



**CITY OF SUMMERVILLE  
SPECIAL CALLED MEETING  
MID-YEAR BUDGET WORK SESSION  
FEBRUARY 19, 2015**



**CALLED TO ORDER:** Mayor Harvey called the meeting to order.

**ROLL CALL:** Mayor Harry Harvey gave roll call. Mayor Pro Tem Lloyd "Buddy" Windle, Council Members David Ford, Dale Housch, Joe Money, Jr. and Zachary Martin were present. Also present was City Manager Russell Thompson.

**CALLED TO ORDER:** Mayor Harry Harvey called the meeting to order.

**INVOCATION:** Mayor Harry Harvey gave the invocation.

**PLEDGE OF ALLEGIANCE:** Council Member David Ford led the pledge of allegiance.

**AGENDA:** Mayor Harvey asked if there are any changes to the agenda. No changes were requested. Council Member David Ford made a motion to approve the meeting agenda as prepared and presented. The motion was seconded by Council Member Joe Money, Jr. and carried unanimously.

**ANNOUNCEMENTS:** Mayor Harry Harvey gave the following announcements:

1. GMA Annual Convention reservation sheets need to be turned in by those planning to attend the June event in Savannah.
2. There are a lot of activities planned for April and Council is encouraged to attend as many as possible. Georgia Cities Week will be held in April.
3. A planning session is needed to set priorities for what Council wants to do concerning the earmarked funds for debt reduction and capital improvements.
4. Two separate readings are required to adopt the mid-year fiscal year amendments; meeting dates will need to be determined during the meeting.

**2014-2015 MID-YEAR FISCAL AMENDMENTS:** Mayor Harry Harvey stated that a review will be done of mid-year budget amendments. Mayor Harvey asked for staff to come forward for review and discussion. City Manager Russell Thompson addressed Council explaining that he will go over the bullet point sheets for expenditures first. City Manager Thompson explained that the amendments are broken down into general fund, water fund, and gas fund. City Manager Thompson explained that the salary line item in each departmental budget is higher than it should be. City Manager Thompson explained that there is a line item for overtime but the software added overtime to the regular salary line also (listed in both places). City Manager Thompson explained that the true salary number for each department would be the number listed minus the overtime line item number. City Manager Thompson explained that the overtime line item would be correct. City Manager Thompson explained that the \$80,000 difference will be tied to the contingency fund. City Manager Thompson explained that three employees have been added; one operator for the Wastewater Treatment Plant, one operator for the Water Treatment Plant, and changing the part time person that works with Jeff Wilson to a full time employee.

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**2014-2015 MID-YEAR FISCAL AMENDMENTS CONTINUED:** City Manager Thompson explained that the addition of one operator at WTP and one operator at WWTP will provide a crew of 7 for each facility. City Manager Thompson explained that the additional staff will help cut overtime costs and provide better coverage for vacations and sick leave.

**GENERAL FUND EXPENDITURES:** City Manager Thompson reviewed the bullet points listed for the general fund which are:

- Administration capital outlay increased by \$16,400 for Depot renovations which are offset on the revenue side by the CD liquidation.
- Contingency fund will increase due to a reduction in unemployment and some other expenses.
- Street department maintenance and materials increased in order to provide street and sidewalk repairs.
- Street resurfacing increased to the amount that was paid for repairs and work done in front of Jefferson's. The amount is offset on the revenue side from the liquidation of the CD.
- Building inspection clean and lien increased to cover expenses which will be offset by CD liquidation revenue.

**WATER FUND EXPENDITURES:** City Manager Thompson reviewed the bullet points listed for the water fund expenditures which are:

- Employee insurance increased due to employee changes.
- Office supplies increased to cover additional cost of purchased utility bills.
- 2012-2014 C.D.B.G. items offset on the revenue side.
- WWTP salary increase due to added position – class 13.
- WWTP capital outlay increased to \$33,695 for the replacement of a conveyor.
- WTP salary increase due to added position – class 13.

