

Council Minutes
Called Meeting
City of Gordon
September 28, 2015

The Council of the City of Gordon held a called meeting on Monday, September 28, 2015 at 5:30 p.m. at the City Annex located at 108 Elam Street. Members present were Mayor Mary Ann Whipple-Lue and Council Members Mr. Freddie Densley, Mr. Terry Eady, Mr. Tommy Smallwood, Mrs. Barbara Towles, and Mr. George Wynn. Council Member Doretha Whipple was not present when meeting was called to order, but joined the meeting at a later time, as indicated.

Mayor said, "The meeting is now called to order. Let us bow our heads for a word of prayer, please."

Invocation was given by Mayor.

Mayor said, "Let us stand and pledge allegiance to the flag."

Pledge of Allegiance was recited.

Mayor said, "Welcome to our Council Meeting. This is a special meeting to address subject matters, budget, audit, and declare items surplus, and then we will enter into Executive Session. So, what we have before us Council is the proposed budget and I have here with the Regional Commission, Mr. Daniel Cummings. So, would you please come down?"

Mr. Cummings said, "Good evening Mayor and Council. It's good to see you all again."

Mayor interrupted Mr. Cummings and said, "We have a podium, please."

Mr. Cummings said, "Okay."

Mayor said to Mr. Cummings, "You'll just stand right there and lift it up as accordingly to your specification."

Mr. Cummings said, "That will work. I appreciate that. (Council Member Whipple joined meeting at this time of 5:31 p.m.) I think you do have before you the budget. (Copy of proposed budget attached.) That is the Mayor's proposed budget. She reached out to us at the beginning part of last week and requested assistance of us helping to transcribe one. I'd be happy to just briefly walk you through what this is and certainly, if you have any questions now, I'll be happy to fill those. Matt Garvin from our office is also here who is an interval in kind of putting this to

paper. If you'd like to take some time to ruminate over it, that's certainly fine as well. I'm always available for questions. Certainly, this is kind of the first stab of maybe a few along the way. But, if you look at that first page there on page number one."

Mayor asked, "Daniel, could I please interject something?"

Mr. Cummings replied, "Sure."

Mayor said, "I know I sent this memo to you last week. But, in lieu of that, if you'll just take a brief moment and look over that of what I had proposed to go in that. There was a...I've decided not to go with that just yet."

Mr. Cummings said, "Okay. So, it looks like as far as the proposal goes, there will be some additional changes to what is down here."

Mayor said, "So forget yours."

Councilman Eady said, "There's probably going to be a lot of changes. This is the first we've seen it and my department and a lot of other ones probably didn't have a lot of time to put much interjection into any of this you know. I hadn't give any numbers that I'd like to see put in it so I'm just letting you know, up front, you know, that there's several things."

Mr. Cummings said, "Certainly, from our perspective, I think we understood that, this, honestly, was only even kind of finalizing Friday. It was kind of a quick turn around and obviously as far as any formal adoption we are a ways away from that. We haven't had the public hearing. We haven't done the advertisement. We're a lot of steps away, but I think this is kind of...Kind of the first stab. And so, you know, we can go ahead and talk through some. As you see some issues, feel free to note them and to, you know, get back with us on that. I'd be happy to do that. If you notice..."

Mayor interrupted Mr. Cummings and said, "Also, before you proceed to go further, just to add that, you know, we just completed the audit. So, with this budget, with working on all of this, just to say to our Council, and I think that's...As a matter of fact, I know that they are well aware that with what we been going over and the Mayor has looked over this budget and this is coming from the Mayor as what I'm proposing to the Council. So, this will be to give them the opportunity to look at it and then if they see fit to maybe make some adjustments, then I stand

open and..."

Mr. Cummings said, "Yes, we're more the transcribers of the writers more than anything else. I want to point your attention to the first page. As you see, there is a summary of both the revenues and expenditures. You'll see the different columns that we have there. One being the budget for FY 2014, one being the actual for 2014, the variance column, the budget for 2015, the actual for 2015, and then the proposed 2016. So, these would be the things that she asked us to specifically take a look at. It wasn't each line item, so where they were, we had our own methodology for the, for the different numbers we came up with and I'll point out a few of those. Sometimes they ended up being an average of past years. An average of past years expense."

Mayor said, "Exactly.""

