**MARCH 30, 2015**

**WISE COUNTY COMMISSIONERS' COURT MEETING**

On this the 30th day of March, A.D., 2015 at 9:00 A.M. came on to be had a Special Meeting of the Commissioners' Court of Wise County, Texas held in the County Court at Law Jury Room (3rd) Floor in County Courthouse of said County in the town of Decatur with the following members present and presiding:

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| J.D. Clark | County Judge |
| Danny White | Commissioner, Precinct No. 1 |
| Kevin Burns (ABSENT) | Commissioner, Precinct No. 2 |
| Harry Lamance | Commissioner, Precinct No. 3 |
| Gaylord Kennedy | Commissioner, Precinct No. 4 |

Sherry Lemon, County Clerk and Ex-Officio Clerk of Commissioners' Court when and where the following proceedings were had, to-wit:

All attachments referred to in the minutes of the Wise County Commissioners' Court are designated original or copy and are provided at the time of action by the Court unless otherwise indicated by provider.

County Judge Clark votes aye on all agenda items unless otherwise indicated.

1) Clark called the meeting to order at 9:00 AM. A quorum of court members was present.

2) Pledge of Allegiance.

3) Moment of Silence.

4) Snow, Garrett & Williams, CPA (SGW) partner Kathy Williams appeared before commissioners to present the FY2014 Annual Financial Report for Wise County (ending September 30, 2014). (See attachment) Williams noted a few minor changes were made from the draft copy to the final version.

Williams outlined the following from the bound audit report:

- **Independent Auditors Report (Page 3)** – clean opinion.
- **Management's Discussion and Analysis**
  **(Page 10)** – Capital assets totaled $77,823,450.00 for FY2014 (land, buildings, improvements, roads, bridges, machinery and equipment)
  **(Page 11)** – Outstanding long-term debt totaled $45,343,719.00 for FY2014 (tax notes, lease revenue bonds, unamortized premium, overpayment of sales tax and compensated absences)

Williams stated this is an increase of over $12.2 million over FY2013 and is because of tax notes issued. Williams noted $14.3 million in tax notes issued.

- **Basic Financial Statements**
  **(Page 15)** - Includes General Fund, Lateral Road Fund, Capital Projects Fund, Debt Service Fund and Other Governmental Funds
  -Total assets $35,795,917.00 for FY2014 – much in cash and investments and is related to tax notes issued.
  -Total liabilities (doesn't include long-term debt) $3,550,310.00.
  -Total Fund Balances (includes restricted, committed, assigned and unassigned funds) $31,172,791.00.

  **(Page 16)** – Statement of Revenue, Expenditures, and Changes in Fund Balance.
  - Total Revenue $50,698,531.00
  -Total Expenditures $52,163,762.00 with the largest expenditures being public safety, public transportation and general government, capital expenditures and debt services payments.
  - Total Other Sources $15,638,451.00 (much in tax note proceeds)
  -Net change in fund balances $14,173,220.00 (much in capital expenditures.

  Williams noted the General Fund balance increased $1.7 million and Farm-to-Market/Lateral Road increased $1,022,870.00. Williams commented that it is good to see the fund balances increasing for future purposes.

  Williams also noted the county's unassigned fund balance of $5,470,559.00. Williams told the court that SGW looks at this compared to general fund expenditures for the year. Williams stated the unassigned fund balance represents 17.3% of general fund expenditures (about 63 days) where FY2013 was about 9.3% and 32 days. Williams stated it is a good thing to see the unassigned fund balance increase.

- **Combining Balance Sheet Lateral Road Fund**

  **(Page 38)** – Williams noted the combined balancing sheet shows fund balances for right-of-way/fencing, Precincts 1-4, County Thoroughfare and Grants.

  **(Page 39)** – Combining Statement of Revenues, Expenditures and Changes in Fund Balance Later Road Fund. Total Revenue: $9,054,416.00; Total Expenditure: $8,728,315.00; Excess of Revenues (over/under): $326,101.00; Total Other Financing Sources: $696,769.00 for a Net Change in Fund Balance: $1,022,870.00.

