

CITY COUNCIL MINUTES
SPECIAL MEETING

KERRVILLE, TEXAS
FEBRUARY 28, 2017

On February 28, 2017, the Kerrville City Council special meeting was called to order at 5:00 p.m. by Mayor Bonnie White in the city hall upstairs conference room at 701 Main Street.

COUNCILMEMBERS PRESENT:

Bonnie White	Mayor
Stephen P. Fine	Mayor Pro Tem
Glenn Andrew	Councilmember
Warren Ferguson	Councilmember

COUNCILMEMBER ABSENT:

Mary Ellen Summerlin	Councilmember
----------------------	---------------

CITY CORE STAFF PRESENT:

Don Davis	Interim City Manager
Brenda Craig	City Secretary
Sandra Yarbrough	Director of Finance
Amy Dozier	Assistant Director of Finance
Kaitlin Berry	Special Projects Manager
Dannie Smith	Fire Chief
Kim Meismer	Director of General Services
David Knight	Police Chief

VISITORS PRESENT: No visitors signed in.

1. PRESENTATION AND DISCUSSION:

1A. Fiscal Year 2016 City of Kerrville Comprehensive Annual Financial Report (CAFR)

Karen Kurtin, Senior Manager with BKD, LLP, the city's auditing firm, presented the CAFR for fiscal year ending September 30, 2016, noting the following:

- The city's audit was performed in accordance with Government Auditing Standards for internal control over financial reporting and compliance.
- The Kerrville-Kerr County Joint Airport Board (AB), City of Kerrville Economic Improvement Corporation (EIC), and the Kerrville Public Utility Board (KPUB) were component parts of the City of Kerrville's audit; however, the AB's and KPUB's financial statements were audited by other auditors.
- At FY end the city's combined fund balances totaled \$26.565 million, an increase of \$649,905 over FY2015. The unassigned fund balance in the general fund totaled 34%; the city's target is 25%. This was the first time in many years that all operating departments were positive.

- The city's pension liability through Texas Municipal Retirement System was at \$6.9 million at year end overall. TMRS was reporting a loss in deferred investment due to estimated long term rate of return on 7% was reduced in 2016 to 6.75%.

Mr. Davis noted this loss was pool-wide, but did not affect the city of Kerrville; the pool-wide benchmark was 80%; the city of Kerrville was funded at 90-91%. The City of Kerrville's contribution went into the City's account with TMRS, not the TMRS pool account. Ms. Kurtin noted that 86% of the cities in Texas were in the TMRS plan, and the City of Kerrville met 100% of the required contributions.

- The city's net position for 2016 increased \$5.06 million over FY2015.

ADJOURNMENT. The meeting adjourned at 5:41 a.m.

APPROVED: 03/28/2017

/s/

ATTEST:

Bonnie White, Mayor

/s/

Brenda G. Craig, City Secretary