

## COMMISSION WORKSHOP

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Present were Mayor Travis Woods, Commissioner Carolyn B. Spooner, Commissioner Tommy Chastain, Commissioner Danny Nugent, City Clerk Ricky Thompson, City Manager Tom Ernharth, Police Chief Jeff Johnson, and Fire Chief Tom Rowe. Commissioner Wilbur Waters and Attorney Sikes were unable to attend

Mayor Woods turned the meeting over to City Manager Ernharth.

Mr. Ernharth provided the commission with a revised budget that includes the changes from the last budget workshop. He also updated his budget memo to reflect the changes.

Essentially there were three questions that needed answered from the last workshop.

If the commission is comfortable with roughly \$500,000 being transferred to the General Fund?

If the commission is comfortable with \$300,000 being placed in reserves for the Enterprise fund?

The third issue is the upgrade of the pump stations.

What was done in this draft budget; the total project cost is \$800,000 we are using \$500,000 of the money from the sale of the sprayfield the remaining \$300,000 will place in reserve. Those savings came from the bond refinancing and insurance savings.

These are the three issues that needed to be addressed. On a smaller issue there was a discussion on the amount \$5,000 or \$10,000 to be placed in the budget for charitable contributions.

Commissioner Chastain asked if the performance bonus is in the budget?

Mr. Ernharth responded he could not address that and he will have to get with John Thiemann to answer that.

Clerk Thompson add he would like to take a look at the scrap that has been sold and see what kind of funds the city would be able to put into that since we are going to have some big savings.

The performance evaluations should be completed before October 1<sup>st</sup>.

Mayor Woods asked if everyone is in favor of the 3% COLA raise, we can move forward with that.

A budget workshop was scheduled for September 1<sup>st</sup> at 6:30 PM to finalize the bonus funds.

Mayor Woods asked if the commission is okay with the transfer of \$500,000 to the General Fund?

Mr. Ernharth explained this year that \$230,000 was budgeted and the actual was a \$400,000 transfer. We are looking at \$100,000 additional for the \$50,000 for parking at the Badcock property and the employee raises in the General Fund.

Mr. Ernharth explained under the Enterprise Fund roughly a transfer \$300,000 into reserve was needed, due to the audit finding of keeping 5%. We are going to do about \$250,000 this year and \$300,000 next year and transfer \$500,000 from the Enterprise Fund to the General Fund.

Commissioner Chastain asked Chief Rowe if there would be a possibility with the purchase of the new police vehicles if one of those older cars the fire department could travel in instead of taking out the big truck?

Chief Rowe responded that when they leave the station they must be ready to go on a call; so it would not be impossible.

Commissioner Chastain suggested placing the old fire truck that is obsolete on Craig's List due to the price we seem to get at auction is low.

Chief Rowe explained the older truck has a gas engine and no one seems to really be interested in it.

Chief Rowe informed the board that the big engine will be down due to a radiator replacement and we will need to borrow a truck from Bradford County or Clay County.

Mayor Woods asked if everyone was okay with the transfer, it was the consensus to go with the \$500,000.

Mr. Ernharth also explained the money the city will get with the sale at the Sprayfield. There has been discussion of upgrading the lift stations; the original budget had \$800,000 coming from the Sprayfield money to pay for it, but with the savings we have had with the bond refinancing and insurance savings we are going to use \$500,000 of the Sprayfield money and the other \$300,000 will come from the savings.

He would like to transfer \$500,000 of the Sprayfield money instead of the \$800,000.

It will still be savings it is just which pot you want to get it from.

Mayor Woods stated he was good with the \$500,000 transfer.

Commissioner Chastain said he is ok with either way; the only thing when the original \$800,000 was moved the sewer/wastewater wasn't showing a negative, now it is showing a \$80,000 negative. Should enough money be moved to show it breaking even?

Mr. Ernharth responded he is comfortable with whatever amount the Commission wishes.

Commissioner Chastain asked if we have heard from Rural Water on a new study?

Mr. Ernharth responded the gentlemen would be here Friday morning.

Commissioner Spooner added she would like to see a transfer and reserve as much funds as we receive, if we were not getting it we would have to borrow.

Commissioner Nugent does not like to see the negative numbers and for Mr. Ernharth work the numbers and bring back the final for them to look at.

Mayor Woods asked for Mr. Ernharth and Clerk Thompson to make the adjustments as discussed and bring a balanced budget to us on September 1<sup>st</sup> for final review for the tentative reading September 8<sup>th</sup>.

Commissioner Spooner asked about the funds set aside for the charitable funds.

Mr. Ernharth stated \$5,000 is in the budget if we increase it to the \$10,000 we will then need to transfer \$504,000 from utility to general.

Mayor Woods added CIS has been given \$5,000 yearly and we need to continue to do that because it is helping the children in school that cannot afford to be there as well as tutoring children that need it.

So we need to discuss if we should increase the amount; \$5,000 to CIS and \$5,000 to the program of first come first serve.

Commissioner Nugent commented that he would like to see \$10,000 for two scholarships, and also if we do the other funds and someone gets those funds they cannot do a drive that year.

Mr. Ernharth stated that is how it is set up in the policy with the resolution.

Mayor Woods stated we are going to put in \$5,000 for CSI and \$1,000 per request for the first five then after that the money is gone.

Commissioner Spooner added Mayor Woods was proposing that we set aside \$2,000 that would allow agencies like PIS, Tiger Daniel, or Concerned Citizens

programs to have and not be restricted to the \$1,000 and so forth. It would put us in a better posture to provide those resources.

Mayor Woods responded what we are looking at is budget \$10,000; \$5,000 for CSI and the other \$5,000 is for first come first serve. After a while and you all realize that if we do not set up guide lines we will be continually asked to donate to these different organizations. This is the reason to establish the policy.

Mr. Ernharth stated it is good to be generous but the General Fund is giving away money it doesn't have and whatever money we choose to give away means more money would have to be given from the enterprise fund.

Commissioner Spooner would like Concerned Citizens not just set at the \$1,000 because they provide the same services as CSI.

Chief Rowe asked for clarification that he could hire a full time to replace the part time position. He believes it will save money in the overtime.

Mayor Woods asked him to bring it to a regular meeting for approval.

Mayor Woods asked if anything additional needed to come before the board. Hearing none, he closed the workshop.

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

Attest: \_\_\_\_\_  
Ricky Thompson, City Clerk