

**CITY OF CLEVELAND**  
**CITY COUNCIL MEETING**  
**DECEMBER 10, 2018**  
**MINUTES**

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**CITY COUNCIL MEETING**

The City Council Meeting of the Mayor and Council of the City of Cleveland was called to order by Mayor Shan Ash at 6:30 p.m.

**COUNCIL MEMBERS PRESENT:** Nan Bowen, Annie Sutton, Kevin Stanley, and Bradley Greene.

**APPROVAL OF AGENDA**

On motion by Annie Sutton, seconded by Nan Bowen, in favor – Kevin Stanley and Bradley Greene, and carried unanimously, the Mayor and Council voted to approve the agenda for the December 10, 2018 City Council Meeting.

**PROCLAMATION – JACK P NIX ELEMENTARY SCHOOL – TITLE I DISTINGUISHED SCHOOL AWARD**

Mayor Ash, on behalf of the City Council, presented a proclamation to Jack P Nix Elementary School Principal Stacy Ward, Assistant Principal Laura Hall, and Instructional Coach Stephanie Smith.

The Georgia Department of Education has awarded the 2018 Title I Distinguished School Award to Jack P Nix Elementary School as one of the highest performing schools in the state.

Mayor Ash read the proclamation:

Whereas, Providing our children with a chance to reach their fullest potential and a high quality education is one of the best investments we can make in a child's future; and

Whereas, The City of Cleveland has a true appreciation to our White County Educators and their unselfish devotion of time and service to carry on the mission of lifting up students, of all backgrounds, to achieve a brighter future; and

Whereas, the City of Cleveland, Georgia recognizes the students and educators of Jack P. Nix Elementary School as the recipient of the Georgia Department of Education 2018 Title I Distinguish School as one of the highest performing Title I schools in the education system of Georgia; and

Whereas, the youth and educators of our community are its greatest natural resource

Now, Therefore, Be it Proclaimed, by the Mayor and City Council of the City of Cleveland, White County, Georgia, and its citizens express sincere congratulations to Jack P. Nix Elementary School

Given under hand and seal, by proclamation of the City Council of the City of Cleveland, Georgia, this the 10th day of December, 2018.

Principal Stacy Ward expressed her appreciation for the recognition and proclamation.

**WAYNE TUCK – WALKER, PIERCE & TUCK – 2017/2018 AUDIT**

Mr. Wayne Tuck, Walker, Pierce & Tuck, presented the 2017/2018 audit.

Mr. Tuck expressed his appreciation for being able to provide the service of auditing for the city and thanked city staff for their assistance in completing the audit.

Mr. Tuck informed he is able to issue an unqualified opinion of the financial activities of the city. Mr. Tuck reviewed the following:

**Opinion Letter:**

- I. Unqualified Opinion for the year ending June 30, 2018. Should be expected, but never assumed

**Basic Financial Statements:**

- II. Government Wide Financial Statements (*pages 3 & 4*): An attempt to consolidate all governmental funds into one financial statement on an accrual basis of accounting
  - a. Statement of Net Position (aka Balance Sheet)
    - i. Cash decreased by \$288k vs prior year
    - ii. Long Term Debt decreased by \$85k vs prior year
    - iii. Net Capital Assets increased by \$108k vs prior year
    - iv. Pension Liability remained flat
  - b. Statement of Activities (aka Income Statement)
    - i. Presentation designed to highlight sources of funding and expenditures by department
- III. Governmental Fund Level Financial Statements (*pages 5-8*): this is a modified cash basis of accounting. Same method of accounting used by the City to record transactions and prepare legal budgets for each governmental fund.
  - a. Balance Sheet
    - i. General Fund cash increased by \$16k vs prior year
    - ii. SPLOST fund cash decreased by \$311 vs prior year – this decrease was due to planned expenditures to purchase capital assets approved by the voters and needed by the City.
    - iii. Liabilities were flat compared to prior year
  - b. Statement of Revenues, Expenditures & Changes in Fund Balance (*aka income statement*)
    - i. General fund revenues increased by \$162k vs prior year
    - ii. General fund expenditures increased by \$252k vs prior year
    - iii. General fund Net Change in fund balance decreased by \$44k in prior year vs a \$75k decrease in current year.
    - iv. SPLOST fund revenues increased by \$26k vs prior year
- IV. Proprietary Fund Financial Statements (*page 9-11*): this is the water-sewer fund only, full accrual basis of accounting. This is the same method used by City to maintain the financial records.
  - a. Statement of Net Position (aka Balance Sheet)
    - i. Cash & cash equivalents increased by \$93k vs. prior year
    - ii. Restricted cash increased by \$80k vs prior year
    - iii. Total current liabilities increased slightly by \$15k vs prior year
    - iv. Notes payable decreased by \$85k vs prior year
  - b. Statement of Revenues, Expenses, and Changes in Net Position (aka income statement)

