

**CITY OF FOUNTAIN INN COUNCIL MEETING MINUTES
APRIL 19, 2011 – 6:00 PM
COUNCIL CHAMBERS – CITY HALL**

COUNCIL PRESENT: Jay Thomason, Celia Tuttle, Rose Ann Woods, Erick Chapman, Berry Woods, Jr., Matthew King and Mayor Gary Long

STAFF PRESENT: Eddie Case, Gwen Britt, Attorney David Holmes, HR Steve Ivestor, Keith Morton, Van Broad, Mike Pitman, Susan Ruffner, Chris Barrineau, Brandon Watson, Roger Case, Dale Watson, Debbie Kvist

VISITORS: 15

WELCOME/CALL TO ORDER

INVOCATION: Eddie Case

PLEDGE OF ALLEGIANCE

PROCLAMATIONS:

Mayor Long presented Denise Sullivan with a Proclamation in honor of her mother Mrs. Ruby Parks who just passed away recently. She was an active member of the community and frequently attended Council meetings.

Mayor Long presented Tavia Murphy Gaddy and Van Broad with a proclamation recognizing Economic Development Day.

EMPLOYEE OF THE QUARTER

The following employees were recognized for their outstanding job performance for the first quarter of 2011.

Bill Snyder – Police Department, Reserve Officer

Geoff Hill – Police and Administration Volunteer

Sissy Beck – Performing Arts Volunteer

Susan Ruffner – Gas Department Customer Service

Brandon Watson – Recreation Supervisor

Debbie Kvist – Fire Department Administrative Assistant

2010 AUDIT REPORT – Laurie Smith, Elliott Davis

Laurie Smith reviewed the 2010 Audit report with Council.

- The assets of the City exceeded its liabilities at the close of the year by \$21,906,542 (*net assets*). Of this amount, \$9,812,830 (unrestricted net assets) may be used to meet the government's ongoing obligations to citizens and creditors.
- The government's total net assets increased by \$138,460 as revenues of \$14,389,555 exceeded expenses of \$14,251,095.

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- As of the close of the year, the City's governmental funds reported combined ending fund balances of \$2,816,206, a decrease of \$1,105,185 in comparison with the prior year balance. The above decrease in the fund balance is primarily the result of completion of the Commerce Park and other capital projects.
- Unreserved fund balance for the General Fund was \$1,959,647 at December 31, 2010, or 28.8% of total General Fund expenditures for the year ended December 31, 2010. The unreserved fund balance was \$2,359,716 at December 31, 2009, or 39.1% of total General Fund expenditures for the year ended December 31, 2009.
- The City's capital assets increased during 2010 by \$1,063,915 (6.6%) to \$17,086,648 at December 31, 2010. The increase was due to current year additions of \$2,209,578, offset by depreciation expense of \$1,015,002 and net disposals of \$130,662.
- The City's long term obligations decreased during 2010 by \$200,726 (2.1%) to \$9,458,747 at December 31, 2010. The decrease was driven by the issuance of a 2010 General Obligation Bond in the amount of \$330,000, offset by principal payments of \$547,423 made during the year.
- The City's General Fund revenues were \$5,795,321 and \$5,444,146 for 2010 and 2009, respectively. This increase is primarily due to increases in property tax revenues, licenses and permits and performing arts revenues.
- The City's General Fund expenditures were \$6,796,596 for 2010, compared to \$6,039,527 for the prior year. This increase is primarily due to increased capital outlay associated with Commerce Park and other capital projects.
- Business-type activities revenues were \$8,506,506 for 2010, compared to \$8,661,958 for the prior year. This decrease is primarily due to lower pricing in natural gas sales. Business-type activities expenses were \$7,823,591 for 2010, compared to \$7,624,865 for the prior year. This increase is primarily driven by higher costs in natural gas purchases, personnel costs, materials and supplies and interest expense.

DEPARTMENTAL REPORTS

Reports were read and are on file with the City Clerk.

Mayor Long read a thank you note from Blake P. Garrett, Jr. He received the Revitalization Award for Southgate Plaza at the Chamber Banquet.

CONSENT AGENDA:

Approval 3/10/11 Council minutes

Approval of March 2011 budget report

Motion by Matthew King to approve the consent agenda. The motion carried unanimously.

Motion by Jay Thomason to approve the **audit** as presented. The motion carried unanimously.

OLD BUSINESS

AX-2011-001 – Travis Graham, 1607 Scuffletown Road, 2nd Reading

Motion by Erick Chapman to approve annexation ordinance #AX-2011-001 on 2nd Reading. The motion carried unanimously.

NEW BUSINESS

ZTXT-2011-001 in zoning ordinance to correct typographical errors, etc, 1st Reading

David Holmes explained that in the zoning ordinance there are certain uses that are permitted and some uses that are permitted by special exception. The planning commission recommends to delete uses that are permitted and move them into permitted by special exception. I found similar errors and those were included in the ordinance. Motion by Celia Tuttle to approve ordinance #ZTXT-2011-001. The motion carried unanimously.

Draft Employee Handbook – for information only. Review for vote at May meeting.

Steve Ivester explained that the handbook was reviewed page by page by Eddie Case and a labor attorney. Steve asked that Council review the handbook and call him with input or questions.

Eddie Case commented that Department Heads will receive the handbook at the next staff meeting. We ask that Council vote on the handbook at the May 12th Council meeting.

EXECUTIVE SESSION

Personnel matter, Legal briefing, Contract matter

Motion by Jay Thomason for council to meet in executive session to hear a legal briefing from the City Attorney. The motion carried unanimously.

Back in session.

Mayor Long commented that no votes were taken while in executive session.

Motion by Matthew King to adjourn the meeting. The motion carried unanimously.

Respectfully submitted,

Sandra H. Woods
City Clerk and Treasurer