



City of Roswell

38 Hill Street
Roswell, Georgia 30075

Meeting Minutes Mayor and City Council

Mayor Jere Wood
Council Member Nancy Diamond
Council Member Rich Dippolito
Council Member Kent Igleheart
Council Member Jerry Orlans
Council Member Betty Price
Council Member Becky Wynn

Monday, May 23, 2011

7:00 PM

City Hall

WELCOME

Present: 6 - Mayor Jere Wood, Council Member Nancy Diamond, Council Member Kent Igleheart, Council Member Jerry Orlans, Council Member Betty Price, and Council Member Becky Wynn

Absent: 1 - Council Member Rich Dippolito

Staff Present: City Administrator Kay Love; Deputy City Administrator Michael Fischer; City Attorney David Davidson; Police Chief Dwayne Orrick; Fire Chief Ricky Spencer; Director of Environmental/Public Works Director Stu Moring; Transportation Director Steve Acenbrak; Assistant Director of Recreation and Parks Morgan Rodgers; Director of Community Development Alice Wakefield; Finance Director Julia Luke; Human Resource Director Dan Roach; Director of Strategic Planning & Budgeting Keith Lee; Budget Coordinator Denise Brown; Financial Analyst Lynn Williams; Transportation Accounting Specialist Karen Bernard; Environmental Deputy Director Yvonne Douglas; Economic Development Manager Bill Keir; Community Relations Director Julie Brechbill; Building Operations Technician Doug Heieren; and City Clerk Marlee Press.

Pledge of Allegiance - Brenda Orlans

CONSENT AGENDA

1. **Approval of April 25, 2011 Council Meeting Minutes (detailed minutes to replace Council Brief minutes adopted on May 9, 2011); Approval of May 9, 2011 Council Brief.**
Approved
2. **Approval of an amendment to the City of Roswell Human Resources Policies and Procedures Manual Chapter XV, Appendix I, Information Technology Acceptable Use Policy.**
Human Resources

Approved

Approval of the Consent Agenda

A motion was made by Council Member Wynn, seconded by Council Member Orlans, to approve the Consent Agenda. The motion carried by the following vote:

In Favor: 5

REGULAR AGENDA

Mayor's Report

1. **Special Recognition of Tim Geiken and Brian Shepler for Participation in Day of Hope.**

Brenda Orlans along with Tom Shuler from Fellowship Bible Church acknowledged The City of Roswell, Mayor and Council, the Police Department and the Fire Department for their support of the Day of Hope on April 17, 2011. Ms. Orlans said the event was a great success and could not have happened without the contributions from the community and businesses. Mr. Shuler recognized some of the non-profit organizations and businesses: Roswell Auto, Meer Electric, Stacey Horse Realty, Land of a Thousand Hills, Mimms Enterprises, Marriott, Damascus Logistics and Ron Blue.

2. **Approval of a Construction Board of Adjustment and Appeals appointment.**

A motion was made by Council Member Wynn, seconded by Council Member Igleheart for the appointment of Arie Kohn to the Construction Board of Adjustment and Appeals. The motion carried by the following vote:

In Favor: 5

3. **Approval of the FY 2012 Budget for the City of Roswell, Georgia in the amount of \$99,204,219. (First Reading)**

City Attorney David Davidson read AN ORDINANCE ADOPTING A BUDGET FOR THE FISCAL YEAR 2012 FOR EACH FUND OF THE CITY OF ROSWELL, GEORGIA, PURSUANT TO ARTICLE VI, CHAPTER 6 OF THE CHARTER OF THE CITY, BEGINNING JULY 1, 2011, AND ENDING JUNE 30, 2012, APPROPRIATING THE AMOUNTS SHOWN IN EACH BUDGET AS EXPENDITURES, ADOPTING THE ITEM OF ANTICIPATED FUNDING SOURCES, PROHIBITING EXPENDITURES TO EXCEED APPROPRIATIONS, AND PROHIBITING EXPENDITURES FROM EXCEEDING ACTUAL FUNDING SOURCES AND AMENDING THE CODE OF ORDINANCES TO EFFECTUATE SUCH ADOPTION, stating, pursuant to their authority, do hereby adopt the following Ordinance:

1. The City of Roswell, Georgia hereby adopts an expenditure budget for Fiscal Year 2012, said budget being described below and shown on Attachment "A" for each fund of the City of Roswell, Georgia:

