

CITY OF SANGER, TEXAS

MINUTES: CITY COUNCIL WORK SESSION
February 20, 2018, 6:00 P. M.
502 Elm Street, Sanger, Texas

COUNCIL MEMBERS PRESENT: Mayor Thomas Muir, Councilman Bill Boutwell, Councilman Gary Bilyeu, Councilman Lee Allison, Councilman David Clark, Councilman Allen Chick

COUNCIL MEMBERS ABSENT: None

The Mayor and all five (5) Council Members were present constituting a quorum.

STAFF MEMBERS PRESENT: Alina Ciocan, Acting City Manager; Clayton Gray, Director of Finance; Cheryl Price, City Secretary

1. Call Meeting to Order.

The City Council Work Session was called to order by Mayor Muir at 6:00 PM on Tuesday February 20, 2018.

2. Overview of 2016 Audit for Fiscal Year End 2016-2017.

Finance Director Clayton Gray introduced Jon Watson of BrooksWatson & Company. He stated that Mr. Watson would provide a summary of the 2016-2017 audit. He noted that Mr. Watson has been a partner in the firm for a long time. Last year there was a name change from Brooks Cardiel to BrooksWatson & Company. Jon Watson provided a power point overview of the audit process and summarized components of the Annual Financial Report. He noted that the four possible outcomes of an Independent Auditor's Report are: Unmodified, Modified, Disclaimed and Adverse. The City of Sanger received an Unmodified opinion which is the highest level of assurance that can be received. He presented financial highlights noting that that total assets exceeded total liabilities by \$32,787,027. The City's governmental funds reported a combined ending fund balance of \$4,077,155, an increase of \$138,149. unassigned fund balance in the general fund was \$3,190,939 or 57% of annual general fund expenditures. The City had an overall increase in net position of \$4,654,389 for the year. Net pension liability was \$1,135,013, a decrease of \$22,991. He provided a statement of Revenues, Expenditures and Changes in Fund Balance (Budget and Actual); and, Changes in Net Position. He also provided a schedule of changes in Net Pension Liability and Related Ratios. There was a lengthy question and discussion period with the Mayor and Councilmembers regarding the various aspects of the audit presentation. The Mayor and Council thanked Jon Watson for coming to the meeting and providing the detailed audit summary.

3. Overview of Items on Regular Agenda.

No overview of items.

4. Adjourn.

There being no further business, Mayor Muir adjourned the meeting at 7:10 PM.