

COMMISSION WORKSHOP

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Mayor Nugent called the workshop to order for the Preliminary Audit report. Present were Commissioner Tommy Chastain, Commissioner Carolyn B. Spooner, Commissioner Wilbur Waters, Commissioner Travis Woods, City Clerk Ricky Thompson, City Police Chief Jeff Johnson, City Manager Tom Ernharth, Fire Chief Tom Rowe, City Attorney Dan Sikes, Finance Director Alicia McMillian and Brad Million, Reddish and White.

Mr. Million provided a 16 page handout of the financial statement and are waiting on the actuary report to complete the audit.

The audit was successful and Mr. Thiemann closed the books real well and had very little accounting audit adjustments, no new internal control findings. The refinancing of the bonds, reinvesting the idol cash, getting rid of smaller accounts have been good improvements.

He started the review the General Fund. The actual revenues and expenditures were very close to budgeted. But the revenue under expenditures was \$640,000 and a transfer so there was a net expenditure over of \$440,000. This is very significate.

Clerk Thompson added the overage on the expenditures was from not transferring enough from Utilities.

Mr. Million suggested when budgeting make sure there is enough transfer to cover the expenditures.

There is a liability of \$300,000 in the General Fund that is owed to the Utility Fund.

Commissioner Chastain suggested the transfer not be made because the General Fund cannot afford it and the Enterprise Fund can adsorb that.

Transportation Fund revenues and expenditures came in real close and the capital outlay was budgeted that didn't come to pass which the results look real favorable.

Impact Fees have a moratorium placed on them and spent the funds. Mr. Thiemann did the budget.

Utility Fund had a very favorable operating income of \$979,000, which has been the highest it's been for some time. The gain on the sale of real property was a benefit.

Cash has improved in the utility side from \$2 M to almost \$3 M; this is from the sale of the property assets of \$2M.

The net pension liability and the deferred influence of resources that is related to the net pension liability; that is \$2.7 M. and if those weren't required to be reported the net position would be that much larger. The sale of the land has benefited the impact of those numbers.

The receivables balances are less than last year so the collections have improved.

The final numbers for the pension plans; the net investment income loss of \$757,000 and put a strain on the system for all the pension plans.

The contribution rates coming in for the New Year are likely to increase due to the investment loss.

The GASB 68 implementation we determined the net pension liability at the beginning of the year and put the two sectors making the total \$5.2 M.

Ms. McMillian gave a summary on the commercial customer deposits and requested additional direction from the commission on how to address the issue of deposits.

Commissioner Woods suggested for the customers to make a payment plan to get the deposits paid.

After discussion of the accounts Ms. McMillian was given instructions to contact the customers and work out the payments for deposits. Applying an amount to the monthly bill until they get the deposit amount paid.

Mayor Nugent asked if any additional information needed to be brought in front of the board. Hearing none he adjourned the workshop.

Daniel Nugent, Mayor
Commissioner Tommy Chastain
Commissioner Carolyn B. Spooner
Commissioner Wilbur L. Waters
Commissioner Travis V. Woods

Attest: _____
Ricky Thompson, City Clerk