*FY 2012 Proposed
Expenditure Budget*

100 – General Fund	\$56,104,793
210 – Confiscated Assets Fund	\$715,588
215 – E-911 Fund	\$1,621,355
230 – Impact Fee Fund	\$824,477
235 – Cemetery Fund	\$23,500
275 – Hotel/Motel Fund	\$826,587
290 – Leita Thompson Rental Fund	\$63,192
350 – Capital Projects Fund	\$3,770,652
410 – Debt Service Fund	\$6,699,933
505 – Water/Sewer Fund	\$3,456,884
507 – Stormwater Fund	\$2,516,828
540 – Solid Waste Fund	\$9,801,368
555 – Recreation Participation Fund	\$4,624,468
601 – Worker's Compensation Fund	\$446,331
602 – Group Benefit Fund	\$6,844,870
603 – Risk and Liability Fund	\$863,393
Total	\$99,204,219

2. Any increase or decrease in appropriations or revenue of any fund or for any department; the establishment of new capital projects; or the establishment of new grant projects other than those exceptions provided for herein, shall require approval of Mayor and City Council.

3. A millage rate of 5.345 mills is hereby established as part of the approved budget based on the estimated digest of Fulton County. The millage rate has a component of 3.949 for the General Fund and a 1.396 component for the General Obligation Bond Debt Fund. This millage rate may be adjusted at a future date based on receipt of a certified digest.

4. This budget fixes the number of budgeted full-time positions of the City at 602. This number may only be increased or decreased through approval of the Mayor and City Council. The City Administrator or his/her designee is authorized to create policies and procedures for the number, pay grade, classification, and/or cost center location, which may be changed throughout the year.

5. Mayor and Council further also adopt a Capital Improvement Plan for Fiscal Years 2012 through 2016 as attached hereto and incorporated herein as Schedule "B." This plan does not indicate any promise of appropriations for future years. This plan may only be modified through action of Mayor and City Council.

6. Mayor and Council further approve the re-appropriation of all capital projects listed in Schedule "C". This is a listing of currently appropriated capital projects which will be re-appropriated as of July 1, 2011 with the passage of this ordinance.

Keith Lee began his presentation with the General Fund. There is a Revenue budget of \$56,676,339 with \$18,750,000 from Property Tax and \$19,000,000 from Sales tax. The Expenditure Budget for the General Fund is \$56,104,793.

Mr. Lee showed a break down by department:

- Police: \$15,961,322
- Recreation and Parks: \$9,607,577
- Transportation: \$6,487,918
- Administration: \$8,098,025
- Citywide: \$2,929,232 (which is the maintenance capital)
- Community Development: \$2,956,897
- Environmental Public Works: \$1,654,217
- Finance: \$2,236,021
- Fire: \$6,173,584

Mr. Lee said Revenues exceed Expenditures by \$571,546 in the General Fund. These were the items in the General Fund that have not been funded that were requested. The revenues for all Funds are \$100,174,841 with Property Tax being \$25,125,000, charges for Service being \$21,298,400 that would be things related to Water, Solid Waste and Stormwater and Sales Tax being \$19 million. The Expenditures total \$99,204,219 of which \$48.5 million is related to salaries and benefits, \$23.9 million is Operating, \$6.4 million is Capital, \$13.4 million is Transfers for Internal Service Funds, \$6.69 million is Debt Service and \$250,000 is Contingencies or Insurance. There are 602 staff positions for this fiscal year. There is the elimination of two positions in the Recreation Department and one position in the Detention Center.

Motion: Councilmember Orlans moved for Approval of the First Reading of the Budget Ordinance as amended. He would like to amend Section 3 changing the millage rate from 5.345 to 5.455 with the with the General Fund being 4.059 and the General Obligation Bond Debt Fund being 1.396 which is equal to the City's current millage rate and that additional funds go into road resurfacing. Move for approval as amended. Councilmember Diamond seconded.

Council Comments:

Councilmember Price said this was the first she has heard of that. She asked Mr. Orlans if he has any slides or presentation where they can see that. Councilmember Orlans said he doesn't have anything to show but he thinks he mentioned this to her a couple days ago. He said his thought process is that, the Administrator brought forth a budget that did not have that rollback. He has heard concerns about the number of unfunded projects that the city has going forward in the future. Approximately \$500,000 is being spent this year on facility maintenance. That was cut back last year and was spread over two years because they didn't have the money last year. Next year that is going to jump up to over a \$1 million. He added that Mr. Fleck stated several times that the city needs to keep our facilities up to date. Councilmember Orlans said there is no road resurfacing in this budget as of yet. There are several things that are showing unfunded and going forward into the future they have millions that they haven't funded yet.

