

REGULAR MEETING OF THE COMMISSIONERS OF THE BAMBERG BOARD OF PUBLIC WORKS ON MONDAY, JULY 30, 2007 AT 5:15 P.M. AT CITY HALL.
MEMBERS PRESENT: Chairman Bob Clary, Commissioner Dr. Marion Dwight, and Commissioner Carl Kilgus. MANAGER: Bruce Ellis. CLERK: Bruce Watson.
VISITORS: Mayor Alton McCollum, and Auditor Keith Dooley.

Chairman Clary called the meeting to order and Clerk Watson gave the invocation.

Commissioner Dwight made the motion to approve the minutes of the June 25, 2007 as amended to read that that Manager Ellis was not present during the meeting.

Commissioner Kilgus made the second. All approved. The motion carried.

During the review of the Income and Expense Statements, Commissioner Dwight asked why there was such a large difference between the net income for this year as compared to last year's net income.

Manager Ellis said he felt the difference was probably due to the grants received.

Clerk Watson informed the Commissioners that the difference was due to \$1,145,116.00 worth of depreciation expenses that was posted to the previous year but which had not been posted yet this year.

Auditor Keith Dooley apologized to the Commissioners for the audit report being so late this year. He assured them it would not happen again.

Commissioner Clary asked when they could expect this year's audit report?

Auditor Dooley assured the Commissioners that the 2006-2007 audit report would be presented in October.

Auditor Dooley informed the Commissioners that the 2005-2006 audit report gave the BPW a Clean Opinion or Unqualified Opinion which he said was good. He said the books and records were in good shape. He told the Commissioners that they were doing a good job of guarding their assets.

Auditor Dooley said the report showed assets exceeded liabilities to give the BPW a net worth of \$24,830,499.00. He said the report showed the BPW had a very healthy cash position which consisted of \$4,145,499.00. Auditor Dooley told the Commissioners that the BPW was in very good health.

Auditor Dooley informed the Commissioners that the audit Report showed expenses exceeded revenues to give the BPW a loss of \$749,271.00 for the year. He said the Sewer, Water, Natural Gas and Administration Departments were all operating in the red. Auditor Dooley pointed out that operations at the SCAT Park were also in the red at

\$162,005.00 which was mainly due to \$153,213.00 worth of depreciation which had to be taken.

Manager Ellis informed the Commissioners and Auditor Dooley that he was working to get the SCAT Park out of the BPW's name in order to help lower the overall depreciation costs to the BPW.

Auditor Dooley said the audit report showed the BPW had no investment risks at this time and that investments showed a return of around 5% over all.

Auditor Dooley informed the Commissioners that there were not a whole lot of concerns but he asked them to work towards covering the depreciation number of \$1,146,140.00.

Auditor Dooley reminded the Commissioners that the audit showed they were receiving 17% of their revenues from one industry.

Manager Ellis informed the Commissioners that lawsuits had been started against other utility companies for collecting money and not putting it back in their utility system. He said if Rockland shut down that the BPW had to have cash reserves on hand to stabilize the BPW rates. He explained that Rockland also stabilized the BPW's purchasing power for electricity and natural gas.

Auditor Dooley informed the Commissioners the audit found no matters of internal control and no matters of noncompliance. He ended his report by telling the Commissioners that the problem with the late audit report was mainly due to himself.

Manager Ellis, presenting the proposed 2007-2008 Budget to the Commissioners, explained that the budget contained a 2% increase in the overall rates as discussed during their work session. He said the budget also contained a rate increase for the SCAT Park and an increase in the wholesale water rate charge for the Town of Denmark. He told the Commissioners he would have them approve the rates at a later date.

After some discussion, Commissioner Dwight made the motion to approve the 2007-2008 BPW Budget of \$11,007,966.00. Commissioner Kilgus made the second. All approved. The motion carried.

During the Manager's report, Manager Ellis informed the Commissioners that they needed a new agreement with FEMA to deal with emergencies.

Manager Ellis told the Commissioners they needed to clarify the wording of a previous meeting. Manager Ellis said they needed to make it clear that the BPW was not entering into a joint venture with the new hospital but would be retaining property around the new hospital to sell as they saw fit.

Commissioner Kilgus made the motion to clarify the previous wording to that affect. Commissioner Dwight made the second. All approved. The motion carried.

With no announcements or questions from the press or audience, the meeting was adjourned at 6:02 p.m.

ATTEST:

Clerk

Chairman-BPW

Commissioner-BPW

Commissioner-BPW