

TOWN OF SNOW HILL, MARYLAND
Life on the River

WORK SESSION

February 5, 2019

A Work Session of the Mayor and Town Council of Snow Hill, Maryland was held at the Train Station on Tuesday February 5 2019 with Mayor Steve Mathews presiding and called to order at 4:30pm.

PUBLIC OFFICIALS PRESENT

Mayor Steve Mathews; Councilwoman Alison Gadoua, and Councilwoman Jenny Hall

STAFF PRESENT

Kelly Pruitt, Town Manager; Trish Goodsell, Assistant Town Manager; and Lounell Hamstead, Finance Manager

AUDIT

Roy Geiser with TGM Group presented the audit to the Mayor and Town Council. He gave a brief summary of their findings that included:

- Town's net position combined is \$21.2 million, with \$18.3 million in assets; \$74,000 restricted in loans; and \$2.7 million unrestricted funds.
- Change in net position over last year is \$107,000 loss
- Government funds are \$1.1 million which equals 4 months of operating funds
- Water/Sewer fund shows operating loss of \$384,000, which means the plant costs more to operate than what is being charged to residents. With the net interest of \$46,000, total loss is \$430,000. \$600,000 is based on depreciation.
- Cash flow shows \$182,380, which is a decrease compared to \$202,065
- Capital assets total \$3.2 million net, with \$362,000 in new assets. The asset base grew after depreciation by \$102,000.
- Water/sewer shows new asset of chicken plant property that was split between both
- No new debt was acquired; current debt continues to be paid down
- Pension plan shows net liability of \$1.1 million, which will be paid down over time
- Budget to Actual in General Fund - \$151,092 in surplus
- Budget to Actual in Water - \$27,913 over budget; Sewer - \$56,000 under budget; totals \$30,000 under budget
- Auditor Communications – mentioned segregation of duties; timely reporting; and account reconciliation (which town has a consultant to assist with)
- Financial Health – keep an eye on operating loss in water/sewer, as the general fund is currently funding this

Councilwoman Gadoua questioned what the typical operating funds are for towns. Mr. Geiser advised the Town is on the lower scale, as he has some cities/towns who have up to 18 months.

INTERIM POLICE CHIEF

Mayor Mathews advised that Lt. Schreier has started as Interim Police Chief. The advertisement has been listed in the local newspaper, as well as distributed through the Chief's Association and the town's social media. Two resumes have already been received for the position.

Councilwomen Hall and Gadoua advised they would like to sit on the interview board. Councilwoman Purnell informed Mayor Mathews that she would like to ask Chief Arnold Downing of Berlin to be on the interview board.

LIBRARY COMMITTEE

Councilwoman Gadoua advised that the Library Committee met last Tuesday to discuss budgetary needs for this coming year. She stated that they plan to request \$21,500 to be used toward meeting room upgrades, to which she questioned funding being better used toward the teen space. The committee is looking at the suggestion and will be drafting their request for the Mayor and Council.

ADJOURNMENT

Mayor Mathews adjourned the work session at 4:57pm.

Respectfully submitted: Trish Goodsell, Asst. to Town Manager