Mr. Orlans said rather than the press and the public expecting and anticipating a millage rollback before they finish this up for the second reading, he felt it would be better and more objective to bring forward the current millage rate as is in place and then whatever changes Councilmembers want to put into the budget by the second reading, can be there. He said a lot of times they go through the first reading and do things more in the second reading. He just felt if there is a potential of the millage rate staying the same they should not have this misconception going out to the public. He said he is not sure that the rollback is going to cost \$500,000 per year and as he has mentioned, there are several items that are not even funded. He said that is the thought process regarding this \$500,000 change in the millage rate. That is why he is also suggesting that go into road resurfacing. They need \$2 million a year to go into it so this would be the first \$500,000 in this budget before any other

changes are made by the second reading.

Mayor Wood asked Mr. Lee to show the surplus for each year so that the Mayor could suggest to Council where the money could be found. Mr. Lee showed the Revenues that were collected on an annual basis since FY2005. He showed the Operating Expenditures absent any capital expenses and then all the Revenue over Operating that the city has had since 2005. In 2005 there was an \$8 million surplus and \$12 million in 2006 from Operating Budget. In 2007, it was \$13 million, a little over \$10 million in 2008, a little over \$4 million in 2009 and in 2010 it was a little over \$4 million. Therefore, every year through conservative budgeting there was money left over at the end of the year. Mr. Lee added that is outside of capital. Mayor Wood stated that in the thirteen years he has been Mayor, the City has never seen less than a \$2 million surplus from the previous year. He then suggested road resurfacing be funded from what he expects to be between a \$2-\$4 million surplus this year so there will be plenty of money to fund road resurfacing. They can take the surplus from last year. They can take the surplus from this year and do it. Mayor Wood said he appreciated the Council's concern and he appreciated them being forthcoming but he said he thinks there is \$570,000 in this budget that has not been programmed and if the Council believes that it is appropriate to use that for road resurfacing, he thinks that is appropriate. He believes that in an economic situation when times are tough and people are tightening their belts, the City should take the same approach so he would hope that this motion would not pass.

Councilmember Orlans said he agreed with Mayor Wood that the City has always done a great job on a conservative budget approach. He said he had been on the Council for nineteen (19) years and thought it had been done quite well for those years and going back two to three years ago when things were beginning to crunch in the economy, Council has made adjustments. There are counties and municipalities surrounding Roswell that are in the hole and looking at raising millage rates and raising taxes. He said he thinks it is great that Roswell is in this position because of what they have done that they can be consistent long term. He said it is better to keep the millage rate the same instead of lowering it one year and increasing it the next and being like a bouncing ball. He said he looks at the long-term approach and has looked at the long-term approach for nineteen (19) years. The last several years, everybody said the city should not be taking road resurfacing out of reserves but should get it into the operating budget. This was discussed in some of the work sessions. He said he is trying to get to a point that they have all talked about multiple times and start moving road resurfacing into the Operations Budget. There may be more out of that \$571,000 that goes into road resurfacing this year, and the balance is still going to have to come out of reserves. He emphasized that they need to get to a point where it can get into the operating budget as best they can. He added that the other difficulty is that the city does not have a Tax Digest solidified yet and there is not even one yet for last year. We could easily have our Tax Digest eroded, which would add on top of that .11 mill. That .11 mill equals \$500,000 to the City, which year after year adds up versus \$14 per average household in the city. He said he is trying to take the same conservative approach long-term thinking that he has looked at for the last nineteen (19) years.

Mayor Wood asked Keith Lee to bring Council up to date on what the Revenue projections are based upon for the coming year and his comfort level with the revenue projections for this coming year. Mr. Lee said in terms of our Digest, they do not have a Digest for what they have done in this budget. They did reduce the revenue by 2% and the city is 2% under what the millage rate would project for our Digest to bring it in terms of revenue. Mayor asked if he thinks the Mayor's budget is based upon a conservative estimate. Mr. Lee confirmed that is with the best information that they have. They do not have a Digest and he has asked on

numerous occasions for information from Fulton and they do not have it available at this point in time. Mayor confirmed that it has already been taken into account reductions that the tax assessor has done that are available to date. Mr. Lee replied based on what he had seen in terms of the appeals, those are taken into account.