**GAS FUND EXPENDITURES:** City Manager Thompson reviewed the bullet points listed for the gas fund expenditures which are:

- Office supplies increased to cover additional cost of purchased utility bills.
- Natural gas purchased decreased based on MGAG's projections.
- Improvements and extensions increased due to chicken house projects which will be offset on the revenue side.
- Capital outlay increased due to equipment purchased by the equipment loan which will be offset on the revenue side.

**GENERAL FUND REVENUES:** City Manager Thompson reviewed the bullet points listed for the general fund revenues which are:

- Insurance premium tax up by \$9,432.41 based on year to date actual.
- Permits increased by \$5,000 based on building inspection collected year to date.
- Utility billing fire calls calculated at year to date collected as of 12/31/14.
- Reimbursements include \$67,000 equipment loan reimbursement; washes on the expense side.
- Funds from other sources in a new line item to show funds from CD liquidation.

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**GAS FUND REVENUES:** City Manager Thompson reviewed the gas fund revenues bullet points which are:

- Gas revenue based on MGAG's projections. However, the overall margins increased due to cost of commodity.
- Sales and use tax charged based on gas revenue changes.
- Reimbursement increased due to reimbursements from chicken house and equipment loan reimbursements.

**LINE BY LINE REVIEW OF MID YEAR BUDGET:** City Manager Thompson reviewed the mid year budget which lists the original appropriation, the mid year suggested amended amounts, month and year to date actual amounts, and the remaining budget balance. City Manager Thompson also provided Council with a sheet showing S.P.L.O.S.T. projects with color coding indicating projects completed, those in process, project left to do, and items unpaid.

Mayor Pro Tem Lloyd "Buddy" Windle stated that the budget presented to Council is the best budget he has seen in years. City Manager Thompson responded stating that Carla gets a lot of the credit noting that she has learned what to expect and can anticipate his actions. City Manager Thompson stated that Carla could do about 90 percent of the budget on her own.

The general review of mid year line item amendments resulted in some questions relating to different areas of operation. Mayor Pro Tem Lloyd "Buddy" Windle expressed concern about staff having sufficient concussion training in the Recreation Department. Council Member Dale Housch expressed the opinion that children begin playing football too young. Council Member Housch stated that youth are able to begin participating in football at 5 years old. City Manager Thompson stated that there are always staff members on site during sporting events. City Manager Thompson stated that he would look into the concussion awareness training and see that procedures are set.

Council Member Dale Housch asked if there has been any luck selling properties through the clean and lien program. City Manager Thompson explained that there is a lot of legal work that leads up to selling a clean and lien property. City Manager Thompson stated that Attorney Palmour is working on this project. Mayor Harvey stated that once the property is listed for sale he is sure they will be bought.

Mayor Lloyd "Buddy" Windle stated that he would like to see more emphasis made on replacements for the gas promotion program. City Manager Thompson explained that every effort is made to accommodate new and existing customers through the natural gas promotion program. City Manager Thompson explained that the Floyd County service area is in the process of expanding. City Manager Thompson explained that he has tried to get commercial accounts involved in the promotion program but that has not come to fruition.

**BALANCED BUDGET FOR MID YEAR AMENDMENTS:** City Manager Thompson stated that the mid year amendments have been done resulting in a balanced budget. City Manager Thompson asked if there are any questions concerning any portion of the amendments. No questions were expressed. City Manager Thompson stated that a final copy of the mid year budget will be printed with the salary and contingency numbers cleaned up.

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**MID YEAR BUDGET AMENDMENT ADOPTION PROCESS:** Mayor Harvey asked City Manager Thompson to explain the procedures to adopt the mid year budget amendments. City Manager Thompson explained that if Council wishes to make any changes to what is currently proposed then another work session would be needed. City Manager Thompson stated that if the numbers, as discussed, meet with Council approval then the first reading of the amendments could be done at the next meeting. City Manager Thompson stated that a second reading is required at a separate meeting wherein the proposed mid year budget amendments could be adopted. Mayor Harvey stated that he is happy with what has been presented and would like to have the first reading at the next meeting with the second reading and vote in March. Mayor Pro Tem Lloyd "Buddy" Windle stated that plan sounds good to him.

