

City of Gordon  
Budget Workshop  
December 29, 2014

A budget workshop was held on Monday, December 29, 2014 at 4:30 p.m. at the City Annex located at 108 Elam Street. Present were Mayor Mary Ann Whipple-Lue and Council Member Mrs. Doretha Whipple. Also present were Matt Garvin and Daniel Cummings from the Middle Georgia Regional Commission. City Clerk Towana Brown and several citizens were also present. Absent were Council Members Mr. Freddie Densely, Mr. Terry Eady, Mr. Tommy Smallwood, and Mrs. Barbara Towles.

Invocation was given by Mayor Lue.

Mayor then said I can't call the meeting to order because we don't have enough here.

City Clerk stated you do not have to have a quorum for a workshop.

Mayor said we will just go ahead and open up and let you come forward, Daniel.

Mr. Daniel Cummings said, obviously, we are running a slim Council right now, so really the point of what we wanted to do is get feedback from Council on the proposed budget we had and also on the changes or suggestions you made as well, in order to work towards a consensus so that we could eventually advertize for the public hearing and then have the full budget passed. We can certainly still talk about the budget and if you have any questions or things. You may not feel there is enough representation from Council here to get the feedback that you would be looking for in order to get that consensus we were talking about to get an adoptable budget to get the public hearing set up and advertized the way we need to. But, I will certainly fill any questions or comments or if there is anything that the Councilwoman that is here has to comment on the budget or anything, now would be a good time to do that. Obviously, not a whole lot of discussion can happen at this point.

Council Member Whipple said what I was thinking, the last time we were at City Council Meeting, Mr. Eady and I agreed that, he just said that he hadn't had a chance to look at it because you had just given it to us, and so the Mayor's proposal plus your proposal was on here. I did get a chance to look at it and really I don't see anything, too much of a difference. I see some differences and I see where you got it out there in parenthesis.

Mr. Cummings replied, right.

Council Member Whipple said like on your revenue taxes, okay, ....

Mr. Cummings asked, "Charges for services?"

Mayor asked, "What page is that?"

Council Member Whipple said, "At the very beginning."

Mr. Cummings said, "The very front page, the summary page."

Council Member Whipple went on to say it was probably based on the years before and what it was spent for and I see she brought it down and you kept it at \$91,000, but she brought it down.

Mr. Cummings said I can explain the differences there and kind of how we got our numbers, if you'd like. In looking at it, in the past, the City has been budgeting a certain amount, but as far as what was being credited to it, it was only \$55,000.00, in that area. Because the funds were collected and put into the water fund, and yet the general fund was subsidizing the water fund, those funds were never moved to the general fund and then back, I suppose is the way to put it. But, you would be taking in that \$91,000 in revenue for the garbage bills. Its just a matter...you've been taking in the 90, but its only been showing up as the 55 because they weren't being moved to the general fund and then back to the water fund budget. So, ultimately, you are charged for service there for the garbage, the expenses about 90 and the revenues you take in is about 90 to set each other off because you all charge people rates based upon what the company charges you for collecting those bills. So, that is where our number came from and obviously in the past it hasn't been that 91, but its more of an accounting issue than an actual collection issue. Is that fair to say Matt?

Matt Garvin said yes and I would say that the proper way to account for this would be to have it at 90, which is what you are paying your contractor, because that is what you are charging your customers. The proper accounting for that is you would record the revenue of the 90 and the expense of the 90 and if you are going to subsidize the water fund for 40 thousand or so, which is about what you have been doing, then you would have a transfer to the water fund for \$40,000. If you will look on the first page down at the very bottom, there is an interfund transfer out to the water and sewer for \$40,000. The net has ended up being the same as what ya'll have been doing, but the proper way to account for it is to show the 90 in revenue and expenses and then show the transfer of 40 out. I would say for that particular line item that it should stay at 90 as opposed to going down to 65 because that's just the proper accounting.

Council Member Whipple said I just wanted to check it off when I ask you a question so that ...because we do need to go ahead on and get this at our next Council Meeting, if possible, it is Monday.

City Clerk Brown explained that what has happened is that some of our wells and equipment are getting really old and we've had a lot of expenses out of water fund so we have not been able to transfer those garbage funds in a timely manner. It will eventually catch up one day.

Mr. Cummings said in this ultimately, the money will likely go right back to the water fund. Its just a matter....

