

# City Meeting Of December 19, 2023

Mayor Shaw called the meeting of the Mayor and Board of Alderman to order at 6:32 p.m., Tuesday, December 19, 2023. The meeting was held at City Hall.

## **Invocation**

Bro. Dan Russell offered invocation. Mayor Shaw led the pledge of allegiance.

## **Roll Call**

Present: Mayor Shaw, Alderman Gregory, Alderman Harrison, Alderman Martin, Vice Mayor Senft, Kelly Rider, City Recorder

Absent: Attorney Russell Freeman

## **Approval of Minutes**

The minutes of November 21, 2023 were presented for approval or corrections.

Motion made by: Alderman Gregory

Second: Alderman Martin

Voting Aye: All

Voting No: None

**Motion Carried.**

## **Citizens Comments**

Josh Reasoner

Dale Gilmore

## **Commissioners & Department Reports**

### Utilities:

Mayor Shaw reported the gas department completed 2 service orders, twenty-seven 811 tickets, replaced banners for Christmas and set-up for the Christmas Parade.

Mayor Shaw reported the sewer department completed 7 service orders, twenty-seven 811 tickets, pumped 7 tanks due to bad pumps and/or high sludge levels and changed out 5 pumps and replaced banners for Christmas.

Mayor Shaw reported the ditch on Carver drive has been cleaned out.

Finance:

Alderman Harrison reported the HVAC at the train museum has been completed and paid for in the amount of \$11,400 and the backhoe has been purchased and paid for in the amount of \$138,938 with ARP grant funding.

Park:

Alderman Harrison reported the parade went well.

Alderman Harrison thanked Mark and Beverly Johnson for their help decorating the Wilson House for the Christmas Festivities.

Alderman Harrison reported she is still waiting on the proposal for the swings.

Alderman Harrison reported the BCBS grant was denied. She stated we will try again.

Alderman Harrison thanked everyone who has worked and helped with the train museum. There were approximately 125 people for the soft opening.

Streets:

Alderman Martin reported all potholes are scheduled to be repaired.

Alderman Martin reported all lights have been reported to CEMC and NES for repair.

Fire:

Alderman Gregory reported a total of 48 calls for November.

Planning and Zoning:

No report.

**Business Reports:**

City Recorder:

Kelly Rider reported on December 8, 2023, the Mayor and I received a call from Mr. Osborne, Asst. Director in the Tennessee Comptroller's office. He stated he had been contacted by a member of the board with concerns that she had made request for financial records in order to make financial decisions of the city and was unable to obtain and was now having to request the documents through public records request.

On December 5, 2023, Alderman Martin filed an incomplete public records request and was requested to complete the form in its entirety. On December 8, 2023, the office received the public records request for a profit and loss for Smoke on the Ridge, profit and loss for Re-enactment, month end city financial report for November 2023, asset list for city property to be depreciated and depreciation schedule of city assets. December 12, 2023, the request was fulfilled except for the asset list for city property to be depreciated and the depreciation schedule of city assets which was explained to Alderman Martin would be provided as soon as the audit was complete, and the list was updated.

The information on Alderman Martin's public records request had not been previously requested. Since, she has requested proof of notice of grant award for Smoke on the Ridge, revenues, expenses, and grants for Smoke on the Ridge for 2021-2023, all of which have been provided.

Kelly Rider stated to my knowledge, Alderman Martin has received all information she has requested of me and this office. I realize the information is not satisfactory to her timeline however we prioritize our time and work diligently to fulfill all requests. Alderman Martin, with the exception of the depreciation schedules, is there anything you have requested that has not been provided or that is outstanding? Alderman Martin responded, there was nothing outstanding.

Kelly Rider stated, Alderman Martin, Mr. Osborne has offered to come and meet with you and I to help you better understand government, would this be something you are interested in? If any other board member would like to meet with him, he will be happy to meet with you as well.

Kelly Rider reported the office will be closed on Monday, December 25 and Tuesday, December 26 in observance of Christmas and Monday, January 1 and Tuesday, January 2, 2024 in observance of the New Year.

Kelly Rider wished everyone a Merry Christmas.

Attorney Freeman:

No report.

**Mayor Comments:**

Mayor Shaw wished everyone a safe and Merry Christmas.

Mayor Shaw would like to address that city functions are for the purpose of drawing our community together at the city's expense. As a nonprofit event should not be expected to create a profit, they are for the enjoyment and appreciation of the citizens.

