



**** PUBLIC NOTICE ****

**NOTICE OF A FINANCE AUDIT COMMITTEE
OF THE CITY OF CORINTH
REGULAR SESSION**

**Wednesday, February 15, 2017, 3:00 P.M.
City Hall
Conference Room - Suite 200
3300 Corinth Parkway
Corinth, Texas 76208**

* Pursuant to Texas Government Code Section 551.002, a quorum of the City Council of Corinth may attend the following meeting and may participate in discussion on the agenda items listed below, but will not take any action.

CALL TO ORDER

CONSENT AGENDA

1. Consider and act on minutes from the November 30, 2016 Regular Session.

BUSINESS AGENDA

2. Consider and act on the Fiscal Year 2016-2017 First Quarter Investment Report.

3. Consider and act on the September 2016 Monthly Financials.
4. Hold a discussion and provide staff direction on the Annual External Audit and the Comprehensive Annual Financial Report
5. Discuss the Fiscal Year 2015-2016 Trial Balance Comparison.

CLOSED SESSION

If, during the course of the meeting, any discussion of any item on the agenda should need to be held in executive or closed session for the Committee to seek advice from the City Attorney as to the posted subject matter of this Committee Meeting, the Committee will convene in such executive or closed session, in accordance with the provisions of the Government Code, Title 5, Subchapter D Chapter 551, to consider one or more matters pursuant to the following:

Section 551.071. Private consultation with its attorney to seek advice about pending or contemplated litigation; and/or settlement offer; (2) and/or a matter in which the duty of the attorney to the government body under the Texas Disciplinary Rules of Professional Conduct of the State of Texas clearly conflicts with chapter 551.

Section 551.072. To deliberate the purchase, exchange, lease or value of real property if deliberation in an open meeting would have a detrimental effect on the position of the governmental body in negotiations with a third person.

Section 551.074. To deliberate the appointment, employment, evaluation, reassignment, duties, discipline, or dismissal of a public officer or employee; or to hear a complaint or charge against an officer or employee.

Section 551.087. To deliberate or discuss regarding commercial or financial information that the governmental body has received from a business prospect that the governmental body seeks to have locate, stay, or expand in or near the territory of the governmental body and with which the governmental body is conducting economic development negotiations; or to deliberate the offer of a financial or other incentive to a business prospect.

After discussion of any matters in executive session, any final action or vote taken will be in public by the Committee. The Committee shall have the right at any time to seek legal advice in Executive Session from its Attorney on any agenda item, whether posted for Executive Session or not.

RECONVENE IN OPEN SESSION TO TAKE ACTION, IF NECESSARY, ON EXECUTIVE SESSION ITEMS.

ADJOURN

Posted this ____ day of _____, 2017 at ____ on the bulletin board at Corinth City Hall.

Caryn Riggs, Assistant Finance Director
City of Corinth, Texas

Finance Audit Committee Regular Session

Meeting Date: 02/15/2017

Title: November 30, 2016 Regular Session

Submitted For: Lee Ann Bunselmeyer, Director

Submitted By: Caryn Riggs

Finance Review: N/A

Legal Review: N/A

AGENDA ITEM

Consider and act on minutes from the November 30, 2016 Regular Session.

AGENDA ITEM SUMMARY/BACKGROUND

Attached are minutes from the November 30, 2016 Regular Session. The minutes are in draft form and are not considered official until formally approved by the Finance Audit Committee.

RECOMMENDATION

Staff recommends approval of the November 30, 2016 Regular Session minutes.

Attachments

Minutes

Finance Audit Committee Regular Session

Meeting Date: 02/15/2017

Title: First Quarter Investment Report

Submitted For: Lee Ann Bunselmeyer, Director

Finance Review: N/A

Submitted By: Caryn Riggs

Legal Review: N/A

AGENDA ITEM

Consider and act on the Fiscal Year 2016-2017 First Quarter Investment Report.

