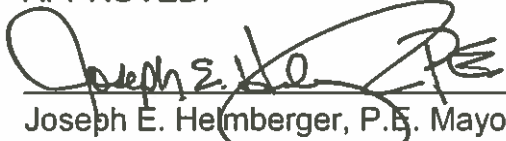
- L. Consider, discuss, and act upon trees located in front of 100 (Red Door Antiques) and 101 (Carrie's Floral Creations) McKinney Street
- Ben White addressed the issue of the trees blocking storefronts and acknowledged Mrs. Williams who owns Red Door Antiques. He said he believes the trees are too big for the location. He added there is no watering system in place. His recommendation is to take the whole tree out and replace with a large pot. Leaca Caspari asked if they can be saved and relocated. Ben replied that it is the city's intention to do that, but he can't guarantee that they will live. If they die, he will replant something in its place on city property. \
 - No motion, no action

IV. REQUESTS TO BE PLACED ON FUTURE AGENDAS: NO REQUESTS

V. ADJOURNMENT

Meeting was adjourned at 8:05pm

APPROVED:



Joseph E. Helmberger, P.E. Mayor

ATTEST:



Paula Jackson, Interim City Secretary



Farmersville, Texas
Audit Presentation
September 30, 2015

4.26.2016

Presented By: Anthony Cardiel, CPA, CFE

COMPONENTS OF THE ANNUAL FINANCIAL REPORT

- ❖ Auditor's Opinion
- ❖ Management's Discussion and Analysis
- ❖ Basic Financial Statements
 - ❖ Government-Wide Statements
 - ❖ Fund Level Statements
- ❖ Notes to the Financial Statements
- ❖ Required Supplementary Information

INDEPENDENT AUDITOR'S REPORT

- ❖ Four possible outcomes.



-Unmodified

-Modified

-Disclaimed

-Adverse

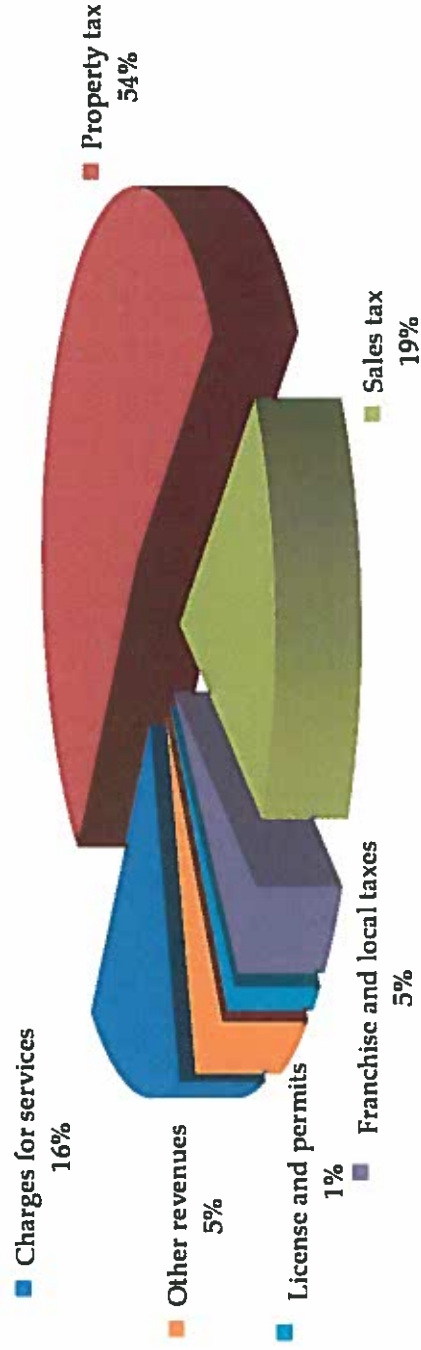
- ❖ Farmersville received an unmodified opinion

FINANCIAL HIGHLIGHTS

- ❖ Total assets exceeded total liabilities by \$9,199,590.
- ❖ Total Net Position increased by \$210,639.
- ❖ City's governmental funds reported an ending fund balances of \$4,132,706, an increase of \$1,571,8411.
- ❖ Unassigned fund balance for the General Fund was \$1,133,721 or 38% of total general fund expenditures.

