

STATE OF TEXAS

COUNTY OF BRAZORIA

CITY OF BRAZORIA

The City of Brazoria convened in Special Meeting April 24, 2018 at 6:00 p.m. with the following to-witt:

Gail Logsdon	Councilwoman Position #2
Gary Kersh	Mayor Pro-Tem
Susan Parker	Councilwoman Position #5

City Personnel Present:

Teresa Borders	City Manager
Sheila Williams	City Secretary
Neal Longbotham	Police Chief
Charles Thom	Police Corporal

A. CALL TO ORDER SPECIAL MEETING.

Mayor Pro-Tem Gary Kersh called the Special Meeting to order at 6:00 p.m.

B. INVOCATION AND PLEDGE TO AMERICAN AND STATE FLAG.

Irv Eddy gave the invocation and Ken Corley led the pledge to the American and State Flag.

C. CONSIDERATION/ACTION TO APPROVE PERMIT RENEWAL FOR CAMPER ON LAND FOR TERRY GOODE AT 1305 N. MARKET.

Mayor Pro-Tem Kersh explained that they have all their plans and financing done now. This will be their 3rd 90 day extension but it will take longer before they get their house built. They didn't get to move in due to Hurricane Harvey. Mayor Pro-Tem Kersh would like to see the council go to 120 days since they were not able to move in when approved before. Mr. Goode said they will go ahead and move out until they start building and then start their last 90 days while building is in progress. City Manager Borders explained they can leave the trailer parked there without utilities being hooked to it. Motion was made by Councilwoman Logsdon to approve permit renewal for 120 days when they let us know they are moving back into camper for Terry Goode at 1305 N. Market. A second was made by Councilwoman Parker. Motion carried unanimously.

D. CONSIDERATION/ACTION TO APPROVE SOUND SYSTEM PLAYING TAPS FROM ROSHELLE HICKS.

Ms. Hicks thanked council for the consideration to have this but in an effort to move this project forward in a timely matter the decision to move this to another location in Brazoria. She was just trying to show how the city appreciated their vets but decision to move it at this time was made.

E. CONSIDERATION/ACTION TO HEAR AND ACCEPT REVIEW OF THE ANNUAL FINANCIAL REPORT AND AUDIT FOR FISCAL 2017 FROM CURTIS CRAIG OF CURTIS T. CRAIG CPA.

Mr. Craig explained the different sections of the audit. Councilwoman Parker said she was confused on the cover letter with all the different opinions. Mr. Craig explained the opinion is from the financial report. He doesn't express an opinion on the pension and some other specific things. He gets the info from TMRS, so he was not involved with their audit so he doesn't have an opinion on things like that. Mayor Pro-Tem Kersh explained Mr. Craig will meet with you if needed. Mayor Pro-Tem Kersh explained when the county did the streets it came in under budget. Councilwoman Parker asked when streets are done who keeps track of what streets are done. City Manager Borders explained Public Works Director Jordan has that information.

Councilwoman Parker said there should be a plan that every year to 5 years of what streets are done. Mayor Pro-Tem Kersh explained there are a few streets that are done more because of high traffic. The reason Garden Acres was done is because of the drainage plan.

Mr. Craig said there was a pretty good jump in our estimated proposal on property taxes for 2017. We need to watch for this year. Councilwoman Parker asked Mr. Craig to define capital assets. Mr. Craig said that would be equipment, vehicles, roads & lines underground. Councilwoman Parker asked how you function as a city if you don't know what you have. City Manager Borders explained we know what we have just not the value. We have information on paper just not in a computer program they are needing. Councilwoman Logsdon explained it helps with bonds. Mr. Craig said it can cause an issue when trying to issue debt. Doesn't mean you can't issue debt but just harder. City Manager Borders said we are working with the county to try and overlay over their GIS.

Mr. Craig explained on page 26 is the utility fund. Total operating revenues were 1.2 million and expenditures were 1.8 million. That is about \$560,000 loss. The utility fund needs to support itself. Last year was the gas and the city raised the gas rates. The gas did look better this year. This fund has to support itself.

Councilwoman Parker asked what the process of the audit is. Mr. Craig said he follows auditing standards. It is based on sub-standard and sampling. He has different steps he follows. His responsibility is to make sure the financials are not materially misstated.

Mayor Pro-Tem Kersh said utilities not supporting itself could be from being over staffed. Mayor Pro-Tem Kersh said that Public Works is not contractors. They are maintenance only. Councilwoman Parker said we can look to see if they are totally utilized. City Manager Borders said it takes away from day to day stuff. Mr. Craig said you could be losing also from leakage. City Manager Borders said you have to report leakage to the state. Pension Liability has to be reported now on the audit. Pension checks are not guaranteed.

Councilwoman Logsdon asked about the audit letter has been reduced on recommendations. Mr. Craig said the other letter is the management letter. 1st finding is hiring me to do your financial audit. 2nd finding is maintaining the detailed list of capital assets. Councilwoman Parker asked whose responsibility is that. Mr. Craig said last year you sat down and assigned things and I think David Jordan was doing that. Councilwoman Parker asked how much of it has been done since last year. City Manager Borders said they have given information to engineers and they are getting things together. Councilwoman Parker said she doesn't feel like we have any measurements in the city. It's like helter skelter out there. At some point it needs to get done. We need to track our progress. It frustrates me. We have head knowledge but it needs to be put down somewhere. We need it documented. We also need to know what roads are being maintained.

3rd finding deals with some expenses being moved from general fund to utility fund. Mr. Craig said that was done in this year's budget. 4th finding was liability accounts that had balances left in them. That has been corrected also in this budget year. City Manager Borders explained in the payable account shows what was billed and then move into revenue account. There is some uncollected which is what people have not paid accounts. We have to figure what we want to do with it. Mr. Craig said council needs to set a policy on what to do with the uncollected. Councilwoman Parker asked if it is a large amount. Mayor Pro-Tem said what is owed where people have moved and didn't pay a bill is sent to Perdue Brandon for collections. Councilwoman Logsdon said we made progress. Mayor Pro-Tem said we need to be a little more responsible and know what David Jordan has. Motion was made by Councilwoman Logsdon to accept the annual financial report and audit for fiscal 2017 from Curtis Craig of Curtis T. Craig CPA. A second was made by Councilwoman Parker. Motion carried unanimously.

F. CONSIDERATION/ACTION TO HEAR PRESENTATION FROM MAYOR PRO-TEM GARY KERSH ON BUCKET TRUCK DONATION FROM BRAZORIA TELEPHONE AND MEETING WITH DEVELOPER.

Mayor Pro-Tem Kersh explained there was not a meeting. There was one phone call made. It led into 3 calls and they said the city could have the truck. Last Friday, I and David Jordan met with a developer discussing in detail the property across from McCoy's. He is not a fly by night developer. He wants to build around 300 homes. He had lot of questions. He wants to develop the whole property. We talked lengthy and he is getting numbers together and get back with us. That is the only meeting we have had. I apologize if I said we had any meetings. I told him I can't do anything by myself. It will be a council decision. The county engineer, Floodplain administrator, David Jordan and myself were in this meeting. Edith Ray explained she doesn't like the way we are doing our meetings now because not all issues are discussed.

G. ADJOURN SPECIAL MEETING.

Mayor Pro-Tem Kersh adjourned special meeting at 6:55 p.m.

Gary Kersh, Mayor Pro-Tem

ATTEST:

Sheila Williams, City Secretary