

TOWN OF GARLAND
BUDGET PLANNING SESSION #4
OF THE BOARD OF COMMISSIONERS
TUESDAY, JUNE 23, 2014
7:00PM

The budget planning session of the Board of Commissioners of the Town of Garland was held at the Garland Town Hall in Garland, N.C. on Tuesday, June 23, 2014 at 7:00pm.

The following members of the Board of Commissioners were present:

Ralph Smith
Carolyn Melvin
Denise Toler
S.J. Smith
Haywood Johnson

Also present was Mrs. of Gabby Chestnutt from the *Sampson Weekly* and Chase Jordan from *The Sampson Independent*. Also in attendance were 3 citizens.

ADMINISTRATIVE

Mayor Winifred Murphy called the meeting to order at 7:00pm and welcomed everyone in attendance. Deputy Town Clerk, Jennifer Richardson was present serving as clerk recording notes for the meeting minutes.

QUORUM

Mayor Murphy and Deputy Clerk Jennifer Richardson established that there was a quorum present.

APPROVAL OF AGENDA

Mayor Murphy asked the members of the Board to review the presented agenda for consideration of approval. Commissioner Ralph Smith made a motion to accept the agenda as presented. The motion was seconded by Carolyn Melvin. There was no further discussion and the motion carried.

BUDGET DISCUSSION

Mayor Murphy shared with the board a Major Fee Schedule that included important changes regarding property tax, privilege license, water/sewer rates, group health insurance, sanitation, personnel, and projects included in F/Y for 2014-2015 budget. See attached. She also recommended adopting a formal fund balance policy establishing a set goal. She informed the board that the City of Clinton adopted a policy that they will have at least a 38% fund balance. Once it gets over 38%, then that's when they will start doing capital outlay and capital improvement projects. In 2012, the Town of Garland had a fund balance of 6.8%. It is recommended by the LGC that the town has a fund balance of 8%. Mayor Murphy also informed the board that it is up to each municipality to decide what they would like for their fund balance to be.

Mayor Murphy presented to the board an overview of the General Fund, Water Fund, Powell Bill Fund, and NC STEP Fund. She commented on how the Powell Bill is overstated by \$9,000.00 and the General Fund is understated by \$9,000.00 due to a bank transfer that was doubled to reconcile the two accounts for a motor grader payment. Mayor Murphy informed the board that she has to do a bank transfer of \$9,000.00 from the Powell bill to the General Fund before June 30, 2014. In regards to the NC STEP Grant Revenue, there was a payment for a printer that should have been posted to NC STEP fund. To correct this entry, there needs to be a journal entry to move \$436.00 from the General Fund to the NC STEP Fund. Mayor Murphy informed the board that she has worked with Brenda Cromartie to make sure that the expenditures are listed as they should be. She also informed the board that it is a must for changes to be approved by the committees first according to the NC STEP Grants Administrator Marquis Crews and then sent to Raleigh. This fund may also change prior to the next meeting on June 30, 2014. Mayor Murphy will get with Mrs. Cromartie and the committees to discuss the expenditures. Commissioner Ralph Smith wanted to know if the Implementation Revenue of \$100,000.00 needed to be in a separate account. Mayor Murphy informed the board that it does not need to go in a separate account, but that there has to be a separate budget for the Water Improvement Project. This would involve adopting a Capital Project Ordinance that will consist of a public hearing.

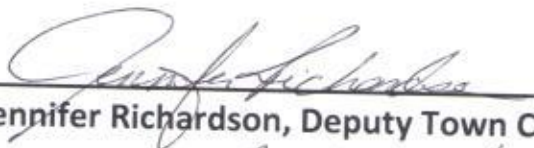
Mayor Murphy informed the board of Pamela Cashwell's recommendation to consider allowing Scott Bridgers to do the reconciling items for 2013-2014. Mrs. Cashwell could possibly do the correcting journal entries just as she has done for 2012-2013. Some discussion was held.

In closing, the town has not received an invoice from Smith Brother's Paving for work that has already been completed. Mayor Pro Tem Johnson informed the board that he has

made contact with Smith Brother's Paving. Mayor Murphy also informed the board of the Powell Bill report due by mid-July 2014, but due to trying to gain access to the portal, a report was also missed in December. Mayor Murphy will not be able to see if the reports are up to date until she is able to access the portal. Online banking and email access has been changed to see what has come into the bank.

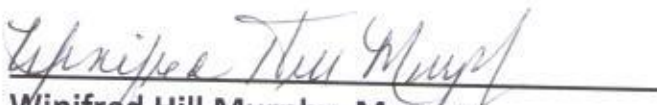
ADJOURNMENT

Mayor Pro-Tem Haywood Johnson made a motion to adjourn this meeting. The motion was seconded by Commissioner S.J. Smith. There was no further discussion and the motion carried unanimously. The meeting was adjourned at 7:17PM.


Jennifer Richardson, Deputy Town Clerk

*Board Approved
6/30/14*

APPROVED:


Winifred Hill Murphy, Mayor