

**WHITE OAK CITY COUNCIL
REGULAR MEETING
WHITE OAK CITY HALL
SEPTEMBER 13, 2011
6:00 P.M.**

MEMBERS PRESENT : Mayor Rick May, Mayor Pro-Tem Barbara Ray, Lance Noll, Kyle Kutch, Charlie Owens, Kelly Mitchell

STAFF PRESENT : Charlie Smith, Sherry Roberts, Mike Self, Debbie Sadler, Terry Roach, Jim Nall, Randy Dodson, Nate Holder, Wendy Emmel

CALL TO ORDER

Mayor May called the meeting to order at 6:00p.m. Mayor May led the invocation and the Pledge of Allegiance.

CONSENT AGENDA

- A. Consider and/or approve payment of bills.
- B. Consider and/or approve City Council minutes from August 9th, 22nd, September 1st, and September 6, 2011
- C. Consider and/or approve WOEDCO minutes from July 26, 2011
- D. Consider and/or approve audit engagement letter from Karen A. Jacks & Associates, P.C. for fiscal year ending September 30, 2011.

Mayor Pro-tem Ray questioned how many years Karen Jacks has been the City's auditor. City Secretary Sherry Roberts answered before her employment in 2008 and knows they did the audit a year or two before then. Mayor Pro-tem Ray commented that it is a good accounting practice to change auditors every so often yet Karen is excellent. City Secretary Sherry Roberts explained they know the City's system and they are so easy to work with. They also do audits for Gladewater and Gilmer.

Councilmember Mitchell made the motion to approve, seconded by Councilmember Kutch. Carried unanimously.

CITIZEN COMMENTS

None.

CONSIDER AND/OR APPROVE Resolution #2011-04 Finding, After Reasonable Notice and Hearing, that Southwestern Electric Power Company Existing Electric Rates and Charges within the City Should Remain in Effect.

City Coordinator Charlie Smith explained SWEPCO's Turk Plant in Arkansas is under construction and SWEPCO is requesting a rate increase to help offset construction costs. He explained the City is a member of an organization of cities that regulate power cost and an Austin attorney represents this group and the recommendation is to deny the rate increase. SWEPCO will then present the rate increase to the Public Utilities Commission then the PUC will conduct the required research. Mayor Pro-tem Ray stated this is not the first rate increase request and the City denies it every time.

Councilmember Kutch made the motion to deny the rate increase request, seconded by Councilmember Owens. Carried unanimously.

CONSIDER AND/OR APPROVE Resolution #2011-05 Approving a Fund Balance Policy for the General Fund according to GASB Statement No. 54.

City Secretary Sherry Roberts explained this is a GASB 54 requirement and their guidelines must be followed. This policy outlines how to categorize funds in the General Fund and in what order the funds will be spent. The only noticeable change will be seen in the auditor's financial statements they prepare for the City at the end of the fiscal year.

Councilmember Kelly Mitchell questioned who set the fund balance minimum of operating expenses to two-months. Ms. Roberts stated she did because it seemed to be the standard but it is the council's ultimate decision and can be changed. After more discussion regarding the minimum fund balance, the council agreed a six-month fund balance minimum was more adequate.

Councilmember Kutch made the motion to approve the resolution with a change of a fund balance minimum from two to six months for operating expenses, seconded by Councilmember Noll. Carried unanimously.

CONSIDER AND/OR APPROVE Ordinance #2011-08 Approving a Budget Amendment to the FY 10/11 General Fund and Water Fund Budgets.

City Secretary Sherry Roberts explained no amendments were needed for the General Fund, but explained the amendments and why they were needed in the Water & Sewer Fund.

Mayor Pro-tem Ray made the motion to approve, seconded by Councilmember Mitchell. Carried unanimously.

PUBLIC HEARING on Proposed Budget for Fiscal Year 2011-2012.

Mayor May opened the public hearing at 6:18p.m. and asked the guests if anyone would like to address the council.

Citizen Kevin Phillips questioned if the splash pad was making money. Mayor May stated it was in the black and barely making money and explained partially shutting the park down because of the drought created less than expected revenue.

Mayor May stated the water park has been very successful compared to what it was before implementing the current program. City Coordinator Charlie Smith stated several cities have come to look at the water park and will be modeling their parks after ours and will also be modeling their fees after ours.

Mr. Phillips then questioned what the tax rate increase was for. Mayor May stated the council did not raise the City's tax rate. Gregg County Appraisal District upped the property values which created a slight revenue increase in property taxes.

Mayor May asked for any other questions or comments and with no responses, the public hearing was closed at 6:25p.m.

CONSIDER AND/OR APPROVE Ordinance #2011-09 Adopting and Approving a Budget for Fiscal Year October 1, 2011 to September 30, 2012 and Providing an Effective Date.

City Secretary Sherry Roberts discussed the expenses of bringing the printing and mailing of water bills back in-house versus using the outsource service currently being used. After the discussion of how much more expensive it is to do our own billing, the Council advised to just keep using the outsource company.

Councilmember Noll made the motion to approve, seconded by Mayor Pro-tem Ray. Carried unanimously.

CONSIDER AND/OR APPROVE Ordinance #2011-10 levying ad valorem taxes for use and support of the municipal government of the City of White Oak for the 2011-2012 fiscal year; providing for apportioning each levy and specific purposes; providing when taxes shall become due and delinquent if not paid and providing for an effective date.

Motion to approve made by Mayor Pro-tem Ray, seconded by Councilmember Noll. Carried unanimously.

EXECUTIVE SESSION in accordance with Texas Government Code, Subchapter D, Section 551.074 Personnel Matters-Job Description & Duties of Public Works Director.

Council exited open session and entered executive session at 6:40p.m.

RECONVENE INTO OPEN SESSION and take no action.

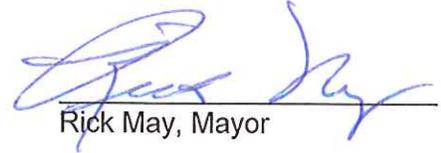
Council reconvened into open session at 7:08p.m.

CITY COORDINATOR ITEMS

- A. Capital Projects Update
City Coordinator Charlie Smith stated everything was completed at the water treatment plant. The lawsuit that was expected to be filed on behalf of the contractor has not yet been filed, but TML-IRP and the city attorney have all the information if there is a lawsuit filed.
- B. Drought Contingency Update
Mr. Smith stated he has had numerous questions about when the City would be moving away from the Stage 2 of the Drought Contingency which would allow people to water. With no rain in the future, this question cannot be answered. Water Plant Superintendent Wendy Emmel stated there is no water flowing over the dam at Big Sandy Creek. Mayor May stated that if there is no rain soon, the stage of the Drought Contingency may increase.
- C. Wildfires Update
Chief Jim Nall stated the volunteer fire department had 65 calls in four days. The department had 521 man-hours clocked. He stated how great the community has been with donations and volunteers. Councilmember Noll asked if anyone was hurt. There were three minor firefighter injuries, with one being heat exhaustion. There was an estimated 300 acres burned on the north end of town and 1,500 acres burned on the south end of town.

ADJOURNMENT

Councilmember Mitchell made the motion to adjourn at 7:15p.m., seconded by Councilmember Noll. Carried unanimously.



Rick May, Mayor

ATTEST:



Sherry Roberts, TRMC
City Secretary