Mayor Wood told Councilmember Orlans that he thought there were two opinions of what conservative is and said he appreciated his position but he thinks the taxpayers deserve a break this year.

Councilmember Price stated she and Councilmember Orlans have had casual discussions about these line items before them. She said what they were to have voted on is pretty clearly spelled out and maybe she didn't hear him well enough but she would like to vote on something she could see. She said she needed to know the offset. If Councilmember Orlans wants to leave the millage rate as is instead of reducing it, she wanted to know does that affect the other items that were requested.

Councilmember Orlans said to his knowledge it affects \$500,000 and that is where the \$500,000 that he suggested go into road resurfacing which would be determined by the Council on any of the details of it. He said he just felt that they should not wait until second reading to get into those details. If it changes, it changes by the second reading. Ms. Price asked if he was saying that all the other numbers are the same but instead of a millage rate reduction, he wanted to put that money into road resurfacing. She said he thought he had said some other things. Councilmember Orlans said not for that. There is still determination between now and the second reading on the \$571,000 as well. That is up to Council as to where that will be going and that will be a discussion that is still coming up over the next week and a half and there is a work session tonight on some other items in the budget too so they are still finishing up on information coming in.

Councilmember Diamond stated she loved a tax break as much as anyone and said her Fulton County tax bill showed a \$600 reduction just in her home and she wondered how that is going to affect all of us across the board because if she was getting that, it has got to be pretty dramatic across our City. She believes that part of the reason they have always had an overage is because they have put off some of the maintenance items over the last few years trying to get through this time. She felt they had done a good job of that but there are a whole lot of things that have been pushed arguably beyond their limit. She stated that they are heading toward a change in service level that is a whole other discussion that she doesn't think they have come to yet. She doesn't think anybody that she has met in Roswell moved here for the lowest taxes but rather they moved here because of the level of service and that Roswell is different than the rest of the areas around Roswell. She said they could cut taxes to the bone and Roswell still is not going to be East Cobb or Cherokee or some of those other places. Until they know how Roswell is looking with Fulton County, she was not comfortable making this move with the idea that it may have to be reversed in another year. Her history with the road resurfacing issue is well documented and she felt very strongly that it needs to be a basic part of the budget because it is a basic City service. They have been doing it on reserves and that cannot continue. She stated she would support Councilmember Orlans' motion.

Councilmember Igleheart said there has been a very open process throughout the budget this year and that was good for everyone. He said that frankly this and some other cuts were sprung on the Council at the last minute by the Mayor and he thinks it's kind of a game that they are playing here because they are talking \$12-\$14 per average home within Roswell but \$500,000 overall continuing into the future. He said it would be fiscally irresponsible at this point when they know they are going to have reductions across the board likely in the Digest which he said he is not going to put

Keith on the spot for that because they all know there is information that they don't know exactly but they do know quite likely that it is going to have a tremendous impact in the future. He added that as Ms. Diamond just said, they have a lot of things that have been spent for out of that reserve, many of which have not been done to the level which are needed. There have been surpluses but they have always put it into things that they need and there are many more things that they need than what they have money for right now. A city survey was recently completed and there was a large response of people in Roswell having the preference for a high level of service. He said they will soon cut into that and he repeated that it is fiscally irresponsible to just undercut that at this point particularly when they know in the future it is almost positive that they will have to increase that tax rate if they were to move forward with the reduction at this point. He said he loves a tax reduction as much as anyone and they have passed numerous ones in the past but there are some that do not make sense and this would be one.

Mayor Wood said at this point he had seen no projection that the city is cutting services. Everything was funded that staff requested other than some bonuses. All the maintenance was funded that staff requested. Next year he thinks that the city should expect \$1.5 million more in sales tax revenue than was received this year because of the census.

