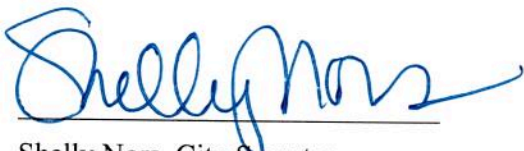


SPECIAL CALLED MEETING: JANUARY 19, 2021

1. Call to order: Mayor Muska called the special called meeting to order at 5:31 p.m.
2. Roll Call: Natalie Kelinske, Steve Vanek, David Pratka, Joe Pustejovsky, Jimmy Doherty, and Mayor Tommy Muska were all present.
3. Bill Sanders was present to discuss the 2019 – 2020 financial audit for the city. He stated the city had three major capital outlay projects during the 2019 – 2020 fiscal year. These projects included Marable Street, City Hall renovation, and the Community Center renovation. Here is an overview of the audit: the cities assets exceeded its liabilities by \$23,735.925, this compares to the previous year when assets exceeded liabilities by \$23,904.945. The city's governmental fund reported an ending fund balance of \$1,265,115 this year, which is a decrease of \$1,097,007 under the prior year, due to the spending on the three capital projects. The water and sewer fund experienced a \$93,499 surplus this year, almost exclusively due to transfers to the general fund to help pay for the Marable Street improvements. At the end of the fiscal year, the City had total bonded debt outstanding of \$2,405,000. This amount is supported by pledged revenues generated by the business-type activities of the City. During the year, we paid \$330,000 on the two bond issues. During fiscal 2005, the City entered into an agreement to sell the pipeline that we built in 2002 to the City of Waco, and simultaneously bought the rights to 1,000,000 gallons of water per day from Waco for the next forty years. No cash will trade hands in this agreement, as payments to Waco for water will be offset by payments to West for the pipeline. As of September 30, 2020, the City's deposits with financial institutions in excess of federal depository insurance limits were fully collateralized. The book balances of the City's deposits were \$1,876,578, of which \$500,000 were covered by FDIC insurance and \$1,376,578 were collateralized by United States Government securities with a market value of \$3,077,899, held by independent financial institutions. As of September 30, 2020, the City's investments in LOGIC totaled \$6,707,450, and were rated AAA by Standard & Poor's. There was a \$295,891 change of benefit terms in TMRS this past year. The discount rate used to measure the total pension liability was 6.75%. The projection of cash flows used to determine the discount rate assumed that employee and employer contributions will be made at the rates specified in statute. Based on that assumption, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all period of projected benefit payments to determine the total pension liability. The net TMRS liability is (\$16,212) which is ahead of schedule, in 2018 it was (\$193,279) ahead of schedule. Mayor Muska advised the council to review the 2019 – 2020 financial audit and to be prepared to discuss/approve at the February council meeting.
4. Council adjourned at 6:13 p.m.



Shelly Nors, City Secretary



Tommy Muska, Mayor