

# City of Mansfield

## Special Called Meeting Minutes

Special Called Meeting Minutes  
October 18, 2022 – 6:00 p.m.  
Mansfield Community House  
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PRESENT: GW Davis Jr, Blair Northen, Marty Smallwood, Helen Robertson, and Fred Purvis  
ABSENT: Scott Colyn

OTHERS: Walter Tuggle, Elsie Smith, Crystal Smallwood, Jefferson Riley, Sarah Leonard, and Mary Ann Davis.

Mayor GW Davis Jr. called the meeting to order at 6:00PM

Mayor Davis led the pledge of allegiance

Mayor Pro Tem Northen made a motion to accept the agenda as presented. Councilman Fred Purvis seconded. No discussion. All in favor.

Mayor Davis recognized Sara Leonard from ECG joining the meeting for the night.

Mayor Davis stated the high energy cost that the nation has been facing is now affecting the City of Mansfield. It was brought to our attention we are over budget on the price of energy starting in July 2022. Several reasons for that include purchasing 50% of our energy on the market and with the Wansley plant closing. He stated the council would do everything to help the city, but we were going to have to implement a rate increase or a power cost adjustment on the current billing. He then gave the floor to Sara Leonard for her presentation.

Sarah Leonard presented a PowerPoint print out. Mansfield's current budget and the budget comparison YTD was presented. If Mansfield does not implement a power cost adjustment the shortfall would be approximately \$172,343 at year end. There were several solutions presented. One being a power cost adjustment starting in October and in the meantime, she would work on a rate increase that would go into effect January 2023. That would reduce the Power cost adjustment to some extent. We could increase other utility rates to reduce the burden on the electric fund. We could tighten the budget to reduce other electric cost. We could use the MCT fund for fiscal year 2023 Vogel cost or electric fund balance. The power cost adjustment would be temporary and can be changed monthly. It applies to all retail kilowatt hours and collects additional revenues to cover known and measurable changes in the cities total cost of providing electricity to its customers. PCA rates are typically internal. Mayor Davis then stated he did not want to do that, but he knew we could not have a meeting every time the power cost adjustment needed to be changed. He stated he wanted the full council approval on any cost adjustments. Ms. Leonard stated it does hurt the largest customers with the highest kilowatt usage. She gave us three scenarios. Scenario one (1) showed a 19.8% increase which would give us a shortfall of \$13,792. Scenario two (2) would be a 17% increase which would give us a \$36,442 shortfall. Or scenario

three (3) would be a 14.1% increase and our shortfall would be \$59,092. The sheet also shows power cost adjustment compared to Georgia Power, Snapping Shoal EMC, Central Georgia EMC and two other cities unnamed. Mansfield is the only city that does not charge different rates for winter and summer. We are also the only city that did not do a power cost adjustment. According to the chart, Mansfield is lower than any other company. With the increase it would put us midway of the pack. She also explained why large commercial rates should be lower. Lower commercial rates mean customer retention, if we lost the large commercial customer 30% of sales revenue would have to be made up by remaining customers, much smaller decrease in power cost, loss of jobs, and loss to local economy she then asked for a couple of questions.

It was a Mayor Davis's recommendation to follow through with scenario one.

Northern stated we should do scenario two and reevaluate in a couple of months to see where we are. Purvis asked why January 2023 was projected so high. It was stated due to the holidays and the increase in energy used. Northern stated we had been paying 10,000 a month for Plant Vogel for a long time and in the spring of 2023, it does increase to \$16,000 but we would be getting energy. Smallwood asked how would we know even with the increase that the other prices would not be going up. It was stated this is preliminary, no one knew what to project. Smallwood then asked if MEAG ran calendar year or fiscal year with their budget. Ms. Leonard stated it was calendar year. Smallwood then stated we would need to probably do a rate adjustment in January. Smallwood stated he didn't like the idea of keep going up on the bill, that maybe we should do scenario one as well. It was then discussed if we could enter the usage after meter reads, send to ECG and the PCA could be set each month. It is uncertain if the citizens would like a small increase that continues to go up or if they would like a larger increase upfront that stayed the same for a time. Mayor Davis asked Purvis and Robertson their thoughts. Purvis thought we should go with scenario two and set an amount that it would not exceed so it could be internally. If the PCA went above a certain amount than a called meeting could happen. Robertson stated she was concerned if we went with scenario two, we would not have enough money and even though the initial price was high, it might be better than increasing over and over.

Norther made a motion to have the power cost adjustment of 17% (Scenario 2) in place to start in October for all utility customers. Purvis seconded the motion. Smallwood stated we could look at the power cost adjustment through December and get an idea of where we were on the budget. But it really is uncertain as we do not know what the cost of energy will be. No other discussion. All in favor.

Northern made a motion to give the mayor the authority to adjust the monthly PCA no more than 5% internally without a special called meeting. Smallwood seconded. Mayor Davis stated he would advise anyone of the increase as soon as it was made known to him. He also stated he will address any budget deficiencies as well. Mayor Davis feels we are late to the game and hopefully we can catch up soon. He advised that any excess would result in a decreased bill. No other discussion. All in favor

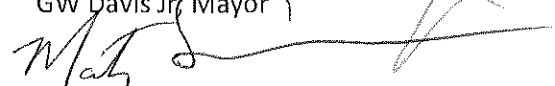
Citizens comments are as follows:

Walter Tuggle stated he didn't think the senior citizens were taken into consideration. Jefferson Riley stated all his questions were answered by the council during the meeting and he appreciated all the council does. He stated, if possible, to decrease bill when rates go down so the citizens can trust the Council. Everyone in attendance expressed appreciation to the Council for the work they are doing.




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GW Davis Jr, Mayor



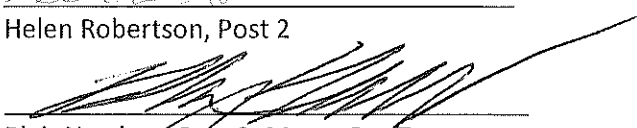
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Marty Smallwood, Post 1



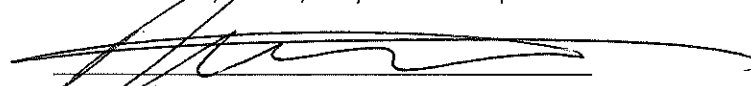
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Helen Robertson, Post 2



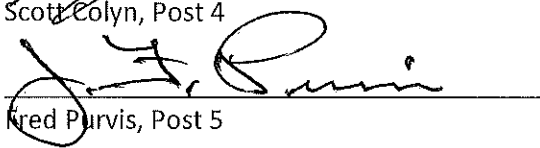
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Blair Northern, Post 3, Mayor Pro Tempore



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Scott Colyn, Post 4



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Fred Purvis, Post 5