



REGULAR BOARD OF ALDERMEN MEETING
SALADO MUNICIPAL BUILDING
301 N. STAGECOACH - SALADO, TEXAS
OCTOBER 4, 2018 – 6:30 P.M.

AGENDA

CALL TO ORDER OCTOBER 4, 2018 AT 6:30 P.M.

CALL OF ROLL CITY SECRETARY

INVOCATION

PLEDGE OF ALLEGIANCE/SALUTE TO THE TEXAS FLAG

CITIZENS COMMUNICATIONS

THE BOARD OF ALDERMEN WELCOMES COMMENTS FROM CITIZENS ON ISSUES AND ITEMS OF CONCERN NOT ON THE AGENDA. THOSE WISHING TO SPEAK MUST SIGN IN BEFORE THE MEETING BEGINS AND OBSERVE A THREE (3) MINUTE TIME LIMIT WHEN ADDRESSING THE BOARD. SPEAKERS WILL HAVE ONE (1) OPPORTUNITY TO SPEAK DURING THIS TIME-PERIOD. SPEAKERS DESIRING TO SPEAK ON AN AGENDA ITEM WILL BE ALLOWED TO SPEAK WHEN THE AGENDA ITEM IS CALLED. INQUIRIES ABOUT MATTERS NOT LISTED ON THE AGENDA WILL EITHER BE DIRECTED TO STAFF OR PLACED ON A FUTURE AGENDA FOR ALDERMEN CONSIDERATION.

1. **CONSENT AGENDA**

APPROVAL OF MINUTES OF THE REGULAR BOARD OF ALDERMEN MEETING OF SEPTEMBER 20, 2018.

2. STATUS REPORTS

(A) VILLAGE ADMINISTRATOR'S STATUS REPORT

- WASTEWATER PROJECT UPDATE
- FISCAL YEAR 2018 DEVELOPMENT REPORT
- COMMUNITY GARDEN REPORT
- COMPREHENSIVE PLAN UPDATE
- SIRENA FEST

(B) SALADO POLICE CHIEF STATUS REPORTS

- CALLS FOR SERVICE
- CITIZENS ON PATROL PROGRAM
- NATIONAL NIGHT OUT

(C) SALADO FIRE CHIEF STATUS REPORT

- CALLS FOR SERVICE

(D) TOURISM DIRECTOR'S REPORT

- SALADO TOURISM ADVISORY BOARD UPDATE
- WINE AND CHOCOLATE EVENT
- UPCOMING EVENTS

3. PRESENTATION

PRESENTATION REGARDING THE PROPOSED FISCAL YEAR 2019 TOURISM MARKETING PLAN FOR THE VILLAGE OF SALADO. (CHADLEY HOLLAS, SALADO TOURISM DIRECTOR)

4. DISCUSSION AND POSSIBLE ACTION

(A) DISCUSS AND CONSIDER POSSIBLE ACTION APPROVING THE PROPOSED FISCAL YEAR 2019 TOURISM MARKETING PLAN AND AUTHORIZING THE VILLAGE ADMINISTRATOR TO EXECUTE CONTRACT DOCUMENTS ASSOCIATED WITH THE MARKETING PLAN. (CHADLEY HOLLAS, SALADO TOURISM DIRECTOR)

(B) DISCUSS AND CONSIDER POSSIBLE ACTION REGARDING A REQUEST TO WAIVE MOBILE FOOD VEHICLE PERMIT FEES FOR THE 2018 SCOTTISH GATHERING AND HIGHLAND GAMES FESTIVAL. (VILLAGE ADMINISTRATOR)

- (C) DISCUSS AND CONSIDER POSSIBLE ACTION REGARDING THE DEVELOPMENT OF A RESERVE POLICE OFFICER PROGRAM FOR THE SALADO POLICE DEPARTMENT. (POLICE CHIEF RICK ASHE AND VILLAGE ADMINISTRATOR)
- (D) DISCUSS AND CONSIDER POSSIBLE ACTION APPROVING THE FISCAL YEAR 2019 EMPLOYEE HOLIDAY SCHEDULE FOR THE VILLAGE OF SALADO. (VILLAGE ADMINISTRATOR)
- (E) DISCUSS AND CONSIDER POSSIBLE ACTION AUTHORIZING THE MAYOR AND VILLAGE ADMINISTRATOR TO EXECUTE AN ENGAGEMENT LETTER WITH DONALD L. ALLMAN, CPA, PC FOR THE PREPARATION OF THE VILLAGE OF SALADO FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDING SEPTEMBER 30, 2018. (VILLAGE ADMINISTRATOR)
- (F) DISCUSS AND CONSIDER POSSIBLE ACTION REGARDING A PROPOSED AGREEMENT WITH JEFF BOOKER FOR THE PROVISION OF FIRE PLAN REVIEW AND FIRE INSPECTION SERVICES FOR NEW CONSTRUCTION WITHIN THE VILLAGE OF SALADO. (VILLAGE ADMINISTRATOR)

ADJOURNMENT

THE BOARD OF ALDERMEN MAY RETIRE INTO EXECUTIVE SESSION AT ANY TIME BETWEEN THE MEETING'S OPENING AND ADJOURNMENT FOR THE PURPOSE OF DISCUSSING ANY MATTERS LISTED ON THE AGENDA AS AUTHORIZED BY THE TEXAS GOVERNMENT CODE INCLUDING, BUT NOT LIMITED TO, HOMELAND SECURITY PURSUANT TO CHAPTER 418.183 OF THE TEXAS LOCAL GOVERNMENT CODE; CONSULTATION WITH LEGAL COUNSEL PURSUANT TO CHAPTER 551.071 OF THE TEXAS GOVERNMENT CODE; DISCUSSION ABOUT REAL ESTATE ACQUISITION PURSUANT TO CHAPTER 551.072 OF THE TEXAS GOVERNMENT CODE; DISCUSSION OF PERSONNEL MATTERS PURSUANT TO CHAPTER 551.074 OF THE TEXAS GOVERNMENT CODE; DELIBERATIONS ABOUT GIFTS AND DONATIONS PURSUANT TO CHAPTER 551.076 OF THE TEXAS GOVERNMENT CODE; DISCUSSION OF ECONOMIC DEVELOPMENT PURSUANT TO CHAPTER 551.087 OF THE TEXAS GOVERNMENT CODE; ACTION, IF ANY, WILL BE TAKEN IN OPEN SESSION.

