



301 McCall Street
Greer, SC 29650
(864) 848-5500
info@greercpw.com

Commissioners
Eugene G. Gibson - Chairman
Jeffery M. Howell
Perry J. Williams

Michael Richard, P.E.
General Manager

MINUTES OF THE MEETING OF THE COMMISSIONERS OF PUBLIC WORKS
November 05, 2018

Meeting Location: 301 McCall Street, Greer, SC 29650

SPECIAL BUDGET WORK SESSION

Greer Commission of Public Works met in **Special Session** with Chairman Eugene G. Gibson presiding. The Commissioners of Public Works assembled for their special meeting at 10:00 AM in the boardroom of the administrative and operations complex.

Commissioners present were: Chairman Eugene G. Gibson and Commissioner Jeffery M. Howell.

Others present: General Manager Mike Richard, Finance Manager Chuck Reynolds, Engineering and Planning Manager Mark Harvey, Operations Manager Marc Regier, HR Manager Ken Holliday, and Secretary to the Board Fredia Snow. Kaelyn Cashman with The Greer Citizen was also present.

The Greenville News, The Greer Citizen, Greer Today and the Spartanburg Herald Journal were notified of the meeting by email on November 1, 2018 at 5:00 PM.

Mr. Gibson called the **Special Budget Work Session** to order at 10:00 AM.

INVOCATION

Mr. Gibson offered the invocation.

2019 BUDGET

Finance Manager Chuck Reynolds, presented the following proposed 2019 Budget along with the approved 2018 Budget.

	<u>2018 Budget</u>	<u>2019 Budget</u>
Total Operating Revenue	\$84,919,987	\$89,054,761
Total Operating Expense	<u>\$81,457,149</u>	<u>\$82,718,343</u>
Total Net Operating Revenue	\$ 3,462,836	\$ 6,336,418
Total Salaries & Benefits	\$12,858,201	\$12,745,987

Focusing our Energy on You.

Total Capital Projects	\$ 9,422,410	\$10,266,900
Funded from Capacity Funds	<u>\$ 3,323,700</u>	<u>\$ 3,383,000</u>
Net Capital Projects	\$ 6,098,710	\$ 6,883,900
Capital Equipment	\$ 1,281,631	\$ 1,175,900
Net Cash Flow	\$ 1,057,939	\$ 3,073,096
Debt Service Coverage	216.41%	255.76%

Operations Manager Marc Regier and Engineering and Planning Manager Mark Harvey discussed the Combined Utility System Capital Improvements and Requests. Some of the highlights are that we are budgeting for more technology, so we can be more efficient. Also, stated that our system is continuing to grow as more development comes to our area. The vehicle request is down due to not needing as many large vehicles. We will be purchasing more smaller vehicles which of course are less expensive; however, the maintenance is also less because the smaller vehicles use less fuel and tires are less.

2019 SAFETY REWARD PLAN

HR Manager Ken Holiday advised that he hired a consultant to review our Safety Award Plan and his suggestion was to have a greater emphasis on individual and department performance. The proposed Safety Award Plan allows for the possibility of each employee being awarded 3% if all goals are met. The breakdown is 1% for Individual Performance, 1% for Department Performance and 1% for Company Performance which both Mr. Gibson and Mr. Howell thought was a great suggestion.

GENERAL MANAGER COMMENTS

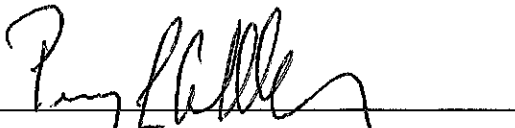
Mr. Richard advised that we are continuing to transition from a construction focused company to an O&M and service one. Thus far, we have been successful in this, as can be seen in the lower expenses budgeted for 2019 versus 2018, excluding purchased power and gas costs. He also stated that he thinks this budget is conservative. Mr. Richard reminded everyone that weather plays a major part in the budget; nevertheless, with this proposed budget, there will be no rate increases.

Mr. Gibson and Mr. Howell were both grateful for the work that had been put into the budget and felt that it was a well-planned and achievable budget.

ADJOURNMENT SESSION

With no further business, Gene Gibson made a motion to adjourn and Jeff Howell seconded. The vote tally was as follows: Mr. Gibson, yes; Mr. Howell, yes. The motion carried, and the **Regular Session** adjourned at 11:15 AM.

Respectfully Submitted,



Perry J. Williams, Acting Chairman
Board of Commissioners



Fredia M. Snow, Secretary
Board of Commissioners