AGENDA ITEM SUMMARY/BACKGROUND

In accordance with Public Funds Investment Act, Chapter 2256, Section 02399(a), of the Texas Government Code, the investment officer must prepare and submit to the governing body a written report of the investment transactions not less than quarterly. The report must summarize current market conditions, economic developments, anticipated investment conditions and include the following:

1. A listing of individual securities held at the end of the reporting period. This list will include the name of the fund or pooled group fund for which each individual investment was acquired.
2. Unrealized gain or losses resulting from appreciation or depreciation by listing the beginning and ending book and market value of securities for the period. Market values shall be obtained from financial institutions or portfolio reporting services independent from the broker/dealer from which the security was purchased.
3. Additions and changes to the market value during the period.
4. Fully accrued interest for the reporting period.
5. Average weighted yield to maturity of portfolio on entity investments as compared to applicable benchmarks.
6. Listing of investment by maturity date.
7. The percentage of the total portfolio which each type of investment represents.
8. Statement of compliance of the City's investment portfolio with State Law, the City's investment strategy and policy approved by the City Council.
9. Market yield benchmark comparison of the average 90 days US Treasury bill auction yield during the reporting period.

RECOMMENDATION

Staff recommends the acceptance of the quarterly investment report.

Attachments

Investment Report

Finance Audit Committee Regular Session

Meeting Date: 02/15/2017

Title: September Monthly Financials

Submitted For: Lee Ann Bunselmeyer, Director

Submitted By: Caryn Riggs

Finance Review: N/A

Legal Review: N/A

AGENDA ITEM

Consider and act on the September 2016 Monthly Financials.

AGENDA ITEM SUMMARY/BACKGROUND

Financials are prepared and presented to the City Council on a monthly basis. The report is broken down into four sections: Financial Summary, Revenue & Economic Analysis, Executive Summary and Capital Improvement Program Report.

Typically, monthly financial reports are distributed the third Friday of every month and are available on the city's website for public review. September monthly financials are delayed due to the year-end audit process. These financials are distributed once the audit is complete and the Comprehensive Annual Financial Report (CAFR) is final.

RECOMMENDATION

Staff recommends the acceptance of the monthly financial report.

Attachments

Financials

Finance Audit Committee Regular Session

Meeting Date: 02/15/2017

Title: CAFR

Submitted For: Lee Ann Bunselmeyer, Director

Submitted By: Caryn Riggs

Finance Review: N/A

Legal Review: N/A

AGENDA ITEM

Hold a discussion and provide staff direction on the Annual External Audit and the Comprehensive Annual Financial Report

AGENDA ITEM SUMMARY/BACKGROUND

The City Charter, in compliance with Chapter 103 of the Local Government Code requires an annual independent audit. The audit of the City of Corinth's financial records for the year-ended September 30, 2016 was conducted by Davis, Kinard & Co, PC. The audit firm, in its second year as the City's independent audit firm, issued an unqualified opinion on the financial statements, stating that the financial statements present fairly, in all material respects, the City's financial position in conformity with generally accepted accounting principles.

The Comprehensive Annual Financial Report is scheduled to be presented to the City Council on March 16, 2017.

RECOMMENDATION

No action to be taken.

Attachments

Comprehensive Annual Financial Report

Finance Audit Committee Regular Session

Meeting Date: 02/15/2017

Title: Trial Balance Comparison

Submitted For: Lee Ann Bunselmeyer, Director

Submitted By: Caryn Riggs

Finance Review: N/A

Legal Review: N/A

AGENDA ITEM

Discuss the Fiscal Year 2015-2016 Trial Balance Comparison.

AGENDA ITEM SUMMARY/BACKGROUND

The Trial Balance Comparison is reported by fund and reflects the ledger balances on all City accounts before and after the audit. All variances are noted.

- **City's Trial Balance YTD Totals** - This represents the balances in the City's ledger before being turned over to the auditor for review.
- **Auditors Trial Balanced YTD Totals** - This represents that balances in the City's ledger at the conclusion of the external audit.
- **Client Adjustments** - During October, November and December, city staff prepared year-end analysis and posted year-end entries. During December, city staff provided a trial balance to the auditor. Once the trial balance was submitted, auditor approval was required for all staff prepared journal entries. Journal entries prepared by staff during this period are reflected as Client Adjustments.
- **Audit Adjustments** - Audit adjustments are prepared and recorded by the external auditor to correct discrepancies that were discovered during the audit or to record entries necessary for the preparation of the financial statements.
- **Notes** - The notes column provides a brief summary of the adjustment.

RECOMMENDATION

No action to be taken.

Attachments

Trial Balance Comparison