City Administrator Kay Love stated that they would not realize that because the negotiations for sales tax will not end until December 31, 2012 and therefore they will not realize that for the entire Fiscal year. Mayor Wood said then for part of the Fiscal year they would receive it. Ms. Love replied probably three months of it. Mayor Wood asked how much is in reserves now above the reserve by policy. Ms. Love replied approximately \$12 million. Mayor Wood said that gives them a total of \$26 million in reserves. Ms. Love stated including the reserve for reserve by policy. Mayor Wood stated they have \$26M in reserves and they are talking about \$500,000. He said he appreciates Council's concern for the future but said he had not seen the facts to bear that out.

Councilmember Wynn said to Mayor Wood it was interesting that the last time that they tried to use capital they kind of got slammed by him but that's a different story. She thinks the citizens want the best for them and she thinks \$14 a year reduction may not be the best in the anticipation that they will probably have to go back and raise millage rates because they don't have a Digest. She said there is a long history of what Fulton County does to the City of Roswell. Right now, they are spending \$140,000 of the City's money sending out revised tax forms or tax revenue statements. She stated she wanted to be very ultra conservative and just wait and see the Tax Digest and the Sales Tax Digest in 2012. She agreed with Councilmember Diamond that they have put off Operations and Maintenance (O&M) way too long. If they do not get the O&M under control, she is afraid that they are going to have to put more money out there in the next few years and she was not willing to do that. She said there is maintenance and operations of the city's parks and buildings that are really necessary. She would be supporting the proposal to keep the millage rate the same.

Public Comment:

Lee Fleck, Martins Landing said he thought everyone knew where the 1/10th millage rate reduction was coming from. He said that was promised by the Mayor in the last election when it was said if the Stormwater utility fund was introduced there would be a rollback in the millage rate. He said he thought it was a political thing and that 1/10th or \$18 was a joke. Mr. Fleck stated he supported the amendment. Mr. Fleck asked Mr. Lee about the figure of \$6.4 million in capital and asked if that was correct

and Mr. Lee replied that it was. Mr. Fleck asked if there is going to be \$56 million in Expenditures and about the same in Revenues and if \$6.4 million will be used from Reserves for capital this year. City Administrator Kay Love said there is \$12 million in reserves above the required reserve policy and said she thought the \$6.4 million number he saw was what is in the CIP. Mr. Fleck stated he assumed since the \$6.4 million was taken as a potential CIP total then the pro forma that was presented in 2008 is right on. He also addressed the Stormwater Utility Fund. He requested more information about the \$700,000 number. He said there is a certain amount that is coming from residents but what are the businesses going to be billed. He said he requested information for the fees of the top ten businesses as well as what will be charged to churches and schools because he could remember some of the numbers from a few years ago. He pointed out the monthly sanitation fee paid by the top six churches and the reduction they will get amounts to \$11.85/church and then pointed out the Stormwater Utility Fee and the monthly increases. He said that the ordinance was passed and the fee established in 2008 but the fee was not implemented in 2008. Since this was done in 2008, he said that the city has not done a good job of figuring out where the city would be in July of this year and said he was very discouraged by that. He stated he hoped the City would be up front and honest with the businesses, churches and schools on what they will be paying. He pointed out that Kimberly Clark will pay \$12,000 per year and United Methodist will pay \$5,500 additionally per year. He said he had always objected to that approach. He then pointed out the expenditures, what it was committed to be spent on originally, and where it is now going to be spent. He said he could not see the funds that were originally committed and saw no funds for government compliance in the existing expenditures.

Michael Nyden, 580 Indigo Drive said he was in support of the millage rate rollback. He asked Keith Lee to affirm that there was an annual surplus and surplus over policy reserve, specifically on the 2%. Mayor Wood responded the 2% was not a surplus and stated the 2% was derived from the information provided by Fulton County and that the projected revenues were reduced by 2% to account for potential appeals. It was not a surplus but rather a lowering of the projected revenues to get a conservative projection of revenues for 2012 property tax.

Mr. Nyden said his impression after review of the budget is that the City has cash on hand over policy reserve that literally cannot be spent if every project on the books were to move forward. He said from what he could tell the budget accommodates every program that had a request and it is fair and sustainable. He then stated one of the roles of the government is to assure that revenues are available to sustain the City and said he appreciated Councilmember Orlans' perspective on that. He acknowledged Councilmember Diamond and said he did not mind paying an extra \$14 but if it were not needed, he would rather have it in his pocket.

There was no further public comment.

