OFFICIAL MINUTES OF THE AUGUST 25, 2025 CITY COUNCIL MEETING.

Let it be remembered that the City Council of El Cenizo, Texas met Monday August 25, 2025 at the Council Chambers located inside the El Cenizo City Hall at 507 Cadena St., El Cenizo, Texas 78046 at 6:30pm with the following members present to wit:

Honorable Carina Hernandez, City Mayor
Honorable Juany Valdez, City Commissioner

Thus constituting a quorum, the City Council proceeded to act upon the agenda as posted in the meeting notice of August 25, 2025.

Item 1. Call to order by the Honorable Mayor, Carina Hernandez.

Mayor Hernandez called the meeting to order at 6:30pm and moved to proceed with the meeting in English. The motion was seconded by Commissioner Valdez and approved without objection.

Item 2. Roll Call.

Mayor Hernandez called roll. Present were: Mayor Carina Hernandez and City Commissioner Juany Valdez. Commissioner Valdez moved to excuse Commissioner Daisy Perez. The motion was seconded by Mayor Hernandez and approved without objection.

Item 3. Pledge of Allegiance.

Mayor Hernandez led the pledge of allegiance.

Item 4. Communications.

No communications were made.

Item 5. Public Comments.

No speaker cards were presented therefore there were no public comments

<u>PRESENTATIONS, RECOGNITIONS AND REPORTS</u>

Item 6. Departmental Reports.

Reports were submitted/presented by the heads of city departments. No action was taken as these were for informational purposes only.

<u>CONSENT AGENDA</u>

Item 7. Approval of the minutes.

Item 8. Approval of bills, payroll and monthly reports.

A motion to approve the consent agenda as presented was made by Commissioner Valdez and seconded by Mayor Hernandez. The motion was approved without objection.

<u>COUNCIL ACTION ITEMS – INTRODUCTIONS & PUBLIC HEARINGS</u>

OPEN PUBLIC HEARING
CLOSE PUBLIC HEARING

<u>COUNCIL ACTION ITEMS – RESOLUTIONS & ORDINANCES</u>

<u>BUDGET</u>

Item 9. Discuss, consider and take appropriate action on setting a Tax Rate; taking a record vote; scheduling a public hearing and meeting to adopt a Tax Rate; and any other matters incident thereto. [Webb County Tax Assessor-Collector]

A motion to postpone the agenda item for the August 28, 2025 special meeting was made by Commissioner Valdez and seconded by Mayor Hernandez. The motion was approved without objection.

Item 10. Review, discuss, consider and take appropriate action on adopting the 2025-2026 Delinquent Roll; establishing an anticipated collection rate related to delinquent property taxes; and any other matters incident thereto.

Mayor Hernandez tabled the item and no action was taken.

<u>MAYOR CARINA HERNANDEZ</u>

<u>COMMISSIONER JUANY VALDEZ</u>

Item 11. Discuss, consider and take appropriate action on adopting a resolution of the city council of the City of El Cenizo, Texas, establishing fees for municipal services for the fiscal year 2025–2026; providing for copies, faxes, service account updates and changes, hauling and disposal of debris, rental of equipment, solid waste collection, and other related services; providing for severability; and establishing an effective date.

A recommendation to get the input from staff and department heads was presented by Mr. Reyes. Commissioner Valdez agreed with the recommendation. Mayor Hernandez tabled the item for the September 8, 2025 and no action was taken.

COMMISSIONER DAISY PEREZ

COUNCIL ACTION ITEMS

Item 12. Discuss, consider and take appropriate action on the purchase of 1 (one) or 2 (two) lifters needed for the Solid Waste Collection Vehicle; and any other matters incident thereto. [Lesley Gonzalez, Solid Waste Department Manager]

Ms. Gonzalez presented the council with 3 different quotes. After questions and discussion, a motion was made by Mayor Hernandez to approve the purchase of 1 (one) lifter from Holtz Industries, Inc. in the amount of $3,649.00. The motion was seconded by Commissioner Valdez and approved without objection.

Item 13. Discuss, consider and take appropriate action on reviewing the El Cenizo Community Volunteer Fire Department's Administrative Financial Audit – FY 2024-2025 Intergovernmental Agreement Compliance pursuant to the terms outlined in the Intergovernmental Agreement between the City of El Cenizo and the El Cenizo Community Volunteer Fire Department (ECVFD); and any other matters incident thereto. [Hector Olvera, Fire Chief]

Mr. Reyes informed that he would like an opportunity to meet with the Board Members of the organization to discuss the following items:

1. Administrative & Financial Audit Strategy

The goal is to ensure compliance, accountability, and transparency.

A. Pre-Audit Preparation

- Financial Records Review: Ensure all bank statements, invoices, receipts, payroll (if applicable), and grant documents are organized and reconciled monthly.

