

City of Bogata

Regular Council Meeting Agenda

Date: Monday, October 6, 2025

Time: 7:00 p.m.

Location: Community Center, 206 2nd NW St, Bogata, TX

I. CALL TO ORDER

II. INVOCATION

III. ESTABLISH QUORUM

IV. PUBLIC COMMENTS - Members of the public may speak on an agenda item during the public forum section of the meeting or at the time the agenda item is called for discussion by the Mayor. Speakers are allowed three (3) minutes per speaker, and the time cannot be saved, transferred, or assigned.

Members of the public wishing to address the Council on non-agenda items may do so with a three (3) minute per speaker limit. Consistent with the Texas Open Meetings Act, the Council members cannot discuss nor respond to non-agenda presentations.

All speakers are expected to maintain a proper decorum when presenting and while in Council chambers. Threats, personal insults, vulgar or profane language is out of order and may result in forfeiture of remaining time and possible removal from the meeting.

Citizens wishing to comment must make the request in writing and deliver the requests to the City Secretary 10 minutes prior to the meeting.

V. CITY COUNCIL COMMENTS - Pursuant to TEX GOVT CODE 551.041S(b) the Mayor and each City Council member may announce city events/community interest and request that items be placed on future City Council agendas.

VI. CONSENT AGENDA - All matters listed under this item are considered routine by the City Council and will be enacted by one motion. There will not be separate discussion of these items. If discussion is desired by any council member on any item, that will be removed from the consent agenda and will be considered separately.

Agenda Items

1. Approval of Previous Meeting Minutes
 2. Discussion and Possible Action on Verizon & AT&T Bills
 3. Discussion and Possible Action on the Duties of the Mayor
 4. Discussion and Possible Action on Authorized Signatures at the Bank
 5. Discussion and Possible Action on the Police Chief's Start Date
 6. Discussion and Possible Action on the Disposition of Fire Department CDs and Accounts
 7. Discussion and Possible Action on Account Irregularities Involving:
 - City of Bogata
 - Police Department
 - Crime Control Board
 - Fire Department
 8. Discussion and Possible Action on the Tax Increase Voted on at September 26th, 2025 Meeting
 9. Discussion and Possible Action on City Website
 10. Discussion and Possible Action on Agendas and Minutes for City Website
 11. Discussion and Possible Action Masonic Lodge annual water bill payment
 12. Discussion and Possible Action for lost ACH water transactions
 13. Discussion and Possible Action of adopting new city water service agreement
 14. Discussion and Possible Action of adopting a new water department fee structure
 15. Discussion and Possible Action of discounting multiple poly carts
 16. Discussion and Possible Action on terminating service on delinquent accounts
 17. Discussion and Possible Action of removing outdated rate codes
 18. Discussion and Possible Action of Chris Bruton contract dated 1-29-2024, procedural issues, statutory authority of Mayor
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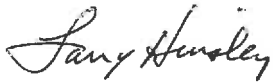
VII. EXECUTIVE SESSION - The City does not routinely list Executive Session items. This provision has been added to the agenda with the intent of meeting all elements necessary to satisfy TEX GOVT CODE 551.144(c). The council may vote and/or act upon each of the items set out in this agenda. In addition, the City Council of the City of Bogata has the right to adjourn into executive session at any time during the course

of this meeting to discuss any matter authorized by Texas Government Code

- Sections 551.071 (Consultation with Attorney); 551.072 (Personnel Matters) 551.076 (Deliberation regarding the deployment of security devices or the implementation of security policy; 551.087 (Deliberations regarding Economic Development negotiations).

VIII. ADJOURNMENT

- Attendance by Other Elected or Appointed Officials- NOTICE OF POTENTIAL QUORUM: It is anticipated that members of City Council or other city board, commissions and/or committees may attend the meeting in numbers that may constitute a quorum of the other city boards, commissions and/or committees. Notice hereby given that the meeting, to the extent required by law, is also notice as meetings of other boards, commissions and/or committees may participate in discussion on the same items listed on the agenda which occur at the meeting, but no action will be taken by such in attendance unless such item and action is specifically provided for on an agenda for that board, commission or committee subject to the Texas Open Meetings Act.
- CERTIFICATE:
- I hereby certify that the above Notice of Meeting was posted on the front door of City Hall on September 30, 2025, at a place convenient and readily accessible to the general public at all times, and to the city's website, <https://cityofbogata.com> in compliance with Chapter 551, Texas Government Code.



- Larry Hinsley, Mayor

Bogata City Council Regular Meeting Minutes

Date: October 6, 2025

Time: 7:00 p.m.