Mr. Garvin said it would make no sense to transfer over 90 and then turn right around and write another check back for 40 or whatever you are going to transfer back. You can still do the net, but the way to properly account for it would be as if you transferred over 90 and then transferred back 40. That would be the proper way to account for it. The net effect would still be the same the way you have it essentially.

Council Member Whipple asked, "Didn't we have a difference here of the...from the Mayor's proposed and the initial proposal for that expenditures - general government?" "Its on the same page, explain that one to me, too."

Mr. Cummings said in order to do that, we will have to jump a few pages into it. The first page is kind of a summary, so as you go into a few more pages, you go into more detail of it and you can see that there are actually several line items that add up to that. It's not just one particular line item.

Council Member Whipple then asked, "What page?"

Mr. Cummings said it starts on page 5 where you get into general government expenditures. You can see like in travel expense for City Council was increased by \$1100.00.

Mayor asked "Where's that now?"

Mr. Cummings said on page 5 under general government.

Mayor said, "I see."

Council Member Whipple asked, "General Government and its up under City Council?"

Mr. Cummings replied, "Yes." You will see it shows an increase in travel expense in the amount of \$1100.00 for City Council and at the very bottom of that page we increased the telephone by \$225.00 for the Mayor.

Mayor said, "Wait just a minute now." You're going a little bit...under travel expense for the City Council. So, that was increased, let's see...and what else did you say?

Mr. Cummings replied, "On the very bottom of that page, there was a small increase to telephone expense for the Mayor of \$225.00." On the next page, page 6, ....

Mayor asked, "Okay now, how did ya'll come up with that because I didn't see on here where I proposed that?"

Mr. Cummings replied, "That was the information that was provided to me as a line item increase."

Mayor said, "I have on mine, the one I submitted to you all, and I didn't adjust that, but it is what it is."

City Clerk explained that it is probably from your upgraded phone.

Mayor said, "Okay."

City Clerk said, "The phone you had was a really, really cheap one and you upgraded to a more expensive phone and the plan went up."

Mr. Cummings stated, "I'm not exactly sure, you know, I believe this was the Mayor's changes we talked about by phone, so I didn't actually see anything on paper."

Mayor said, "I've got the one I submitted with my numbers."

Mr. Cummings said, "Obviously these are your proposed changes, so feel free to let us know if you have differently than what we have down so that we can make those changes."

Mayor replied, "Okay." That may be the upgrade, but I have here in writing what I proposed.

Mr. Cummings said, "Okay, we can take that out if you don't want that in there, that's fine."

Mr. Cummings then said going on into page 6, still under the Mayor, travel expenses increased \$2200.00.

Council Member Whipped asked, "The Mayor's travel, is that on page 6?"

Mr. Cummings replied, "Right, at the very top on page 6."

Mayor said, "Right, exactly."

Mr. Cummings went on to say employee education was increased by \$500.00.

Mayor said, "Exactly."

Mr. Cummings said the next change is financial administration which actually decreased the legal fees from 40 down to 30. That was a reduction of \$10,000 in anticipated legal fees.

Mayor said, "Exactly."

Mr. Cummings said it does not look like there are a whole lot of changes.

Mayor said, let's see, from that actual, let me look at that. I had proposed for legal, from the proposed, let's see.

Mr. Cummings stated you had 40 and 30, I believe.

Council Member Whipple said it is. Its 40 and 30.

Mr. Cummings said its 40 and 30 because you had two different budgets. What we show you here is assuming no raise.

Mayor said ok.

Council Member Whipple said so that add up to that \$5000.

Mr. Cummings said, yes, if you add all that up it would come to that \$5975.00 that is on that very first page under general government. The net of all this would be a debt decrease of \$5975.00 of expenditures in general government.

Council Member Whipple said that's included when you take that \$10,000 from the legal services.

Mr. Cummings said that would be if all the changes were to be approved, yes.

Mr. Cummings said the public safety is the next area where there were some changes as well. It's on page 10, under fire. You will see an increase in radio repairs and maintenance to \$500.00. Then an increase in employee education to \$250.00.

Mayor said the increase was to radio repair.

Council Member Whipple said I see ya'll didn't propose anything there, right?

Mr. Cummings said the reason we probably didn't have anything there is because nothing has been reported as an expenditure to those line items in the past couple of years, so, if there wasn't anything being spent and recorded there, we typically do not put a budget there because there is nothing being spent there. In some cases we don't know exactly what the plans for the City really are until you were to buy something you hadn't planned or spend something this year you hadn't spent on in a couple of years. That's why we had it at zero, because there were no actuals in 2013 or 2014 for those particular line items. That doesn't mean that there couldn't be or in some cases shouldn't be a budget there.