CERTIFICATION

I hereby certify the above Notice of Meeting was posted on the Bulletin Board at the Salado Municipal Building on September 27, 2018, at 6:30 p.m.

Cora Neff

Cara McPartland, City Secretary

The Village of Salado is committed to compliance with the Americans with Disabilities Act. Reasonable modifications and equal access to communications will be provided upon request. Please contact Don Ferguson, Village Administrator, at 254-947-5060 for information. Hearing-impaired or speech-disabled persons equipped with telecommunication devices for the deaf may call 512-272-9116 or may utilize the stateside Relay Texas Program at 1-800-735-2988.

BOA Agenda Item Form



Date Submitted: September 27, 2018

Agenda Date Requested: October 4, 2018

Project/Proposal Title: CONSIDER APPROVAL OF MINUTES OF THE SEPTEMBER 20, 2018 REGULAR MEETING OF THE BOARD OF ALDERMEN

Funds Required:

Funds Available:

Council Action Requested:

- Ordinance
- Resolution
- Motion
- Discussion

Project/Proposal Summary:

This item was placed on the agenda to allow the board members to consider approval of the minutes of the September 20, 2018 Regular Meeting of the Board of Aldermen.

**Village of Salado
Salado Municipal Building
301 North Stagecoach Road
Salado, Texas
Minutes of Regular Meeting of Board of Aldermen
September 20, 2018 at 6:30 p.m.**

The Board of Aldermen meeting was called to order at 6:30 p.m. by Mayor Skip Blancett.

Larry Sands gave the Invocation and the Board of Aldermen led the Pledge of Allegiance to the United States and Texas flags.

Board Members Present: Mayor Skip Blancett, Mayor Pro-tem Fred Brown (arrived at 7:14 p.m.), Aldermen Andy Jackson, Michael Coggin, Frank Coachman, and Michael McDougal.

Salado High School Representative Present: Grace Barker

Staff Present: Village Administrator Don Ferguson and City Secretary Cara McPartland

Citizens Communications

Peter Stebbins of 1206 Ambrose Drive expressed concerns regarding current and future traffic issues related to Mill Creek Meadows Phase II construction activity. He said the developer, Billy Helms, responded favorably to a letter regarding traffic/noise issues. Mr. Stebbins had additional concerns about the negative impact of future vehicle traffic on safety and property values when the entire subdivision has been completely built. He spoke of a petition submitted to the Village containing sixty-one (61) signatures of concerned residents who live along Ambrose Drive and Hester Way. Mr. Stebbins conveyed comments from petition signers relating to speed and safety issues for residents and their pets and past Bell County recommendations made prior to approval of the subdivision. He said Village Administrator Ferguson discussed this issue with him and noted certain measures that could be taken, such as posting additional speed limit signs, imposing vehicle weight/size limits, and possible scheduling of a special meeting with affected property owners. Mr. Stebbins spoke of his conversation with developer Billy Helms, who indicated truck drivers have been instructed to use the construction entrance. He stated that Mr. Helms has agreed to give Bell County additional right-of-way to expand and pave Marie Lane. He indicated Mr. Helms also committed that upon starting Phase III, there will be two more exits to Marie Lane. Mr. Stebbins was concerned that ten existing dead-end streets will overburden thoroughfares when those streets are fully built out.

Jodie Lander of 1012 Mill Creek Drive spoke of her reasons for moving to Salado, including its proximity to Scott & White medical facilities, quality of schools, the area's uniqueness and beauty, its status as a golf cart community, the integrity of Main Street, preservation of Salado's history, and its sewer system. She felt that the sewer will be of benefit in future years to all Main Street businesses. She said nothing was known about the Sanctuary, petitions to disannex, and private ownership of Sherrill Park. She spoke of her efforts to become educated about issues in order to base opinions on facts, not community hearsay. She expressed her disappointment with the

Sanctuary development agreement. Mrs. Lander was concerned about the Comprehensive Plan update and hoped the Comprehensive Plan Update Committee will look at the total good of the community and preserve what makes Salado so unique, including the downtown area and walkability. She asked the Board to be careful with change and listen to the people of Salado.

1. Consent Agenda

- A. Approval of minutes of the Regular Board of Aldermen meeting of September 6, 2018.
- B. Approval of minutes of the Special Board of Aldermen meeting of September 4, 2018.
- C. Approval of minutes of the Special Board of Aldermen meeting of September 13, 2018.
- D. Approval of the August 2018 Financial Statements for the Village of Salado.
- E. Approval of the FY 2018 Quarterly Investment Reports for the Village of Salado.
- F. Approval of the reappointment of David Broker to the Bell County Health District Board of Directors.
- G. Approval of the declaration of .40 and .45 caliber ammunition originally purchased for the Salado Police Department as surplus property and authorizing the sale of the surplus ammunition to *GT Distributors* of Austin.

Alderman McDougal moved to approve the Consent Agenda, as presented. Alderman Jackson seconded. Motion carried on a vote of 4-0.

