

**MINUTES
MEETING OF THE CITY COUNCIL
OF THE CITY OF SAN SABA
February 9, 2015**

Members in attendance were: Ken Jordan – Mayor
Martha Leigh Whitten – Mayor Pro Tem
Mark Anthor – Alderman
Shawn Oliver – Alderman
Oleta Behrens – Alderman
Stan Weik – City Manager

Charlie Peeler, Alderman, was absent.

Others present were: Sabrina Maultsby – City Secretary
Charlene Lindsay – Finance Director
Susie Jimenez – City Employee
Shayna Grant – City Employee
Jason Vogel – City Employee
Luis Rios – City Employee
Scott Glaze – City Employee
Denver Daniel – City Employee
Dwayne Shaw – Police Chief
Misty Maldonado – Police Sergeant
Elessandra Capps – Police Officer
Adam Hernandez – Police Officer
Tony Guidroz – City Employee
Jamey Wigley – General Manager CTTC
Jimmy Horton – CTTC
Trent Tupin – CTTC
Charlie Leverett – CTTC
Perry Been – WAY Company
Larry Jones – WAY Company
Richard Givens – WAY Company
Kevin Shahan - Auditor
Alice Smith – San Saba News & Star

At 6:00 p.m. Mayor Jordan called the meeting to order, announced a quorum present, and Alderman Oliver led the invocation and pledges.

PUBLIC COMMENTS: None

PRESENTATIONS:

Luis Rios, City Employee with the Street Department, was selected as the Employee of the Month for February. Scott Glaze and Alderman Oliver presented Luis with a plaque with his name on it and a gift certificate to a local restaurant. Jason Vogel, Animal Control Officer was selected as Supervisor

of the Quarter. Scott Glaze and Alderman Oliver presented Jason with a plaque with his name on it and a gift certificate to a local restaurant as well.

Jamey Wigley, General Manager of Central Texas Telephone Cooperative updated the Council on the Final Phase of the Fiber Optic Cable installation. He explained, they have a good working relationship with the City and that TEXUS will be the contractor for the Final Phase.

Dwayne Shaw, Chief of Police introduced the two new Police Officers that were hired with the City of San Saba Police Department as of January 17th. He first introduced Adam Hernandez and second was Elessandra Capps.

Perry Been of THE WAY COMPANIES gave a brief presentation and provided a power point regarding the services their company can provide for the City of San Saba. He explained they are a full service, fourth generation, Mechanical Company that was started in 1918 by Mr. Way. Mr. Been said they have companies in Austin, Houston, and Beaumont. He explained they would do a full analysis of all City owned buildings at no cost to the City. Mr. Been also said we were under no obligation to commit to an agreement after the analysis is complete.

CONSENT AGENDA:

On a motion by Alderman Oliver, seconded by Mayor Pro-Tem Whitten, Council unanimously approved the following: minutes from the January 12, 2015 council meeting; payment of bills; approved Joint Election Agreement with SSISD; approved Notice of Joint School & City Election; approved Order of Election; approved the First Amendment to the Amended and Restated Wholesale Power Agreement by and between the Lower Colorado River Authority (“LCRA”) and the City of San Saba to change from a three year Agreement to a one year Agreement; and approved Resolution No. 2015-02 waiving ordinance defining noise nuisances at Mill Pond Gazebo February 14, 2015.

JOINT ELECTION AGREEMENT

This Agreement is entered into between the City of San Saba acting herein by and through its City Council, and the San Saba Independent School District acting by and through its Board of Trustees for the purpose of conducting joint elections for members of their respective governing bodies, do hereby agree as follows:

1. The San Saba Independent School District and City of San Saba mutually agree to conduct a joint election at the City Council Chambers at 303 S. Clear Street, San Saba, Texas on May 9, 2015 and;
2. The San Saba Independent School District will authorize the City of San Saba to appoint Election Officials and set compensation at an hourly rate not less than the federal minimum hourly wage, and
3. The San Saba Independent School District will reimburse the City of San Saba one-half (1/2) of all costs incurred from joint election, and;
4. In the event either entity is not required to hold an election, the entity conducting an election will be responsible for all election expenses; and
5. The San Saba Independent School District will authorize the City of San Saba to conduct all aspects of the early voting and will reasonably compensate the City of San Saba for rental of council chambers to conduct the early voting and election day, and;

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- 6. Each entity will provide its own ballot box, its own ballots, canvass their own election results, and issue certificates of election to candidates elected, and;
- 7. Each entity will be the custodian for their election records.
- 8. Per Section 141.040 of the Election Code, the City Secretary will prepare the joint filing period notice to be posted at each filing authority entity.
- 9. The City of San Saba will publish the joint applicable Notice of Election in the San Saba News & Star.