- Chart of Accounts: Adopt a clear chart of accounts (income from donations, grants, city/county contracts, fundraising, expenses by category). This aligns with best practices from GFOA and nonprofit standards.

- Policies & Procedures: Create written policies for receipts, disbursements, travel expenses, credit card use, procurement, and reporting.

B. Independent Review

- Outside Accountant: Engage a CPA or municipal finance consultant to assist with annual reconciliations and audit preparation.

- Annual Audit/Review: Depending on funding levels, conduct either a full financial audit or an agreed-upon procedures review to provide assurance to funders and the community.

C. Transparency & Reporting

- Monthly Treasurer's Report: Present cash flow, budget vs. actual, and bank reconciliation to the board.

- Public Disclosure: Publish financial summaries annually on the department's website or through local government partners (builds community trust).

2. Board Governance Improvements

Strong governance ensures the department fulfills its mission without lapses in compliance or credibility.

A. Structure & Roles

- Board Composition: Include diverse skill sets (finance, legal, community leadership, fire service experience).

- Clear Roles: Define responsibilities for Chair, Treasurer, Secretary, and committee chairs (Finance, Fundraising, Operations).

- Bylaws Review: Update bylaws every 3–5 years to align with nonprofit law, IRS requirements, and Texas Local Government Code where applicable.

B. Oversight & Training

- Board Orientation: Train new board members on fiduciary duties (duty of care, duty of loyalty, duty of obedience).

- Annual Self-Assessment: Board should evaluate performance, attendance, and alignment with mission.

- Conflict of Interest Policy: Require disclosure and recusal for related-party transactions.

C. Meeting Management

- Regular Meetings: Minimum of quarterly meetings with agendas and documented minutes.

- Committee System: Delegate work (finance, fundraising, compliance) to committees for efficiency.

- Strategic Plan: Review annually to ensure alignment with budget and operations.

3. Operational Effectiveness

Administration and governance must support the actual fire service delivery.

A. Compliance

- Texas Commission on Fire Protection (TCFP) & TCOLE: Ensure certifications, training, and roster updates are current.
- FEMA/NIMS: Maintain compliance for federal reimbursement and grant eligibility.

B. Risk Management

- Insurance Coverage: Review liability, workers' comp, and property coverage annually.
- Internal Controls: Segregate financial duties (different people handling deposits, approvals, reconciliations).

C. Resource Development

- Diversified Funding: Blend city/county contracts, state assistance (e.g., Texas A&M Forest Service grants), fundraising, and community donations.
- Grant Compliance: Track restricted vs. unrestricted funds carefully.

4. Corrective Action Plan After Audit Findings

If findings or weaknesses are identified:

- Prioritize Issues: Rank findings by risk level (e.g., lack of segregation of duties vs. minor recordkeeping gaps).
- Assign Responsibility: Designate a board member or officer to resolve each finding.
- Timeline for Resolution: Set deadlines (30, 60, 90 days).
- Follow-Up Review: Have an outside reviewer or finance committee confirm issues are corrected.

- Report Back: Provide a corrective action report to the board and funding partners.

Commissioner Valdez moved to allow Public Management Consulting, LLC. to initiate the discussion and follow-up with their recommended action plan. Mayor Hernandez second the motion. The motion was approved without objection.

Item 14. Discuss, consider and take appropriate action to continue the Intergovernmental Agreement between the City of El Cenizo and the El Cenizo Community Volunteer Fire Department (ECVFD); and any other matters incident thereto.

After healthy discussion, Commissioner Valdez moved to continue with the Intergovernmental Agreement for another year with the same amount of a $5,000.00 grant award. The motion was seconded by Mayor Hernandez and approved without objection.

Item 15. Discuss, consider and take appropriate action on authorizing and approving the disbursement of third party funding to the El Cenizo Community Volunteer Fire Department, Inc. in the amount of $5,000.00 (five thousand dollars and zero cents) pursuant to service agreement executed on August 22, 2024; and any other matters incident thereto.

A motion to authorize the disbursement of third party funding was made Commissioner Valdez and seconded by Mayor Hernandez. The motion was approved without objection.

Item 16. Discuss, consider and take appropriate action to approve a rebranding for the City of El Cenizo to include but not limited to, the rebranding of a city's official logo and crest logo, designs and fonts for social media kits and branding guide; authorize and approve the proposal in the amount of $2,500.00; and any other matters incident thereto.

Commissioner Valdez moved to authorize the rebranding for the City of El Cenizo and approve the proposal from Sketch83 Media in the amount of $2,500.00 with the condition to bring back designs for formal council approval. The motion was seconded by Mayor Hernandez and approved without objection.

Item 17. Adjournment.

With no further business to come before the council a motion to adjourn the meeting at 7:26pm was made by Mayor Hernandez and seconded by Commissioner Valdez.