Council Member Whipple then asked, "Towana, ya'll hadn't had anything in radio repairs and maintenance?"

City Clerk replied, "I am going to be honest with you. Everybody knows that money is short and they have not done anymore this year than they've had to. They've actually got some things that need to be done, but if not an absolute necessity they have not done them because money is extremely short."

Mr. Cummings said right.

Council Member Whipple said so you hadn't did it. She then asked, "But it hadn't been did in 2013, either?"

Mr. Cummings stated that nothing was charged to this line items.

Mayor then asked, "What does that mean about the radio repairs?" Mr. Lawrence is here. What is that? Explain that. When I think of radio, is that something to deal with the vehicles or is that something like making contact in your office or what does that mean?

Mr. Lawrence said I would think that would be the police department probably.

City Clerk explained that the Mayor was looking under fire.

Mr. Lawrence said, under fire, then that doesn't have anything to do with my department.

City Clerk said Mr. Terry could answer for that.

Council Member Whipple said, so, ya'll really haven't had anything for the last two years.

City Clerk said not unless they paid it out of their account because they know the City's funds are extremely low. They have not done anything other than what they've had to because the money is low so they are trying to help the City out.

Council Member Whipple said so they probably paid it themselves.

City Clerk said if they had any. They've got a little separate account for when people make donations for fire calls and other things from time to time. They may be pulling something from out of there.

Mr. Cummings said we move to page 11 of 17, continuing under fire. There is a removal of \$1000.00 to the Ivey Fire Department. An addition of \$5000.00 for capital outlays.

Mayor said, "Explain that, with Ivey." "What are we doing with Ivey?"

Mr. Cummings said initially we had a \$1000 in the budget for the fire department and I believe the feedback that you and I discussed, you wanted your proposal not to have that \$1000.00 anymore. It may be even because of the history, I'm not sure off the top of my head what the two year history looks like and if money is being given to Ivey there. It hasn't been. Mr. Cummings then asked, "Was that your intention for that?"

Mayor said, so, in other words, I'm asking so, even though I said nothing, I see you've got written here the \$1000.00, if I'm on the right line.

Mr. Cummings said if you are on...

Mayor said page 11, right there.

Mr. Cummings said right. This is the proposal that we had and this is the proposal you had so we had zero.

Mayor said okay. Exactly, because I have seen in the past that they have not contributed anything so I don't want, you know, to do anything.

Council Member Whipple said I want to ask Ms. Brown, "Do we always .."

City Clerk replied, "I'm not sure what that's for. Mr. Terry could probably answer that better

than I could." They have their on department now but its still being manned pretty much by Gordon by the same volunteers. I don't think they've gotten their own volunteers yet to stand alone as a fire department.

Mayor said so we might better leave that alone. You know not get ...I'd leave that as proposed.

Mr. Cummings said okay. Then in the capital outlays there is an addition of \$5000.00. We are not really sure what the capital expense would be there, but it was in the proposed changes.

Mayor asked, "What I am giving, proposing, is that \$5000, is that what you are saying?"

Mr. Cummings said right. Under the initial budget, there was no funding for capital outlays there. Then, under animal control, there is a reduction of \$800 there. It looks like for public safety, a increase of \$3950.00 for public safety. If there aren't any questions about that one, we will move along to page 12, under highways and streets, once again under radio repairs and maintenance, we have an additional \$100 between the RC proposed budget and the Mayor's proposed changes.

City said that was probably when we had the radios in the trucks which we no longer have. Most people have cell phones now.

Mayor asked, "Is that what it is Mr. ....

Supt. Lawrence stated that is correct because we no longer have the radios in our vehicles.

Mr. Cummings said moving on to page 13, under highways and streets we have an additional \$1000 for equipment rental, an additional \$400 in travel, an additional \$500 in employee education, and then an additional \$100 in natural gas.

Council Member Whipple said I would like to ask a question of Mr. Lawrence. So, what you are saying, that radio repair and maintenance, on page 12, the \$100 that the Mayor proposed, you are saying we don't use those no more so we don't need that no more.

Supt. Lawrence said that is correct.

Council Member Whipple said so we can strike that out.

Mayor said let me turn over, the next page is what, 13?



Mr. Cummings said right and 13 has four spots there where there is an additional expense - equipment rental, travel expense, employee education, and natural gas.