2. Village Administrator's Status Report

- Status report on the wastewater project

Village Administrator Ferguson reported collection system crews are finished working on West Village Road, with some final clean-up underway. He said crews will be returning to Main Street next week to install the low-pressure main on the east side of Main Street and to begin work on the lift stations on Royal and Church Streets. He anticipated asphalt repairs on Royal Street next week to be followed by chip sealing. Estimates are being obtained for Church Street improvements. He displayed progress on work at the treatment plant site and expected wastewater project completion in January 2019.

In addition, Village Administrator reported that the Village's September sales tax check, representing July collections, totaled almost \$38,000. Although this figure is down from the same period last year, he explained it was due to an audit adjustment made by the State that artificially bumped up last September's check. He noted comparison of this year's versus last year's September checks would show an increase in collections, if the audit adjustment were removed from the analysis. Year-to-date collections are up about eleven percent (11%) from the same period last year.

- Status report on the Board of Aldermen Activity Report

Village Administrator Ferguson cited a modest number of new regulatory ordinances (as opposed to amendments to existing ordinances) were approved from 2014 to 2018.

Village Administrator Ferguson reported that Bell County's final bill for recent road work came in at about \$26,000, which was well under original estimates.

- Status report on the Salado Vista TPDES permit application

This item was heard after the status report on the E-T-J Boundary Project. Village Administrator Ferguson reported that a letter expressing the Village's opposition has been sent to TCEQ in accordance with the Board's direction given at its last regular meeting. He said the permit applicants cancelled a meeting to have been held among various entities, but felt that a future meeting will likely be scheduled once the draft permit has been issued. He explained TCEQ's permitting process, which includes a technical review, followed by issuance of a draft permit, and opportunities for public comments.

- Status report on the E-T-J Boundary Project

Village Administrator Ferguson reported a meeting is planned with managers and planners from surrounding cities such as Killeen, Belton, and Jarrell, to resolve certain overlap issues, and to maintain and protect Salado's boundaries.

Discussion addressed serious safety concerns regarding construction traffic referenced during Citizen Communications and initiation of the upcoming re-zoning process for certain properties. He thanked Mrs. Lander for her earlier comments and explained procedures for updating the Comprehensive Plan, which will not be a complete re-write of the Plan. He noted that the Comprehensive Plan Update Committee's meetings will be posted and open to the public to provide opportunity for input.

3. Ordinances

- A. Discuss and consider action regarding an ordinance of the Village of Salado adopting the Fiscal Year 2019 Budget; declaring findings of fact; providing an effective date; providing a severability clause; and providing an open meetings clause. (*Village Administrator*)

Village Administrator Ferguson reviewed key budget adoption milestones, noted two minor amendments, and recommended approval of the Fiscal Year 2019 Budget.

Alderman McDougal moved to approve the ordinance adopting the Fiscal Year 2019 Operating Budget, which includes the aforementioned minor amendments, and requires raising more revenue from property taxes than in the previous year at a proposed tax rate of \$0.627600 per \$100 assessed valuation. Alderman Coachman seconded.

Mayor Blancett called for a vote as follows: Alderman Jackson, aye; Alderman Coggin, aye; Alderman Coachman, aye; and Alderman McDougal, aye. Motion carried on a vote of 4-0.

- B. Discuss and consider approval of an ordinance of the Village of Salado, Texas, setting a property (ad valorem) tax rate; approving the ad valorem tax rate of \$0.627600 per one hundred dollars (\$100) of assessed valuation of all taxable property within the corporate

limits of the Village for the 2018 Tax Year to help fund the Fiscal Year 2019 Operating Budget for the Village of Salado; providing for an exemption on residence homesteads; providing for exemptions for individuals who are disabled or 65 years of age or older; providing for penalties and interest; providing for severability; providing for repealing conflict; providing for proper notice & meeting; providing for engrossment & enrollment; providing for notification to assessor; and providing for publication & effective date. (*Village Administrator*)

Village Administrator Ferguson explained the proposed 2018 Tax Year tax rates, which will raise more property taxes than last year's budget by approximately \$242,000, with about \$20,000 in tax revenue to be raised from new property added to the tax roll. He stated that an owner of a home with a taxable value of \$250,000 would pay approximately \$219 more per year in Village taxes. It was noted that the tax increase would fund the debt service payments for the remaining wastewater construction bonds issued earlier this year. He advised the M & O tax rate remains unchanged. He reminded that two public hearings have been held on this item and approval of this ordinance requires a record vote of the Board.

Alderman Coachman moved to approve the ordinance setting an ad valorem tax rate of \$0.627600 per one hundred dollars (\$100) of assessed valuation of all taxable property within the corporate limits of the Village for the 2018 Tax Year, as presented. Alderman Jackson seconded.

Mayor Blancett called for a vote as follows: Alderman McDougal, aye; Alderman Coachman, aye; Alderman Coggin, aye; and Alderman Jackson, aye. Motion carried on a vote of 4-0.

4. Discussion and Possible Action

- A. Discuss and consider possible action approving plans for the *Salado Food and Wine Experience at the Barton House* on October 26-28, 2018. (*Village Administrator*)

Village Administrator Ferguson provided information on the event hosted by owners of the Barton House, including event activities, parking, trash collection, and on-site security. He noted that event organizers will keep Rock Creek Road open throughout the festival so as to not inconvenience residents and business owners. Clinton Harwell of Barton House detailed certain event activities, such as wine dinners, wine/beer/culinary specialties samplings, and educational seminars.

Mayor Pro-tem Brown arrived and joined the meeting at this time (7:14 p.m.).

Alderman Jackson moved to approve plans for the *Salado Food and Wine Experience at the Barton House* on October 26-28, 2018. Alderman McDougal seconded. Motion carried on a vote of 5-0.

- B. Discuss and consider possible action approving the route for the *Salado Christmas Stroll Parade*. (*Village Administrator*)

Village Administrator Ferguson advised the parade will take place on November 29, 2018 at 6 p.m., with the route starting near Center Circle/Royal Street and ending at the Salado Civic Center.

