



**CITY COUNCIL**  
**City of McLendon-Chisholm, Texas**  
**Meeting Minutes**  
**August 13, 2018**

The City Council of the City of McLendon-Chisholm convened in Regular Session on Monday, August 13, 2018, at City Hall, 1371 West FM 550, McLendon-Chisholm, Texas, with the following members present:

Keith Short	Mayor, absent
Adrienne Balkum	Council Member
Herman Larkin	Council Member
Scott Turnbull	Mayor Pro Tem
Jim Bloom	Council Member
James Herren	Council Member

Staff Present:	David Butler	City Administrator
	Lisa Palomba	City Secretary
	Jim Simmons	Fire Chief/Fire Marshal

1. Mayor Pro Tem Turnbull explained that the Mayor is running late this evening as he is returning from a training class. In the Mayor's absence, Mayor Pro Tem Turnbull called the meeting to order at 6:32 p.m.
2. Council Member Herren delivered the Invocation and led the Pledge of Allegiance to the U.S. and Texas Flags.
3. Turnbull announced the Rules of Decorum are in place and are to be observed throughout the meeting.
4. Citizen Comments. No citizens spoke.
5. **Larkin, seconded by Herren, moved to approve the July 24, 2018 City Council Minutes. A vote was cast and the motion carried with 5 in favor, 0 opposed.**
6. **Environmental Health Specialist Annual Interview.** Council Members interviewed Kelly Kirkpatrick Stockburger and Alex McLennan, Jr. regarding environmental health services provided to the City and costs for those services. Stockburger indicated she provides health inspections related to commercial food preparations and plan review and site inspections of on-site sanitary sewer systems. Stockburger explained she has been planning to limit her business activities and introduced Alex McLennan, Jr. who holds OSSF Designated Representative licensing and has been accompanying her on area inspections. Stockburger suggested that she finish any inspections associated with plans she has approved and McLennan take over any newly submitted OSSF inspections from this point forward. McLennan has agreed to work for the same rates as Stockburger. There should be no

interruption in service during the transition. Council thanked Stockburger for her many years of service to the City and welcomed Mr. McLennan to McLendon-Chisholm.

**7. Amazon Web Services.** This item was postponed and will be rescheduled for a later date.

**8. iCompass Agenda Management, Records, Audio, Video and Related Software.** Michelle Cooper representing iCompass presented a proposal and demonstration for agenda management, records management, audio/visual and related software. Cooper mentioned iCompass has 250 subscribers in Texas. The software allows for a more transparent government in that agenda meeting packets with all supporting documents can be made available on the City's website and can be linked to the audio/video service. The software provides an easier way to search for City records. The services would be linked to the City website but hosted by iCompass. An encoder will be provided to the City. Discussion among Council Members followed the demonstration. Balkum indicated she likes that videos are searchable and all seems to be compatible with current technology. Herren expressed concern regarding cloud-based storage of records but indicated the technology could increase productivity levels for staff. Larkin questioned the pricing and likes the idea of using a single vendor for all related services. Turnbull asked questions about the money back guarantee. Cooper concluded by assuring Council there is always someone available to troubleshoot any issues; all content belongs to the City; service can be cancelled with 30 days written notice; and start up can usually begin within two meeting cycles. **No action was taken.**

**9. Certified Public Account Annual Interview.** Ray Smith, CPA introduced himself to new Council Members and described services he provides to the City such as general accounting services; payroll; financial reporting; budgeting; hosting Quickbooks; audit support; administrative support for investment; financial transaction process; record keeping and reporting. Smith indicated it is a cost savings for the City to use a consultant accounting firm and that using an outside party adds another layer of control regarding City finances. Council discussion was held with Smith including payroll services; Smith's staff and time spent on City accounts; possibility of transferring some routine transactions back to City staff; complexity of municipal fund accounting; expense accounts could be better organized and some renaming of accounts for clarity purposes; Smith recommends simplifying monthly reporting to reduce costs; key performance indicators; reduction of bond debt. Smith recommended the City establish a repair and replacement fund for infrastructure. There are PID funds for maintenance of Sonoma Verde, but funds may not be enough to cover needed repairs in the future and the amount of the PID assessment may need to be increased. A future repair and replacement funds should ultimately be budgeted each year. Balkum indicated the Sonoma PID assessment should be reviewed by Municap. Smith also commented that coding has improved and Smith will send a sample of a simplified financial report in the fall. Financial software would have to recategorize past years to achieve accurate historical comparison data. Smith commented that even with transaction data being entered by City staff, his staff will always review.

**10. Fiscal Year 2018 – 2019 Budget Discussion.** Smith indicated the current budget surplus exists mainly because MCVFD was not fully funded and revenue was higher than anticipated. The revised fee scheduled generated additional revenue. Fire Dept. will spend funds in 2019. Projected revenue is based on the 2018 projected revenue to take a

conservative approach. The ad valorem tax revenue is known. The budget is not a forecast but should be considered more of a roadmap to follow. Projected 2019 expenses are shown in the proposed budget. Property values increased so the same amount of revenue is generated from less tax. This is the effective rate. The rollback rate represents the highest tax without providing opportunity for a rollback election. Extra bond redemption payment of approximately \$78,500 will allow the proposed tax and rollback rate to remain at .15 cents. Depreciation cash levels should be building. Some budget line items were discussed and adjusted including salaries. Smith was requested to update the proposed budget spreadsheet and have it ready for review next week. Balkum requested a list of duties that staff could take over and any cost savings. Smith indicated he could provide in the fall. Palomba reminded Council of upcoming deadlines for the proposed budget to be filed and budget and tax rate notices to be published. The proposed tax rate was briefly discussed. Turnbull discussed bond debt pay down and how the additional monies dedicated to debt reduction would keep the rate at .15 cents.

Mayor Short recessed the meeting at 9:57 p.m.

The meeting reconvened at 10:00 p.m.

#### **11. Updates, Discussion and Direction to Staff:**

**a. Employee Policies.** Turnbull suggested that the next Council Meeting be primarily focus on personnel policies especially employee benefits. Palomba provided information related to needed updates to personnel policies and that the City needed to retain an attorney who specializes in municipal employment law to review proposed policies. **Balkum, seconded by Herren moved to authorize Palomba to engage Julia Gannaway for attorney services in an amount not to exceed \$10,000. A vote was cast and the motion carried with 5 in favor, 0 opposed.**

**b. Fire Station Site Plan, Platting and Permitting.** Palomba reported there is no movement on the site planning. The City Engineer has engaged a surveyor to plat the property but a start date has not been set.

**c. Veterans Memorial Brick Campaign Fundraiser.** No additional comments.

**d. Council Member Photos.** Photos are scheduled for August 21. Council Members should arrive early for photos.

**e. Code of Ordinance Updates.** No updates at this time.

**f. City Council Member Requests for Future Agenda Items. Amazon Web Services will not be on the next agenda. Balkum will obtain a proposal.**

#### **12. Council Member Reports and Announcements**

**a. Mayor's Report.** The Mayor was not present to comment.

**b. Council Member Larkin.** No Comments.

c. **Council Member Turnbull.** No Comments.


d. **Council Member Herren.** No updates provided.

e. **Council Member Bloom.** Two people have applied for the Economic Development Advisory Board. Applications are still being accepted.

f. **Council Member Balkum.** Town Hall Meeting will be held on August 28, 2018 following the regular meeting. A Coffee Chat will be scheduled for September.

**13. Mayor Short adjourned the meeting at 10:19 p.m.**

ATTEST:

  
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Lisa Palomba, City Secretary



APPROVED:

  
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Keith Short, Mayor