Mayor Wood said there was a motion and a second. He asked City Attorney David Davidson if there would be a second vote on the millage rate. Mr. Davidson said there will be an ordinance coming up next to adopt the millage rate but it is also included as part of the budget ordinance. Mayor Wood asked if Mr. Orlans would need to amend the budget to anticipate a larger revenue if the Council amends the ordinance. Mr. Davidson replied yes for the Second Reading. Mayor Wood stated the motion: Approval of the First Reading of the Budget Ordinance with the following amendment: To change the millage rate and the expected revenue. This will return it to last year's millage rate.

The motion was approved 4-1. Councilmembers Orlans, Igleheart, Wynn and Diamond voted in favor. Councilmember Price opposed.

A motion was made by Council Member Orlans, seconded by Council Member Diamond, that the First Reading of the Budget Ordinance be approved with the following amendment: To change the millage rate and the expected revenue. This will return it to last year's millage rate. This amends Section 3 of the ordinance by changing the millage of 5.345 mills to 5.455 mills with the General Fund being 4.059 and the General Obligation Bond Debt Fund being 1.396 which is equal to the city's current millage rate and that additional funds go into road resurfacing. The motion carried by the following vote:

Councilmembers Orlans, Igleheart, Wynn and Diamond voted in favor.
Councilmember Price cast her vote in opposition.

In Favor: 4

Opposed: 1

4.

Approval of the Millage Rate of 5.345 mills for the FY 2012 Budget. (First Reading)

Mr. Davidson read an ORDINANCE TO ADOPT MILLAGE RATE, stating now therefore, the Mayor and Council of the City of Roswell wish to establish a millage rate of 5.345. The millage rate has a component of 3.949 for the general fund, operating and capital improvements budget, and a 1.396 mills component for servicing bonded indebtedness. The millage rate may require adjustment upon approval of a certified Tax Digest for the year 2011.

Mayor Wood asked Mr. Davidson how the adjustment would work stating that if the millage rate and budget were passed what would be the latest date it might be adjusted based upon a change in the Digest. Mr. Davidson replied when a certified Digest was received. Mayor Wood then asked if the Council could adjust the millage rate back up at a later time if the final rate came in and it was determined it was lower than expected. Mr. Davidson replied yes. Mayor Wood asked when the billing is anticipated and when the City might anticipate a final Digest. Kay Love said taxes would be billed in an October/November timeframe. She stated in years past there was a percentage difference of 3% that the assessor was allowed in that the City could still get a certified Digest. However, with the new legislation, that percentage difference has been lifted and now with every property owner receiving an assessment notice as opposed to basically one third of the property owners, the possibility of appeals is much greater, therefore, the length of time for receiving a certified Digest is simply unknown. She said the City can continue to bill as in the past and that does not require a temporary order but there is no way of knowing when that certification will come.

Mayor Wood stated he understood the tax assessor had already lowered the City of Roswell's assessment from last year and on average, it is a lower assessment than last year. Ms. Love replied the overall Digest has declined. Mayor Wood said although it is not certified because they don't know how many appeals would be filed, they have already accommodated that reduction. Ms. Love replied there are still outstanding appeals from the prior tax year so that is still in play as well. Mayor Wood asked how much from the prior year. Kay Love replied it is realistically based upon what they know but the dilemma is the unknown, therefore they have been conservative to account for that in the event something happens and they don't want to count on money from appeals. She stated from the previous year some of those appeals were being settled at \$.30 on the dollar and they had to go back and take that into consideration. Mr. Lee stated the number of outstanding appeals is 314 for commercial and 141 for residential but he did not have the dollar value.

Mayor Wood stated he understood the numbers that staff presented to him in projecting revenue was a conservative estimate and asked if that is still valid or is there a new number. Ms. Love said there is not a new number and it is valid as it has been in years past. She added it is conservative but it is a greater unknown this year than in years past for the reasons that were mentioned earlier but the numbers are valid based on their estimates at this moment.

Mayor Wood stated based upon what Mr. Davidson had said to him that if once the certified Digest comes in and it is below the projection then the millage rate could always be adjusted up. Ms. Love replied yes and that has always been in place and there are administrative costs to billing again but that certainly can be done. Mayor Wood added that with \$26 million in reserves even if the Digest comes in lower than expected they could also cover it from reserves. Ms. Love replied correct.