Location: Bogata Community Center, Bogata, Texas

I. Call to Order

Mayor **Lary Hinsley** called the meeting to order at **7:00 p.m.** and welcomed all attendees to the regular meeting of the Bogata City Council.

II. Roll Call

The following members were present:

- **Mayor:** Lary Hinsley
- **Council Members:** Chris Kennedy, Teresa Allison, Melissa Kerby, Dakota Ross and Cecil “Tex” Loftin,

A **quorum** was established.

III. Pledge of Allegiance and Invocation

The Pledge of Allegiance was recited by all present.

An opening prayer was offered, asking for wisdom and guidance in the city’s business and stewardship.

IV. Public Comments

Mayor Hinsley opened the floor for public comment, reminding participants of the **three-minute time limit**.

1. Patty (Citizen Comment)

Patty addressed the Council with concerns regarding the city’s financial status.

Key points included:

- Expressed appreciation for community involvement but concern over recent financial reports.
- Noted that the **Crime Control Board** had approved a request for an **audit review by the city attorney**.
- Asserted that discrepancies in financial handling had not been adequately explained.
- Requested that **Mayor Hinsley consider resigning**, citing perceived financial mismanagement and lack of transparency.
- Stated belief that the city was “near the verge of bankruptcy.”

2. David Rozell (Citizen Comment)

David Rozell spoke next, referencing the city’s financial troubles.

Key remarks included:

- Compared the city’s finances to “grocery money,” emphasizing limited tax revenue.
- Expressed frustration with unclear records regarding city funds and spending.
- Referenced the fire department’s truck purchase (approx. \$50,000).
- Stated that prior mayors had handed over a stable city that is now in “financial disaster.”
- Concluded by expressing no confidence in the Mayor’s continued leadership, and ask **Mayor Hinsley to resign**.

No further public comments were presented.

V. Consent Agenda

Mayor Hinsley introduced the **Consent Agenda**, which included:

- Approval of previous meeting minutes: **July 7, August 4, August 9, and September 26, 2025.**
- Review of current **bank statements and expenditures.**

Discussion:

- **Council Member Teresa Allison** inquired about several specific expenses:
 - **Paris Farm & Ranch** – \$359.39
 - **Rick’s Farm & Home** – \$749.99
 Mayor Hinsley responded that these were **purchases of supplies** authorized by the public works department.
- Questions were raised about checks with **only one signature**.
 - Mayor Hinsley explained that, after the City Secretary’s departure, the **bank confirmed** it would honor checks with a single authorized signature.
 - The Council discussed that, while the bank may process such checks, **city policy requires two signatures**, and this standard should be re-enforced internally.
- Inquiry was made regarding **“remote deposits.”**

- It was clarified that these are **online water bill payments** automatically deposited into the city's account.
- **Attorney payments:** A citizen referenced a payment to **McCrary, Vesla, Bragg & Allen (\$54.25)**.
 - It was noted that these appear to be **routine attorney-related payments**, potentially associated with court or tax collection matters.

Following the discussion, Mayor Hinsley called for a motion.

Motion: To approve the Consent Agenda, including the minutes and financial reports as presented.

Motion by: Council Member Cecil (Tex) Loftin

Second by: Council Member Melissa Kerby

Vote: Motion carried unanimously.

VI. Approval of Previous Meeting Minutes

The Council reviewed corrections to the **July 7, 2025, minutes**, particularly under **Item F**, where the recorded vote was updated to reflect:

Ross, Loftin, Kennedy, Allison, and Kerby – all in favor.

Motion: To approve the meeting minutes of **July 7, August 4, August 9, and September 26, 2025**, as corrected and presented.

Motion by: Council Member Cecil (Tex) Loftin

Second by: Council Member Melissa Kerby

Vote: Motion carried unanimously.

VIII. Discussion and Possible Action: Verizon and AT&T Accounts

Mayor Larry Hinley introduced a discussion regarding outstanding invoices and the status of city phone and internet services under **Verizon** and **AT&T/FirstNet**.

A. Verizon Account

The Council reviewed a **Verizon invoice in the amount of \$5,424.91**.

Discussion revealed that:

- The bill appeared to reflect **approximately three years of unpaid charges**.
- The account may have remained active after the city transitioned to **AT&T FirstNet**, and services were not formally terminated.

- The Verizon account was believed to have been originally set up under a **previous administration (City Secretary Jennifer Duffer, circa 2020)**.
- Mayor Hinsley stated he was unaware of any current Verizon usage and noted that services had since been **disconnected**.
- Council and staff expressed concern over why the bills continued without detection and why the account was not closed when the city switched providers.