He noted that the Salado Police Department will provide traffic control and recommended approval. Parade organizer Deanna Whitson spoke briefly on the parade and Mayor Blancett thanked her for her work on this event.

Alderman Jackson moved to approve the *Salado Christmas Stroll Parade* route, as presented. Alderman Coachman seconded. Motion carried on a vote of 5-0.

C. Discuss and consider possible action regarding a proposed amendment to the Wastewater Service Extension Policy for the Village of Salado. (*Village Administrator*)

Village Administrator Ferguson stated the Village has received a request from a developer to allow for reservation of wastewater treatment capacity for a period of six (6) years, instead of the four-year reservation period specified in the recently approved Wastewater Service Extension Policy.

Developer Bear Rosamond spoke of the existing Wastewater Service Extension Policy as unusual and not friendly to developers, as he said banks will not commit to funding the development portion, if subject to a four-year timeline. He said banks look out for their interests and do not want the prospect of foreclosing on a property with no sewer commitment. He felt the policy favors large developers who can finance property development out of their own pockets and cautioned such developments may not be the types wanted in Salado. Mr. Rosamond said he lives here, his children attend school here, and he will develop a product the Board will like. He spoke of his willingness to annex into the Village, which would help increase the Village's tax base, encouraged the Board to remove the four-year timeframe completely, and felt consideration on a case-by-case basis would be better for developers and the Village. He said it is not in his best interest to drag out this development and felt that it could be completed in less than five years, however banks will not lend based on his feelings about the timeframe.

Mayor Pro-tem Brown asked Mr. Rosamond to elaborate on discussions with certain banks. Mr. Rosamond indicated that bankers warned against doing business inside the Village limits, as the project might be held up. Mr. Rosamond understood the Village's position on the policy, but said the norm is to pay when building permits are pulled. He stated he is willing to pay for connection to the sewer, but is only asking for a letter of commitment. Village Administrator Ferguson asked whether bankers would be amenable to having Mr. Rosamond include the reservation of capacity into any applicable loan agreement, in the event there is a need to foreclose. Discussion addressed the feasibility of various options that might allay bankers' concerns; payment of fees to reserve capacity after annexation (if located outside Village limits) at the time of application; phased payout options in the existing policy; challenges posed by reserving capacity for long periods of time for some developers; fears that the policy may discourage smaller developments and encourage developers to build in the Village's ETJ; ability to reserve capacity for individual phases, as opposed to the entire development; assurances to bankers on future capacity, if reservation applications are phased; likelihood that development can be completed in six years; and need for developer to have sewer commitment on entire development.

Mayor Pro-tem Brown moved to amend the reservation period for the Wastewater Service Extension Policy from four (4) years to six (6) years. Motion died for lack of a second.

Mayor Pro-tem Brown said no one else is waiting and shovel-ready to help pay for our sewer system and felt it is a travesty to let this deal collapse. Discussion addressed the ability of the Village to negotiate wastewater capacity reservation under separate agreements; finding a workable solution for developers under said agreements; negative comments from bankers on the policy; and concerns regarding loss of tax revenue to the Village when developments that use Village services are built in the ETJ. No action was taken.

- D. Discuss and consider possible action approving the Amended Fiscal Year 2018 Operating Budget for the Village of Salado. (*Village of Salado*)

Village Administrator Ferguson explained the need to amend the Fiscal Year 2018 Budget to account for differences in actual expenditures and revenues compared to budgeted expenses and revenues.

Alderman McDougal moved to approve the Amended Fiscal Year 2018 Operating Budget, as presented. Alderman Jackson seconded. Motion carried on a vote of 5-0.

- E. Discuss and consider possible approval of the Comprehensive Fund Balance Policy and the Fund Balance Classification Plan for the Village of Salado. (*Village Administrator*)

Village Administrator Ferguson advised the Village is obligated to review the Policy and Plan annually and recommended no changes. He cited specific fund balance classifications and noted the Board can consider changes to the Policy and Plan at any time.

Alderman Coggin moved to approve the Comprehensive Fund Balance Policy and the Fund Balance Classification Plan, as presented. Alderman Jackson seconded. Motion carried on a vote of 5-0.

- F. Discuss and consider possible approval of the Investment Policy for the Village of Salado. (*Village Administrator*)

Village Administrator Ferguson explained the Board is required to review the Investment Policy annually and recommended no changes to its conservative approach.

Alderman Coachman moved to approve the Investment Policy for the Village of Salado, as presented. Alderman Jackson seconded. Motion carried on a vote of 5-0.

5. Workshop

- A. Discuss and consider issues relating to future subdivision growth in the Village of Salado. (*Village Administrator*)

Village Administrator Ferguson spoke of recent discussions with developers interested in annexation into the Village and connection to the wastewater system. He asked for the Board's direction on economic development and tax incentive policies to help guide potential future development agreements.

Discussion addressed existing phased tax incentives; developers' primary interest in obtaining services, rather than tax incentives; possible payment of park and traffic impact fees; development's impact on community services, whether inside or outside Village limits; planning wastewater capacity; projected cost of additional future capacity; and agreement to keep existing residential exemptions.

- B. Discuss and consider issues relating to the new Salado Wastewater System, including, but not limited to, grinder pumps, the abandonment of septic tanks, and potential connection rebates. (*Village Administrator*)

Village Administrator Ferguson presented possible scenarios for customer incentives such as sharing of grinder pump installation/maintenance costs; 12-month reprieve for decommissioning septic tanks and/or use of those tanks as wastewater system back-up; and possible rebate upon connection.