**WAYNE TUCK – WALKER, PIERCE & TUCK – 2017/2018 AUDIT – continued**

- i. Revenues increased by \$105k vs prior year
- ii. Total Operating Expenses increased by \$137k vs prior year
- iii. Operating Income decreased by \$32k vs prior year
- iv. Depreciation expense of \$433k is \$61k higher than prior year (*noncash expense*)
- v. Transfer In amount of \$1,086,769 represents funding provided by SPLOST fund for capital expenses.
- vi. Change in Net Position increased by \$465k vs prior year
- c. Statement of Cash Flows
  - i. Explains the source and use of cash funds by the Water-Sewer fund during fiscal year 2018

**Notes to Financial Statements, Required Supplementary Information and Combining Statements**

- V. Notes to the financial statements
  - a. The notes help explain the “how” and “why” behind the numbers and give context.
  - b. Reading the notes are necessary for a complete understanding of the very important part of the financial statements.
- VI. Requirement Supplemental Information
  - a. Budgetary Comparison Schedule – shows the General Fund’s expenditures for year was below budgeted amounts for each department
  - b. Includes schedules related by pension plan liability and contributions as required for historical reference
- VII. Combining & Individual Fund Statements: (non-major funds)
  - a. This is the balance sheet & income statements for the Hotel-Motel fund and Confiscated Asset fund.
  - b. These funds are summarized and reported in the non-major column of the financial statements on page 5 & 7.
- VIII. Compliance Section
  - a. Auditor’s Report on Internal Controls & Compliance
  - b. Schedule of SPLOST Expenditures

Mr. Tuck explained how he compares financial activities to prior years and looks for trends in revenues and expenditures. Mr. Tuck informed the audit went very smoothly and thanked staff. Mr. Tuck encouraged the Mayor and Council to read the required supplementary information.

The Mayor and Council thanked Mr. Tuck for his work with the city and completing the audit.

**CHIEF JOHN FOSTER – POLICE DEPARTMENT**

Chief John Foster, Police Department, did not have new business to report. Chief Foster delivered Officer Mark Blihovde’s oath of a peace officer for Mayor Ash to sign.

**GRANT KEENE – CITY ATTORNEY**

Grant Keene, City Attorney, did not have new business to report, but has a personnel issue to discuss in executive session.

**TOM O'BRYANT – CITY ADMINISTRATOR**

Tom O'Bryant, City Administrator submitted the following:

1. **Update on historic sign for downtown from the By-pass**
  - a. The City has made numerous improvements on the historic courthouse square to create an atmosphere that is attractive and encourages visitors to enjoy downtown as a destination.
  - b. When the by-pass was constructed no signage was included to identify the historic courthouse square in Downtown Cleveland.
  - c. Staff has been working with Georgia DOT to have directional signage for the historic square placed at the intersections of the by-pass.
  - d. The most recent correspondence from GDOT ask that the city provide documentation that the old courthouse is listed on the National Register of Historic Places and that it generates an increased volume of traffic in town.
  - e. Staff is working with the White County Historic Society to gather the documentation of the National Register listing and the WCHS most recently provided visitor number to the museum. These items will help with GDOT approving the requested directional and historic signage for the courthouse square.
  
2. **Renewal of Workers Compensation and Employers Liability Insurance**
  - a. City operations include the provision of workers compensation and employer liability insurance.
  - b. The insurance is quoted and renewed annually.
  - c. The current policy held by the City is with Key Risk Insurance through the Norton Agency. The current policy expires 12-31-18.
  - d. A quote of \$52,890 has been submitted by Key Risk. The City budgeted more than \$59,000 to cover the cost of the policy.
  - e. City council will need to approve the renewal of the policy with Key Risk for the amount stated in the proposed renewal.

On motion by Bradley Greene, seconded by Annie Sutton, in favor – Nan Bowen and Kevin Stanley, and carried unanimously, the Mayor and Council approved the 2019-2020 Workers Compensation Insurance Renewal with Key Risk/Apex in the amount of \$52,890.00.