**PASSED AND APPROVED THE
2015**

9TH DAY OF FEBRUARY, 2015

PASSED AND APPROVED THE 9TH DAY OF FEBRUARY,

**Kim Kirk, President
San Saba ISD Board of Trustees**

**Kenneth G. Jordan, Mayor
City of San Saba**

NOTICE OF JOINT SCHOOL AND CITY ELECTION

La NOTA DE la ELECCION CONJUNTA de la ESCUELA Y la CIUDAD

To the Registered Voters of San Saba, Texas:
(A los votantes registrados del San Saba, Texas;)

Notice is hereby given that the polling place listed below will be open from 7:00 a.m. to 7:00 p.m., on May 9, 2015, for voting in a joint school/city election to elect three (3) School Board Trustees for a term of three (3) years each and three (3) City Council Aldermen for a term of two (2) years each.

Advierta por la presente es dado que el centro electoral listó estará abajo abierto de 7:00 de la mañana a 7:00 de la tarde, en el 9 de mayo de 2015, para votar en una escuela conjunta/la elección de la ciudad para elegir tres (3) Fideicomisarios de la Tabla de la Escuela para un término de tres (3) años cada v Un alcalde v tres (3) Regidores de ayuntamiento para un término de los (2) años cada.

**LOCATION OF POLLING PLACES:
La UBICACION DE CENTROS ELECTORALES:**

City of San Saba's Council Chambers
Ciudad de San Saba Council Chambers

Early voting by personal appearance will be conducted each weekday at:
Votando temprano por la apariencia personal será conducido cada día laborable en:

City of San Saba's Council Chambers
Ciudad de San Saba Council Chambers

Beginning on April 27th, 2015 and ending on May 5th, 2015. Early voting hours are as follows:
April 27th and April 28th 7 a.m. to 7 p.m. April 29th to May 5th 8 a.m. to 5 p.m.

El principio en el 27th de abril de 2015 y la conclusion en el 5th de mayo de 2015.
de abril 27th el 7 a.m. y 7 p.m. de abril 28th el 7 a.m. y 7 p.m.; de abril 29th -
de mayo 5th el 8 a. m. y 5 p.m.

Applications for ballot by mail shall be mailed to:
Las aplicaciones para la votación por el correo serán enviadas a:

Mrs. Sabrina Maultsby

San Saba City Hall, 303 S. Clear, P.O. Box 788
(Address) (Direccion)

San Saba, Texas 76877

(City) (Ciudad) (Zip Code) (Zona Postal)

Applications for ballots by mail must be received no later than the close of business on April 24, 2015.

Las aplicaciones para votaciones por el correo se deben recibir no luego que el cerrar del negocio en el 24th de abril de 2015.

Issued this the 9th of February, 2015
Publicado este el 9th de febrero, 2015
Kim Kirk

Signature of San Saba I.S.D.'s Presiding Officer
La firma de la San Saba I.S.D.'s que Preside A Oficial

Issued this the 9th of February, 2015
Publicado este el 9th de febrero, 2015
Kenneth G. Jordan

Signature of City of San Saba's Presiding Officer
Ciudad de San Saba es Presidir a Oficial

ORDER OF ELECTION

An election is hereby ordered to be held on May 9, 2015 for the purpose of:

Electing three (3) School Board Trustees for a term of three (3) years each, and three (3) City Council Aldermen for a term of two (2) years each.

Early voting by personal appearance will be conducted each weekday at:

The San Saba City Hall Council Chambers, 303 S. Clear

Beginning on April 27th and ending on May 5th early voting hours are as follows: April 27th -- April 28th 7 a.m. to 7 p.m.; April 29th – May 5th 8 a.m. to 5 p.m.

Applications for ballot by mail shall be mailed to:

**Mrs. Sabrina Maultsby
San Saba City Hall, 303 S. Clear Street
San Saba, Texas 76877**

Applications for ballots by mail must be received no later than the close of business on April 24th, 2015.