- C. Discuss and consider issues relating to fire inspections for new construction. (*Village Administrator*)

Village Administrator Ferguson spoke of increased involvement by local fire departments in reviewing new subdivisions and developments and the good working relationships among the Village of Salado, Salado Fire Chief Shane Berrier, Bell County Fire Marshal, and City of Belton Fire Marshal. It was noted the Board will be asked to consider an agreement at its next meeting that would allow for plan reviews and on-site inspections, as well as establishment of inspection fees to cover costs.

Alderman Jackson moved to adjourn. Alderman McDougal seconded.

Adjournment

Mayor Blancett called the meeting adjourned at 8:20 p.m.

Recorded by:

Cara McPartland

These minutes approved on the ____ of October, 2018.

APPROVED:

Skip Blancett, Mayor

ATTEST:

Cara McPartland, City Secretary

BOA Agenda Item Form



Date Submitted: September 25, 2018

Agenda Date Requested: October 4, 2018

Project/Proposal Title: VILLAGE ADMINISTRATOR'S STATUS REPORT

Council Action Requested:

- Ordinance
- Resolution
- Motion
- Discussion

Project/Proposal Summary:

- Wastewater Project Update
- Fiscal Year 2018 Development Report
- Community Garden Report
- Comprehensive Plan Update
- Sirena Fest

BOA Agenda Item Form



Date Submitted: September 25, 2018

Agenda Date Requested: October 4, 2018

Project/Proposal Title: SALADO POLICE CHIEF
STATUS REPORT

Council Action Requested:

- Ordinance
- Resolution
- Motion
- Discussion

Project/Proposal Summary:

- Calls For Service
- Citizens On Patrol Program
- National Night Out

BOA Agenda Item Form



Date Submitted: September 25, 2018

Agenda Date Requested: October 4, 2018

Project/Proposal Title: SALADO FIRE CHIEF
STATUS REPORT

Council Action Requested:

- Ordinance
- Resolution
- Motion
- Discussion

Project/Proposal Summary:

- Calls For Service

BOA Agenda Item Form



Date Submitted: September 25, 2018

Agenda Date Requested: October 4, 2018

Project/Proposal Title: SALADO TOURISM
DIRECTOR STATUS REPORT

Council Action Requested:

- Ordinance
- Resolution
- Motion
- Discussion

Project/Proposal Summary:

- Salado Tourism Advisory Board
- Wine & Chocolate event
- Upcoming events

BOA Agenda Item Form



Date Submitted: September 27, 2018

Agenda Date Requested: October 4, 2018

Project/Proposal Title: PRESENTATION
REGARDING PROPOSED FISCAL YEAR 2019 TOURISM
MARKETING PLAN FOR THE VILLAGE OF SALADO

Council Action Requested:

- Ordinance
- Resolution
- Motion
- Discussion

Project/Proposal Summary:

This item was placed on the agenda to allow Salado Tourism Director Chadley Hollas to brief board members on the proposed Fiscal Year 2019 Tourism Marketing Plan for the Village of Salado.

There is an action item later on the agenda for board members to consider adoption of the proposed plan.

BOA Agenda Item Form



Date Submitted: September 25, 2018
Agenda Date Requested: October 4, 2018

Project/Proposal Title: CONSIDER ACTION REGARDING THE PROPOSED FISCAL YEAR 2019 TOURISM MARKETING PLAN FOR THE VILLAGE OF SALADO

Council Action Requested:
 Ordinance
 Resolution
 Motion
 Discussion

Project/Proposal Summary:

This item was placed on the agenda to allow board members to discuss and consider action regarding the proposed Fiscal Year 2019 Tourism Marketing Plan for the Village of Salado.

Earlier in the meeting, Salado Tourism Director Chadley Hollas briefed board members on the details of the proposed marketing plan.

BOA Agenda Item Form



Date Submitted: September 27, 2018

Agenda Date Requested: October 4, 2018

Project/Proposal Title: CONSIDER ACTION REGARDING A REQUEST TO WAIVE THE PERMIT FEES FOR MOBILE FOOD VEHICLES AT THE 2018 SALADO SCOTTISH GATHERING AND HIGHLAND GAMES

Council Action Requested:

- Ordinance
- Resolution
- Motion
- Discussion

Project/Proposal Summary:

This item was placed on the agenda to allow board members to discuss and consider action regarding a request to waive the permit fees for mobile food vehicles at the 2018 Salado Scottish Gathering and Highland Games.

Festival organizers have requested the fee waiver to accommodate those mobile food vehicles that traditionally come to Salado only for the festival. They are concerned that requiring mobile food vehicles to pay the \$50 permit fee will discourage their participation in the festival.

Currently, the Village's Mobile Food Vehicle Ordinance requires all food trucks operating within the Village to be properly permitted, comply with the Village's health/operating requirements and pay a \$100 annual permit fee. The permit fee paid after June 1st of the permit year or calendar year is \$50.

BOA Agenda Item Form



Date Submitted: September 27, 2018

Agenda Date Requested: October 4, 2018

Project/Proposal Title: CONSIDER ACTION REGARDING THE POSSIBLE DEVELOPMENT OF A RESERVE POLICE OFFICER PROGRAM FOR THE SALADO POLICE DEPARTMENT

Council Action Requested:

- Ordinance
- Resolution
- Motion
- Discussion

Project/Proposal Summary:

This item was placed on the agenda to allow board members to discuss and consider action regarding the possible development of a reserve police officer program for the Salado Police Department.

Police Chief Rick Ashe is considering the possible creation of a reserve police officer program. The reserve officers would supplement the Police Department's full-time officers in a variety of duties. They would be able to patrol in vehicles, on foot, or on bicycles. The reserve officers would work with officers, but others could qualify to patrol on their own. The reserve officers would be required to meet certain standards for law enforcement officers and work a minimum number of hours each month with the Department. The reserve officers would not be paid.

Police Chief Rick Ashe will be present at the meeting to answer questions from board members on reserve officer programs.