Mr. Cummings went on to say, "So, you will see a total revenue anticipated of \$1,637, one million rather, six hundred thirty seven thousand, one hundred sixty-one. Really, that was more on our end using what is the projected millage rate, the current tax digest, and then a couple of other issues specifically reaching out to some folks and putting...some folks over at Wilkinson County to get the Excise Tax number. You'll see the total expenditures of \$1,749,794 and for most...each one of most of these is the ...It was that average of past years. Then in certain situations based upon the memo that the Mayor sent us, we made specific changes to certain line items that I will point out specifically in just a second. If you flip over to page 2, it's really the outline of the revenue portion of the budget. As I mentioned before, things like property taxes, motor vehicle taxes, mobile home taxes, down there. Those line items were taken from the current ad that was run compared to the proposed millage rate and then also can bring that to the digest."

Mr. Cummings went on to say, "As you can see, as compared to...as compared to previous years, those have gone down. The digest did shrink quite a bit. Particularly the areas of motor vehicle tax, which has been kind of a theme we've seen in adjusting in residential property taxes. Most of...Most of the other...Each of these revenue sources were taken from an average of the past few years. Actual - you will notice the Excise Tax that we reached out specifically to Wilkinson County to try to get a closer hit on that number. That number is projected to go up due to the percent of that tax going up from 75% to 100% on that two penny tax between, really at the beginning of this next calendar year. So, that's kind of a general summary, as you can see it continues over onto...on to page three as well. Certainly if you have any questions related to that I'll be happy to, if I'm stuck on anything, I'll certainly be happy to refer it to Matt Garvin who is here with me. Alright. Moving fairly quickly, onto page 4 of 11, we do have some pretty specific changes here, or special editions, rather. Here under which it looks like something that will likely change. We did have a salary change on our version of the budget under, for City

Council and Mayor, that will no longer be accurate based on the change I just received from the Mayor. So that will change. You will see an increase in employee education for both the Mayor and City Council as well. Six thousand dollars total budget increase. An increase of four under City Council and two under the Mayor. Under Financial Administration, you will see a salary total there of \$98,274.00. That was an increase from last years projected budget of \$68,563.00. In the memo I have from the Mayor, that indicates the hiring of a treasurer position at a salary of \$32,000.00. For each one of the other salaries..."

Mayor said, "And..."

Councilman Eady said, "Say that again, please."

Mayor said, "And as well as negotiable."

Mr. Cummings said, "Right, so..."

Councilman Eady again asked, "That was what kind of position?"

Mr. Cummings replied, "The position listed here as treasurer."

Councilman Eady asked, "A new position?"

Mayor said, "As recommended by the auditor."

Councilman Eady said, "We have a clerk/treasurer already."

Mayor said, "Yes, we do, but, as it was stated in the finale of the auditor's report, it would be advantageous for us."

Councilman Eady said, "We'll talk about it later."

City Clerk Brown said, "That's my job. I'm the clerk/treasurer."

Mr. Cummings said, "Alright."

Mayor said, "Which is negotiable, also, from 32 plus."

Mr. Cummings said, "I think 32 is an estimate which you might be shooting for. It sounds like a decision you all will be working out among yourselves there. But, certainly at the end of that, we

Mayor said, "Exactly."

Mr. Cummings said, "As I mentioned before, I'd be happy to fill some questions now. Certainly I understand this is the first time really any of you have gotten a chance to look at it and I think it's the Mayor's intention for this to be kind of the first stab so please do mark it up, talk to us, think about it, and we will be happy to kind of make those changes where we can work towards something that we can get some consensus on."

Councilman Eady said, "You have got the, you know, budget for 2014 and actual stuff on the revenues. You did not include the \$400,000.00 anywhere that we took out of the One Georgia Fund and put in the budget. That would've kicked those numbers up if you had put that number in there. That took place, you know, this year in 2014."

Mr. Cummings said, "Yes, and I...My understanding, and, Matt, feel free to correct me on this, but since that was funds...Those were funds currently, currently under City possession, they would not have been listed specifically as a revenue there because they weren't new funds received by the City."

Matt Garvin said, "That's correct. That's money that you already had and not really revenues coming in so you don't need it in this. You were utilizing it to cover expenses, but it's not really..."

Councilman Eady asked, "Where would you account for it at though, I mean? At some point or time, how would that show up?"

Mr. Garvin replied, "Well, the only place it shows up is a decrease in your fund balance. It doesn't really show up on your income statement at all."

Mr. Cummings said, "It does show that net change in fund balance down at the bottom of that summary page as \$365,243.00. I think that's kind of where that would be reflected at."

Mayor asked, "Any other questions Council, other than...?"