**INCREASE IN COUNCIL/MAYOR PAY:** Council Member Dale Housch stated that he would like to see a little increase in elected official's pay. City Manager Thompson stated that he can do some inquiries and run the numbers. City Manager Thompson stated that it would take a motion and pass to be put in place after the next election. Council Member Dale Housch stated that he would like to look at what could be done because Council has not gotten a raise in quite a while. Mayor Pro Tem Lloyd "Buddy" Windle expressed the opinion that he is satisfied with the pay as it is noting that serving as a Council Member should not be about the money. Mayor Pro Tem Windle stated that he thinks serving on the Council should be about helping the community. City Manager Thompson stated that a point of debate for increasing Council's pay might be to attract people to participate. Council Member Dale Housch stated that he suggests increasing Council pay by \$100. Council Member David Ford stated that he thinks Council's pay should go up \$200 and the Mayor's position up by \$1,000. Mayor Pro Tem Windle reiterated that elected official's pay should be left as it is.

**APPRECIATE STAFF PARTICIPATION AND HELP:** City Manager Thompson stated that he would like to express appreciation to Carla and Jessica for their help with the mid year budget amendments noting they have done a great job.

**NATURAL GAS BOUNDARY LINES:** City Manager Thompson explained that there is one other item Council should know about. City Manager Thompson explained that after investigation concerning boundary lines between the City of Summerville and Trion it has been determined that there was never a formal agreement done that matches the service maps. City Manager Thompson explained that if a map is attached to an agreement and it is not reflective of the legal description within that document then the legal description is accepted as the boundary. City Manager Thompson has had discussions with the Town of Trion Mayor concerning the chicken houses that are being installed at the service borders between Summerville and Trion. City Manager Thompson stated that the Town of Trion's Mayor wants to be sure that an amicable agreement can be reached. City Manager Thompson explained that the owner of the new chicken houses explained that they will need natural gas within six weeks. City Manager Thompson stated that Trion's gas line is right across the street from the construction site. City Manager Thompson explained further that the city's gas department is super busy so it is not likely that the six week deadline can be met. City Manager Thompson stated that he is in negotiations with Trion. City Manager Thompson stated that he thinks it would be in everyone's best interest to allow Trion to pay the City of Summerville a specific dollar amount to have the chicken house customer then work to clarify boundaries.

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**CITY MANAGER'S EVALUATION:** Mayor Harvey stated that the City Manager's evaluation also needs to be done.

**NEW SIGNATURE CARDS FOR ACCOUNTS SET BY COUNCIL:** City Manager Thompson stated that signatures are needed for the restricted contingency, capital improvement, debt relief, and GEFA new meter project accounts. City Manager Thompson explained that if signatures are done tonight then all forms can be turned in to the bank tomorrow.

**SPECIAL CALLED MEETING – FIRST READING OF MID YEAR BUDGET AMENDMENTS:** A general discussion was held which resulted in setting a special called meeting for the purpose of having the first reading for the mid year budget amendments. The meeting date will be March 5, 2015 at 5 pm. Mayor Harvey stated the second reading of the budget amendments will be done at the March 9<sup>th</sup> regular meeting.

**PLANNING SESSION:** A general discussion determined that March 23, 2015 at 5 pm is the date for a planning session. The location of the meeting was not set.

**ADJOURN:** All business having been concluded, Council Member David Ford made a motion to adjourn. The motion was seconded by Council Member Zachary Martin and carried unanimously.

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**HARRY HARVEY – MAYOR**

Attest:

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**JILL DURHAM – CITY CLERK, G.C.M.C.**