3. **Future Annexation on US 129 South.**
  - a. The City Administrator has been contacted about water and wastewater capacity at a property location on US 129 South in the area of Totherow Road for future use.
  - b. Wastewater capacity is limited due to the area being south of the city boundary and south of the Truelove sewer line upgrade.
  - c. The agent on behalf of the proposed business asked if the city would consider annexing the property at the location in order to allow for an increase in needed wastewater capacity.
  - d. The property location is not contiguous to the city limits and would require the City to annex additional GDOT right of way on US 129 South.
  - e. This type of annexation would require an act of the state legislature. The city would have to survey the right of way, prepare legislative documents, and request a member of

**TOM O'BRYANT – CITY ADMINISTRATOR - continued**

the local legislative delegation to carry the annexation through the upcoming legislative session in 2019. The process also requires public hearings to be held by the City as well as hearings and consideration/approval by the White County Board of Commissioners.

- f. The Council is to consider to proceed with the process to annex the GDOT right of way from the city limits south to Totherow Road.

Bradley Greene asked if additional development would affect the capacity allocated for the industrial park. It was explained when the city installed the Truelove sewer line upgrade, we were able to relieve some of the capacity by removing numerous buildings from the force main to the gravity line. Mr. Greene feels the extended city limits can benefit the community by having the opportunity to development on the 129 South corridor, and the rest of the council agreed.

On motion by Bradley Greene, seconded by Nan Bowen, in favor – Annie Sutton and Kevin Stanley, and carried unanimously, the Mayor and Council voted to proceed with the requirements needed to annex the state right of way to Totherow Road. City staff will begin working on the required documents and survey to present to the Georgia legislation in the next session.

**NEW BUSINESS**

1. On motion by Annie Sutton, seconded by Kevin Stanley, in favor – Nan Bowen and Bradley Greene, and carried unanimously, the Mayor and Council approved the class request for Lee Wilson for Water Distribution and Maintenance Certification Course in the amount of \$425.
2. Historical Society request for financial assistance for potter statue base. Mr. O'Bryant reiterated the efforts of the historical society to draw visitors and locals to the museum. Mr. Mark Johnson, President of the Historical Society, explained the desire to have a remembrance of the oldest occupation in White County by commissioning a statue of a potter. The society has raised over \$30,000 to fund the statue, but with rising prices needs financial assistance for the statue base. The society is requesting \$1000 from the city and \$1000 from the county. Ms. Judy Lovell gave a sneak peek of the statue. Annie Sutton commended the society for their hard work.  
On motion by Kevin Stanley, seconded by Bradley Greene, in favor – Nan Bowen and Annie Sutton, and carried unanimously, the Mayor and Council agreed to contribute \$1000.00 to the installation of the statue base.
3. Public comments – Mr. Mark Johnson, as a citizen, thanked the Mayor and Council for the contribution to the statue base. Ms. Sutton asked about the progress of the bridge. Mr. Johnson informed there has been enough money raised to replace the roof, which is the most important part of the renovation. Ms. Sutton stated the community has really stepped up in efforts to save the bridge.

**OLD BUSINESS**

1. The minutes of November 2018 were signed.

**EXECUTIVE SESSION**

On motion by Nan Bowen, seconded by Kevin Stanley, in favor – Annie Sutton and Bradley Greene, and carried unanimously, the Mayor and Council voted to enter into an executive session to discuss personnel at 7:15 p.m.

**RETURN TO CITY COUNCIL MEETING**

On motion by Kevin Stanley, seconded Nan Bowen, in favor – Annie Sutton and Bradley Greene, and carried unanimously, the Mayor and Council voted to return to the City Council Meeting of December 10, 2018 at 7:45 p.m. No further business was discussed.

**ADJOURNMENT**

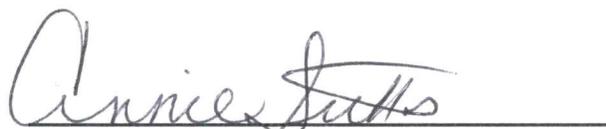
On motion by Kevin Stanley, seconded by Bradley Greene, in favor – Nan Bowen and Annie Sutton, and carried unanimously, the Mayor and Council voted to adjourn the City Council Meeting of December 10, 2018 at 7:46 p.m.

  
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Shan Ash, Mayor

  
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Kevin Stanley, Council Member

  
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Nan Bowen, Council Member

  
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Bradley Greene, Council Member

  
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Annie Sutton, Council Member

ATTEST:   
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Connie Tracas, City Clerk