Councilman Eady asked, "What about capital expenditures? We usually have those and we, you know, have that as a presentation that comes out of SPLOST and you have to designate them

now as we go into this budget. We have to have those numbers and figures, you know.”

Mr. Daniel said, “Absolutely and that’s something we talked about on the way in here. We have to take a look at that and I’m sure you guys will want Water Fund Budget as well, which is something we’re working on a kind of tightish time frame between Monday and now, so we haven’t gotten a chance to collect some of those so, certainly we will reach out to Towana and to the department heads and see what, and to you all as well, to see what some of those capital outlays would be for this upcoming year.”

Councilman Eady asked, “What is your time frame now for moving forward from now to when it can be advertised? We have to set up all these meetings and you have to get all the numbers right first, you know. You’ll have to come back to us again first.”

Mr. Cummings said, “Well, I, you know, and I think that’s why maybe I’m a little bit hesitant to put a very specific time frame on it because I want to make sure we get the numbers right and that we have something that could go through the process. After that, the process will be fairly quick as far as the advertising of the budget and holding the public hearing. It’s not too cumbersome there, but certainly we’ve seen the same kind of process last year. We know it may take a little bit of time. So, we’re ready whenever you’re ready to see us next, we’ll be ready with the materials and the changes that you all have for us.”

Council Member Whipple said, “So, with what the Mayor just added or whatever she changed, you think by Monday, because we have a Council Meeting on Monday. Can you have everything in place by Monday?”

Mr. Cummings replied, “We can certainly make those changes and whatever other changes Mayor and Council would like by that time, but you know it’s really kind of a Council, Mayor and Council decision at this point.”

Council Member Whipple said, “Yes.”

Mr. Cummings said, “Really if they think they’re getting to the draft, you’d rather think you’re getting to a draft that you think is somewhat adoptable in order to go ahead and advertise it. We can’t advertise for the public hearing between now and Monday just giving the paper schedule and doing all those kinds of things. To be honest, I think that will be a little ambitious at this point. But, you know, we could get you a forum for next Monday to discuss again if that will give you a week to look through it and make comments. Give us some feedback and then certainly we will

be available to do that.”

Mayor said, “That sounds logical. Are ya’ll with that?”

City Clerk said, “I’m not sure we’ll have the capital by then. We’ve got request in but they haven’t been turned in. It takes a while to get up quotes. We’ve been working on that about two weeks now. We haven’t got them all back yet. We would certainly like...There are several things we would like added.”

Mr. Cummings said, “Okay. I will be... We will be in touch. If you can’t it by then, there will be a...more, other Council Meetings beyond that, another one there, and in October as well. So, we’re obviously at your pleasure so please, if you need us call us.”

Mayor said, “So, as soon as the Clerk gets all that information, she’ll let me know and we’ll move from there.”

Mr. Cummings said, “That will work for us.”

City Clerk said, “We’re working on it.”

Mr. Cummings said, “Very good.”

Mayor said, “Okay. Thank you so much. Our next order of business is the audit for 2014-15. So, would you please come Mr. Greer?”

Mr. Greer said, “Thank you Mrs. Mayor.”

Mayor said, “Yes.”

Mr. Greer said, “My name is Mitch Greer and I’m with Mauldin and Jenkins. Just, I’ll try to be brief, but just wanted to give you an update on the September 30, 2014 Audit. At this time, the Annual Financial Report, our Management Letter, and our Auditor’s Discussion and Analysis, as we call it, have all been finalized. (All above on file at City Hall.) All the appropriate filings with the state have been done. So, from our end and our perspective, the September 30, 2014 Audit is complete and finalized. I did bring two things with me, if you’ll remember back in August, I think the 17th, Miller Edwards from our office presented. Everything he presented that day

was in draft form. I brought with me today finalized documents of our Management Letter and the Auditor's Discussion and Analysis and I believe Mark Hardison has provided the Annual Financial Report, but I did want to point out that nothing from those draft forms has changed. Everything that was presented that night is reflected in the final reports. So, I didn't have anything specific to go over other than to let you know that everything has been completed, filed, and finalized and if anybody has any questions, I'll be glad to try to answer them. But, other than that, September 30, 2014 is final."

Mayor said to City Clerk, "Let me ask you this. Would this have anything to do with that letter that you received?"

City Clerk replied, "That's just completing it. Yes, ma'am and I'm waiting on you to sign it. Not the one I'm waiting on you to sign, but another one we completed today."

Mayor asked, "What is that one? The one that came in. The one..."

