



**Brunswick-Glynn County Joint Water and Sewer Commission**  
**1703 Gloucester Street**  
**Brunswick, GA 31520**  
**Tuesday, September 1, 2015 at 2:00 PM**  
**Commission Meeting Room**

### **FINANCE COMMITTEE AGENDA**

**Committee Members:**      **Commissioner Donald Elliott, Chairman**  
   **Commissioner Ronnie Perry**  
   **Commissioner John Cason**  
   **Chief Financial Officer John Donaghy**  
   **Executive Director Stephen Swan**

#### **PUBLIC COMMENT PERIOD**

*Public Comments will be limited to 3 minutes per speaker. Comments are to be limited to relevant information regarding your position and should avoid being repetitious. Individuals should sign in stating your name, address and the subject matter on which you wish to speak. Your cooperation in this process will be greatly appreciated*

#### **ADOPT:**

Minutes of the August 18, 2015 Finance Committee Meeting

#### **DISCUSSION:**

1.      2014 -2015 Year End Financials – J. Donaghy
2.      Financial Report August YTD – J. Donaghy
3.      Audit Findings and Management Recommendations – J. Donaghy
4.      Master Plan Update – S. Swan

#### **DIRECTOR'S UPDATE**

**All citizens are invited to attend. There is a possibility of a quorum of Commissioners being present.**



**Brunswick-Glynn County Joint Water & Sewer Commission  
1703 Gloucester Street  
Commission Meeting Room  
Tuesday, September 1, 2015 at 2:00 PM**

**FINANCE COMMITTEE MINUTES**

**PRESENT:** Donald Elliott, Chairman  
Ronald E. Perry, Commissioner  
John Cason, Commissioner  
John Donaghy, Chief Financial Officer  
Steve Swan, Executive Director

**ALSO PRESENT:** Thomas Boland, Commissioner

Chairman Elliott called the meeting to order at 2:00 PM.

**PUBLIC COMMENT PERIOD**

There being no citizens who wished to address the Commission, Chairman Elliott closed the Public Comment Period.

**APPROVAL**

Commissioner Cason made a motion seconded by Commissioner Perry to adopt the minutes of the August 18, 2015 Finance Committee meeting. Motion carried 3-0-0.

**DISCUSSION**

**1. 2014 - 2015 Year End Financials – J. Donaghy / S. Swan**

Steve Swan discussed the memorandum on Unforeseen Expenses. The background was explained regarding the 2014-2015 final fiscal year budget numbers showing over by 523K. He continued stating what the budget doesn't depict is the numerous unforeseen expenses that occurred during this time period. A list of significant numbers the JWSC staff has overcome was discussed in detail. The first item on the list was the un-budgeted Office Rent for 7 months. The SCADA (System Control And Data Acquisition) and Electrical work was the much needed rewiring of the pumps not linked properly as well as required surge protection. Many of the items noted were due to safety related issues like Chlorine Gas Detection Alarms, Eye Wash Stations due to contact with chemicals, H2S Detection Equipment replaced, and miscellaneous required safety equipment requested by the Safety Committee. The burner at Academy Creek went out of service causing a temporary hauling off of sludge waste expenses. There were several failed servers that had to be replaced. Reimplementation of City Works Program was

an additional expense. Other items included Oxygen Overrun due to SCADA crew suggestion, Effluent Meters for Lift Stations per consent order, Payout of vacation when taken to 160 hours, and Revamping the Lift Station Pump Bench Stock. Mr. Swan commended the staff for overcoming more deficit. Billy Simmons, WP Superintendent, stated the much needed upgrades to the ground storage tank at Harrington was not listed and well rehab work that was much needed. Mark Ryals, WWT Superintendent, updated the commissioners on the expense from the burner/hauling of sludge also came from Dunbar Creek facility. Commissioner Boland stated that when it comes to dealing with safety it is not a waste of money. John explained that these expenses actually caused a 761K under budget but was offset by not spending in other areas. Additional expenses going into 2016 budget and meeting revenues were discussed. Steve discussed additional construction going on in the county and will create more customers.

