

**FINANCE COMMITTEE MEETING
MINUTES OF MAY 21, 2009 – 5:30 P.M.**

Attendees: Councilman Hardman, Councilman Cordry, Councilman O’Riley, Councilman Conley, City Administrator Harrill, City Clerk Stinson, Deputy Clerk Welch, Budget/Finance Analyst Wood, Executive Assistance Willis

Reorganize Committee

First item of business is to elect a Chairman. Councilman O’Riley made the motion to elect Councilman Hardman as Chairman. Councilman Cordry seconded the motion. Motion passed unanimously.

Monthly Bills

Deputy Clerk Welch was in attendance to answer any questions about the monthly bills. After a detailed review and many questions, Councilman Hardman made the motion to approve the payment of the bills. Councilman O’Riley seconded the motion. Motion passed unanimously.

Budget Items

City Administrator Harrill reviewed the month-end report for April 2009. It looks good for being the first month of our year. Revenue and expenses are both at 9% with a net of almost \$61,000. We are also waiting on grant payments and draws for \$241,609.

Ralph Muxlow, our City Counselor/City Attorney would like to get an increase of \$250. Currently he gets a retainer of \$750 as Counselor and \$1500 as Attorney. We did not include any increase in our budget. Committee asked what his hourly commitment is for the retainer. We need to review and bring this issue back to the committee next month.

We are currently leasing a copy machine for the Police Department. We are paying for overages every month. We did include \$6,000 in the current budget to purchase a machine. We received a bid from GFI for \$4,250, a substantial difference in the price of the other copiers. They also offered us 6 months of free service and supplies. Councilman O’Riley made the motion to purchase the copy machine based on the City Administrator’s recommendation. Councilman Cordry seconded the motion. Motion passed unanimously.

Finance Items

We put out a request for bids to purchase a 2009 New Holland TT 75A tractor in the amount of \$17,795. We received two bids. Low bid was from Security Bank for a three year term at 4.10% interest. We will make six semi-annual payments. Councilman Cordry made the motion to recommend approval of this purchase to the City Council. Councilman O’Riley seconded the motion. Motion passed unanimously.

We need to get a “bridge loan” in the amount of \$1,017,440 for the financing on GW Lane. The project will be bid out in September but we are required to have money set aside 60 days in advance. We will have a resolution at the City Council meeting authorizing the City Administrator to enter into a financing agreement with Security Bank. Councilman O’Riley

made the motion to recommend passage of the resolution to the City Council. Councilman Cordry seconded the motion. Motion passed unanimously.

Bids were put out for banking services and two were returned. Committee reviewed both and a motion was made by Councilman Hardman to accept the bid of Security Bank for banking services for a three year period. Councilman O'Riley seconded the motion. Motion passed unanimously.

Insurance Discussion

A representative of Liberty National Life Insurance Company met with Mr. Harrill and Ms. Wood. They want to offer our employees \$3,000 in accidental death coverage at a cost of \$10. They also offer some other types of insurance and want the opportunity to meet with each of our employees. The City would not endorse this insurance. Committee tabled this issue and asked Mr. Harrill to investigate this company to see if they are any good.

We have been having trouble with our current health insurance company since the first of the year. Through letters and telephone calls, they are now offering to give us back our original coverage effective June 1st. When we changed our deductible at the beginning of the year, we did not know that our coverage would also change. Mr. Harrill and staff will review and then e-mail the committee members with a recommendation.

Other Business

At last month's meeting, we discussed the write-off of old personal property taxes. We will have the ordinance at tonight's meeting. Just because we write them off, it does not mean that we will not try to collect them.

Adjournment

There being no further business, the meeting was adjourned at 6:23 p.m.