  Williams noted each of the four precincts had an increase in fund balance for FY2014.

- **General Governmental Revenues by Source Last Ten Fiscal Years**
  **(Page 51)**

FY2005 Revenue $28,210,956.00; FY2014 Revenue $50,698,531.00

- **General Governmental Expenditures by Function (excluding capital outlay) Last Ten Fiscal Years**
  **(Page 52)**

FY2005 Expenditures $25,180,055.00; FY2014 Expenditures $48,974,891.00

- **Schedule of Findings and Questioned Costs**
  **(Page 60)**

Schedule is required due to the county having over $500,000.00 in federal awards expended during fiscal year. Unmodified opinions (clean opinions) showing no material weaknesses or significant deficiencies.

- **Management Letter**
  **(Page 2)**

Current Year Comments – adjusting journal entries; fund balance reporting (goal in policy of 20%); and budget variances.

**(Page 3)**

Pension Accounting and Financial Reporting re: Governmental Accounting Standards Board (GASB) Statement No. 68 requiring counties to recognize long-term obligation for pension benefits as a liability.

Williams asked the court if there are any questions? None were asked.

Williams thanked the court and all county departments for their assistance in the audit process.

Clark confirmed with County Auditor McCuiston that there were budget adjustments to be presented/approved today. McCuiston also noted SGW audit reports that were approved by "the boards" but are being made of record.

Clark noted for court record that the County Clerk has received Snow Garrett Williams CPA's audited financial statements for the following entities: **"Texas Juvenile Justice Department Grant Fund of Jack and Wise Counties, Texas for the year ended August 31, 2014"**; and, **"Wise County, Texas 271st Judicial District Community Supervision and Corrections Department for the year ended August 31, 2014".** (See attachments)

Motion made by White seconded by Kennedy with Lamance voting aye to accept the annual financial report for FY2014 from Snow Garrett Williams and the associated budget adjustments, as presented.

5) Asset Control Officer Diana Alexander stated the LexisNexis contract for the Law Library expires tomorrow and stated there may be a slight increase in cost over the last contract; Commissioners Court Attorney Thomas Aaberg has reviewed it and there appear to be no other changes. Aaberg noted the contract is for one year instead of three years.

Motion made by White seconded by Kennedy with Lamance voting aye to approve the LexisNexis contract renewal for the Wise County Law Library for one year. (See attachments)

6) Clark reminded the court of the following meetings:

- Commissioners Court mobile meeting tomorrow, Tuesday, March 31, 2015 at 7:00 PM at Slidell ISD high school cafeteria
- Monday, April 13, 2015
- Monday, April 27, 2015

Clark also reminded the court that county government offices will be closed on Friday, April 3, 2015 for Good Friday.

7) Clark adjourned the meeting at 9:14 AM there being no further business to be had.

Minutes approved this 13th day of April, 2015, as printed.

J.D. Clark, County Judge, Wise County

Danny White, Commr. Pct. No. 1

Kevin Burns, Commr. Pct. No. 2

Harry Lamance, Commr. Pct. No. 3

Gaylord Kennedy, Commr. Pct. No. 4

ATTEST:

Sherry Lemon, County Clerk and Ex-Officio Clerk of Commissioners' Court, Wise County, Texas.

The Wise County Commissioners' Court adopted the ***Rules of Procedures, Conduct & Decorum at Meetings of Wise County Commissioners' Court*** on February 28, 1994 and the rules have not been revised.

Addendum:
The following abbreviations are used in reference to current Wise County projects.

WCCAB – Wise County Courthouse Annex at Bridgeport
SWA – Southwest Architects Inc.
TxDOT/DPS - Texas Department of Transportation/Department of Public Safety
TAC – Texas Association of Counties
TFP – Wise County Thoroughfare Plan
WHJ – Wiginton, Hooker and Jeffry, P.C. (in relation to Wise County facilities Master Study Plan)
WCWC – Weatherford College Wise County campus