

David Ottmer called the Regular Meeting of the Bellville Economic Development Corporation to order at 3:30p.m., Tuesday, February 19, 2008, in the Council meeting room at City Hall, Bellville, Texas.

Wayne Browning offered the invocation and led the Pledge of Allegiance and Pledge to the Texas Flag.

Present were: Wayne Browning, Delwin Rettig, David Ottmer, Allene Schmitt, Angela Franks, and Denise Haugen. A quorum was certified. Executive Director Carolyn Gibson was present.

Motion was made by Wayne Browning to accept the agenda. Motion was seconded by Delwin Rettig. Motion carried unanimously.

Agenda Item # 5

Consideration and Action to Approve Minutes of the Previous Regular & Special Meetings

Delwin Rettig made a motion to approve the minutes for the regular meeting January 8, 2008. Wayne Browning seconded the motion with all voting aye.

Agenda Item # 6

Consideration and Action to Approve Treasurer's Report

Carolyn Gibson gave the Treasurer's Report. The report was based on Balance Sheet, YTD and Profit & Loss Statements, Bank Reconciliations, and General Ledger for January 2008. Balance in FNB Checking Account as of January 31, 2008 was \$86,797.75. January Sales Tax Revenue of \$13,573.71, Interest Income from ISB CD of \$1,265.31, Grant Income from H-GAC of \$24,975.00, and Interest Income of \$111.14 resulted in total monthly deposits of \$39,925.16. Checks totaling \$5,250.00 were posted. Balance in Wells Fargo Money Market Account as of January 31, 2008 was \$67,449.65, with an interest payment of \$124.15. Balance Sheet showed the following current Certificates of Deposit: Guaranty Bank- \$94,436.60, Industry State Bank- \$100,000.00, and Wells Fargo- \$31,721.17. Total Current Assets as of January 31, 2008 are \$380,405.17. Motion was made by Wayne Browning and seconded by Allene Schmitt to approve the Treasurer's report. Motion carried unanimously. It was noted that a check written to Pop's on the Square in April 2007 was still outstanding. Wayne Browning made a motion to change the status of the check by either voiding or stopping payment. Delwin Rettig seconded the motion which passed unanimously. Carolyn will contact the bank and Preston McNeely regarding the check.

Agenda Item #7

Consideration and Action to Approve Payment of Outstanding Bills

Outstanding bills totaling \$63,050.70 were presented for payment to: Bellville Chamber of Commerce of \$4,500.00 for Contract of Services for March, Brown & Hofmeister for \$18.50 for call from city auditor & \$92.50 for B&W Construction opinion, Texas Association of Business of \$300.00 for annual dues, City of Bellville of \$57,419.39 for Clark Park certificate of obligation payment, and Carolyn Gibson of \$720.31 for Legislative Conference Registration and expense reimbursement. Interest earned on CD's for January was \$576.31. Motion was made by Angela Franks and seconded by Denise Haugen to pay the outstanding bills as presented. There was discussion regarding who controlled the contact with BEDC's attorney. Guidelines will be determined and presented to attorney. After discussion, motion passed unanimously.

Carolyn reported to the Board that the CD at Guaranty Bank would mature 1 March 2008, before the next meeting. Delwin Rettig made a motion to renew the Guaranty Bank CD for 5-6 months at the local institution paying the highest rate. Motion was seconded by Allene Schmitt and carried unanimously.

Carolyn asked the Board for reimbursement of lodging and mileage expenses related to her attendance at Community Development Institute. After discussion, Wayne Browning made a motion to approve the reimbursement. Angela Franks seconded the motion which passed unanimously.

Agenda Item # 8

Public Comment

There was none

Agenda Item # 9

Acceptance of any Grant Requests

There were none.

Agenda Item # 10

Election of Officers and Any Related Action

David Ottmer asked for consideration of postponement for election of officers until after appointment of new BEDC Board member at that evening's City Council meeting. Wayne Browning asked if David Ottmer and Mayor Richardson had discussed the applicants for the position on the BEDC Board. David Ottmer replied that they had not, that the Mayor appointed BEDC Board members. Allene Schmitt made a motion to postpone election of officers until the March 18th BEDC meeting. The motion was seconded by Wayne Browning and carried unanimously.