Council Member **Teresa Allison** asked whether any Verizon devices were still active or in use. City Secretary **Bobbie Jarvis** confirmed that she located the past-due invoices among a stack of older, unresolved bills and that she terminated the service recently.

It was noted that the **city's monthly Verizon charge averaged approximately \$150**, suggesting the account had remained unpaid for over 35 months.

B. AT&T / FirstNet Account

The Council next reviewed the **AT&T (FirstNet) account**, which provides phone and hotspot service for city personnel and police vehicles.

Key points of discussion:

- Council Member **Chris Kennedy** questioned who authorized the number of active lines, noting that **AT&T shows more lines than there are city employees**.
- Members recalled that when AT&T service was first discussed, the intent was to **replace Verizon entirely**, not operate both.
- No record of formal council authorization for the number of AT&T lines could be found in prior minutes.
- Bobbie Jarvis stated that, based on her recent communication with the AT&T representative:
 - Many lines have been **suspended** pending review.
 - The city plans to **retain approximately three active phones and one hotspot**.
 - **No early termination fees** apply; the city will **own the remaining equipment** and can reactivate lines later if needed.

Council discussed whether both phone services had been maintained simultaneously and expressed concern that the **dual billing** could have continued for years without oversight.

C. Responsibility and Oversight Discussion

City attorney emphasized that under **Texas Local Government Code for general law cities**, any city debt must be **approved by the City Council** to be valid.

He noted that if the council never authorized these service agreements, the debts should not be recognized as city obligations without supporting minutes.

Several citizens in attendance commented on accountability and financial oversight, citing frustration that the dual billing and unpaid balances were only now discovered.

The Mayor acknowledged that past recordkeeping and financial tracking had been inconsistent and stated that the City is working to **audit and reconcile all outstanding vendor accounts**.

D. Action Taken

After discussion, the following actions were agreed upon:

1. **Terminate** the remaining Verizon account completely to prevent further billing.
2. **Retain** three (3) AT&T/FirstNet phones for essential city and emergency communications.
3. **Authorize the City Secretary** to contact AT&T to confirm suspension of all nonessential lines.
4. **Request** that the City Attorney review prior council minutes from 2020–2021 to determine whether either service was officially approved.
5. **Direct** that all future telecom contracts must be presented for council approval before activation.

Motion: To approve the above actions regarding Verizon and AT&T account management.

Motion by: Council Member Cecil (Tex) Loftin

Second by: Council Member Dakota Ross

Vote: Motion carried unanimously.

IX. Public Comments and Council Discussion on Accountability

During the discussion of the Verizon and AT&T accounts, several citizens and council members expressed concern regarding **accountability and financial oversight** within the City.

A citizen stated:

“You’ve got bills going out, money coming in — it’s nothing but a business. What you’re saying is that y’all make the rules but hold nobody accountable. Is that true?”

Council Member **Chris Kennedy** responded that when past councils held the majority of votes without enforcing accountability, such problems persisted. He stated,

“Yes, we are now. We are now [holding accountability].”

Citizens voiced frustration that, for several years, there appeared to be **no follow-up** or oversight on prior council decisions, particularly regarding the closure of the Verizon account and ensuring accurate billing. Several attendees discussed the need for improved management and clearer financial procedures.

Historical Explanation

Former City Secretary **Jennifer Boyd** addressed the Council, explaining that when the City transitioned from **Verizon to AT&T/FirstNet**, seven (7) phones were approved:

- One for the Police Chief
- One for the Mayor
- One for the City Secretary
- Two for Water Department staff
- Two for police officers on duty when the Police Chief was unavailable

She stated that **Miranda Bruton** was assigned to coordinate the transfer to AT&T and cancel all Verizon accounts, but **some Verizon hotspots installed in police vehicles were never formally deactivated**, leading to continued billing.

Council confirmed that **meeting minutes from approximately three years prior** reflect approval to move to AT&T FirstNet for emergency service reliability. The **unpaid Verizon charges** likely resulted from **hotspots that were not properly disconnected**.

Action Taken – Verizon Dispute

Council Member Cecil (Tex) Loftin made a motion:

“That we allow City Secretary Bobbie Jarvis to contact Verizon and dispute this bill. If the charges are for services that were to be canceled, we need to challenge them, and if necessary, involve the City Attorney.”

Motion by: Cecil (Tex) Loftin

Second by: Dokota Ross

Vote: Motion carried unanimously.

AT&T Account Review

Council then discussed the **AT&T/FirstNet** account balance and service levels.

Bobbie Jarvis reported that several lines were **suspended** pending review, and current billing was approximately **\$40.30 per line per month**.

