

**MINUTES  
CITY OF TEAGUE  
BOARD OF ALDERMEN  
SPECIAL CALLED MEETING  
JUNE 10, 2019 6:00 P.M.**

1. **CALL TO ORDER AND ANNOUNCE QUORUM IS PRESENT:** *The meeting was called to order at 6:00 P.M. by Mayor James Monks and a Quorum was announced with all present Aldermen seated at their respective places.*
2. **INVOCATION:** *Alderman Mathison*
3. **PLEDGE TO THE FLAG:** *Alderman Hertenberger*
4. **ROLL CALL:** *Present: James Monks, Mayor, Jerry Ballew, Mayor Pro Tempore / Alderman Place I, Rhonda Jones, Alderman Place II, Marie Hertenberger, Alderman Place III and Ryan Mathison, Alderman Place V. Absent Chris Nickleberry, Alderman Place IV*
5. **VISITORS/CITIZENS COMMENTS:** *At this time, any person with business before the Council not scheduled on the Agenda may speak to the Council for a maximum of three (3) minutes. No formal action can be taken on these items at this meeting. None*
6. **NEW BUSINESS:**
  - a. Receive the findings of the Fiscal Year 2017-2018 Financial Audit, completed by The Accounting Firm of Donald L. Allman, C.P.A., PC.  
*Mayor Monks announced that Mr. Allman was running a few minutes late. Alderman Ballew moved to postpone this item until Mr. Allman arrives, seconded by Alderman Mathison. Motion carried 4-0.*

*Mr. Allman thanked Theresa Prasil and Allyse Long for their great work and help with the audit. He then presented the findings from the Fiscal Year 2017-2018 Financial Audit, noting:*

- *Identified an estimated \$1,000,000 in prior adjustments that the prior auditing firm did not make.*
- *The City's combined General Fund and Proprietary (Water and Sewer) Fund net position was \$5,077,084 for the Fiscal Year 2018. (Page 4)*
- *The City had a net position increase of \$365,354. (Page 4)*
- *The City had a net position increase of \$134,219 before transfers on a governmental fund's basis in the General Fund. (Page 4)*
- *Total increase in assets \$200,000. (Page 6)*
- *Total assets were \$7,300,000. (Page 6)*
- *Total decrease in liabilities \$200,000. (Page 6)*
- *Total liabilities were \$400,000. (Page 6)*
- *Total liabilities were \$1,900,000. (Page 6)*
- *Net Position increased by \$300,000. (Page 6)*
- *Charges for service decreased \$300,000. (Page 7)*
- *Operating grants increased \$100,000. (Page 7)*
- *Sales Tax and Property Taxes stayed the same. (Page 7)*
- *Investment Earnings increased \$100,000. (Page 7)*
- *Total Revenues total \$3,800,000 down \$100,000 from prior year. (Page 7)*
- *Total Expenses decreased \$700,000. (Page 7)*
  - *General Government stayed the same*
  - *Public Safety decreased \$200,000*
  - *Highways and Streets stayed the same*
  - *Cultures and Recreation increased \$100,000*

- Library decreased \$100,000
- Economic Development stayed the same
- Water and Sewer decreased \$700,000
- Net Position had an increase of \$400,000 compared to the prior year's \$200,000 decrease.  
(Page 7)

Mr. Allman's final comment was that the 2018 was a much better year financially than the prior.

Alderman Ballew referenced page 10 of the findings and stated that currently all of our assets are in the Water and Sewer Fund and asked is this a common practice?

Mr. Allman responded; this was part of the \$1,000,000 prior auditors' audit entry errors.

Alderman Ballew moved to accept the report given in 6 A, seconded by Alderman Hertenberger. Motion carried 4-0.

- b. Review, discussion and possible action on the proposals for the City's primary depository banking services.

Allyse Long, Bookkeeper, presented Citizens State Bank and Prosperity Bank's primary depository banking proposals received in response from the recent request issued by the City.

Motion to switch the City's accounts to Prosperity Bank for the purpose of primary depository service was made by Alderman Hertenberger, seconded by Alderman Jones. Motion carried 2-0-2 (Abstaining Alderman Ballew and Alderman Mathison).

- c. Discussion and possible action on approving a proposal for the City's primary depository banking services and authorizing the Mayor and the City Administrator / Secretary to execute the necessary documents.

Alderman Ballew moved to approve Prosperity's proposal and authorize the Mayor and the City Administrator to execute the necessary documents, seconded by Alderman Hertenberger. Motion carried 3-0-1 (Abstaining Alderman Mathison).

At 6:12 P.M. Don Allman, C.P.A. entered the meeting and Item 6 A was brought back to the table.

- d. Discussion and possible action on approving the proposal to convert the City's operating software to FundView.

Alderman Ballew moved to postpone Item 6 D until the next Regular Called Meeting, seconded by Alderman Mathison. Motion carried 4-0.

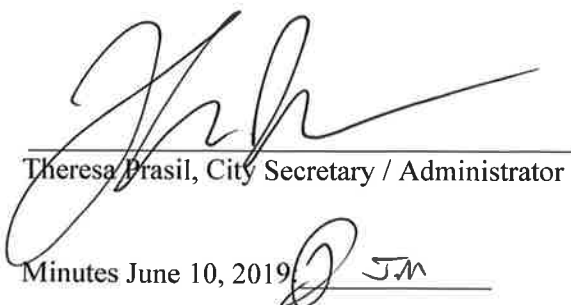
- e. Discussion and possible action on authorizing the City Administrator / Secretary to draft and seek Request for Qualifications for bond counsel.

Motion to approve Item 6 E as written was made by Alderman Ballew, seconded by Alderman Mathison. Motion carried 4-0.

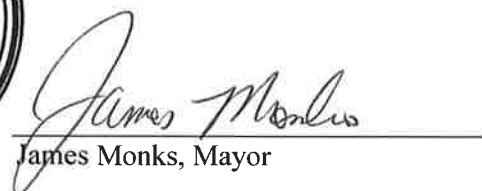
7. **ADJOURN:** Mayor Monks adjourned the meeting at 6:31 P.M.

The meeting adjourned.

The City of Teague,

  
Theresa Brasil, City Secretary / Administrator



  
James Monks, Mayor