Mayor said, ok, let's go back to equipment rental. Okay. Resume.

Mr. Cummings said the equipment rental, we originally did not propose any funds or expenditures for that, and under the Mayor's proposal there is a \$1000 change for that. Under travel expense and employee education we didn't propose any funds for those as well. As you can see there is an addition of \$400 and \$500 for those line items. On the line item for natural gas, we, once again, didn't have any expenses there. There was a \$100.00 difference between our proposal and the Mayor's. The total highways and streets increase is \$2100.00, between the Mayor's proposal and our proposal.

Council Member Whipple said equipment rental. She did that, the Mayor proposed \$1000.00 for that. Okay. We don't have any kind of rental service, equipment rental?

City Clerk explained that the City does have equipment, but every now and then we need a piece of equipment that we don't have to do a particular or unexpected job so we rent the equipment plus an operator.

Council Member Whipple said so we really need to keep that then is what she's saying.

Mayor said right, I propose, you never know. That's what I'm looking at.

Council Member Whipple said we do have that funded.

City Clerk explained that most of the time its going to be under water and sewage.

Council Member Whipple asked ,“Are you saying take the funds out from somewhere else for that?” “Are you saying take it from the water and sewage fund?”

City Clerk explained that most of the time the equipment rental is going to be out of the water and sewage department instead of the general fund.

Council Member Whipple said so you want to take that away then.

City Clerk said its up to ya'll.

Mayor said this is what I propose, that we keep the \$1000.00 in the event...

City Clerk said it would not hurt to keep some money in both spots.

Mr. Cummings said sure. With decisions like this, we were going based upon history and previous budgets and so Mayor and Council input there is helpful. Honestly, we don't have any clue whether you will be renting any equipment in the next fiscal year or not. But, this is ya'lls budget, so we will be happy to note.

Mr. Cummings said on page 14, we didn't budget anything for the accounting expense in the solid waste collection, but in the Mayor's budget we have a \$1000. For capital outlay as well, we didn't budget anything, but the Mayor's budget would have \$1000. If no questions on that, moving on down you have culture and recreation. Under recreation, we budgeted \$100 for building repairs and maintenance and that has been upped by \$1900 with the Mayor's proposal. Under equipment rental, we didn't budget anything for that, but in the Mayor's there is \$500 budgeted for that. Under materials, there is a \$400 increase. Our budget did not have anything for materials, miscellaneous, capital outlays, or special facilities/festivals. So, all of those line items have been changed in the Mayor's proposal. Once again, that was really recreation and leisure what we saw was spent in previous years and we went with that. That's why we didn't have anything for any of those. Then as you see, parks, no changes until you get to page 16, no not even there. No changes in parks. Under housing and development, there is an additional \$400 in travel expense, that's on page 16. Then under planning and zoning, on page 17, the final page, there is an increase of \$800 in capital outlay expenses and employee education. Under economic development, we hadn't budgeted anything. In the Mayor's proposed budget, there is \$4000 for miscellaneous expenses and \$4000 for capital outlays added so that will be an additional \$8000. Then, right below there, an additional \$1000 for tourism, which is something we had not budgeted for in ours. The total difference there in housing and development is \$10,200.

Council Member Whipple asked, "Mayor, did you just decide to do the tourism?"

Mayor said, yes. In previous times past, it was a \$1000, so I see where 2014 its only \$500, so we gonna take it back up to \$1000 as in previous years past. We don't want to decrease that. We hope that in years to come that will get to be better.

Mr. Cummings said one thing we need to point out is, even if we assume, if everybody was here and agreed with all the Mayor's changes, with her changes, it is not a balanced budget. So, the initial changes will essentially have to be made. As it exist right now, expenditures increased \$22,000.00 and that means you're going to have to reduce expenditures somewhere else by \$22,000.00 or increase your revenues by \$22,000 to offset these additional expenditures. Please keep that in mind. Some additional changes may have to be made in addition to this just to get to

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a balanced budget.

Council Member Whipple said to get to a balanced budget you need to change it.

Mr. Cummings said even if you went with everything she has proposed to change there would still have to be additional changes to decrease expenditures somewhere else within the general fund or increase your revenues to offset these additional expenditures so that you do have a balanced budget and your revenues and expenditures match up. It's a starting point I guess, but additional work would have to be made even if this were adopted and agreed on by everybody as is.

Council Member Whipple asked, "How much did you say that it needed to be changed?"

