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ELGIN CITY COUNCIL MINUTES

November 5, 2025

6:30 PM

CALL TO ORDER

Mayor McShan called the meeting to order at 6:30 PM.

ROLL CALL

Mayor McShan called roll.

Present:

Theresa Y. McShan, Mayor
Arthur Gibson III, Council Member, Ward 1
Joy Casnovsky, Council Member, Ward 1
Chuck Swain, Council Member, Ward 2
YaLecia Love, Deputy Mayor Pro Tem, Ward 2
Tiffany St. Pierre, Council Member, Ward 3
Al Rodriguez, Council Member, Ward 3
Liston Crim, Council Member, Ward 4
Sue Brashar, Mayor Pro Tem, Ward 4

Staff:

Robert Eads, Interim City Manager
Peyton Standifer, City Secretary
Mark Schroeder, City Attorney
Kaley Frye, Interim Economic Development Director
Michael Gonzales, Public Works Director
Chris Noble, Chief of Police
Stacey Osbourne, Acting Community Services Director
Beau Perry, Development Services Director/City Engineer
Sonia Browder, Media Specialist
Elizabeth Marzec, Recreation & Leisure Services Manager
Todd Johnson, Police Commander
Aaron Crim, Police Commander
Esmeralda Rangel, Assistant City Secretary
Cameron Jonse, Police Sergeant
Dylan Judd, Police Detective
Matthew Hicks, Police Lieutenant
Lori Lankford, Gradient Solutions Consultant
Marco Solorio, Police Sergeant
Byran Heinrich, Police Officer
Chris Botello, Fire Marshal

INVOCATION

Council Member Swain provided the invocation.

PUBLIC COMMENT

Wes Callais, Willow Sage Ln, questioned the City Council about the financial state of the City, stating that the public has been voicing concerns for some time, and he believes that the public has only received excuses in response. He expressed that he did not believe transparency had been demonstrated by the Council, noting that the only members of the City Council he has observed engaging with their constituents are Deputy Mayor Pro Tem Love and Council Member St. Pierre.

NEW BUSINESS

1. Discussion over the 2022-2023 and 2023-2024 Audits and Audit Findings

Robert Eads, Interim City Manager, explained this workshop was to allow the City Council to discuss and ask questions of staff on the Fiscal Year 2023-2024 Audit that was presented by Brooks and Watson at the last City Council meeting. Mayor McShan requested the repeated findings in the previous audits be discussed first. Mr. Eads reviewed the previous findings with the Council, and answered questions from the Council. Mr. Eads invited Lori Lankford, Gradient Solutions Consultant, to address the Council regarding the ten million dollar deficit. Mrs. Lankford explained that Gradient Solutions was engaged to assist the City in preparation for the 2023-2024 audit, and on page 30 of the audit document there is a deficit of ten million dollars in the Capital Projects column. This indicates that there was not enough revenue in that one year to cover that ten million dollars, and transfers were not made to the Capital Projects. A deficit does not mean the money is missing, but that the revenue for that specific year did not cover the expenses for that specific year. Ms. Lankford further explained several of the expenses shown in the audit. Mr. Eads commented on the reasoning behind pooled accounts, and the necessary staff for that. Council Members Casnovsky and Crim expressed their concern with the lack of staff, and Deputy Mayor Pro Tem Love requested an update on the search for a Finance Director. Mr. Eads explained SGR has recommended the search be refreshed before continuing. Deputy Mayor Pro Tem Love questioned the deadlines in the Single Audit document of December 31, 2025. Mr. Eads explained that several of these will roll over to next year as they will not be fulfilled by December 31, 2025. Council Member Gibson explained that TML has a program that will train a certified accountant already on staff to be a finance director, and this might be of interest to the City. Mayor Pro Tem Brashar questioned the current policies and procedures for the current staff. Ms. Lankford explained that the next step for the Finance Department is to write policies and procedures and bring them to Council for adoption. Ms. Lankford is diligently working with each of them to teach them the correct procedures, and Mr. Eads further expounded on this. Council Member Casnovsky requested Ms. Lankford explain the difference between "messy accounting" and "fraudulent accounting." Ms. Lankford explained that "messy accounting" is inconsistent accounting, and "fraudulent accounting" is actively trying to defraud the entity for personal gain. She stated that she has not seen any fraudulent accounting since she has been here, but she has not reviewed all of the City's financial books. Deputy Mayor Pro Tem Love stated that the auditor is also required to report any fraud that they find, and they have not found any. Council Member St. Pierre questioned the laws that may have been violated with the "messy accounting", and stated a forensic audit is necessary. Council Member Crim questioned staff about the process for the investigation with the Texas Rangers. Mayor McShan invited Chief Chris Noble to give an update. Chief Noble stated that the supervisor of the Texas Rangers would be in contact next week to give the City the next

steps, and the City has not been contacted by the Comptroller's Office. Mr. Eads explained his plan for moving forward.

ADJOURNMENT

Mayor McShan adjourned the meeting at 7:52 PM.

ATTEST:


Theresa A. McShan, Mayor


Peyton Standifer, City Secretary