Issued this the 9th of February, 2015 Issued this the 9th of February, 2015

**Signature of Presiding Officer-
San Saba ISD**

**Signature of Presiding Officer -
City of San Saba**

La ORDEN DE la ELECCION

Una elección por la presente se ordena ser tenido en el 9 de mayo de 2015 para el propósito de:
Elegir a tres (3) Fideicomisarios de la Tabla de la Escuela para un término de tres (3) años cada, y un Alcalde y tres (3) Regidores de ayuntamiento para un término de tres (3) años cada.
Votando temprano por la apariencia personal será conducido cada día laborable en:

Ciudad de San Saba Council Chambers, 303 S. Clear

El principio el 27th de abril 2015 y la conclusion en el 5th de mayo de 2015.
de abril 27th – abril 28th alas 7 a.m. - 7 p.m.;
abril 29th - mayo 5th alas 8 a.m. - 5 p.m.

Las aplicaciones para votaciones por correo deberian estar enviados a:

Senora Sabrina Maultsby
San Saba City Hall, 303 S. Clear
San Saba, TX 76877

Las aplicaciones para votaciones por el correo se deben recibir no luego que el cerrar del negocio en: el 24 de abril de 2015

Publicado este el 9th Febrero, 2015

Publicado este el 9th Febrero, 2015

La firma de San Saba I.S.D.'s que Preside a Oficial

La firma de la Ciudad de San Saba es Presidir a Oficial

RESOLUTION 2014-03

**A RESOLUTION OF THE CITY OF SAN SABA TO WAIVE AN
ORDINANCE DEFINING NOISE NUISANCES**

WHEREAS, the City of San Saba desires to regulate and oversee any unreasonable loud, disturbing, unnecessary noise which causes material distress, discomfort or injury to persons of ordinary sensibilities in the immediate vicinity.

WHEREAS, the playing of any radio, phonograph or other musical instrument in such manner or with such volume, particularly during the hours between 10 p.m. and 7 a.m. as to annoy or disturb the quiet, comfort or repose of persons of ordinary sensibilities in any dwelling, hotel or other type of residence is prohibited.

WHEREAS, Rebecca Cervantez, 1606 Dugger Circle, Killeen, Tx, has asked the City Council to waive Ordinance No. 1967-4 to allow music to be played at the Gazebo at Mill Pond Park on March 22nd, 2014 until 12:00 midnight.

NOW THEREFORE BE IT RESOLVED, that the City Council of the City of San Saba is hereby authorizing the playing of music from 10:00 to 12:00 midnight on March 22, 2014 at the Gazebo at Mill Pond Park.

Passed and approved this 10th day of February, 2014.

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FIRST AMENDMENT TO AMENDED AND RESTATED
WHOLESALE POWER AGREEMENT

This First Amendment ("First Amendment") to the Amended and Restated Wholesale Power Agreement by and between the Lower Colorado River Authority ("LCRA") and City of San Saba ("Customer") dated April 21, 2011 (the "Agreement") is made and entered into as of _____, 20__ (the "Effective Date"). LCRA and Customer may be referred to individually as a "Party" or collectively as "Parties."

I. Recitals

WHEREAS, Customer has requested that LCRA amend certain terms in the Agreement;

WHEREAS, LCRA and the Customer agree that it is in their best interests to make certain amendments to the terms of the Agreement as described herein;

NOW THEREFORE, for the good and valuable consideration and mutual promises contained herein, the Parties agree as follows:

II. Agreement

- 1. Article 3.6.2 of the Agreement is deleted in its entirety and replaced with the following subsection:

3.6.2 After the Initial Notice has been provided to LCRA, Customer may notify LCRA in writing not more frequently than once each twelve (12) month period ("Notice of Decrease") that it will further reduce the percentage of Customer's Electric Energy Requirements to be supplied by LCRA under this Agreement. Any reduction of Customer's Electric Energy Requirements shall be five percent (5%) of Customer's Electric Energy Requirements per Notice of Decrease, and shall become effective with the monthly billing cycle first beginning after the first anniversary of the date of the Notice of Decrease. Except as provided in Article 3.6.7, Customer may not purchase from LCRA less than sixty five percent (65%) of Customer's Electric Energy Requirements ("Customer's Minimum Load Obligation").