Following the discussion, board members will be asked to provide direction to the Village staff regarding the possible development of a reserve police officer program for the Salado Police Department.

BOA Agenda Item Form



Date Submitted: September 25, 2018

Agenda Date Requested: October 4, 2018

Project/Proposal Title: CONSIDER ACTION REGARDING THE PROPOSED VILLAGE EMPLOYEE HOLIDAY SCHEDULE FOR FISCAL YEAR 2019

Funds Required:
Funds Available:

Council Action Requested:

- Ordinance
- Resolution
- Motion
- Discussion

Project/Proposal Summary:

This item was placed on the agenda to allow board members to discuss and consider approval of the following Village employee holiday schedule for Fiscal Year 2019.

<i>Designated Holiday</i>	<i>Date</i>
Columbus Day	Monday, October 8, 2018
Veterans Day	Monday, November 12, 2018
Thanksgiving	Thursday, November 22, 2018 Friday, November 23, 2018
Christmas	Monday, December 24, 2018 Tuesday, December 25, 2018
New Year's Day	Tuesday, January 1, 2019
Martin Luther King Jr. Day	Monday, January 21, 2019
Presidents Day	Monday, February 18, 2019
Good Friday	Friday, April 19, 2019
Memorial Day	Monday, May 27, 2019
Independence Day	Thursday, July 4, 2019
Labor Day	Monday, September 2, 2019

BOA Agenda Item Form



Date Submitted: September 27, 2018

Agenda Date Requested: October 4, 2018

Project/Proposal Title: CONSIDER ACTION AUTHORIZING THE EXECUTION OF A LETTER OF ENGAGEMENT WITH DONALD L. ALLMAN, CPA, PC TO PREPARE THE VILLAGE'S FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDING SEPTEMBER 30, 2018

Council Action Requested:

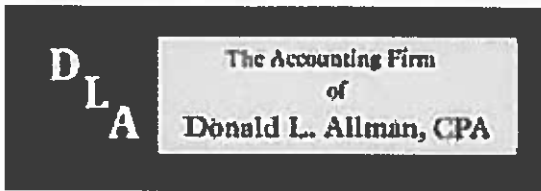
- Ordinance
- Resolution
- Motion
- Discussion

Project/Proposal Summary:

This item was placed on the agenda to allow board members to discuss and consider action authorizing the Mayor and Village Administrator to execute a letter of engagement with Donald L. Allman, CPA, PC for preparation of the Village of Salado Financial Statements for the fiscal year ending September 30, 2018.

Attached is a copy of the referenced letter for review and consideration.

ALG-CL-1.3: Audit Engagement Letter—Yellow Book



Donald L. Allman, CPA, PC
205 E. University Ave, Ste 165
Georgetown, Texas 78626
Phone: 512-422-3700
Fax: 512-240-5460
Email:
dalman@donallmancpa.com

CERTIFIED PUBLIC ACCOUNTANT

July 30, 2018

To the Mayor & Board of Aldermen and Mr. Don Ferguson, City Administrator

The Village of Salado
301 N. Stagecoach
Salado, TX 76571

We are pleased to confirm our understanding of the services we are to provide Village of Salado for the year ended September 30, 2018. We will audit the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information, including the related notes to the financial statements, which collectively comprise the basic financial statements of Village of Salado as of and for the year ended September 30, 2018. Accounting standards generally accepted in the United States of America provide for certain required supplementary information (RSI), such as management's discussion and analysis (MD&A), to supplement Village of Salado's basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. As part of our engagement, we will apply certain limited procedures to Village of Salado's RSI in accordance with auditing standards generally accepted in the United States of America. These limited procedures will consist of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We will not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance. The following RSI is required by U.S. generally accepted accounting principles and will be subjected to certain limited procedures, but will not be audited:

- 1) Management's Discussion and Analysis.
- 2) Budget to Actual Comparison
- 3) GASB 68 Pension Reporting Requirements

Audit Objectives

The objective of our audit is the expression of opinions as to whether your financial statements are fairly presented, in all material respects, in conformity with U.S. generally accepted accounting principles and to report on the fairness of the supplementary information referred to in the second paragraph when considered in relation to the financial statements as a whole. Our audit will be conducted in accordance with auditing standards generally accepted in the United States of America and the standards for financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, and will include tests of the accounting records of Village of Salado and other procedures we consider necessary to enable us to express such opinions. We will issue a written report upon completion of our audit of Village of Salado's financial statements. Our report will be addressed to the Board of Directors of Village of Salado. We cannot provide assurance that unmodified opinions will be expressed. Circumstances may arise in which it is necessary for us to modify our opinions or add emphasis-of-matter or other-matter paragraphs. If our opinions are other than unmodified, we will discuss the reasons with you in advance. If, for any reason, we are unable to complete the audit or are unable to form or have not formed opinions, we may decline to express opinions or issue reports, or may withdraw from this engagement.

We will also provide a report (that does not include an opinion) on internal control related to the financial statements and compliance with the provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a material effect on the financial statements as required by *Government Auditing Standards*. The report on internal control and on compliance and other matters will include a paragraph that states (1) that the purpose of the report is solely to describe the scope of testing of internal control and compliance, and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control on compliance, and (2) that the report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. The paragraph will also state that the report is not suitable for any other purpose. If during our audit we become aware that Village of Salado is subject to an audit requirement that is not encompassed in the terms of this engagement, we will communicate to management and those charged with governance that an audit in accordance with U.S. generally accepted auditing standards and the standards for financial audits contained in *Government Auditing Standards* may not satisfy the relevant legal, regulatory, or contractual requirements.

Audit Procedures—General

An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; therefore, our audit will involve judgment about the number of transactions to be examined and the areas to be tested. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. We will plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether from (1) errors, (2) fraudulent financial reporting, (3) misappropriation of assets, or (4) violations of laws or governmental regulations that are attributable to the government or to acts by management or employees acting on behalf of the government. Because the determination of abuse is subjective, *Government Auditing Standards* do not expect auditors to provide reasonable assurance of detecting abuse.

