

**Minutes
Finance Committee
October 5, 2015
6:00 PM
1st Committee meeting**

Members present were Chairman Dale Black, Committee members Larry Goodson and Terry Merritt. Finance Director Holly Abercrombie and City Administrator Trey Eubanks were also present.

1. Call to order.- Chairman Black
2. Public Comment- None
3. Reading and approval of minutes- Councilman Goodson made a motion to accept the minutes with Councilman Merritt seconding. The vote was unanimous (3-0).
4. Reports or communications from city officers
 - a. Budget report- Holly said there are not a lot of revenues coming in now. Taxes come in late December and January. Expenditures look good and are in line with where we were last year. The auditors will be here for the next two weeks. Trey said he would like to have an audit workshop before the audit is presented at the November council meeting.
5. Unfinished business.
6. New business.
 - a. Options for sewer bond fund overage- We received some really good bids for our bond project work. The low bid came in at just under \$2.6 million and we had budgeted \$3.1 million. We are cleaning and cameraing now and expect the project to be concluded in 18 to 24 months. Because of the overage we have, we will have the option to either do some additional work or pay the bond down. We are working on four basins now and Council could do some additional work on a fifth basin or pay the sewer bond down. Councilman Goodson asked how much of the \$2.6 million is rehab. Trey said we estimate all of that is rehab work. We will have monthly progress reports and costs to go with that. Councilman Godson said personally he would like to see some of the debt paid down. Trey said when they do post rehab monitoring at the end of the 18 months, we will have a good track record of sewer staff work.

As of last Thursday, 4500 feet have been done in basin 3 and basin 4 is halfway done. There are two crews in two trucks working. By the end of the year or early next year, we will know what repairs need to be done.

Chairman Black said he doesn't think we can decide what to do with the money until we find out what we need to do. They said instead of budgeting from the sewer fund to pay the debt, we could use the overage to pay down the debt when the payments come due. The payments can be made on call dates, you can't put the \$900,000 towards the debt because of the way the bond is set up.

- b. Department head residency requirement- Councilman Merritt drafted a policy after doing some research and it was referred to our labor attorney. The research that was found is only on resident requirements for all employees. Councilman Merritt said he would like department heads to live in the city because of being better able to respond to emergencies, and the fact that they have skin in the game because they live here. This would be for all new hire department heads after November 1, 2015. The department heads that are already employed would not have to move unless they are moving anyway, then they would be required to move into the City.

Councilman Merritt said he spoke with Donna Kazia of COG and Jeff Schacker at the MASC. Jeff used to be the City Manager of Newberry and gave his perspective. Newberry was concerned about the quality of schools and other issues. Mauldin does not have that problem, but does not have a lot of available single family homes in the \$200-300,000 range. Gaffney does not have a residency requirement, but the City Manager encourages department heads to live in the City. Greer requires the Police and Fire Chiefs to live in the Greater Greer area, but no one knows where that is.

Chairman Black reiterated that this would not affect anyone employed now unless someone is going to move anyway unless they get a council exception. Chairman Black said this will be good for the City because department heads will be mingling at church and the grocery store with the community. The labor attorney has this policy but has not reviewed it. He

should be able to look at this by the end of the week. Councilman Goodson said he has a concern where we allow one person not to have to move, but you require someone else to move. Councilman Merritt said the exception part has to be reviewed. This would be for family farms or something similar. Councilman Merritt said the exception language came largely from New Bern and Topeka.

Councilman Merritt made a motion to send this item to council for consideration. Councilman Goodson seconded the motion and the vote was unanimous (3-0) . The labor attorney will look at the policy in the meantime. Councilman Goodson asked that the attorney be consulted on the exception and also on the language regarding existing department heads moving into the City if they do decide to move.

7. Public Comment

Leo Joyce: Is it true that there are areas within the city limits that are really county? How will you handle that?

Chairman Black: I think there was a phrase about that.

Leo Joyce: Within a certain mileage? Ok.

8. Committee concerns.

Councilman Merritt said he noted a few things on the credit cards. He has seen vast improvements on the documentation. He did document 5 issues/violations of the credit card policy and submitted those to committee and the city administrator.

9. Adjournment. – Chairman Black adjourned the meeting.

Respectfully Submitted

Cindy Miller

Municipal Clerk

NOTICE: A majority or quorum of City Council may attend a committee meeting