- 2. Article 3.6.5 of the Agreement is deleted in its entirety and replaced with the following subsection:

3.6.5 With the exception of the Initial Notice and the provisions in Article 3.6.6, and any waiver agreed to by the Customer and LCRA under Article 3.6.3, Customer agrees that in exercising Customer's options under this Article 3.6 LCRA shall not have less than twenty-four (24) months notice of any increase in the percentage of Customer's Electric Energy Requirements to be served by LCRA under this Agreement, or less than twelve (12) months notice of any decrease in the percentage of Customer's Electric Energy Requirements to be

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served by LCRA under this Agreement. Customer further agrees that, following any increase or decrease, the percentage of Customer's Electric Energy Requirements to be served by LCRA under this Agreement shall remain in effect for at least twelve (12) months following the increase or decrease.

3. Article 4.8 of the Agreement is deleted in its entirety and replaced with the following language:

4.8. As provided for in Article 4.1, LCRA may include as an expense in its Prices, and will collect, an annual amount (referred to as the "Public Service Fund" or "PSF Charge") equal to not more than three percent (3%) of the budgeted costs in the following cost categories (referred to as "Nonfuel Costs" for the purposes of this Article 4.8) (i) the costs of debt to prepay for capacity and the cost of any imputed debt, pursuant to purchased power agreements, plus (ii) non-fuel production O&M, plus (iii) hydro, plus (iv) total corporate allocable to generation operations, plus (v) debt service allocable to System Capacity or generation operations, plus (vi) debt service arrangements in the nature of debt service coverage amounts established by board policy or amounts required by covenants under bond or other legal debt instruments, in each case allocable to System Capacity or generation operations, plus (vii) Public Service Fund, plus (viii) an allowance for a reasonable amount of liquidity and reserves relating to the operation and maintenance of System Assets, that may be used by LCRA for any corporate purpose. It is the understanding of the Parties that the PSF Charge does not constitute a minimum payment without regard to the provision of energy and shall not be due and owing if there is no energy supplied pursuant to this Agreement. The Parties agree that the PSF Charge is exclusive of and in addition to the obligation of the GenTex Power Corporation to collect through rates and pay to LCRA a contribution to a development fund as set forth in the GenTex Agreement. The Parties further agree that the PSF Charge includes the amount of any contribution to a development or public service fund included in prices for water usage or water reservation.

If at any time the LCRA Board approves a limit on PSF expenditures or a PSF budgeted amount calculated differently than set forth above, the amount to be allocated among all Wholesale Customers will be the lesser of the amount set forth above or the limit or budgeted amount approved by the Board.

If amounts collected for the PSF Charge as a component of Prices in any billing year exceed the limit calculated pursuant to this Article 4.8, any excess will be treated as collected and retained for debt service coverage and will be subject to the provisions of Article 4.7.

LCRA will provide Customer annually with information concerning the nature and amount of all expenditures of the PSF Charge.

The parties will negotiate in good faith to determine if the PSF Charge should be amended following a material change in the scope and nature of LCRA's activities

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in its unfunded public service missions. Also, if the Texas Legislature enacts by statute or the Public Utility Commission of Texas adopts by rule a fundamental change to the ERCOT energy-only market design, then the Parties will negotiate in good faith to determine if the Nonfuel Costs should be amended.

If Customer's share of PSF Charge described in Article 4.8 for any billing year are expected to exceed fifty percent (50%) of such PSF Charge for that year, then (i) Customer's Prices for that billing year will be adjusted to limit Customer's share of PSF Charge described in Article 4.8 to fifty percent (50%) of such PSF Charge for that year, and LCRA will be entitled to deduct from the credit against Power Costs set forth in Article 4.9.1 an amount equal to any resulting reduction in Customer's share of PSF Charge for that billing year, and (ii) the Parties will enter into good faith negotiations for changes to the provisions of this Article 4.8.

- 4. Definition 53 in Appendix A is deleted in its entirety and replaced with the following language:

"Nonfuel Costs" is defined in Article 4.8 of the Agreement.

"PSF Charge" is defined in Article 4.8 of the Agreement.

- 5. The Parties agree that the Agreement, as amended by this First Amendment, constitutes and amended wholesale power agreement for the purpose of Section 19.1 of the Agreement.