John discussed the Balance Sheet and explained how the shortfall was paid for by spending down the operating cash by 700K this year. The un-expended balance was discussed and explained. The line item 45 on the FY end 6/30/15 Legal Fees were discussed and were explained that this was over budget due to the Carl Vinson Study and the Condrey Study. There was additional discussion regarding over budgeted items. It was confirmed that this building does not have anything to do with the financial situation. All items to be paid for under this building goes through the Construction Fund. It was agreed by all that the public needs to know there was a special construction fund set aside. Within 90 days the contractor and all sub-contractors work will be complete. At that time a balance sheet will be configured on the remaining funds left over and will be presented with recommendation to the Finance and Facilities Committees on where to use the excess monies. It will then be presented to the full Commission for approval. Mr. Swan stated JWSC will be under budget on 5M that was allocated through the New Office funds. There was additional discussion on the Insurance and it was stated that the premiums had an unexpected increase. Additional expense was included under Technical Services for inspectors and it was suggested more emphasis needs to be placed on inspecting the contractors work. There were several areas that were under budget and where JWSC shows a significant savings. It was requested for staff to gather a list of items where JWSC has saved money. Mr. Swan explained program items that were not previously accounted for like the back flow preventer program, FOG program, leak detention, and the septic haulers and grease traps that were updated. It was stated that the JWSC staff have done a great job of taking care of issues and many things that should have been taken care of long ago.

The line item for gasoline and diesel costs were discussed. Pamela Crosby, Purchasing Director, provided a hand out on Fuel Excise and Prepay Tax Changes which will affect the budget for next year and will be budgeted for an increase. The inventory numbers were discussed and noted that Kirk Young and Charity Emory have organized and gained control for better accountability. Mr. Swan commented about the Compliance Department and getting Angela Walker some help in updating and executing the FOG program. It was requested that the GL Descriptions be more clear and specific.

## **2. Financial Report August YTD – J. Donaghy**

John Donaghy updated the Commissioners on the YTD finances. It was noted that not all of the expense items have been received yet and the total net revenues are not a solid figure.

It was reiterated that nothing in this budget had anything to do with paying for the building. The cost of the building came from the bond referendum.



**3. Audit Findings and Management Recommendations – J. Donaghy**

John introduced Grant Davis, Jenkins Auditing Firm. He spoke regarding the preliminary findings in the audit. He stated there have been many changes in public accounting related to public government and standards. Mr. Davis stated he was impressed with the organization and the records kept. He discussed recommendations and it is not final as the audit is not final. They are aware of the previous inventory concerns. From what he observed the facilities at Academy Creek and South Harrington inventory are clean and organized and what we would expect. When the Citiworks program gets up and running it will provide a closer true total and accountability. It was reported that this is the first year that the unfunded pension liabilities will be on the budget.

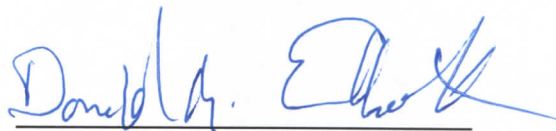
**4. Master Plan Update – S. Swan**

Mr. Swan updated the committee on the master plan. He spoke with Angela Bryan and the plan was reported to be on schedule and will be interviewing with each division. When the water tower is turned over we should have the flow data and a workshop can be planned.

Mr. Swan stated that we are hoping that within the next 60 days the Commission will have a final draft to be adopted and a workshop with the city and the county.

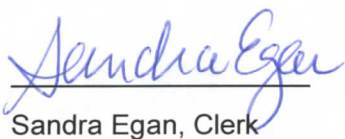
**Director's Update**

There being no additional business to bring before the Finance Committee, Chairman Elliott adjourned the meeting at 4:14 PM.



Donald Elliott, Chairman

Attest:



Sandra Egan, Clerk