



## **CITY OF ANNA AGENDA NOTICE – CITY COUNCIL WORKSHOP**

**March 25, 2014**

**6:30 p.m. – Anna City Hall Administration Building**

The City Council of the City of Anna will meet in Workshop Session at 6:30 p.m., March 25, 2014, at the Anna City Hall Administration Building, located at 111 N. Powell Parkway (Hwy 5), regarding the following items:

1. Call to Order.
2. Roll Call and Establishment of Quorum.
3. **CLOSED SESSION (EXCEPTIONS):** Under Tex. Gov't Code Chapter 551, the City Council may enter into closed session to discuss any items listed or referenced on this agenda under the following exceptions:
  - a. consult with legal counsel regarding pending or contemplated litigation and/or on matters in which the duty of the attorney to the governmental body under the Texas Disciplinary Rules of Professional Conduct of the State Bar of Texas clearly conflicts with Chapter 551 of the Government Code (**Tex. Gov't Code §551.071**);
  - b. discuss or deliberate the purchase, exchange, lease, or value of real property (**Tex. Gov't Code §551.072**);
  - c. discuss or deliberate Economic Development Negotiations: (1) To discuss or deliberate regarding commercial or financial information that the City has received from a business prospect that the City seeks to have locate, stay, or expand in or near the territory of the City of Anna and with which the City is conducting economic development negotiations; or (2) To deliberate the offer of a financial or other incentive to a business prospect described by subdivision (1). (**Tex. Gov't Code §551.087** ); proposed retail development, Villages of Hurricane Creek.

1. The Council may vote and/or act upon each of the items listed in this agenda.
2. The Council reserves the right to retire into executive session concerning any of the items listed on this agenda, whenever it is considered necessary and legally justified under the Open Meeting Act.
3. Persons with a disability who want to attend this meeting who may need assistance should contact the City Secretary at 972 924-3325 two working days prior to the meeting so that appropriate arrangements can be made.

- d. discuss or deliberate personnel matters: City Secretary Update; **(Tex. Gov't Code §551.074)**.

The council further reserves the right to enter into executive session at any time throughout any duly noticed meeting under any applicable exception to the Open Meetings Act.

5. Consider/Discuss/Action on any items listed on posted agenda for March 25, 2014 City of Anna City Council Regular Meeting or any Closed Session occurring during this Workshop, as necessary.
6. Adjourn.

This is to certify that I, Natha Wilkison, City Secretary, posted this agenda at a place readily accessible to the public at the Anna City Hall and on the City Hall bulletin board at or before 5:00 p.m., March 21, 2014.

*Natha Wilkison*

Natha Wilkison, City Secretary

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## **CITY OF ANNA AGENDA NOTICE – CITY COUNCIL REGULAR MEETING**

**March 25, 2014**

**7:30 p.m. – Anna City Hall Administration Building**

The City Council of the City of Anna will meet in Regular Session at 7:30 p.m., March 25, 2014, at the Anna City Hall Administration Building, located at 111 North Powell Parkway (Hwy 5), to consider the following items.

*Welcome to the City Council Meeting. Please sign the Sign-In-Sheet as a record of attendance. If you wish to speak on an open-session agenda item please fill out the Opinion/Speaker Registration Form and turn it in to the City Secretary before the meeting starts.*

1. Call to Order.
2. Invocation and Pledge of Allegiance.
3. Citizen comments. *Citizens are allowed 3 minutes to speak. The Council is unable to respond to or discuss any issues that are brought up during this section that are not on the agenda, other than to make statements of specific factual information in response to a citizen's inquiry or to recite existing policy in response to the inquiry.*
4. Receive reports from Staff or the City Council about items of community interest. *Items of community interest include: expressions of thanks, congratulations, or condolence; information regarding holiday schedules; an honorary or salutary recognition of a public official, public employee, or other citizen (but not including a change in status of a person's public office or public employment); a reminder about an upcoming event organized or sponsored by the governing body; information regarding a social, ceremonial, or community event organized or sponsored by an entity other than the governing body that was attended or is scheduled to be attended by a member of the governing body or an official or employee of the municipality; and announcements involving an imminent threat to the public health and safety of people in the municipality that has arisen after the posting of the agenda.*

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5. Consent Items. *These items consist of non-controversial or “housekeeping” items required by law. Items may be considered individually by any Council member making such request prior to a motion and vote on the Consent Items.*
  - a. Approve City Council Minutes for March 11, 2014 Regular Meeting
6. Presentation of the FY 2013 Audit. (Clayton Fulton)
7. Review the FY 2015 Budget Calendar. (Clayton Fulton)
8. Briefing/Discussion regarding Collin County roadway bond project. (City Manager)
9. CLOSED SESSION (EXCEPTIONS): Under Tex. Gov’t Code Chapter 551, the City Council may enter into closed session to discuss any items listed or referenced on this agenda under the following exceptions:
  - a. consult with legal counsel regarding pending or contemplated litigation and/or on matters in which the duty of the attorney to the governmental body under the Texas Disciplinary Rules of Professional Conduct of the State Bar of Texas clearly conflicts with Chapter 551 of the Government Code (**Tex. Gov’t Code §551.071**);
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  - c. discuss or deliberate Economic Development Negotiations: (1) To discuss or deliberate regarding commercial or financial information that the City has received from a business prospect that the City seeks to have locate, stay, or expand in or near the territory of the City of Anna and with which the City is conducting economic development negotiations; or (2) To deliberate the offer of a financial or other incentive to a business prospect described by subdivision (1). (**Tex. Gov’t Code §551.087**); proposed retail development; Villages of Hurricane Creek.
  - d. discuss or deliberate personnel matters: City Secretary Update. (**Tex. Gov’t Code §551.074**).