Agenda Item # 11

Consideration and Action Regarding Seidel & Schroeder's Annual Audit of the City of Bellville

David Ottmer commented on remarks regarding BEDC's accounting procedures that were included in Seidel & Schroeder's audit of the City of Bellville, and asked Carolyn to respond to those remarks. Carolyn presented Board members with copies of the Schedule of Findings from the audit, bank statements, bank reconciliation detail reports, and general ledger reports for July and August of 2007. She went over the beginning and ending balance numbers, explaining that any difference in the bank statement balance and general ledger was due to the outstanding checks and checks written in previous months that were not listed on the general ledger report for that month. She also presented the Board with Internal Control statements for BEDC for the past 3 years, which detail the accounting practices for the corporation, noting that all disbursements were approved by the entire Board prior to any checks being written and that all banking transactions required 2 signatures. Finally, she presented copies of a letter from Pamela Cernoch, Sr. Vice President of Industry State Bank stating that the bank had purchased a \$100,000.00 Insurance Bond for the benefit of BEDC for the purpose of covering any funds not covered by the FDIC. Carolyn reiterated that BEDC funds had not been at custodial risk as was reported in the audit. Copies of the Bank Deposit Guaranty Bond were also presented to the Board for their information. David Ottmer reported to the Board that some information requested by the auditor had been sent 2 and 3 times. The consensus among the Board was that there should be a letter from the auditor attesting to these correct procedures added to the audit report. Carolyn will call Seidel & Schroeder and request the letter.

Agenda Item #12

Committee Reports and Any Related Action

There were none.

Agenda Item # 13

Executive Director's Comments and Any Related Action

Carolyn Gibson presented Board members with the Sales & Use Tax Revenue Report prepared by Steven Kutra with the City of Sealy, commenting that Bellville's sales tax numbers were up 7.67% over the same period for 2007, to \$62,657.97. She also pointed out that Brenham's sales tax income was down .48% over the same period. Carolyn reminded the Board of the statutory obligation of their completion of Open Meetings Act and Public Information Act training courses, noting that she had certificates of completion on file for David Ottmer, Denise Haugen, Angela Franks, Allene Schmitt, and herself. Wayne Browning stated that he had taken the courses through the city and Carolyn will obtain a copy of his certificate. February and March dates to remember pages were given to the Board, and she encouraged attendance at the TxDOT Public Hearing for I-69/TTC in Sealy February 26th. The brochure for the 42nd Annual Texas Legislative Conference was presented, listing BEDC as an Associate Sponsor. BEDC has 8 tickets for the event- Carolyn Gibson, David Ottmer, Angela Franks and Allene Schmitt will attend. Delwin Rettig and Wayne Browning were not sure. City officials will be invited to fill the remaining places.

Carolyn reported that she would attend the Blinn College Board of Trustees meeting that evening, giving the Board a copy of the agenda which had, as item #8, "Review and Action to Approve a Lease for the

Sealy Campus Facilities". Several Austin County residents, including the County Judge, will be in attendance to show support for renewing the lease for the Sealy campus. Finally, copies of: ARCIT Local Official Advisory Board meeting agenda, an article from the Sealy News on the Business Class on communications, articles from the Small Business Advocate, a list of city appointed board members, a letter from BISD Superintendent John Conley regarding the AEIS report, Texas Public Education Reform's Statewide Education Summit April 18th, a listing of economic development related legislative issues from Texas Association of Counties, LCRA/TLI's Grant Writing Workshop March 5&6, and Financing for Small Businesses seminar February 21st in Brenham, Sealy Citizen's Forum February 21st, an article from the Houston Chronicle on skateboard parks, and a complete set of information on the Clark Park Certificate of Obligation for the Board's information.

Agenda Item # 14
Questions and Comments from Board Members

David Ottmer reported that the Austin County Tax Assessor/Collector had moved into the new office at 804 Wendt Street, and that all early voting, which began that day, was taking place at that location. Delwin Rettig stated that he had questions about the contractual obligation to the Chamber, that of BEDC's annual budget, \$65,000.00 was for administrative expenses and \$75,000.00 was for bond repayment; noting that that was an expenditure of \$140,000.00 before any money could be given for expansion of businesses. He would like to review the mechanics of operations of BEDC at the joint workshop with City Council March 18th.

The BEDC/City Council join workshop was discussed, and it was decided that the joint meeting would be held at the Sens Center, with a pot luck type lunch. Carolyn & Lynn Roberts will make arrangements.

Adjournment

There being no further business to come before the Board, Angela Franks made a motion to adjourn which was seconded by Wayne Browning. President Ottmer adjourned the meeting at 4:41pm.

Carolyn Gibson, Recording Secretary