

MINUTES
CITY COMMISSION MEETING

July 2, 2012

The City Commission met this date in special session in the Commission Chambers. A quorum being present, the meeting was called to order at 6:00 PM with the following in attendance.

Mayor	:	John B. Arnold, Jr.
Commissioners	:	Heyward H. Strong, Jr.
	:	Diane Kelley
	:	Joe Morgan
City Clerk	:	Tammy Johnson
City Administrator	:	Carl Scott
Police Chief	:	Joe Hart
Cable Supervisor	:	Burt B. Bennett
Library Director	:	David Weatherford
Public Works Director	:	James Valandingham

Others in attendance: Joan Morse (camera), Del Lessard (Bay Beacon), Tony Shipley
Comm. Kay Hamilton is absence from proceeding.

1. Ordinance No. 628 Adoption of the 2012 Military Compatibility Amendment to the Comprehensive Plan

Mayor Arnold conducted the first reading of Ordinance No. 628 an Ordinance amending the adopted comprehensive plan; providing for purpose and intent; providing severability; providing for a copy on file; and providing for an effective date. The 1st reading of the Ordinance is tonight and then 2nd reading to adopt will be in the August meeting. No comments by citizens or interested parties. Recess special meeting go into budget workshop.

Ordinance
628 Adopt
2012
Military
Comp Plan

2. Budget Workshop

Cemetery Budget

Mr. Valandingham said there was a \$1,000 decrease in the cemetery budget. The Mayor asked if there were any questions. Mayor said on to the parks budget then.

Budget
Workshop

Parks Budget

Mr. Valandingham said he had two proposals we could either replace the employee that had been working at 50 % in parks and 50 % in streets or we could bring in a work squad from the Dept. of Corrections. Mayor said that in the past we have had some bad experiences with the DOC workers. He said the DOC would come before the Commission and make a presentation if they so desire. Mr. Valandingham said total cost would be \$41,500 for parks. That would be \$9,000 DOC van purchase, \$2,500 purchase of DOC radio and the wages and benefits for the officer to oversee the work squad would be \$30,000. He said we would receive 256 hours of labor vs. 40 hours with a full time employee. The squad works Monday – Thursday for 10 hours a day with travel time so most likely it would be 8 hours working, there would be eight inmates. He said that we could request specific skills. The Mayor asked if the City would furnish the materials and Mr. Valandingham affirmed that we would. Mr. Valandingham also stated that the van would belong to the City that they would drive but we would purchase and provide the insurance. Mr. Valandingham stated that we would supply the tools needed. Mr. Valandingham stated one of our foremen from either parks or streets would assign work on a weekly basis or daily basis as needed, he also added that the foreman would spend maybe an hour to set the correction crew on its path. Comm. Morgan said he was not afraid of Mr. Valandingham's management skills or that of the foreman but that he worried what the work the crew would actually do. Mr. Valandingham stated he understood the concerns of the Commission but if not the crew of eight then we would have one full time employee. Comm. Morgan said he was concerned for the quality of work and also for the supervision of the crew. Comm. Morgan said he would hate to throw a wet blanket on a good idea but would like more information. Mayor asked if there were any further questions and with no questions proceeded onto the shop budget.

Shop Budget

Comm. Morgan said there was a slight decrease in the O & M and a question about an outstanding roof in need of repair. Mayor stated if the building is in disrepair it should be fixed now in the current budget. Mr. Valandingham added that there should be \$10,000 carry over on budget. Comm. Morgan asked if he had the authorization or need to ask for the authorization to go over the amount of the existing budget? Mayor said if there were unspent funds and the cost exceeded those funds then a budget amendment would have to be made. Mrs. Johnson stated that department budgets were managed to the bottom line and anything over that an amendment would be needed. Mr. Valandingham feels we will have \$10,000 left in this year's budget but I have to ask can another department contribute to the building and facilities repair or is exclusive to the shop? Parks and streets are in the general fund can either of those contribute. We can finish it with those three departments. Mr. Valandingham said we are talking about the building in the back that houses the kennels. The Mayor inquired as to the threshold for a budget

amendment? Mrs. Johnson said it is \$5,000, if the bottom line is over \$5,000 then we have to do a budget amendment. The Mayor asked if there was anything else under shops, no one had anything, the Mayor said on to stormwater.

Stormwater Budget

Comm. Morgan said we have \$50,000 in revenue that would go to pay for Mr. Petrey's expenses for what we owe him and we will have a similar expense next year. Mayor said this fund needs to be built up before we can do anything and Comm. Morgan agreed.

Street Department

Comm. Morgan stated we have had the benefit of several grants and monies in past years that have covered costs. Comm. Morgan said he would like to mention also there are two options as with the parks budget going with the Department of Correction persons or staying the same with a full man split between both parks and streets. Comm. Morgan said cost pretty much stayed the same. Comm. Morgan said approximately \$912,000 worth of projects that were estimated in their cost, have been completed the actual cost being \$740,000. Comm. Morgan said in the future James, himself and the City Administrator will go back through the priorities again so we can have a better prioritized budget, with remaining projects we have completed 16 out of the 110 projects on the Capital Improvement Plan. Mayor said he is concerned with the proposed deficit of \$100,000. Comm. Morgan said we have to look at the bond monies, we generally add other revenues that have assisted us in payment of our operational cost. The actual budget for what is being done has not changed. Comm. Strong asked if we spent all the bonding money in our last paving project. Mrs. Johnson said there was a little bit left before the project come up on Arrowpoint Cove. She was going to use some more money left in the bond to make a payment in September. Comm. Strong said that previously we didn't budget \$50,000 in street repairs if we didn't have it and we would take the streets as we needed. Comm. Morgan said no streets had been committed to under this plan this is just the running operational cost. Comm. Morgan said that we have been paying \$50,000 to get a \$30,000 benefit from the 2006 bond, every year that is a \$20,000 deficit running for that bond money even though we are getting it. We are going to have to examine the total budget because we do not have any grants or bonds to pay for what we normally have been paying for. This is the projection to keep it operational as it is. The Mayor asked if anyone had any further questions.