Council Members noted that city personnel who are expected to be on call should be provided with official phones rather than using personal devices for city business. The City Attorney confirmed that employees **cannot be compelled to use personal phones** for municipal work without compensation.

Motion by: Chris Kennedy to approve payment of the current **AT&T bill** and maintain the existing city-issued lines for authorized personnel.

Second by: Teresa Allison

Vote: Motion carried unanimously.

X. Discussion and Possible Action: Duties of the Mayor

Council Member **Cecil (Tex) Loftin** introduced this item, stating his concern about **activities conducted by the Mayor outside the scope of the adopted budget and committees formed without council input or approval.**

Loftin moved that:

1. The Mayor ceases activities not directly related to the budget until the FY2025–2026 budget is formally adopted; and
2. All **existing committees appointed by the Mayor** be **dissolved**, with any future committees to be **formed and approved by Council.**

Motion by: Cecil (Tex) Loftin

Second by: Chris Kennedy

Mayor's Response

Mayor Hinsley responded that the **Texas Local Government Code** provides the mayor authority to appoint committees as part of his administrative duties.

He noted that such committees have existed since 2020 and that “nothing from any committee is enacted without coming back before the Council for approval.”

Legal Clarification – City Attorney David Hamilton

City Attorney **David Hamilton** reviewed the **Texas Local Government Code §22.042**, explaining:

- The Mayor is the **chief executive officer** of the municipality and performs duties **prescribed by the governing body.**
- The Council defines and limits those duties by ordinance or vote.
- The Mayor **may not act independently** of the Council's direction in matters involving contracts, appointments, or expenditure of city funds.
- The Council's oversight and recordkeeping through **formal minutes** are essential to validate any such actions.

Hamilton added that potential issues involving **mismanagement or unauthorized obligations** could be investigated through **Texas Municipal League (TML) risk management or bond recovery**, depending on findings.

Public and Council Commentary

Several members of the audience expressed frustration with perceived historical mismanagement, emphasizing the need for transparency and recovery of any misused funds. Hamilton assured attendees that the City’s legal team would review financial records and contracts to determine accountability, stating:

“We will get to the bottom of some of this by the end of the year.”

Action Taken

Motion: To eliminate all currently appointed committees and require council approval for any future committee formation.

Motion by: Chris Kennedy

Second by: Cecil Loftin

Vote: Motion carried unanimously.

XI. Motion to Direct the Mayor Regarding Budget Preparation

Following the discussion on the Mayor’s duties and committee structure, Council Member **Cecil (Tex) Loftin** made an additional motion to **direct the Mayor** to focus solely on completing and substantiating the City’s proposed FY2025–2026 budget.

Loftin stated:

“I want to make a motion that we as a Council, direct the Mayor that he is to do nothing else but get the numbers together and be able to back up every single number on that budget that he presents to us.”

Council Member **Chris Kennedy** seconded the motion, agreeing that all expenditures and revenue estimates must be documented and traceable.

Mayor Hinsley confirmed understanding of the directive and noted that the proposed budget currently reflected available funds of approximately **\$82,108**, pending verification of several line items.

Motion by: Cecil (Tex) Loftin

Second by: Chris Kennedy

Vote: Motion carried unanimously.

XII. Discussion and Possible Action: Authorized Signatories at the Bank

Council Member **Cecil (Tex) Loftin** introduced a discussion regarding **authorized signatures** on the City's bank accounts.

Loftin explained that there had been public concern and repeated inquiries regarding who currently holds the authority to transfer or move City funds.

City Secretary **Bobbie Jarvis** and Council Member **Ross** clarified that:

- The Council's previous action at a called meeting intended to **restrict the Mayor's access** to city accounts.
- However, as long as an individual remains an **authorized signatory**, that person retains full authority to transfer funds between accounts, regardless of internal policy requiring dual signatures.
- Online banking access allows for **fund transfers directly from City Hall computers**, and such activity does **not require two physical signatures**.

Attorney **David Hamilton** confirmed that the only way to fully prevent such movement of funds is to **remove the Mayor as an authorized signatory** on all city accounts.

Motion by: Dakota Ross to remove the Mayor from all authorized signatory privileges on City of Bogata bank accounts.

Second by: Chris Kennedy

Vote: Motion carried unanimously.

Discussion followed regarding which individuals would remain authorized to sign checks. City Secretary **Jarvis** noted that the **Mayor Pro Tem, City Secretary, and City Water Clerk** would continue as authorized signers, ensuring continuity for payroll and bill payment.

