

Minutes
Bluff City Board of Mayor and Aldermen
Special Called Meeting
January 26, 2021

Mayor Wells called the meeting to order at 6:00 p.m.

Members present were Jeff Broyles, Ray Harrington and Richard Bowling.

Carol Keith and Eric Ward were absent.

Prayer was given by Vice Mayor Harrington, followed by the Pledge of Allegiance.

Mayor Wells opened the floor for the following:

Citizen's Comments – No comments

Discussion / Action – Auditors Report

Curtis Morrison with Rodefer and Moss stated I am going to try to keep this short and sweet. Mr Morrison stated I can keep it short and sweet because I don't have a lot of findings in here. I've got one finding. Over the last few years you went from several to one. I wanted to point that out. I can't say enough about Irene and Sharon on getting the book and records in good shape. Mayor Wells said thank you. I want to touch base on just a few things. I am going to look at a few pages I would focus on Management's Discussion and Analysis beginning on page 6. I'm not going to hit all the numbers on there but as you can see it looks fairly consistent. There are some light changes due to changes in OPEB and pension plans with outsider control. Mr Morrison stated I did want to point that out year over year net positions change was 293 on the government line.

Mr Morrison stated I am going to go straight to the fund balance. This is the way you are used to seeing it presented. Mr Morrison discussed Fund Balances beginning on page 15. Total Assets - \$2,300,000.00, \$1,600,000.00 is in cash. Liabilities are negligible at \$11,000.00. You will see \$392,000.00 in deferred current property taxes and unavailable revenue is property taxes for this year we can't claim yet. They were paid ahead of time. You will see at the end of June 2020 for the General Fund, \$1,800,000.00 in fund balances with the majority of that unassigned, which means you can use it for whatever you deem necessary and fit for the community.

I am going to skip over to page 17 where you can see the total revenue which is \$1,600,000.00 and expenditures of \$1,400,000.00. It shows \$225,000.00 in revenues over expenditures. You had some transfers from other funds, from General to Sewer. Your net change in fund balance for the General Fund is \$114,000.00. I just wanted to point out what gets you to the \$1,800,000.00 for the year. On 19 is all the budgeted amounts. I can tell you as far as the budget goes, we didn't have many overages or unders in any particular categories, I will say that Fines and Court Costs were budgeted at 587 and came out at 524,000 and of course we know that was because the cameras were taken out. Your total revenues were budgeted at 1.7 and came in at 1.6 which is about 80,000 difference.

In looking at your expenditures, the good news is almost every expenditure category came in under budget. Which is why you end up with a positive 114,000 added to your net position.

As I mentioned before I could take you through all the retirement plans and stuff like that but that comes directly from the state and I don't think that there is anything in here that felt like it would be confusing to anyone.

If you wanted to look at page 62, it is all the way to the back, you will find a summary schedule of prior audit findings and how they were handled. They were all corrected but 1 and that is the finding on bad debt on sewer. That is the only continuing one that you have. That's all I really had, like I said I wanted to keep it short and sweet. If you have questions I will be happy to answer them or at least attempt to answer them. Vice Mayor Harrington stated pretty well straight forward stuff. Alderman Bowling asked what about the money on the bad debt, what was it? Mr Morrison stated that is unpaid water bills for many, many, many years. The only way to get rid of it is if the Board was to approve to write those off. You can do that and that finding can go away. In fact I encourage you to do that and one thing I would do is keep a record of what we wrote off and if the same people came back to try and get service you've at least got a record of that. Mr Bowling asked, do you know how much money that involves, and Mr Morrison stated it's like \$85,000.00. Mr Morrison stated it looks big but it has accumulated over decades I believe. Vice Mayor Harrington stated 25 years or so maybe. Mayor Wells stated it's a long time.

Motion to accept the Audit Report was made by Vice Mayor Harrington. Second by Alderman Bowling. Vote was as follows: Alderman Broyles – yes, Vice Mayor Harrington-Yes and Alderman Bowling- Yes. Motion carried.

Discussion / Action- Public Hearing – Ordinance No. 2021-001

City Attorney Paul Frye read the ordinance which Amends Ordinance 2020-004 known as the Appropriations Ordinance for the Fiscal Year Ending June 30, 2021. This is to purchase a mini excavator for the price of \$42,635.14. Public Hearing opened at 6:12 p.m. With no comments Public Hearing closed at 6:12 p.m. Motion to approve on Second Reading was made by Vice Mayor Harrington. Second by Alderman Bowling. Vote was as follows: Alderman Broyles – yes, Vice Mayor Harrington-Yes and Alderman Bowling- Yes. Motion carried.