III. Miscellaneous

- 1. Except as expressly provided herein, or subsequently agreed by the Parties in writing, all terms and conditions of the Agreement shall be and remain in full force and effect.
- 2. This First Amendment shall be binding upon and inure to the benefit of the permitted successors and assigns of the Parties.
- 3. The persons signing this First Amendment have been fully authorized to execute an amendment to the Agreement.
- 4. This First Amendment constitutes the entire agreement between LCRA and Customer regarding the matters covered herein and supersedes all prior written and oral understandings in connection therewith.
- 5. This First Amendment shall be effective on and as of the Effective Date.
- 6. Any and all disputes, controversies, and claims arising out of, relating to, or in any way connected with the Agreement or this First Amendment shall be settled exclusively by the courts located in Travis County, Texas.

[the remainder of this page is left intentionally blank]

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IN WITNESS WHEREOF, LCRA and Customer have caused this First Amendment to be executed by their duly authorized officers, and copies delivered to each Party.

CITY OF SAN SABA

By: _____
Name: _____
Title: _____
Date: _____

LOWER COLORADO RIVER AUTHORITY

By: _____
Phil Wilson, General Manager
Date: _____

RESOLUTION 2015-02

**A RESOLUTION OF THE CITY OF SAN SABA TO WAIVE AN
ORDINANCE DEFINING NOISE NUISANCES**

WHEREAS, the City of San Saba desires to regulate and oversee any unreasonable loud, disturbing, unnecessary noise which causes material distress, discomfort or injury to persons of ordinary sensibilities in the immediate vicinity.

WHEREAS, the playing of any radio, phonograph or other musical instrument in such manner or with such volume, particularly during the hours between 10 p.m. and 7 a.m. as to annoy or disturb the quiet, comfort or repose of persons of ordinary sensibilities in any dwelling, hotel or other type of residence is prohibited.

WHEREAS, Jose Cervantes, 1204 W. Pecan, San Saba, Tx, has asked the City Council to waive Ordinance No. 1967-4 to allow music to be played at the Gazebo at Mill Pond Park on February 14th, 2015 until 12:00 midnight.

NOW THEREFORE BE IT RESOLVED, that the City Council of the City of San Saba is hereby authorizing the playing of music from 10:00 to 12:00 midnight on February 14, 2015 at the Gazebo at Mill Pond Park.

Passed and approved this 9th day of February, 2015.

The first discussion item was to discuss and consider Resolution No. 2015-03 a Resolution authorizing the submission of a Texas Community Development Block Grant Application to the Texas Department of Agriculture. City Manager Weik explained that this is part of the ongoing project for the street improvements. This grant will be for \$275,000.00 of grant funds that will provide the construction and engineering costs for the project. City Manager Weik also explained that the City will be responsible for \$41,250.00 cash match that will cover engineering and administrative for the water project. On a motion by Alderman Amthor, seconded by Alderman Behrens, council unanimously approved Resolution No. 2015-03 which allows the submission of a Texas Community Development Block Grant Application to the Texas Department of Agriculture.

RESOLUTION NO. 2015-03

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SAN SABA, TEXAS, AUTHORIZING THE SUBMISSION OF A TEXAS COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM APPLICATION TO THE TEXAS DEPARTMENT OF AGRICULTURE FOR COMMUNITY DEVELOPMENT FUNDS; AND AUTHORIZING THE MAYOR TO ACT AS THE CITY'S CHIEF EXECUTIVE OFFICER AND AUTHORIZED REPRESENTATIVE IN ALL MATTERS PERTAINING TO THE CITY'S PARTICIPATION IN THE COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM.

WHEREAS, the City Council of the City of San Saba desires to develop a viable urban community, including decent housing and a suitable living environment and expanding economic opportunities, principally for persons of low-to-moderate income; and

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WHEREAS, certain conditions exist which represent a threat to the public health and safety; and

WHEREAS, it is necessary and in the best interests of the City of San Saba to apply for funding under the Texas Community Development Block Grant Program;

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SAN SABA, TEXAS:

1. That a Texas Community Development Block Grant Program application for Community Development Funds is hereby authorized to be filed on behalf of the City with the Texas Department of Agriculture.
2. That the City's application be placed in competition for funding under the Community Development Fund.
3. That the application be for \$275,000.00 of grant funds to provide construction and engineering costs for the water improvements project.
4. That the City Council directs and designates the Mayor as the City's Chief Executive Officer and Authorized Representative to act in all matters in connection with this application and the City's participation in the Texas Community Development Block Grant Program.
5. That all funds be used in accordance with all applicable federal, state, local and programmatic requirements including but not limited to procurement, environmental review, labor standards, real property acquisition, and civil rights requirements.
6. That it further be stated that the City is committing \$41,250.00 as a local match contribution from local sources as a cash match to be used towards the engineering and administrative activities of this water improvements project.