Council Member **Kennedy** added for the record that **Mayor Larry Hinesley** should also be **removed as an authorized signatory**, as reflected in the motion and minutes.

Motion by: Council Member Cecil (Tex) Loftin made a motion to add Council Member Dakota Ross as an authorized signatory on all bank accounts and CDs.

Second by: Chris Kennedy

Vote: Motion carried unanimously

Final Action: The Council formally voted to **remove Mayor Hinsley** from all city accounts as authorized signers. **Add Council Member Dakota Ross** as an authorized signatory on all bank accounts and CDs.

XIII. Discussion: Police Chief Hiring and Compensation

Council Member **Chris Kennedy** introduced a discussion regarding the **onboarding of Police Chief Martin** and the need to finalize compensation and budgetary provisions for his position.

Kennedy noted that:

- The City is operating under financial constraints, but **public safety coverage remains a high priority**.
- Review of recent financial reports shows incoming revenue of approximately **\$25,000 in October, \$53,000 in November, \$59,000 in December, \$70,000 in January, and \$59,000 in February** of the prior fiscal year, suggesting potential revenue stability through early 2026.
- The **Crime Control and Prevention District (CCPD)** may have approximately **\$30,000** available, based on unspent funds and prior lease obligations.

Council discussed possible pay scales and benefits for Chief Martin.

Council Member **Allison** expressed concern about ensuring the Chief's safety and proper equipment, stating:

"It's not fair to ask him to come here on a maybe. We need to know that we can keep him properly equipped and taken care of."

Council Member **Kennedy** agreed, emphasizing the need for **body armor and operational equipment** before the Chief assumes full duty status.

Mayor Hinsley noted that once the FY2025–2026 budget is approved, additional funds could be allocated for police operations.

Martin, present at the meeting, confirmed he was comfortable discussing salary and conditions in open session. **Martin** then withdrew his application as prospective Chief. No further action was taken during this meeting.

◆ **Discussion Highlights (Context Before Motions)**

- Council Member **Cecil (Tex) Loftin** presented findings about how fire department CDs had been opened, rolled over, or reallocated without clear designation — notably a CD originally valued at about **\$78,800**, later combined with a **\$22,144.42** withdrawal to form a \$100,163.09 CD that later lost its "fire department" label.
- The council discussed whether **funds from those CDs were used to purchase police vehicles** following a controversial **emergency meeting** (possibly without quorum or proper posting).
- and others clarified they had been told those CDs were "unallocated and matured" at the time of use, but later found that was not accurate.
- The council reviewed issues with **the city's petty cash account and Crime Control Board spending**, including irregular purchases and poor financial tracking (Amazon, Airbnb/Vrbo, etc.).
- Council Member **Cecil (Tex) Loftin** noted that approximately **\$70,000** was spent between the petty cash and Crime Control Board accounts last year, not including payroll or vehicle purchases.

◆ **Motion: Return Fire Department CDs to Fire Department Control**

Council Member Cecil (Tex) Loftin

“I make the motion that we take those two CDs and transfer complete control of them to the fire department.”

Account details stated:

- CD ending in **5263** – balance **\$12,173.33**
- CD ending in **1401** – balance **\$83,916.61**

Motion includes:

Transfer full ownership and control to the **Bogata Volunteer Fire Department**, designating **Fire Chief Wade Allen**, **Assistant Chief Zac Ward**, and **Dustin San Jule** as signatories for the fire department accounts.

Motion: Council Member Cecil (Tex) Loftin

Second by: Council Member Dakota Ross

Vote: Motion carried unanimously.

VII. Discussion and Possible Action: County Irregularities Involving City of Bogata, Police Department, Crime Control Board, and Fire Department

Council discussed several ongoing financial and procedural irregularities relating to multiple departments, including the **Police Department**, **Crime Control Board**, and **Fire Department**.

Fire Department Donations and Bank Statements

Council Member Dakota Ross opened a discussion regarding the **Fire Department’s donation account and quarterly bank statements**, emphasizing that the Fire Department has not been receiving regular copies of its bank statements.

Cecil (Tex) Loftin:

“When those quarterly bank statements come out, I want to make sure a copy is presented to the Fire Department—not only for this quarter, but every quarter going forward.”

Cecil (Tex) Loftin added that the Fire Department “needs to know what money they have.” Council Member Dakota Ross confirmed that “it’s their account; the money is there for their purpose.”

Council Member Cecil (Tex) Loftin continued that he had spoken with **Fire Chief Wade Allen** and that it had been a long time since the department received a statement for their account. He explained that the **monthly donations collected through citizens' water bills** are intended to fund the Fire Department and that some residents, including council members, have contributed extra donations when paying utility bills.