The council further reserves the right to enter into executive session at any time throughout any duly noticed meeting under any applicable exception to the Open Meetings Act.

1. The Council may vote and/or act upon each of the items listed in this agenda.
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10. Consider/Discuss/Action on any items listed on posted agenda for March 25, 2014 Workshop Session or any closed session occurring during this Regular Meeting, as necessary.
11. Adjourn.

This is to certify that I, Natha Wilkison, City Secretary, posted this agenda at a place readily accessible to the public at the Anna City Hall and on the City Hall bulletin board at or before 5:00 p.m. March 21, 2014.

*Natha Wilkison*

Natha Wilkison, City Secretary

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## City of Anna City Council Agenda Staff Report

Council Meeting: March 25, 2014

Staff Contact: Clayton Fulton

Account Code #: N/A

Date Prepared: 3/20/2014

Budgeted Amount: N/A

Exhibits:  Yes       No

**AGENDA SUBJECT:** Presentation and approval and the Fiscal Year 2013 Audit Report

**SUMMARY:** LaFollett & Abbott PLLC performed the City's annual audit. Rod Abbott of the firm will present the FY 2013 Audit and will be available to answer questions.

The auditors have presented an Unmodified Audit Opinion (Clean Opinion) of the City's financial statements. This means the audit is a clean representation of the City's financial position as illustrated by the audit.

As part of the auditor's testing and review, they noticed a weakness in the Finance Department's year-end reconciliation of the Capital Projects Fund. Accounting standards require revenues and expenditures to be recorded in the period in which they occur. A significant number of capital projects occurred throughout the course of FY 13. Many of these projects had contractors performing work before the end of FY 13 that was not billed until FY 14. Accounting rules require the City to record the payment liability for work performed but not yet paid at year end. Staff did not receive some invoices from contractors prior to the close of the last fiscal year and as a result the corresponding liability was not recorded to the 2013 fiscal year. No funds were misappropriated and no contractors went unpaid. However, staff did not record the liability ensuring the financial position of the Capital Projects Fund was properly illustrated at year-end.

This oversight is identified in the audit because staff did not notice the error and correct it prior to the auditor beginning his field work. The city's auditor identified the error, which staff quickly understood and provided the information necessary to correct. Working with staff, the auditor made an adjustment to the Capital Projects Fund's financial statements so that they are a clean representation of our financial position (Unmodified Opinion). Staff sees this finding as an opportunity to improve our year end reconciliation in the Capital Projects Fund and is already developing a policy on year-end reconciliation for the Capital Projects Fund.

The auditor also has an ongoing recommendation from the FY 12 audit for accounting for the EDC/CDC. Staff developed a strategy to work with the EDC/CDC at the close of the FY 12 audit

to make improvements in the timely reconciliation of financial data and transactions. As we began to implement the plan, it became apparent that the plan needed to be altered. As such, a formal agreement between the EDC/CDC and the City has been reached. This agreement calls for the EDC/CDC to provide prior month financial information to the City on or about the 15<sup>th</sup> of every month. City staff will enter this information to our accounting program and perform monthly reconciliations.

Finally, the auditor also recommended that we implement best practices in accounting for capital projects related to each specific Fund. Staff is working with our accounting consultant on a strategy to implement these practices.

**RECOMMENDATION:** Staff recommends that the City Council approve the FY 2013 Audit.



## City of Anna City Council Agenda Staff Report

Council Meeting: March 25, 2014

Staff Contact: Clayton Fulton

Account Code #: N/A

Date Prepared: 3/20/14

Budgeted Amount: N/A

Exhibits:  Yes       No

**AGENDA SUBJECT:** Review 2015 Budget Calendar

**SUMMARY:** The Local Government Code and our City Charter provide guidelines for the process of adopting the annual budget. In order to fund our annual budget, the City must also adopt a property tax rate (tax rate). The process for adopting the tax rate is stipulated in the Tax Code. Adopting the budget and tax rate goes hand in hand; therefore the budget calendar presented below incorporates the requirements of Texas Code and our City Charter for adopting the annual budget and tax rate.

The calendar highlights the important dates and deadlines that must be met in order to pass the FY 15 budget and tax rate in the early part of September 2014. Dates in blue highlight various requirements that staff will complete; dates in gray highlight public meetings with the City Council; dates in orange are publication dates; and dates in red are holidays.

Every effort has been made to keep to our regularly scheduled council meetings. The only exceptions are July 29 and September 2. This is to ensure that adequate time and attention are devoted to the budget process prior to its adoption. Additionally, the proposed schedule provides for the budget and tax rate adoption in early September. The early time table allows council and staff the ability to modify the schedule as needed while maintaining our ability to adopt and establish the budget in a timely manner.

Additionally, staff is beginning work on the budget one month earlier than last year. This is done so that council and staff can hold additional budget workshops on our regularly scheduled council meetings. We will provide 7 budget oriented workshops prior to submittal of the draft budget on July 22.



**City of Anna  
City Council Agenda  
Staff Report**

Council Meeting: March 25, 2014  
Account Code # \_\_\_\_\_  
Amount: \_\_\_\_\_

Staff Contact: City Manager

Exhibits: X Yes       No

**AGENDA SUBJECT:** Briefing/Discussion regarding Collin County roadway bond projects.

**SUMMARY:** In 2007, Collin County approved a bond program designed to assist cities in Collin County with the construction of certain roadway infrastructure projects. Staff will provide an update regarding a potential opportunity to fund improvements to Ferguson Parkway and FM 455 (west of US 75) with the funds from the Collin County bond program.