Sanitation Budget

Mr. Valandingham said there is a \$30,000 carry over majority of this due to an employee who has been on workers compensation. Based upon projected revenue and including the capital items retro fitting two trucks with cart tipping abilities and 400 carts we still come in under budget. We also will add a line item for recycling incoming and will keep track of costs. Mayor asked if there were any other questions regarding sanitation? Comm. Strong said it would appear to him that we could do the cart and cart tippers from this year's budget. Mr. Valandingham said he and Comm. Hamilton had discussed that but didn't what to "surprise her" without her being here. Mr. Valandingham said they had discussed it and worked in the 2013 budget and also without. Mayor said on to administration.

Administration Budget

Mrs. Johnson stated that at the last budget meeting a department head asked for a raise for one of his outstanding employees and so she would like to do the same and ask for raises for her four outstanding employees. Comm. Kelley asked if any of those four had added degrees in the last year. Mrs. Johnson said I have one who has a degree, Comm. Kelley asked if that had been added since the last time and Mrs. Johnson responded no, but they are outstanding employees some of them have been with us for many years 17 to 20 years, that if we are talking about outstanding employees then I would like to add mine also. Mrs. Johnson said she believes she is not the only department head who feels they have outstanding employees that also deserve raises. Mayor said moving on to non departmental.

Non Departmental Budget

Mrs. Johnson said there would be a large decrease in legal counsel \$75,000 this year down to \$40,000 for next year. The Mayor asked why our liability is up. Mrs. Johnsons said that increase is a normal increase. Last year the budget amount was low. Mayor asked if there would be any other questions on non departmental? No questions.

Communications Budget

Mr. Bennett said he and Comm. Miller had worked on the previous budgets that had lead to this problem, a deficit of approximately \$36,000. Mr. Bennett said the only thing he could contribute that to was the overzealousness of thinking we would obtain more subscribers than we have through video services, data and also through phone. Mr. Bennett said that he and Comm. Strong had looked over everything and "scrubbed it real hard" and they feel fairly confident that if we could take approximately \$36,000 from reserves to balance this budget, and then we can work on next year's budget and not have the same problem again. Mrs. Johnson stated some bond money maybe applied. Mrs. Johnson said she has to look at the numbers that there might not be a deficit but a lower payment next year. Mrs. Johnson said originally when we started out with the 2006 bond it was a cable bond, but it was changed to part cable, streets and water/sewer but when the auditor first booked the bond he did so under cable. Mr. Bennett said the increase to internet charges is associated with our internet connectivity provider who is Century Link. Programming costs are just going up every year; it is unfortunately part of our contracts with the providers we carry service with and other associated costs with programming. Mayor asked any

more questions regarding cable budget? Comm. Morgan asked how much of cable bond actually went to cable? Mr. Bennett said original bond for \$3 million, once it was found cable would not need all the money for the rebuild, we allocated it also to streets and water/sewer. Comm. Strong explained it wasn't used completely for cable because initial rebuild was to be fiber to the home but we ended up with fiber to the node. Mr. Bennett said when we received the redesign from Scientific Atlanta we found it was not cost effective to take fiber directly to home for our small community. Mr. Bennett said individual cost to home was close to, I believe \$1,000 a home. Comm. Morgan said the \$3 million bond didn't cover that cost and Mr. Bennett replied not in total, Comm. Morgan said so then we were looking at a huge increase to an individual customer. Mr. Bennett stated we told Scientific Atlanta we cannot afford that let's redesign for fiber to the node. We did not have to utilize the whole bond. Mayor asked for any other questions?

Mayor said that concludes what was scheduled for tonight; the next budget meeting is to be the 16th of July. Next Monday is a regular commission meeting. Comm. Morgan asked if the regular meeting would include the second reading of the school rezoning, Mayor said yes. Mayor said the preliminary millage rate would be sometime next month, once it is set you can go down but cannot increase. Mayor said final millage will be set in September. Mayor said by the next budget meeting we would also have information regarding the various millage rates to complete the budget cycle. Comm. Morgan asked if the current wages included COLA, Mayor said they did not. Mrs. Johnson asked along with COLA do they want the numbers of what step increases would be? Mayor said yes she could do that also and see what the impact is. Mrs. Johnson said she could do the research of the last few years because at times we have done step increases and not COLA and vice versa but that she would bring that information to the commission next budget meeting. Comm. Strong said we do steps so that no one gets behind but that the budget was really the driver. Mrs. Johnson reminded everyone to turn in their Form 1. Comm. Strong said he would really like to thank Tammy for her work on the budget and the Mayor said he would like to thank everyone for their work on the budget.

ADJOURN

There being no further business to be brought before the Commission, the meeting is adjourned at 6:55 PM.

ADJOURN

John B. Arnold, Jr.
Mayor

Heyward H. Strong
Chair, VCA

ATTEST:

Tammy Johnson, CMC
City Clerk

July 2, 2012

The DVD labeled July 2, 2012 contains the audio and video of this meeting and will be kept as a permanent part of these minutes.