City Clerk replied, "That's just a financial report we do every year. Mark Hardison's office is doing that for us."

Mayor said, "Okay. So that..."

City Clerk said, "I left it for you to sign today. I don't know if you went by the office when I left to come to Council Meeting, but it's it up there waiting for you to sign."

Mayor said, "Okay. But, that would not hinder or have anything to do with this?"

City Clerk replied, "Oh no, no."

Mayor said, "So, with the next audit, we know that we're, what? Ready to begin to start the next audit, so, Council, we will utilize the services of Mauldin & Jenkins and do you have your Engagement Letter to indulge or engage with us today?"

Mr. Greer replied, "I don't have a specific Engagement Letter with me. I apologize. I didn't realize that we needed one. But, we can get one as soon as we can and whenever you'd like it, but I don't have one with me tonight."

Mayor said, "So, I don't think with everything that we've had transpire in the previous year that we would have any problem. Do you all Council? Would that be a problem retaining Mauldin & Jenkins Services to continue the audit for the..."

Councilman Eady asked, "Do you think it would be wise for us to try to advertise again for bids? We did the first time."

Mayor said, "I see no...As far as I'm concerned, you all, I'm pretty much satisfied with their services so I see no need to."

Councilman Eady said, "I'm just asking because that's standard procedure, you know, to ask and I'm just asking, that's all."

Mayor said, "Of course, I've not seen that written in stone, but, I'm open to Council, so. The mere fact of the matter is that you all did a very fine job so Council, so that they will know, I'd like to think that we could go ahead and make the decision about the agreement tonight to retain them as the...Besides, if you go and get somebody else they might charge us an arm and a leg. These people, the longer you stay with them...I think you do give us a discount or a certain percentage off. Do you not?"

Mr. Greer replied, "Well yeah, a kind of rough estimate would be probably about 50% of what was charged this year for the 2014 audit. Obviously it was our first year doing the audit. There's a lot of...A lot of first year costs that go into it that we don't necessarily have going forward. We have a pretty strong understanding of who does what and how things work. So, a rough estimate would be about 50% of what was charged this past year."

Mayor said, "It would make good sense to..."

Councilman Wynn said, "I think we still need to get the letter of engagement."

Councilman Eady said, "I didn't come prepared to make that decision tonight and I'd like for us to table any decision made on any auditor that's going to be hired until after our year starts next year, next month."

Mayor said, "Well..."

Councilman Eady said, "I make that as a motion."

Councilman Smallwood said, "Second."

Mayor said, "A motion has been made and seconded. All in favor to wait on the engagement letter."

Several City Council Members said simultaneously, "Aye."

Mayor asked, "The engagement letter. Is that what you were saying?"

Councilman Eady replied, "Yes ma'am."

Mayor said, "Okay. Sounds good. So, if ya'll will get it to me."

Mr. Greer replied, "We'll get it to you as soon as we can."

Mayor said, "Thank you so much."

City Clerk said, "I didn't get the complete vote. Who all voted yes?"

Council Member Whipple said, "We all did."

Mayor said, "I think everybody did. Roll call everybody."

There were 6 ayes and 0 nays.

Mayor said, "Okay. The ayes have it. So no opposed."

City Clerk said, "Thank ya'll."

Mayor again said to Mr. Greer, "So, you all get us the engagement letter."

Mr. Greer said, "We will. Thank you."

Mayor said, "The next is to declare items surplus. So, I'll let...Clerk you explain that because I don't have anything on that."

City Clerk said, "Okay. I'm going to suggest that we table that because of the restraining order on items at City Hall. There are hard drives in some of these computers."

Councilman Eady asked, "What all items do we have? Do we have a list?"

City Clerk replied, "Yeah. I can pass them out." (Copy of list attached.)"

Councilman Eady said, "I haven't heard what the items were myself."

City Clerk said, "There's several computers and a fax machine, so until we hear something back from the Judge..."

Mayor asked, "Is that the one with the garbage and the trash and all that, too?"

City Clerk replied, "Uh huh. Because the hard drives are on the computers."

Councilman Eady asked, "Can I ask please, if I may?"

Mayor said, "She's going to pass out to each one of us."

Councilman Eady again asked, "May I ask the Chief, please? Do you have any surplus cars, equipment, or anything that you need to include in it so we can do it all at one time?"

Chief Hall replied, "I don't have any vehicles to include in with it."

Mayor said, "So, the police...What about the Supt. of Public Works?"