Passed and approved this 9th day of February 2015.

The second discussion item was to discuss and consider approval of entering into an agreement with THE WAY COMPANIES. After discussion, regarding entering into an agreement, the Council agreed not to enter into an agreement at this time, but did agree to allow THE WAY COMPANIES to perform an analysis on all City owned buildings. On a motion by Alderman Oliver, seconded by Mayor Pro-Tem Whitten, Council unanimously approved to allow THE WAY COMPANIES to perform an analysis on all City owned buildings.

The third discussion item was to discuss and consider Sale of a portion of a 10' Alleyway to property owners adjacent to said Alleyway in the Lindley Subdivision located between Blocks Two and Seventeen and Blocks One and Eighteen. City Manager Weik explained to the Council that Kevin Shahan had approached the City regarding sale of said alleyway. On a motion by Alderman Oliver, seconded by Alderman Amthor, Council agreed to the Sale of a portion of a 10' Alleyway to property owners adjacent to said Alleyway in the Lindley Subdivision located between Blocks Two and Seventeen and Blocks One and Eighteen.

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The final discussion/action item was to discuss and consider approval of Financial Audit. Kevin Shahan presented the audit finding to the Council and answered questions.

Mr. Shahan gave the City a “clean opinion” stating that the City was in good financial shape with no deficiencies. Mr. Shahan also stated the City was very physically responsible thank the Council and stated he enjoyed working with everyone. A copy of the Financial Statement Summary is included with these minutes. Council unanimously approved the Financial Audit on a motion by Alderman Amthor and seconded by Alderman Oliver.

**City of San Saba, Texas
Financial Statement Summary
Year Ended September 30, 2015**

- I. Audit Report
- II. Management Discussion and Analysis
 - A. Responsibility of City of San Saba, Texas management
 - B. Summarization of the annual audited financial statements – two years presented
- III. Financial Statement Presentation
 - A. Statement of Net Position (*Exhibit A-1*)
 - 1. Net Position increased by \$32,474 in the General Fund for 2014 and decreased by \$165,484 in the Enterprise Funds, net decrease of \$133,010.
 - a. Cash and investments increased by \$65,054 (\$215,460 in the Capital Projects fund for WW/SS project with TWDB) and an increase was noted for accounts receivable of \$80,530 in the Enterprise Funds (Electric).
 - b. Consolidated fixed assets decreased \$190,099 (net) after depreciation of \$247,834 (General Fund) and \$262,014 (Enterprise Funds) with major fixed asset additions/dispositions for the year including:
 - 1. Sale of the police headquarters building for \$75,901
 - 2. Capital improvements to the new police headquarters of \$27,572
 - 3. Parks and Civic Center floor improvements of \$24,525
 - 4. WW/SS improvements and equipment of \$44,547
 - c. New CO's were issued in the amount of \$165,000 (TWDB). Long-term debt associated with bonds and notes payable and CO's decreased \$129,877 due to principal payments made on outstanding debt.
 - d. Funds of \$406,462 are available in the Capital Projects Fund for WW/SS improvements due to new grant funds and TWDB certificates of obligation.
 - e. Unrestricted net position decreased \$2,416 in fiscal year 2014. (A \$10,030 decrease was noted in the General Fund and an increase of \$7,614 was noted for the Enterprise Funds.)
 - B. Statement of Revenues Expenditures and Changes in Net Position (*Exhibit B-1*)
 - 1. This Statement presents an overview of operations in various categories with expenses in the left column and matching revenues in the next two columns and a resulting net balance for the year for the governmental and business categories.
 - 2. General government total expenses increased \$167,137 or 5.1% due to increased expenditures noted for Christmas lights, EDC expenses, salaries, and police building/park improvements compared to the prior year. Proprietary fund expenses increased \$417,185 or 9.2% due mainly to expenditures related to a power purchases in addition to wastewater system equipment/improvements.
 - 3. Ad valorem tax revenues decreased \$5,665, or 1.8% from the prior year.