Council Member Cecil (Tex) Loftin

“It’s disappointing to learn that some of the extra money I and others paid for the fire department didn’t appear in their account. From what I’ve found, the deposits were made regularly up until about two years ago, when the prior water secretary left and the new billing system came online.”

He noted that under the prior billing system, customers could easily see a \$2 voluntary donation line on their bills, but that option was later moved to the back of the bill, causing donations to drop significantly.

He credited the **current water secretary** for doing an excellent job and emphasized that the issue lies with the **past system setup**, not the current staff.

Council Member Cecil (Tex) Loftin further stated that moving forward:

- He will obtain a **monthly report** showing how many customers contributed and the **total donation amount** (without customer names or account numbers).
- These totals will be **cross-checked with quarterly bank statements** to ensure proper transfers into the Fire Department’s account.
- He will publicly report donation totals at each regular council meeting for transparency.

He added:

“As long as I’m on this council, that’s how things will go from this point forward. If the deposits don’t match, the Fire Department will hear from us, and I’ll be the first to speak up.”

Council expressed general agreement with this procedure.

No formal motion or vote was taken during this discussion. The consensus was that **quarterly bank statements will be shared with the Fire Department** and **monthly donation totals will be reported** to the Council going forward.

Additional Discussion

During this item, brief personal and procedural comments were exchanged among council members and attendees, including clarifications regarding prior meetings and public remarks. No additional action was taken under this agenda item.

VII (continued). County Irregularities – Police Department, Crime Control Board, Fire Department

Council Member Dakota Ross concluded the Fire Department discussion, then transitioned to the **Crime Control Board** financial review.

He reported that:

- On **January 17 and 23, 2023**, **Leticia Miles** was paid **\$655** for travel, which should have come from the City's general account rather than Crime Control funds.
- Between **November 2022 and the present**, approximately **\$33,376.29** was spent on **Amazon**, with no receipts provided.
- Additional expenditures were made at **Sonic, Hobby Lobby, Sam's Club, and Super 1 Foods**, also without supporting documentation.
- A **\$500 cash withdrawal** was made without a memo explaining the purpose, and another **\$200 ATM withdrawal** occurred in Mount Pleasant.
- \$136 was spent at **Margaritaville**.
- \$512.25, \$1,119, and \$500 in cash withdrawals with no memos attached.
- \$3,072.13 spent through Vrbo, with no documentation.

Council Member Dakota Ross summarized that these transactions reflect **misuse or lack of oversight** of Crime Control Board funds and stated:

“Misuse of funds is what it comes down to. There's no oversight.”

He noted that some of these expenditures are under **active investigation**, and that once the findings are finalized, the City may be able to **file on its surety bond** against responsible parties.

Council Member Cecil (Tex) Loftin briefly commented on the Fire Department grant, clarifying that the current **matching grant** requires a **5% match on up to \$300,000**, meaning the City would need to provide approximately **\$15,000**.

Fire Chief Wade Allen added that even with grant approval, the City may still face a **\$150,000–\$200,000 shortfall** to complete related projects.

No formal motion was taken under this agenda item. Discussion closed after noting that all financial irregularities remain under review and subject to audit.

VIII. Discussion and Possible Action: Tax Rate Increase Voted on September 26, 2025

Council Member Cecil (Tex) Loftin explained that the **tax rate adopted on September 26, 2025**, could not legally stand due to **procedural deficiencies** and the lack of a completed **audit**.

He stated:

“We can’t do that—period. Not without an audit. There was no newspaper notice or public hearing as required by law. Without those, the tax rate vote is void.”

Council Member **Cecil (Tex) Loftin** further clarified:

- The City was required to **file the tax rate with the County Appraisal District by the end of September**, but the proper notices were not issued.
- In such cases, state law automatically sets the **tax rate at the lower of the previous year’s rate or the no-new-revenue rate**.

He estimated that this would result in an effective rate near **\$0.47532 per \$100 valuation** (subject to confirmation).

Council agreed the responsible course of action would be to **void the September 26 tax rate adoption** and revert to the statutory default rate.

Motion by: Council Member **Cecil (Tex) Loftin** to **void the tax increase adopted September 26, 2025**

Second by: Melissa Kerby

Vote: Motion carried unanimously.

IX. Discussion: City Website Functionality and Meeting Minutes Posting

Mayor Hinsley reported that while the **City’s official website** is active, the backlog of meeting minutes has not yet been uploaded due to limited staffing following recent employee turnover.

He stated that:

- All meeting data and biographies had been entered into the computer system, but not yet made live on the website.
- The site remains functional for posting meeting notices and agendas.