Supt. Lawrence said, "I have at least one pick-up truck and one dump truck."

Mayor said, "So, if you would get those items listed and get it to the Clerk, please sir. So, we'll table that until when?"

City Clerk replied, "I guess until the Judge relieves the order."

Councilman Eady said, "I make a motion that we table the item about surplus equipment right now."

Mayor said, "A motion has been made. Do I have a second?"

Councilmen Densley and Wynn said, "Second."

Mayor said, "All in favor starting with Mr....Councilman Densley."

Councilman Densley said, "Second."

Mayor said, "No. He made the motion and he seconded it. All in favor."

There were 6 ayes and 0 nays.

Mayor said, "The ayes have it. No nays. Alright, now we'll...Do I have...We're now entering Executive Session. Do I have a motion that we enter into Executive Session?"

Councilman Eady said, "I make a motion that we now go into Executive Session to discuss pending litigation."

Councilman Smallwood said, "Second."

Mayor said, "A motion has been made and seconded. Roll call."

There were 6 ayes and 0 nays.

Mayor said, "The ayes have it."

Regular meeting was closed at 6:01 p.m.

Mayor said, "Excuse me, before we go, you all forgive me. We have our accountant Mark Hardison here. Come on down Mr. Hardison. I'm sorry."

Councilman Eady said, "I think you'll have to wait now. I mean legally we've already voted to go into Executive Session at this time."

Mayor said, "Exactly. I understand. But, he'll wait he said. Thank you."

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Mayor said, "Council will entertain a motion to re-open the meeting to the public. Do I have a motion?"

Councilman Eady said, "I so move."

Councilman Densley said, "I second it."

Mayor said, "A motion has been made and seconded. All in favor."

Voting for the motion were 6 ayes and 0 nays.

Meeting re-opened at 6:48 p.m.

Mayor asked, "Any opposed? We have Mr. Mark Hardison, our accountant."

Attorney Boone, "Mayor, you need to take care of the other issue first."

Council Member Whipple said, "Ask for a motion."

Mayor asked, "Can I get a motion that we open..."

Councilman Eady said, "I make a motion that we authorize Mr. Richardson to pursue and investigate the EEOC complaints that was discussed in Executive Session tonight."

Council Member Whipple said, "And I second the motion."

Mayor said, "A motion has been made and seconded. All in favor. Mr. Freddie."

There were 6 ayes and 0 nays.

Mayor said, "The ayes have it. No opposers."

Mayor said, "Now. Good evening."

Mark Hardison said, "Okay. I'm Mark Hardison with Clifton, Lipford, Hardison & Parker. The reason I'm here is just to give engagement letter proposal for preparing the financial statements and doing the work preparing the external audit and getting the schedules and things prepared. I think each of you have a copy of this. They have a copy?"

City Clerk replied, "Yes sir, I passed them one." (Copy of engagement letter attached.)

Mark Hardison said, "This is basically the same thing we did for FY 14."

Mayor said, "Excuse me. I thought that this was Mauldin & Jenkins but it's you. I'm sorry."

Mr. Hardison said, "It's okay. That's alright. The terminology is a little bit different in this engagement letter here and that's because of an accounting standard change. But, basically, it's the same if you want to engage us to prepare the financial statements and get all the schedules prepared and anything corrected that needs to be corrected before the external auditors come in. So, I'm simply here just to give this to ya'll per the request of the Mayor. Are there any questions on this?"

Mayor said, "So, Council, if you all just want to take some...maybe at the next meeting as we did with the auditor, just wait until he gets here, his gets here and we just do it at the same time. If you don't mind?"

Mr. Hardison replied, "That's fine."

Attorney Boone asked, "Do you have an extra copy of the letter? The charter says it has to be approved by the city attorney."

Mayor said, "Thank you so much. Council, I'd just like to say I have no further business. I entertain a motion that we adjourn."

Council Member Whipple said, "I offer a motion that we adjourn the meeting until Monday, October 5, 2015."

Mayor said, "A motion has been made. Do I have a second?"

Council Member Towles and Councilman Eady both said, "I'll second it."

Mayor said, "Councilwoman Towles seconded it."

Councilman Eady said, "Sure."

Mayor said, "Roll call, Councilman Densley."

Voting for the motion were 6 ayes and 0 nays.

Mayor said, "The ayes have it. The meeting is adjourned. No opposers."

Meeting was adjourned at 6:51 p.m.

10-19-15
Approved & Adopted


Mayor

Inwan Su
City Clerk