

**WHITE OAK CITY COUNCIL
REGULAR MEETING
WHITE OAK CITY HALL
MARCH 11, 2014
5:00 P.M.**

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

STAFF PRESENT : Charlie Smith, Sherry Roberts, Billy Morgan, Terry Roach, Randy Dodson, Wendell Basham, Debbie Sadler, Jason Maxted

CALL TO ORDER

- A. Invocation
- B. Pledge of Allegiance

Mayor May called the meeting to order at 5:00 p.m. Mayor May led both the invocation and Pledge of Allegiance.

CONSENT AGENDA

- A. Consider and/or approve payment of bills
- B. Consider and/or approve City Council minutes from February 11, 2014
- C. Consider and/or approve WOEDCO minutes from November 5, 2013.
- D. Consider and/or approve Resolution 2014-04 appointing the presiding judge and alternate presiding judge for the May 10, 2014 General Election and approving compensation for judges and clerks.
- E. Consider and/or approve Contract for Election Services with Gregg County Elections Administrator.
- F. Consider and/or approve Ordinance 2014-03 approving an amendment to the FY 13/14 General Fund budget.

Mayor Pro-Tem Ray made the motion to accept, seconded by Councilmember Noll. Councilmember Kutch asked to be reminded about the budget amendment. City Coordinator Charlie Smith explained it was for the East Texas Council of Governments (ETCOG) grant expense of a new 911 recorder for the police department. ETCOG will reimburse the city for the expense. Motion carried unanimously.

CITIZEN COMMENTS

None.

PRESENTATION of National Poisoning Prevention Week Proclamation.

With no one in attendance to accept the proclamation, Mayor May read the proclamation to the audience.

PRESENTATION of City of White Oak Audited Financial Statements for fiscal year 2013 by Karen A. Jacks & Associates

Karen A. Jacks stated the audit for fiscal year 12/13 was completed and the books are in good order. There were no significant audit findings and nothing unusual was found. On page one of

the financial statements is the independent auditor's report which received the highest level possible. Ms. Jacks noted that what is not recorded is that they arrived at this opinion without the need of a lot of adjustments to the financial statements. She went on to report that there is other reporting which looks at internal control over financial reporting as well as city compliance with laws, rules, etc. which also resulted in another clean report. On page three, begins the Management, Discussion, and Analysis document over the city's performance outlook and Ms. Jacks pointed out some key factors. On page 19 is the balance sheet for the general fund which shows a fiscal year-end balance of \$2.7 million in fund balance, which most of this balance is unassigned (meaning it is available for spending at the will of the Council). She reminded Council that according to the approved fund balance policy, there must be a fund balance of six months of operating expenditures in this fund and the city was above that level. On page 35, in the budget comparison for the general fund, expenditures were compared to the final amendment budget which showed a decline in fund balance of only \$11,601, which was much less than budgeted. In other words, the budget was beat by \$135,000. In the water and sewer fund on page 20, the statements show a fund balance or "net position" of \$8.2 million. Of this total, \$7 million is in fixed assets, there is a balance set aside for debt service, and the unrestricted balance is \$752,000. The budget comparison for the water fund is on page 39 and is more complex because non-cash expenses, e.g. depreciation are not budgeted. This fund also had a positive budgetary performance. While the fund was budgeted to add about \$5 million, most of which was borrowed money for new debt issued, the fund still beat the budget by \$500,000 in total.

Ms. Jacks pointed out that another brief letter for review is the management letter. This letter has suggested areas for improvement in either policies or procedures but is not important enough for a finding issue. Last year, there was a rise of past due water billings noted and there was a policy recommendation that was adopted and tested. There was improvement but still customers were allowed to carry a balance and this policy needs to be revisited and thresholds placed. Another item addressed was the city's written leave time policy where absence forms must be approved and a significant number of people did not have their forms signed by department.

DISCUSSION regarding the contract with Champion EMS.

City Coordinator Smith informed the Council that the Champion EMS contract is up in May and he has held discussion with one of their attorneys and CEO. He gave notice that the next budget will include an expense for ambulance service, however negotiations are ongoing, and the exact amount is not yet known. Gladewater pays \$90,000 a year for service. Conversation with Champion will continue, but he wanted to inform the council of this issue. Mayor Pro-Tem Ray asked if ETMC would also charge for their service. Mr. Smith replied that Gladewater had a meeting with another ambulance service and the days of not paying a subsidy is a thing of the past. Mayor Pro-Tem Ray pointed out that GSMC was also closing the White Oak clinic. Mr. Smith affirmed this. He acknowledged that the building's owner, Greg Hulett, has shown it to two other providers, but there is no confirmation of new tenants. Mr. Hulett advised the Council that he was trying hard to keep a provider in town. Mr. Smith stated he will find out what other cities are paying for ambulance service. Mayor Pro-Tem Ray stated that at one time citizens could pay a monthly subscription. Mr. Smith explained that this monthly fee goes to the ambulance service. Mayor Pro-Tem Ray questioned if this would begin on June 1st. Mr. Smith replied that this is another issue because the new budget begins October 1st and there needs to be discussion with Champion on the start date of the new contract. Councilmember Noll asked if the people that pay the \$4/month fee still get a bill for service. Mr. Smith replied that the membership picks up expenses from what insurance does not cover. After further discussion

regarding services, Mr. Smith advised the Council that he will return with more information at the next council meeting.

CITY COORDINATOR ITEMS

A. Update on water sources, meters, and plant improvements.

Regarding the water wells- PARCO will not be able to do the well size that we want. Mr. Smith stated he has spoken with C. Miller and Hayes Engineering to explore other options. A 300-400/gallon per minute well will help the city a lot. Water Plant Supervisor Wendell Basham suggested another location could be at the booster pump station in Clarksville City where water could be pumped directly into the water line. After discussion with Hayes Engineering, bid preparation for the water meter installation is in process. There is a preconference meeting this week regarding the painting of the water plant clarifiers. After TCEQ plan approval, the project will move forward quickly.

B. Update on High School Baseball Field Renovation.

Project is moving along. They will be building the locker rooms and dugouts this week. The seating is in already and the forms are poured for the bleachers to go up in the next two weeks. Councilmember Noll asked if it will be ready by opening day. Mr. Smith replied the field will be ready, but the concession stand will not be because the weather has not cooperated very well.

C. Update on city hall roof replacement.

He explained that this will have to be postponed until there is a full council then we will look at this project. Since this was not a budgeted project, funding is an issue. There was a recent leak in the bathroom, so something must be done at some point.

ADJOURNMENT

Councilmember Noll made the motion to adjourn at 6:30 p.m., seconded by Councilmember Kutch. Carried unanimously.



Rick May, Mayor

ATTEST:



Sherry Roberts, TRMC
City Secretary