Discussion / Action – Approval from Board to get a Credit Card for the City not to exceed \$5,000

City Recorder/CMFO Sharon Greene stated that this is where we have travel expenses and sometimes when Allen needs to get parts he can find them on line and get them quick, but the only way to do it is to have a credit card. On the travel expense, we have to book motels and it is a whole lot easier with a credit card. We have to have somebody's card to hold them, usually Allen's or mine. Ms Greene stated that it would be a whole lot easier with a credit card. Instead of sending a check with them we can do it on a credit card and at the end of each month I can reconcile it. It is always paid each month.

Alderman Broyles asked if there was a particular bank we want to work with. Ms Greene stated we are talking with Regions where we have the bank accounts. Mr Broyles asked if it would be similar to the AMEX where we would pay off the balance monthly and there would be no interest. Ms Greene stated there won't be any interest because it will be paid every month at Regions. Mr Broyles asked what would be the interest if we didn't pay it.

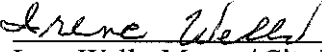
Ms Greene stated if we didn't pay it. Mayor Wells stated we don't want to think about not paying it. Alderman Bowling stated it's according to how much you spend too. Ms Greene stated it has no fees. Mr Bowling stated it depends on how much money you spend, what their interest will be. Ms Greene stated if it's paid off every month, there's no interest. Mr Bowling stated he said if it's not paid off every month. Ms Greene stated if it's not paid off, she was going to get back with me on that. Alderman Broyles stated I was just curious about that. My company, we have 100 purchase cards out at the company. We actually use Wells Fargo which works for us. We get 2% rebate per year by using them. I don't know if you considered them or not. We find it a very effective tool for the things that you are talking about.

Alderman Broyles stated as far as Allen buying things on line, I really can't think of anything Allen would need to buy online with the direct suppliers we have. City Recorder Greene stated, there's some things if he needs something really bad, he can find online. Mayor Wells stated yes it's cheaper and the thing about this is there is still several vendors that don't want you to send them a check in 30 days. They want you to pay up front. Once they know us and see that we have the money to make sure they are going to get their money, it's a different story. We've had some that we started out, we used Sharon's and Allen's credit cards and that is a bad situation. Alderman Broyles stated yes it is. Mayor Wells stated we actually talked to 2 different banks and Regions is the one we deal with on pretty much everything, so it didn't take us hardly any time to get approved to do it and we are not going to run over \$5,000. There is no way we are going to run over \$5,000. Unless something drastic was to happen there's no reason for us not to pay monthly. Alderman Broyles stated that's never been a fear. I just have experienced, that's part of the things I mentioned. Mayor Wells stated yes I know you do and I appreciate it. Mr Broyles stated I know, I experienced this, today as a matter of fact. We will have a new supplier that we want to begin to use at one of our locations and although we have impeccable credit and our DNV is 1 and 1, that particular site needs to buy it today and it may take me or my staff a few days to get the letter of credit exchanged- Mayor Wells stated right. Mr Broyles continued saying- and get everything all set up with the guy so we can pay him. We may not be able to wait. Anything we need to do in Allen's world we need to always try to look for that direct end to be able to buy it. Mayor Wells stated well we do but there's some vendors out there that's - Mr Broyles stated I'm sure. We just don't want to stand on (personal) Cards because we will pay retail. City Recorder / CMFO Greene stated there won't be but 2 cards. Irene will have one and I will have one. That way all purchases will go through her or me. Alderman Broyles stated I think it's a great idea. Ms Greene stated it just helps so much on travel when they go to seminars and have to travel. It's to book that and then you have to send a check with them and it has to be in the name of the city or you can not get the tax exempt taxes on the motels. Alderman Bowling stated I had trouble with my sewer and had to order parts off line. Mayor Wells stated you'd be surprised where there's like only one vendor that they actually have to buy something from that nobody else carries.

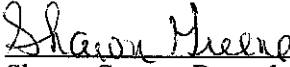
Motion to approve was made by Vice Mayor Harrington. Second by Alderman Broyles. Vote was as follows: Alderman Broyles - yes, Vice Mayor Harrington-Yes and Alderman Bowling- Yes. Motion carried.

Pg.4
BMA SPEC
1-26-21

With no other business, a motion to adjourn was made by Alderman Bowling. Second by Vice Mayor Harrington. . Vote was as follows: Alderman Broyles – yes, Vice Mayor Harrington-Yes and Alderman Bowling- Yes. Meeting adjourned at 6:20 p.m.


Irene Wells, Mayor / City Manager

Attest this 26th day of January, 2021


Sharon Greene, Recorder / CMFO