City Attorney David Hamilton reminded the Council that **Open Meetings Act posting deadlines** apply equally to both the physical bulletin board and the website:

“If it’s not posted by midnight on that night—in both places—you’re not supposed to have a meeting.”

He stressed that:

- **72 business hours' notice** is required, excluding the day of posting and the day of the meeting.
- If posting deadlines are not met, **the meeting cannot legally proceed.**

Council generally agreed that staff and authorized administrators should be trained to ensure proper posting procedures are followed consistently.

No action was taken.

X. Discussion and Possible Action: Agendas and Minutes for City Website

Council Member **Cecil (Tex) Loftin** noted that **numerous older meeting minutes** are missing from the City's computer system and requested clarification on how to obtain or reconstruct those records.

Council Member Teresa Allison responded that:

"If we have any copies of the meeting minutes that we personally received, we need to find out from the attorney what the procedure is. Can we use them to reconstruct missing minutes?"

City Attorney **David Hamilton** advised that:

- The Council **cannot simply substitute** personal or unofficial copies of minutes.
- If a prior version is found, the Council must **formally review and reapprove** it in an open meeting before it can become the **official record.**
- All future approved minutes must include **signatures and certification** by the City Secretary and presiding officer to prevent alteration or confusion.

City Attorney **David Hamilton** emphasized that all future postings must include the **name of the person who physically posts the agenda** on the bulletin board, stating:

"Whoever glues that to the window better have their name on it, because that's who I'm going to talk to if there's a problem."

He also noted that **unsigned minutes** will not be recognized as valid public records.

No motion was made. The Council concurred to follow the City Attorney's direction and to prioritize recovery and approval of missing historical minutes.

XI. Discussion and Possible Action: Masonic Lodge Annual Water Bill Payment

Water Secretary Evan McGroarty introduced the item, explaining that a **customer of the Masonic Lodge** had requested to **pay their water bill on an annual basis** rather than monthly.

Water Secretary Evan McGroarty:

“I don’t have any record showing this was ever approved by Council. I just need to know if the Council authorizes it or not. Either we bill them annually, or they remain a regular monthly customer.”

Discussion:

- The Masonic Lodge uses minimal water but must keep service active for occasional fundraising events and restroom access.
- Current water billing includes a **monthly minimum charge** for 2,000 gallons, per city ordinance, plus a **trash fee** that may not apply since the property does not utilize city trash services.
- **City Attorney David Hamilton** emphasized that under the City’s **utility ordinance**, all customers are subject to the minimum monthly charge unless the Council passes an ordinance to change that rule.

City Attorney David Hamilton advised:

“The City cannot alter an ordinance by motion. It requires a separate ordinance to amend the billing structure. I can draft one for next month’s meeting to formally authorize annual billing for the Masonic Lodge.”

Motion by: Council Member Teresa Allison
to **bill the Masonic Lodge annually for water service without the trash fee.**

Second by: Council Member Melissa Kerby

Vote: Motion carried unanimously

Note:

The City Attorney will prepare an ordinance for adoption at the next meeting to formalize the billing change, in compliance with state law and the City’s Code of Ordinances.

XII. Discussion and Possible Action: Lost ACH Water Transactions

Water Secretary Evan McGroarty presented documentation regarding **five customer accounts** where **ACH water payments were never reconciled between September 2020 and the present.**

Summary of findings:

- Approximately **\$1,186.05** in payments were lost due to reconciliation errors.
- These payments were **initiated by customers**, but not properly credited to their accounts.
- The problem was discovered during recent account reviews and cross-checking with bank statements.

Council discussed whether to **pursue repayment** from affected customers or **absorb the losses** as a City error.

Water Secretary Evan McGroarty noted that recovery would likely be difficult since the customers believed they had already paid.

City Council Member Teresa Allison stated:

“The fault is not the customer’s. The fault is with the City. I don’t think we can justify billing them when they thought they’d already paid.”

Corrected by Bobbie Jarvis 11/4/2025 Water Secretary Evan McGroarty explained that **ACH transactions** differ from standard online payments and are processed manually through the City’s bank reconciliation system:

“If you’re not paying attention to your bank accounts, you might not notice that the ACH didn’t post. That’s how these were missed.”

He confirmed that no customers had yet been notified, but ACH drafts for the affected accounts have been suspended until the issue is resolved.

Motion: not to seek the collection of ACH drafts for these customers.

Motion by: Council Member **Teresa Allison**

Second by: Council Member **Melissa Kerby**

Vote: Motion carried unanimously

XIII. Discussion and Possible Action: Adoption of New City Water Service Agreement

Water Secretary Evan McGroarty introduced a proposed **new City Water Service Agreement**, explaining that it updates late fees, cutoff dates, and service procedures.