4. City sales and use taxes increased \$41,203 or 11.0% from the prior year.
 5. Misc income increased \$70,069 due primarily to the sale of the police building
 6. Enterprise Fund revenues increased \$291,288 or 4.8%. Electric revenues increased \$242,934 or 5.6%. Garbage revenues increased \$11,768 or 2.2% and water and sewer billing operating revenues decreased \$29,421, or 2.4% due to increased rainfall in 2014 compared to the prior fiscal year.
- C. Balance Sheet - Governmental Funds (*Exhibit C-1*)
1. This shows the City's assets by fund type. The net change in fund balances (including transfers) increased \$226,035 in fiscal year 2014. Unassigned fund balance increased \$10,501, or 4.2%. The Capital Projects Funds retained a restricted fund balance of \$406,462 committed to WW/SS improvements.
- D. Operations - Governmental Funds (*Exhibit C-3*)
1. Governmental revenues increased compared to the prior year by \$91,781 or 6.5%.
 2. Ad valorem tax revenues increased \$5,665, or 1.8% from the prior year.
 3. City sales and use taxes increased \$41,203, or 11.0% from the prior year (after increasing \$35,837, or 10% in the prior year).
 4. Expenditures decreased \$15,665 or 0.43% as capital outlay decreased \$121,667, or 52.3% from the prior year. This reduction was offset by an increase in expenditures for Christmas lights, EDC expenses, salaries, and police building/park improvements compared to the prior year.
- E. Proprietary Statements (*Exhibits D-1 through D-3*)
1. These are the business-type activities of the City including the Water, Sewer, Electric, and Garbage departments. They are separated for financial reporting for the statement of net assets, the statement of revenues and expenses and changes in fund balance, and the statement of cash flows.
 - a. Receivables increased \$80,530, or 14.1% (Electric Fund)
 - b. Noncurrent assets decreased \$190,099, or 3.7%.
 - c. Current liabilities increased \$20,188, or 7.8%
 - d. Consolidated net position decreased \$165,484 or 2.7%
 - e. Total operating revenues increased \$613,461 or 10.0%
 - f. Total operating expenses increased \$467,585, or 10.5%.
- F. Notes to the Financial Statements (*Pages 24 – 46*)
- G. Report on Internal Control Over Financial Reporting (*Pages 47*)
- IV. Required Supplementary Information
- A. Governmental Funds – Budget to Actual (*Page 49*)
 - B. TMRS/ESRS Schedule of Funding Progress (*Page 50-51*)

CITY MANAGER'S REPORT

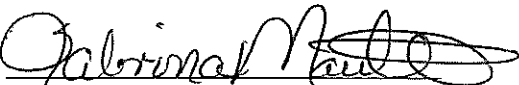
City Manager Weik thanked Kevin for doing a great job. City Manager Weik reported on the following activities in the City of San Saba: The closing of ALCO was a big sales tax loss of about forty two thousand dollars; Met with the Supervisors and all departments will be scaling back decreasing their expenditures and each Supervisor volunteered changes. It is better to take action now than three to four months down the road; Tony has been staying in contact with the gentleman that owns the ALCO building and the people that were interested in renting the building opted not to do anything at this time, but will reexamine in August; Oliver Candy and the Winery both had increased revenue, all sales were up. Sidewalks ripped out and waiting on the Engineer on the Water Displacement plan due to the flooding at the corner and also the next corner.


OTHER REPORTS

Scott Glaze updated the Council about the water line to Goldthwaite stating that the pump went out before it was in service and only ran about thirty minutes; Denver Daniel stated that they have been having problems with a blink south of town, blink has moved and talked to LCRA, they have three different engineers working on the same phase, thought maybe it was due to numerous birds landing on the line and taking off all at once, Friday tightened the top line, took the breaker out and put in a fuse, going to continue to try different things until the problem is corrected; Shayna Grant stated that she has been working hard on awards and will be nominating Jimma Byrd for KTB award, the Spring cleanup will be on April 11th and will have a lot of give-a-ways and different items to give.

The meeting adjourned at 7:47 p.m.

ATTEST:


Sabrina Maulsby, City Secretary


Kenneth G. Jordan, Mayor