

TOWN OF PENNEY FARMS
FINANCE COMMITTEE MEETING

MINUTES of August 16, 2021 at 10:00am

Present: (In-Person) Chairman P. Sabin; Town Manager, David Cooper (TM); Town Clerk, Anita Cooper (TC); B. Brower; Dick Hollowell; and Gail Larson

Absent: Tom Ryder

Additional Audience: None

**** According to the Florida Municipal Officials Manual: Although citizens are allowed to attend all meetings of the public body, there is no requirement that citizens be allowed to participate in these meetings. Citizens are permitted to participate at public hearings and legislative meetings, such as the Town Council meetings.**

Start Time: 10:01am

-Chairman Sabin deferred action on approving minutes.

-TC Cooper stated there are still no minutes to approve at this time and explained the audit, budget and training two new employees took precedence over minutes. She stated she hopes to have them caught up by the next meeting.

TM Cooper reviewed the bank account balances with the committee.

Please see the separate sheet for all of the Town's bank balances

TC Cooper explained to the newest members where each of the bank accounts are located and explained what each account was for. In addition she also explained there are three different companies in the Quickbooks program to accommodate all three separate reports.

TM Cooper reviewed the following Fund Accounts:

July 2021

FINANCIALS

ALL FUNDS SHOULD BE AT 83%

GENERAL FUND

Income:

1 Line Item 334360 (State Grant – Storm water CDBG) - \$133,018.64 was received for the Request for Funds #10 for this grant. The amount will be shown being paid out in the expenses.

2 Line Item 337100 (Local Grant – Historical Museum) - \$12,750.43 was added for this grant and the expenses will be explained in the expenses.

3 Line Item 369900 (Other Miscellaneous revenue) – The total amount of \$17,646.22 was returned for a double payment (back in May) of the DEP loan. This amount will be shown being transferred out to the WW/Sewer fund to be put back in the WWR account.

TC Cooper explained how the DEP payment is paid semi-annually. She reminded the committee there was a duplicate payment earlier in the year and this is the reimbursement for that State error.

Expenses: There were two (2) payrolls this month

1 Line Item 5119000 (Council Reserve Fund) – A total of \$1,710.53 was paid out for the following expenses: \$210.36 for (6) polo shirts for Mayor Andrews; \$1400.18 for CM Tom DeVille to attend the Florida League of Cities Annual Conference; \$99.99 reimbursed to Mayor Andrews for the purchase of a “Key to the City”.

2 Line Item 5133200 (Accounting/Auditing) - \$4,500 was paid out to the Auditor for the General Fund portion of the annual audit report ending on September 30, 2020.

3 Line Item 5210001 (State Grant – CDBG Storm Water) – The total amount of \$133,018.64 was paid out for the storm water grant this month; 2 invoices to the contractor totaling \$124,828.64; \$2,100.00 to the grant administrator; and \$6,090.00 was paid to the engineer.

4 Line Item 5210003 (Local Grant – Historical Museum) – The total of \$12,750.43 was paid out for contractor services for the museum, along with the electrical work; framing; AC work; dumpster fee; and the plumbing permit for this project.

5 Line Item 5810001 – (Transfer out to the Sewer Fund) – The total of \$19,571.22 was transferred to the WW/Sewer fund for the following items: \$17,646.22 for the repayment of the duplicate DEP loan payment; \$1,925.00 for Permit #2021-17 WW Tap In Fees.

6 Line Item 5810003 (Transfer out to the Water Utility) – The total of \$1,400.00 was transferred to the Water Utility for the Water Tap-In Fees for Permit #2021-17.

TOTAL INCOME:	\$ 207,329.50	71.6%
TOTAL EXPENSES:	\$ 201,480.21	58.9%
POSITIVE BALANCE:	\$ 5,849.29	

A motion to approve the General Fund report by G. Larson; second by B. Brower. Motion approved without dissent.

WATER UTILITY FUND

Income:

1 Line Item 3433005 (New Water Set Up Fees) - \$1,400.00 was transferred in for the New Water Tap in Fees for Permit 2021-17

2 Line Item 343012 (Returned Check Fee(s) - \$41.00 was collected for a returned check fee.

=====

- **Water Revenue** 79.1%
- **Solid Waste Revenue** 76.1% (Total \$1,190.35 = \$1,012.99 is for Garbage service items / \$177.36 is for Solid Waste Franchise Fees)

- **Misc Revenue** 25.5% (Total of \$13.05) is for the following interest earned:

- Ameris Water Utility Interest - \$ 7.50
- Ameris Customer Deposit Interest - \$ 1.11
- Ameris Water Reserve Interest - \$ 4.44

- **Transfers** 94.7% - Contingency Reserves (WU)
- **Transfers** 36.4% - Contingency Reserves (WW/Sewer)

Expenses:

****Again, there were two (2) payrolls this month****

1 Line Item 5333200 (Accounting/Auditing) - \$1,500.00 was paid to the auditor for the Water Utility portion of the Annual Audit ending on 9/30/2020.