City Revenues
For the Year Ended September 30, 2015

Governmental Activities - Revenues

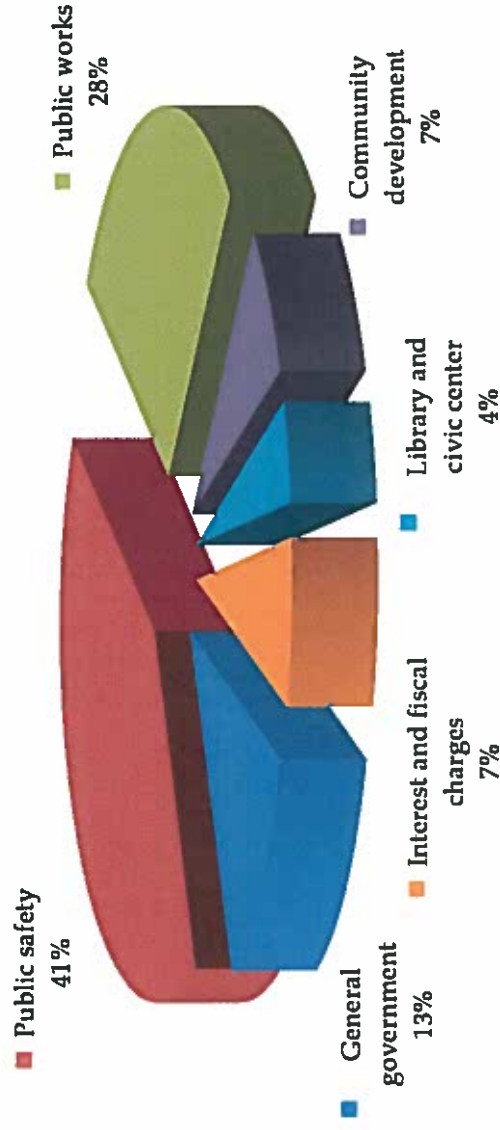


- ❖ Total governmental revenues were \$2,469,225.
- ❖ Total charges for services were \$378,053.
- ❖ Total property taxes were \$1,292,941.

* Reference AFR - Page 11, 12

City Expenditures
For the Year Ended September 30, 2015

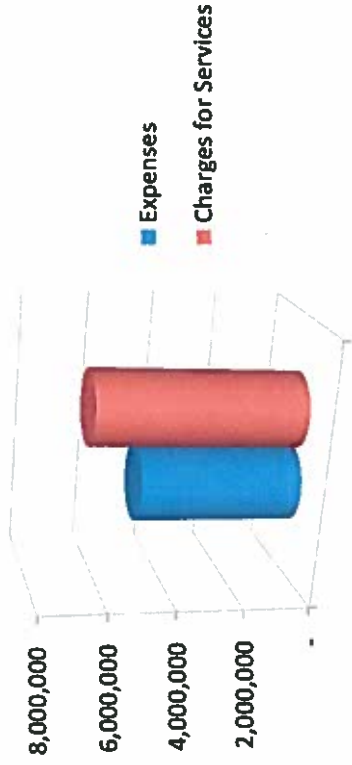
Governmental Activities - Expenses



- ❖ Total governmental expenses were \$3,759,317.
- ❖ Public safety was the largest expense at \$1,523,010.

Business-Type Activity Results
For the Year Ended September 30, 2015

Business-Type Activities - Revenues and Expenses



- ❖ Net position increased by \$1,500,731 before transfers
- ❖ Overall operating margin of 24% (\$1,500,731 / \$6,347,338)

Other Reports & Questions?