Mayor Shaw stated misinformation had been supplied to some of our citizens about Smoke on the Ridge and Morgan on the Rim and he would like to correct at this time. Mayor Shaw stated we also hold Halloween, Easter, and Christmas events to bring everyone together for the enjoyment of the citizens. Mayor Shaw stated in regard to Smoke on the Ridge the total revenue \$5,370, grant \$1,800, county hotel/motel tax \$2,400, total \$9,570, expenses \$10,755, cost for event \$1,185. In regard to Morgan on the Rim the total revenue \$9,209, grant \$5,800, total \$15,009, expenses \$13,321, gain of the event \$1,688 with the net between the two events of \$503. Mayor Shaw stated unfortunately it was reported we lost \$4,000 plus for each event. Mayor Shaw stated this is not true.

Alderman Martin spoke and stated she only shared that information with the Mayor, Vice Mayor Senft and Dale Gilmore and stated she said her figures may not be accurate. Mayor Shaw asked if she was going to share information to be 100% accurate her figures were correct.

**Old Business:**

*Ordinance 2023-106, An Ordinance of the City of Ridgetop, Tennessee, Amending Budget Ordinance 2023-102 for the fiscal year beginning July 1, 2023 and ending June 30, 2024*

Mayor Shaw made the motion to approve Ordinance 2023-106, An Ordinance of the City of Ridgetop, Tennessee, Amending Budget Ordinance 2023-102 for fiscal year beginning July 1, 2023 and ending June 30, 2024. Alderman Harrison seconded.

Voting Aye: All

Voting No: None

**Motion Carried.**

**New Business:**

*Crosslin CPA to present 2022-2023 Audit*

Erica Saeger with Crosslin CPA presented the 2022-2023 audit findings.

Erica Saeger stated the board had two reports before them, one being the report to the Board of Mayor and Alderman results of the 2023 audit and the other being the Financial Statements for the Fiscal Year ended June 30, 2023.

Erica Saeger began with the report to the Board of Mayor and Board of Alderman results of the 2023 audit. She stated she would like to thank the city for the opportunity to serve as independent auditors and business advisors. She stated a direct line of communication between their firm is a very important part of the audit process and lastly to express her appreciation to Kelly and the team, they were prepared for the audit, ready when personnel arrived to begin the audit, and very responsive during the audit process. This was greatly appreciated.

Erica Saeger reported they have issued a draft unmodified opinion which is a clean opinion or the best opinion you can receive. She stated she would like to point out the State of Tennessee does have oversight responsibility for the audit and audit process, and we do sign a contract to audit, their firm and the city sign the contract to audit every year which was approved. She stated that each year they want to confirm to the city that they are independent with respect to the city.

Erica Saeger reported there were no disagreements with management. Erica Saeger reported they did not identify any fraudulent or illegal acts during the course of the audit nor were any reported to them by management or the board.

Erica Saeger reported there was one material weakness for year 2023 which is the same issue that has been reported since 1998. She reported there is a brief update on this in the financial report.

Erica Saeger asked that they now turn to the Financial Statements. She stated as she reported before they have issued a draft unmodified opinion which is a clean opinion or the best opinion you can receive. Erica explained the financial statements and the difference between reports.

Erica Saeger reported as she mentioned earlier the was one finding that has been the same since 1998 and it is related to Segregation of Duties. She stated you will notice the comment is repeated but partially corrected. She explained that what that meant was in 2022 the city hired a third person in the offices which helped segregate the duties even further. She stated the duties in the office have been segregated to an optimum level. However, due to the small size of the city staff, one of the three employees/positions has access to perform each of the processes. This is mitigated by the continued oversight of the Board as the Board continues to monitor the finances of the city and internal controls and has implemented various safeguards in relation to each of the city's significant processes. She stated that is why it is repeated and only partially corrected. She stated this is very common with cities the size of Ridgetop.

Mayor Shaw made the motion to accept the 2022-2023 audit. Vice Mayor Shaw seconded.

Voting Aye: All

Voting No: None

**Motion Carried.**

*Add to agenda brush truck repair*

Mayor Shaw made the motion to add brush truck repair bids to the agenda. Alderman Harrison seconded.

Voting Aye: All

Voting No: None

**Motion Carried.**

Mayor Shaw made the motion to accept Gupton Motors bid for repair of the brush truck in the amount of \$6,422.81 with a 2 year, 24, 000-mile warranty. Alderman Gregory seconded.

Voting Aye: All

Voting No: None

**Motion Carried.**

There being no further business to come before the board, Mayor Shaw moved for adjournment. Alderman Harrison seconded.

Voting Aye: All

Voting No: None

**Motion Carried.**

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Mayor Tim Shaw

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Kelly Rider, City Recorder