2 Line Item 5335200 (Operating – Meters & Components) – The total of \$900.62 was paid out for the following expenses; \$67.76 for the monthly security monitoring at the water tower building; and \$832.86 for (3) new residential meters with components.

TOTAL INCOME: \$ 10,847.92 77.2% (Overall)
TOTAL EXPENSES: \$ 9,817.08 72.3%

POSITIVE BALANCE: \$ 1,030.84

A motion to approve the Water Utility Fund report by R. Hollowell; second by B. Brower. Motion approved without dissent.

WASTEWATER/SEWER FUND

Income:

1 Line Item 3435004 (New Wastewater Set Up Fees) - \$1,925.00 was transferred into the sewer fund for the WW Tap In Fees for Permit #2021-17

- **Wastewater Revenue** 83.1%
- **Misc Revenue** 21.2% (Total of \$2.62 is for the following:
 - Ameris WW/Sewer Fund \$ 1.72
 - Ameris - WW/Restricted DEP - \$.90
- **Interfund transfers** 36.8%

Expenses: ****Again, there were two (2) payrolls this month****

1 Line Item 5353200 (Accounting/Auditing) - \$2,000.00 was paid to the Auditor for the WW/Sewer portion of the Annual Audit ending 9/30/2020.

2 Line Item 5354900 (Other charges – CCUA) – The amount of \$8,109.35 was paid to the Clay County Utility Authority (CCUA) for sewer charges. (This bill was for 36 days). (*This bill was \$2,100.00 more than last month)

-TM Cooper stated that CCUA is considering an increase in the fall and that will be an automatic pass through to the customers.

TOTAL INCOME:	\$18,112.64	83.1% (Overall)
TOTAL EXPENSES:	\$18,160.82	76.5%

NEGATIVE BALANCE: - **48.18**

A motion to approve the WW/Sewer Fund report by G. Larson; second by B. Brower. Motion approved without dissent.

TM Cooper reported that all of the lift station pumps are getting some age on them. He reminded the committee he replaced the two pumps on East SR 16 when he did the sewer project on Morton Street, with a grant. He stated one pump was replaced at the master lift station a few years ago and one pump at the car wash lift station earlier this year.

TM Cooper explained that one pump on Etheleen Court has gone out now, which will be approximately \$6,000.00 to replace. He stated a pump at the master lift station has gone out also and to rebuild that one, the cost will be about \$16,000.00, or a new one will run about \$38,000.00. He stated that the Town is fortunate to have its reserves. He explained that when he first arrived at the Town, there were no reserves at all.

TC Cooper stated it has taken nine years to save the \$109,000.00 into the reserves.

Chairman Sabin asked how the Penney Retirement Community (PRC) pays for their sewer. TM Cooper stated PRC primarily pays for their sewer by the amount of water they pump, out of their well, or anywhere there is no meter. He added that PRC gets a sewer credit for their golf course irrigation meters because that water did not go in the sewer.

TC Cooper noted this was one of the questions Mrs. Larson had and stated the Town handles all of the sewer, but the Town has no idea how PRC includes and passes this cost on to their residents.

=====

TM Cooper reported that when the sewer system was turned over to the Town, the main sewer line that crosses Poling Blvd., near Rigel Way, had never been replaced, and is a terracotta line. He stated he was going to try and replace this pipe during this storm water project, but there isn't enough money to do that now.

TM Cooper stated the storm water project should be completed by September 30th and has his fingers crossed that will be true.

TM Cooper reported that the museum project is moving slow, due to the labor shortage. TM Cooper gave some examples of how local companies are also struggling to get employees and how bad the problem is.

=====

TM Cooper stated the Town is still recovering losses from State Revenues of about \$25,000.00 – 30,000.00. He stated the Town has done its best to go easy on its residents, due to pandemic, but this upcoming year the Town will have to put in the increases that are necessary to continue maintaining our water utility system, such as the CPI Index increase and the CCUA increase in the fall. He further explained that the Town needs to implement these increases to satisfy the State overseeing the revolving loan with them. He also reminded the committee that a water rate study will be required and performed later this year to ensure the Town's utility rates are where they need to be.

TM Cooper stated the remaining old steel water pipes need to be replaced and that will prevent the turbulence and bottom residue from entering the water system, when flushing the fire hydrants, and/or when water breaks happen. He stated there is some federal money possibly coming to be used as a match to obtain a grant to finally fix this problem.

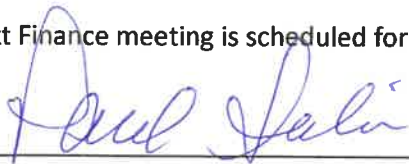
=====

TM Cooper reported the Town has received another \$50,000.00 grant to update the Playground Park. He stated this project will begin in the new fiscal year.

There being no further questions or concerns, a motion for the meeting to adjourn by B. Brower; second by T. Ryder. Motion carried without dissent.

Adjourned Time: 10:45am

The next Finance meeting is scheduled for September 20, 2021 at 10:00am.



Chairman, Paul Sabin

