

THE STATE OF TEXAS §
COUNTY OF ANDERSON §
CITY OF PALESTINE §

The Financial Oversight Advisory Committee convened in a Regular Meeting on Monday, June 18, 2018 at 2:00 p.m., in the City Hall Conference Room, 504 N. Queen Street, Palestine, Texas, with the following people present: Committee Members Steve Jenkins, Jesse George, III, and Steve Spencer.

Others present: City Manager Michael Hornes, City Secretary Teresa Herrera, Communications Officer Nate Smith, and Accountant Jim Mahoney.

Committee Member Adam Harding was not present.

Call to Order

With a quorum present, City Manager Michael Hornes called the meeting to order at 2:05 p.m.

Introduction of Committee Members

Each member present introduced themselves and expressed their thanks for the opportunity to serve on this committee.

Organizational Matters

Committee Member George made a motion, seconded by Committee Member Jenkins, to approve that a majority of the members of the Committee shall constitute a quorum of the Committee and a meeting of the Committee with less than a quorum present may call the meeting to order and deliberate on matters before the Committee, but may not take any action. Upon vote, motion carried unanimously.

Committee Member George made a motion, seconded by Committee Member Jenkins, to approve that a quorum will consists of 3 Committee Members. Upon vote, motion carried unanimously.

Committee Member George made a motion, seconded by Committee Member Jenkins, to approve that the officers of the Committee are the Chair, Vice-Chair, and Secretary of the Committee, elected by the Committee. Upon vote, motion carried unanimously.

Committee Member George made a motion, seconded by Committee Member Jenkins, to appoint with the agreement of the appointee, a City employee to perform the duties of the Secretary. Such employee is not, however, a member of the Committee and may not vote. Upon vote, motion carried unanimously.

Committee Member Jenkins made a motion, seconded by Committee Member George, to appoint Committee Member Steve Spencer as Chair to the Committee. Upon vote, motion carried unanimously.

Committee Member Jenkins made a motion, seconded by Committee Member Spencer, to appoint Committee Member Jesse George, III as Vice-Chair to the Committee. Upon vote, motion carried unanimously.

Committee Member George made a motion, seconded by Committee Member Spencer, to appoint City employee City Secretary Teresa Herrera as Secretary to the Committee. Upon vote, motion carried unanimously.

Overview of Financial Oversight Advisory Committee specifically the 2016-2017 Fiscal Year Audit

Committee members received a copy of Comprehensive Annual Financial Report for 2016-2017 Fiscal Year, Treasury Report for the Quarter ended March 31, 2018, City of Palestine Investment Policy, and monthly financial summary for the month ended March 31, 2018.

City Manager Hornes provided a summary of the City's finances and informed the committee that Bank Reconciliations are six months behind. Discussion was center around creating a set of foundational documents for accounting procedures and getting the basics in place so continued discrepancies do not happen again.

Development of Future Agendas

Additional issues to be addressed – Committee Members

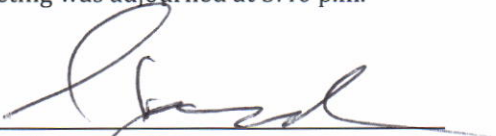
The Committee discussed meeting twice a month for two hours at first, then later as needed.

Committee agreed that the next meeting will be on Wednesday, July 11, 2018 from 2 p.m. to 4 p.m. Committee requested that bank reconciliations, check registers, and accounts payable distribution summaries be available for the meeting.

Adjourn

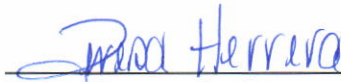
With no other business to come before the Committee, the meeting was adjourned at 3:40 p.m.

PASSED AND APPROVED THIS 11TH DAY OF JULY, 2018.



Steve Spencer, Chair

ATTEST:



Teresa Herrera, City Secretary