Water Secretary Evan McGroarty drew attention to **Item 5 (“Piggybacking”) on page 2**, which refers to **direct water hookups to RVs or camping vehicles** within the city limits. He stated:

“I could not find an ordinance that prohibits connecting water directly to an RV or camper as a primary residence. We may need to clarify or adopt one.”

Discussion followed regarding the City’s **ordinance limiting residence in RVs to 30 days** and how this service agreement interacts with that rule.

City Attorney David Hamilton noted that the **Texas Health and Safety Code Chapter 341** may restrict such connections and recommended confirming compliance before adopting the policy.

Motion by: Cecil (Tex) Loftin

Adopting the new water service agreement, except for travel trailers, which is to be **table** pending further legal research and review of the Texas Health and Safety Code and applicable City ordinances, till the November 2025 meeting with corrections to the ordinance.

Second by: Council Member Chris Kennedy

Vote: Motion carried unanimously

The item will be revisited at the **November 2025 regular meeting** after review by the City Attorney.

XIV. Discussion and Possible Action: Adoption of Water Department Fee Schedule

Water Secretary Evan McGroarty presented an updated **fee schedule** to align billing with current rates and eliminate discrepancies between the City’s records and Sanitation Solutions’ charges.

Motion by: Cecil (Tex) Loftin to adopt the new water department fee schedule as presented.

Second by: Chris Kennedy

Vote: Motion carried unanimously

XV. Discussion and Possible Action: Discounting Multiple Polycart Rates

Water Secretary Evan McGroarty explained that the **current \$20 monthly rate** for a second polycart is too high and exceeds the City’s actual cost from Sanitation Solutions. He recommended lowering the rate to **\$12** for a second polycart to make it fair and consistent. The council decided to charge \$10.00 for the second polycart.

Motion by: Cecil (Tex) Loftin

Second by: Dakota Ross

Vote: Motion carried unanimously

Water Secretary Evan McGroarty explained that the **current \$22.92 monthly rate** for a commercial business polycart is not sufficient, and the City is paying more to Sanitation Solutions for the first polycart than the city is collecting. Water Secretary Evan McGroarty suggested that the city charge \$30.00 for the first polycart and \$20.00 for the second and third polycart.

Motion by: Council Member Cecil (Tex) Loftin to raise the cost of commercial business first polycart to \$30.00 and \$20.00 for each additional polycart up to three polycarts.

Second by: Council Member Teresa Allison

Vote: Motion carried unanimously.

XVI. Discussion and Possible Action: Terminating Service on Delinquent Accounts

Water Secretary Evan McGroarty requested direction on when to **permanently terminate water accounts** that remain delinquent after cutoff. He noted that inactive accounts continue to generate monthly charges unless manually deactivated, resulting in accumulating unpaid balances.

After discussion, the Council agreed that **30 days** after disconnection is a reasonable period for termination.

Motion by: Council Member Teresa Allison to terminate delinquent utility accounts 30 days after water service disconnection.

Second by: Council Member Chris Kennedy

Vote: Motion carried unanimously.

XVII. Discussion and Possible Action: Utility Rate Code Adjustments

Water Secretary Evan McGroarty reported that **several outdated rate codes** were still active in the City's billing system, including a \$17.50 garbage rate that should have increased to \$20 per month.

He also noted that commercial polycart rates had increased from **\$22.92 to \$30.00** and that the changes must be submitted in writing to **Hampstead Software** for update.

Motion by: Council Member Cecil (Tex) Loftin to authorize the preparation of a formal letter to Hampstead Software, identifying all necessary rate code deletions and changes for City Council approval at the next meeting.

Second by: Council Member Dakota Ross

Vote: Motion carried unanimously

End of Open Session

Following this item, Council discussed the **Chris Bruton Contract (dated January 29, 2024)**, and the matter was **deferred to executive session** for review by the City Attorney.

Open Session adjourned at 10:24 p.m.

Motion by: Council Member Cecil (Tex) Loftin

Second by: Council Member Melissa Kerby

Vote: Motion carried unanimously

Returned from Close Session at 11:11 p.m.

The contract dated January 29, 2024, is not valid.

Motion by: Council Member Cecil (Tex) Loftin to adjourn at 11:12 p.m.

Second by: Council Member Melissa Kerby

Vote: Motion carried unanimously

Minutes submitted by:

City Secretary Bobbie Jarvis

Date _____

Approved by:  _____

Date of Approval:  _____
