

**TOWN OF HONEA PATH
COUNCIL MEETING MINUTES
WATKINS BUILDING
December 15, 2020
6:00 P.M.**

Mayor Christopher W. Burton – Q&A session on Facebook - 5:30 to 6:00 pm

Mayor Christopher Burton called the regular Council meeting to order at 6 pm. The Mayor asked Captain Elder to pray. All stood for the pledge to the flag. Members present: Mayor Christopher Burton, Beverly Crawford, Clerk/Treasurer, Council members: Andrew Sullivan, David Fields, Jean Perrett, Rebecca Robinson, Dot Evans and Jim Taylor.

Taylor made a motion to approve the minutes from November 17, 2020. Taylor seconded the motion. All voted in favor of the motion and the motion passed.

Mayor Burton stated that the Town of Honea Path appreciates the service of Council Sullivan for his years of service as councilman for Ward 1. Taylor made a motion to officially thank council member Sullivan for his years of service to the Town of Honea Path. Sullivan will be greatly missed. Robinson seconded the motion and the motion passed.

Mayor Burton stated that the Town has received a \$10,000 grant from a PARD grant. The Town must match the grant with \$2,500. Sullivan made a motion to approve the above request and the \$2,500 match. Taylor seconded the motion and the motion passed.

Mayor Burton announced that the unexpired term for Ward 1, will have the books opened to file for placing names on the ballot on January 15, 2021, at noon, and the books will close at noon on January 25th, 2021. The election will be conducted the Anderson County Election Commission on Tuesday, March 30th, from 7 am to 7 pm. The location has not been determined yet. The Town is awaiting confirmation from Anderson School District #2.

Mayor Burton discussed the bids for a new garbage truck. Director McCullough stated that he recommends purchasing the 2021 Kenworth 2370 for \$177,700. Mayor and council have talked about contracting with an outside contractor for trash services, but that would increase the monthly fee charged to residents by \$3 to \$6 per month. The Town can operate the Sanitation Dept. at a lower cost to our citizens. The Mayor and council discussed the truck purchase in great detail. There are no funds in the current budget for the purchase or payments for a new truck. The estimated monthly repayment for the above truck is estimated to be \$3,200 per month. The estimated increase in monthly garbage rates would have to be increased by \$3 per month to pay for the new garbage truck. Sullivan made a motion to allow the Mayor to purchase the above said garbage truck and go out for bids on the loan/lease for the above garbage truck. Robinson seconded the motion and the motion passed.

The council discussed the lack of a financial reconciliation from Ware Shoals relating to their sewer charges for the Town of Honea Path for the past several years. After the New Ware Shoals Mayor takes office in January 2021, Honea Path will set up a meeting to discuss this problem.

The FY 2020-21 budget was discussed in detail. The cash flow situation is at a critical point until the property tax revenues begin to come in around January 15, 2021. It is recommended that all Departments watch their budgets and reduce as much as possible. The FY2019-20 audit was reviewed in detail. The Town received an unmodified report from McKinley, Cooper and Co., LLC. The fund balance for the Town's general fund decreased by \$249,517 during the current fiscal year. It is anticipated that the Town will need to possibly borrow funds during the new fiscal year if our projected cash flow and fund balance continues to decline. The Town must increase revenues and/or decrease expenditures, or some

combination. Mayor Burton stated that we will begin to work on the budget in January 2021 and will have to place a freeze on capital purchases. The Town had a small surplus in the water/sewer fund for the year ended May 31, 2020. See audit ended May 31, 2020 for more detail. The Town outstanding debt situation is very good. The Town's long term debt for governmental and business-type operations is less than \$1 million. As of May 31, 2020, the Town reported a liability of \$3,320,961 for its proportionate share of the net pension liability. The total pension liability is used to determine the net pension liability by an actuarial valuation as of May 31, 2020. For the year ended, May 31, 2020, the Town recognized pension expense of \$341,074. This amount will continue to increase each year as the result of the increase in the net pension liability related to GASB 68 requirements.

Sullivan made a motion to accept the above audit report and related reports, for the year ended May 31, 2020, as presented. Seconded by Taylor seconded the motion passed.

Fields asked about the sidewalk status on Carolina Avenue.

Sullivan thanked everyone for their help with the Christmas parade.

Taylor made a motion to go into executive session for contractual issues. Seconded by Robinson seconded the motion passed.

Sullivan made a motion to go out of executive session. Seconded by Taylor and the motion passed.

Taylor made a motion to adjourn the meeting. Robinson seconded the motion. All voted in favor, and the motion passed.

Christopher Burton
Mayor

Beverly K. Crawford
Clerk/Treasurer