Because of the inherent limitations of an audit, combined with the inherent limitations of internal control, and because we will not perform a detailed examination of all transactions, there is a risk that material misstatements may exist and not be detected by us, even though the audit is properly planned and performed in accordance with U.S. generally accepted auditing standards and *Government Auditing Standards*. In addition, an audit is not designed to detect immaterial misstatements or violations of laws or governmental regulations that do not have a direct and material effect on the financial statements. However, we will inform the appropriate level of management of any material errors, fraudulent financial reporting, or misappropriation of assets that comes to our attention. We will also inform the appropriate level of management of any violations of laws or governmental regulations that come to our attention, unless clearly inconsequential, and of any material abuse that comes to our attention. Our responsibility as auditors is limited to the period covered by our audit and does not extend to later periods for which we are not engaged as auditors.

Our procedures will include tests of documentary evidence supporting the transactions recorded in the accounts, and may include tests of the physical existence of inventories, and direct confirmation of receivables and certain other assets and liabilities by correspondence with selected individuals, funding sources, creditors, and financial institutions. We will request written representations from your attorneys as part of the engagement, and they may bill you for responding to this inquiry. At the conclusion of our audit, we will require certain written representations from you about your responsibilities for the financial statements; compliance with laws, regulations, contracts, and grant agreements; and other responsibilities required by generally accepted auditing standards.

Audit Procedures—Internal Control

Our audit will include obtaining an understanding of the government and its environment, including internal control, sufficient to assess the risks of material misstatement of the financial statements and to design the nature, timing, and extent of further audit procedures. Tests of controls may be performed to test the effectiveness of certain controls that we consider relevant to preventing and detecting errors and fraud that are material to the financial statements and to preventing and detecting misstatements resulting from illegal acts and other noncompliance matters that have a direct and material effect on the financial statements. Our tests, if performed, will be less in scope than would be necessary to render an opinion on internal control and, accordingly, no opinion will be expressed in our report on internal control issued pursuant to *Government Auditing Standards*.

An audit is not designed to provide assurance on internal control or to identify significant deficiencies or material weaknesses. Accordingly, we will express no such opinion. However, during the audit, we will communicate to management and those charged with governance internal control related matters that are required to be communicated under AICPA professional standards and *Government Auditing Standards*.

Audit Procedures—Compliance

As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we will perform tests of Village of Salado's compliance with the provisions of applicable laws, regulations, contracts, agreements, and grants. However, the objective of our audit will not be to provide an opinion on overall compliance and we will not express such an opinion in our report on compliance issued pursuant to *Government Auditing Standards*.

Other Services

We will also assist in preparing the financial statements and related notes of Village of Salado in conformity with U.S. generally accepted accounting principles based on information provided by you. These nonaudit services do not constitute an audit under *Government Auditing Standards* and such services will not be conducted in accordance with *Government Auditing Standards*. We will perform the services in accordance with applicable professional standards. The other services are limited to the financial statement services previously defined. We, in our sole professional judgment, reserve the right to refuse to perform any procedure or take any action that could be construed as assuming management responsibilities.

Management Responsibilities

Management is responsible for designing, implementing, establishing, and maintaining effective internal controls relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error, including evaluating and monitoring ongoing activities to help ensure that appropriate goals and objectives are met; following laws and regulations; and ensuring that management and financial information is reliable and properly reported. Management is also responsible for implementing systems designed to achieve compliance with applicable laws, regulations, contracts, and grant agreements. You are also responsible for the selection and application of accounting principles, for the preparation and fair presentation of the financial statements and all accompanying information in conformity with U.S. generally accepted accounting principles, and for compliance with applicable laws and regulations and the provisions of contracts and grant agreements.

Management is also responsible for making all financial records and related information available to us and for the accuracy and completeness of that information. You are also responsible for providing us with (1) access to all information of which you are aware that is relevant to the preparation and fair presentation of the financial statements, (2) additional information that we may request for the purpose of the audit, and (3) unrestricted access to persons within the government from whom we determine it necessary to obtain audit evidence.

Your responsibilities include adjusting the financial statements to correct material misstatements and for confirming to us in the written representation letter that the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the latest period presented are immaterial, both individually and in the aggregate, to the financial statements taken as a whole.

You are responsible for the design and implementation of programs and controls to prevent and detect fraud, and for informing us about all known or suspected fraud affecting the government involving (1) management, (2) employees who have significant roles in internal control, and (3) others where the fraud could have a material effect on the financial statements. Your responsibilities include informing us of your knowledge of any allegations of fraud or suspected fraud affecting the government received in communications from employees, former employees, grantors, regulators, or others. In addition, you are responsible for identifying and ensuring that the government complies with applicable laws, regulations, contracts, agreements, and grants and for taking timely and appropriate steps to remedy fraud and noncompliance with provisions of laws, regulations, contracts or grant agreements, or abuse that we report.

You are responsible for the preparation of the supplementary information, which we have been engaged to report on, in conformity with U.S. generally accepted accounting principles. You agree to include our report on the supplementary information in any document that contains and indicates that we have reported on the supplementary information. You also agree to include the audited financial statements with any presentation of the supplementary information that includes our report thereon. Your responsibilities include acknowledging to us in the written representation letter that (1) you are responsible for presentation of the supplementary information in accordance with GAAP; (2) you believe the supplementary information, including its form and content, is fairly presented in accordance with GAAP; (3) the methods of measurement or presentation have not changed from those used in the prior period (or, if they have changed, the reasons for such changes); and (4) you have disclosed to us any significant assumptions or interpretations underlying the measurement or presentation of the supplementary information.

