CITY OF TAYLORSVILLE
CITY COMMISSION
SPECIAL MEETING

September 20, 2011

The City of Taylorsville City Commission held a Special Meeting on Tuesday, September 20, 2011 at 4:30 p.m., at the City Hall Annex.

Present were:
Don Pay, Mayor
Beverly Ingram, Commissioner
Nathan Nation, Commissioner
Kathy Spears, Commissioner

Staff present:
Steve Biven, City Clerk
Harold Compton, Public Works Director
Toby Lewis, Police Chief
John D. Dale, Jr. City Attorney
Randy McConnell, Comptroller

Item #1
Mayor Pay called the meeting to order at 4:30 p.m.

Item # 2 - ***Bob Ryan, Review of Audit***
Mr. McConnell passed out a handout of audit highlights and water/sewer net income before contributions. Mr. Ryan gave his audit report and stated that the financial statements do fairly represent the financial position of the city as of June 30, 2011. He reviewed several pages in the audit including a review of assets and liabilities. He discussed the debt that the city maintained. He also mentioned that after December 31st interest bearing funds will need collateral in excess of the $250,000 level. Mr. McConnell stated that we were collateralized to the necessary level.

A single audit was required for federal funds in excess of $500,000. The city's CDBG funds fell under this requirement. He described an issue that the city's grant manager did not use an updated form in a salary survey. That matter was resolved. He stated that he was satisfied the city's grant administrator Bryan Kirby (CEDA) and agreed with the clerk that this was a petty matter. He praised CEDA on the work that they do.

No material discrepancies were found. Mr. Ryan stated that there were no adjustments required of him from the financial statements provided by Mr. McConnell. He stated that this was extremely unusual.

There are two items remaining. He will send the necessary pages to the newspaper for publication and complete the Uniform Financial Information Report for the Department for Local Government by May 1st as required.
Commissioner Nation asked about the required depreciation and the actual balance as it relates to the 40 year loan repayments and long term debt. He asked the opinion of the auditor regarding paying off debt. Mr. Ryan stated that the money is there for debt payment and that this would make sense. He suggested consultation with Mr. Compton as to future needs and Mr. McConnell. The mayor wanted to wait for a motion to approve the audit until Commissioner Waldridge was in attendance.

Mr. McConnell reiterated that we received a clean unqualified opinion, no internal control issues and he thanked the staff. He stated that the ending fund balance was $511,422. He mentioned the equity in the water and sewer enterprise fund was mainly comprised of water lines in the ground. We are fully collateralized at three banks. Our liabilities are higher than the net available cash. He reviewed the interest expense. The city lost $43,788 in water and $164,861 in the sewer fund before contributions. Total water and sewer loss was $208,651. No material weaknesses were found and no deficiencies other than the matter discussed with the CDBG funds. He will continue to provide the commissioners cash to debt analysis.

Clerk Biven thanked Mr. McConnell and his team for the good audit and commended him concerning the fact that no adjustments were required.

Item #3 - ***Sisler-Maggard, Wastewater Treatment Plant Change Orders***
Joe Sisler presented two change orders. Change order #4 was needed to upsize the electrical additions required for new aspirators at a cost of $20,681.64. Change order #5 is required to remove sludge in lagoon number one. No heavy metals were found but due to being in the floodplain, it cannot be land farmed or hauled to a landfill. It was decided to put it in lagoon number two at a cost of $47,096. This lagoon will not be utilized by the city. Lagoon 1 and 3 will carry the city to 1.3 to 1.4 million gallons. $21,000 remains in the contingency fund. No additional cost will be incurred. **Motion made by Commissioner Nation and seconded by Commissioner Ingram to approve change orders number 4 and 5. Motion carried 4-0.**

Motion made by Mayor Pay and seconded by Commissioner Ingram to table items number 4,5,6,8,9,10 & 11 until the next regularly scheduled meeting, next month, due to not having a full commission present, with the exception of hearing the three speakers listed; Mr. Travis, Mr. Drury and Mr. Downs, for 3 minutes, and taking no action. Mayor Pay, Commissioner Ingram and Commissioner Spears voted in favor. Commissioner Nation opposed. Motion carried 3-1. Commissioner Nation stated that he had followed the same procedures as in the past and that a meeting on the third Tuesday of the month would demonstrate an open government.

Item # 4 - ***Anthony Travis – Additional Units at Taylorsville Place***
Mr. Travis requested a letter of support for another housing project due to the need for housing in this community. 24 units will be constructed and the application needs to be submitted by Oct. 3rd. Mr. Travis stated that this still needs to go before Planning and Zoning. He needs the letter to show that there is no dissent in the community. **Motion made by Commissioner Nation and seconded by Commissioner Spears to write letter of support to Buckeye Community Hope Foundation for the Taylorsville Place development at Old South Plantation, with the understanding that it will need to come back before the commission for final approval. Commissioner Nation, Commissioner Spears and Commissioner Ingram voted in favor. Mayor Pay opposed. Motion carried 3-1.**

Item #5 – ***Bill Drury, Sewer Cost***
Mr. Drury asked for a written justification for charging more for county water rates than the city. He would like that completed by the next meeting. He also asked to take the word "automatic" out of Section 7 of the rate ordinance regarding the COLA. He asked that wording on page 4 of the ordinance be changed in describing the cost per 1000 gallons.

Item # 6 – ***Davis Lee Downs, Email List & Annual Water/Sewer Rate Adjustment***
Mr. Downs requested email notification of special meetings. His other issue was addressed by Mr. Drury. **Motion made by Commissioner Nation and seconded by Mayor Pay to develop an email distribution for special meeting notification. Motion carried 4-0.**

Item #7 - ***Steve Biven, Cemetery Report***
Mr. Biven stated that Sisler-Maggard will be conducting a survey of the property to determine the boundary line between the cemetery and the homes. Attorney Dale will develop an easement for Mr. Jewell to review. Mr. Compton presented a design of work that could be performed to remedy the situation. The mayor asked that he come back with a cost for pulling out the rock and liner, replacing it with grass seeded matting, removing the fence, digging out a 2 foot wide path to putting in treated wood, building a retaining wall and a French drain. A berm will be constructed above the rock to reroute water coming off the top of the hill.

Mr. Drury asked for an apology regarding statements made of him earlier in the meeting and received an apology from the mayor. Commissioner Ingram stated that the owners of Early Wyne subdivision told the City Commission that Mr. Drury was not to speak on behalf of the owners of the development.

ADJOURN MEETING
Item #8 – **Motion made by Commissioner Ingram and seconded by Mayor Pay to adjourn. Motion carried with a vote of 4-0.**

Don Pay, Mayor

Stephen A. Biven, City Clerk