Mr. Cummings said expenditures were increase by \$22,000 as it is right now, \$22,375, so you would have to reduce expenditures in other departments or other line items by that same amount basically or you could increase your revenues by that same amount and have the same effect.

City Clerk explained that you would either have to raise taxes to bring in more money or you would have to cut something from another department to get the money.

Mr. Cummings stated I just want to put that out to make sure that everybody is aware of the additional work.

Council Member Whipple said that is with the one that the Mayor proposed, right?

Mr. Cummings replied, "Right."

Council Member Whipple said, okay, so with the one that you all proposed it would be...

Mr. Cummings said the one we proposed was a balanced budget, but there are these other things that the Mayor has proposed, if ya'll agree that you want to do these kind of things like the capital outlay in the fire department and the economic development stuff. You would have to make other changes to compensate for those additional expenditures.

Matt Garvin added, and likely it would be given, I don't know, either raising fees or things like that, or taxes. You will probably be cutting expenses elsewhere. Its important as you look at it, as all the Council Members look at it, and everyone, that when you think about adding something in the expense line, you should also think about what you are going to cut somewhere else. There isn't a lot of extra fat on the budget so obviously its not an easy thing to do. From my perspective going forward and taking the City's lead on this, you need to get a budget passed

pretty quickly. I know we've been talking about it for a few weeks now and the City...

Council Member Whipple said I hope we can get it at the next Council Meeting.

Mr. Cummings said what we are going to need to do is get some confirmation from Council on what would be a good budget to be adopted sometime after next meeting. We will need to run an ad in the newspaper to hold a public hearing and there needs to be at least a week before the public hearing and then there's an additional week before Council can vote on it to approve it. Hopefully at the next Council Meeting, we will have something for everybody to look at and pick through and try to come to some kind of consensus on what you guys think is a good general fund budget.

Council Member Whipple said that gave me a little more clarity on it, so, I appreciate ya'll.

Mr. Cummings said absolutely.

Basil Lue said, "I have a question."

Mayor said, "Go ahead."

Mr. Lue asked, "What is the anticipation or what is expected from the general public?" This meeting.

Mr. Cummings said this is a budget workshop.

Mr. Lue again asked, "What is expected from the floor?" "Do they have an input."

Mr. Cummings said at the public hearing, and obviously, the Council or the chief elected official is often the one to decide rules or parameters of any public meeting on who's allowed to speak. The public hearing will be the time that the general public has to give input so once we get consensus on the budget and run the ad, it will need to be a week after that, the public hearing. That's when the public can comment and you can get their thoughts.

Mr. Lue asked we that came here tonight, it was not really necessary was it?

Mr. Cummings said it is an open meeting, so at anytime you would want the public here to hear what's going on to learn the same information that the Council's learning.

Mr. Lue said the point I am trying to make is you have a meeting and you have an audience, do

you need any information from the audience or any comments from the audience? That is the point I am trying to make. The next thing I was asking, was thinking, you are just talking on this budget here, this and that. We listening on the floor have no ? in what is being said. (Mr. Lue made several more comments, but I could not understand what he was saying in order to include in these minutes.)

Mayor then said, excuse me, I think what he is trying to say is that they don't have a copy and we do, so that's the difference.

Mr. Garvin said the budget workshop is for the Council and the Mayor to dig through, beat around and discuss more so than the public. Like Daniel said the time for the public to offer input would be at the budget hearing.

Mr. Lue said, "But not tonight."

Mayor said, "Exactly."

Mr. Garvin said, "Right." All meetings are always open meetings, but tonight is more for them to try to dig through the numbers and try to come to some consensus on their side as to what they are going to present to the public as to what they think the budget should be.

Mr. Cummings said but at any point, local government they set their own rules as far as public meetings go. So, this is not our meeting, this a meeting of the City, so we are just guest here to share information, specifically with the Mayor and Council. Anyone else is welcome to hear what is going on and if its appropriate, based on the rules set forth by the City, to comment on that.

Mr. Lue made further comments and said they can't make any decisions.

Mr. Cummings said they are not making any decisions. They are just discussing and talking. This is just a work shop. You can't make a decision at this no matter how many council members there are. Even if everybody was here, you could not actually vote and decide on anything tonight. It would have to be an actual meeting and not a work shop.

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Mayor asked, "Any other questions, anybody?" No further discussion, we can dismiss. Work shop closed at 5:11 p.m.

January 5, 2015  
Approved & Adopted

Mary Whipple-Lue  
Mayor

Imana Seo  
City Clerk