Management is responsible for establishing and maintaining a process for tracking the status of audit findings and recommendations. Management is also responsible for identifying and providing report copies of previous financial audits, attestation engagements, performance audits or other studies related to the objectives discussed in the Audit Objectives section of this letter. This responsibility includes relaying to us corrective actions taken to address significant findings and recommendations resulting from those audits, attestation engagements, performance audits, or other studies. You are also responsible for providing management's views on our current findings, conclusions, and recommendations, as well as your planned corrective actions, for the report, and for the timing and format for providing that information.

You agree to assume all management responsibilities relating to the financial statements and related notes and any other nonaudit services we provide. You will be required to acknowledge in the management representation letter our assistance with preparation of the financial statements and related notes and that you have reviewed and approved the financial statements and related notes prior to their issuance and have accepted responsibility for them. Further, you agree to oversee the nonaudit services by designating an individual, preferably from senior management, with suitable skill, knowledge, or experience; evaluate the adequacy and results of those services; and accept responsibility for them.

Engagement Administration, Fees, and Other

We may from time to time and depending on the circumstances, use third-party service providers in serving your account. We may share confidential information about you with these service providers, but remain committed to maintaining the confidentiality and security of your information. Accordingly, we maintain internal policies, procedures, and safeguards to protect the confidentiality of your personal information. In addition, we will secure confidentiality agreements with all service providers to maintain the confidentiality of your information and we will take reasonable precautions to determine that they have appropriate procedures in place to prevent the unauthorized release of your confidential information to others. In the event that we are unable to secure an appropriate confidentiality agreement, you will be asked to provide your consent prior to the sharing of your confidential information with the third-party service provider. Furthermore, we will remain responsible for the work provided by any such third-party service providers.

We understand that your employees will prepare all cash, accounts receivable, or other confirmations we request and will locate any documents selected by us for testing.

We will provide copies of our reports to Village of Salado; however, management is responsible for distribution of the reports and the financial statements. Unless restricted by law or regulation, or containing privileged and confidential information, copies of our reports are to be made available for public inspection.

The audit documentation for this engagement is the property of Donald L. Allman, CPA, PC and constitutes confidential information. However, subject to applicable laws and regulations, audit documentation and appropriate individuals will be made available upon request and in a timely manner to Bell County or its designee, a federal agency providing direct or indirect funding, or the U.S. Government Accountability Office for purposes of a quality review of the audit, to resolve audit findings, or to carry out oversight responsibilities. We will notify you of any such request. If requested, access to such audit documentation will be provided under the supervision of Donald L. Allman, CPA, PC personnel. Furthermore, upon request, we may provide copies of selected audit documentation to the aforementioned parties. These parties may intend, or decide, to distribute the copies or information contained therein to others, including other governmental agencies.

The audit documentation for this engagement will be retained for a minimum of five years after the report release date or for any additional period requested by Bell County. If we are aware that a federal awarding agency or auditee is contesting an audit finding, we will contact the party(ies) contesting the audit finding for guidance prior to destroying the audit documentation.

We expect to begin our audit on approximately January 16, 2019 and to issue our reports no later than March 15, 2019. Donald L. Allman is the engagement partner and is responsible for supervising the engagement and signing the reports or authorizing another individual to sign them.

Our fee for these services will be at our standard hourly rates plus out-of-pocket costs (such as report reproduction, word processing, postage, travel, copies, telephone, etc.) except that we agree that our gross fee, including expenses, will not exceed \$10,000. Our standard hourly rates vary according to the degree of responsibility involved and the experience level of the personnel assigned to your audit. Our invoices for these fees will be rendered each month as work progresses and are payable on presentation. In accordance with our firm policies, work may be suspended if your account becomes 30 days or more overdue and may not be resumed until your account is paid in full. If we elect to terminate our services for nonpayment, our engagement

will be deemed to have been completed upon written notification of termination, even if we have not completed our report. You will be obligated to compensate us for all time expended and to reimburse us for all out-of-pocket costs through the date of termination. The above fee is based on anticipated cooperation from your personnel and the assumption that unexpected circumstances will not be encountered during the audit. If significant additional time is necessary, we will discuss it with you and arrive at a new fee estimate before we incur the additional costs.

We appreciate the opportunity to be of service to Village of Salado and believe this letter accurately summarizes the significant terms of our engagement. If you have any questions, please let us know. If you agree with the terms of our engagement as described in this letter, please sign the enclosed copy and return it to us.

Very truly yours,

Donald L. Allman, CPA

RESPONSE:

This letter correctly sets forth the understanding of the Village of Salado.

Management signature: _____
Title: _____
Date: _____

Governance signature: _____
Title: _____
Date: _____

BOA Agenda Item Form



Date Submitted: September 27, 2018

Agenda Date Requested: October 4, 2018

Project/Proposal Title: CONSIDER ACTION REGARDING A PROPOSED AGREEMENT WITH JEFF BOOKER TO PROVIDE FIRE PLAN REVIEW AND INSPECTION SERVICES FOR NEW CONSTRUCTION IN THE VILLAGE OF SALADO

Council Action Requested:

- Ordinance
- Resolution
- Motion
- Discussion

Project/Proposal Summary:

This item was placed on the agenda to allow board members to discuss and consider action regarding a proposed agreement with Jeff Booker to provide fire plan review and inspection services for new construction in the Village of Salado.

Jeff Booker is currently the Fire Marshal for the City of Belton as well as a member of the Salado Volunteer Fire Department. The proposed agreement would allow Mr. Booker to perform plan reviews and conduct inspections for new construction to ensure compliance with the International Fire Code. Costs incurred for these services will be passed through to the building permit holder and will be collected prior to the issuance of a Certificate of Occupancy.

A copy of the proposed agreement will be provided to board members under separate cover in advance of the meeting for review and consideration.