Councilmember Orlans moved for Approval of the First Reading of the Millage Rate Ordinance with the amendment to change the millage rate to 5.455 mills for the Fiscal Year 2012 Budget which would adopt a millage rate of 4.059 for the general fund maintenance and operations and 1.396 mills for general obligation debt. Councilmember Wynn seconded.

Mayor Wood added that would be .11 mills higher than the Mayor's proposed millage rate.

Council Comment:

Councilmember Igleheart stated after the previous comment he thought anyone whether they wanted a reduction or not would think it ridiculous to send out two or three tax bills during any year particularly when the figure is \$12-\$14 for an individual house on average. It just doesn't make sense. The issues of the overall Digest and the amount of money have already been commented on and they have always taken money from the reserves to pay for things but they also know in the future there will be things they cannot pay for and a better plan is needed going forward for the future. He said this keeps them on that path.

Mayor Wood asked for public comment. There was none and public comment was closed.

Council Comment:

Councilmember Price asked if in previous years, the line, "The millage rate may require adjustment upon approval of a certified Tax Digest for the year 2011," had been included as standard language in the Ordinance. Mr. Davidson replied yes. Ms. Price asked if this had every happened before. Mayor Wood replied no. Mr. Davidson replied not since he had been here. Ms. Price said if the concern is that the proper Tax Digest information is not available and that they would be afraid that they would have to raise the millage rate, wouldn't it make more sense to spend less money, reduce the millage rate then if necessary cover it in some other way and as a last resort raise the millage rate back up to the status quo.

Councilmember Diamond said the Fulton County issue was a concern to her as well but there were other things that had been put off and it was not as if the City were floating along fine using money and having reserves. She said there are maintenance items that have been seriously pushed back. Roofs do not get cheaper the longer they wait. There are cars over ten years old with 100,000 plus miles and some of these should have been replaced last year. Putting off maintenance items only makes them more expensive.

Mayor Wood responded to Ms. Diamond that this year's budget fully funds all the maintenance capital requests that staff brought forward for the operating budget.

Councilmember Price responded that her car has 185,000 miles and is doing fine.

A motion was made by Council Member Orlans, seconded by Council Member Wynn, that the First Reading of the Millage Rate Ordinance with the amendment to change the millage rate to 5.455 mills which is the current millage rate for the Fiscal Year 2012 Budget which would adopt a millage rate of 4.059 for the general fund maintenance and operations and 1.396 mills for general obligation debt.

The motion carried by the following vote:

Council Member Orlans, Council Member Igleheart, Council Member Wynn and Council Member Diamond voted in favor. Council Member Price cast her vote in opposition.

In Favor: 4

Opposed: 1

Administration and Finance Department - Councilmember Jerry Orlans

5.

Approval for the Mayor and/or City Administrator to sign a contract with Graybar Electric for the provision of lamps, ballasts, and fixtures for the municipal complex in the amount of \$120,389.90.

Presented by Michael Fischer, Deputy City Administrator

Deputy City Administrator Michael Fischer stated this is part of the Energy Efficiency Community Block Grant, a program the City has been a part of for approximately a year and a half. This replaces and updates all of the lamp fixtures within the buildings to higher efficiency fixtures. Graybar Electric was the lowest responsible bidder and in lieu of going out to contract to purchase and install, the City will purchase from Graybar and use the standby trades contractors managed by the Building Operations Department to perform the installation since many of them are already under contract from earlier bid outs.

Mayor Wood asked if there would be a lower electricity cost after installing the new ballasts and fixtures. Mr. Fischer replied yes. Mayor Wood asked how long it would take to recover the replacement cost of \$120,389.90 by saving on the lower energy cost. Mr. Fischer replied the payback using only the electricity rate on the bulbs is long, possibly ten years; however, the percentage of wattage or electricity usage will drop and the savings will be incurred year after year.

There was no Council discussion or public comment.

A motion was made by Council Member Orlans, seconded by Council Member Igleheart, that the contract with Graybar Electric be approved. The motion carried by the following vote:

In Favor: 5

6. **Approval of settlement agreement, approval of payment to Fulton-DeKalb Hospital Authority/Grady Hospital for inmate medical services from 2006 to 2010 and Budget Amendment #3226-05-23-11 in the amount of \$142,506.47.**

Presented by Dan Roach, Director of Human Resources

Director of Human Resources Dan Roach said this resolves the City's obligation for inmate medical expenses incurred but not yet paid. The City received a list of claims that are in collections for which the City is legally obligated to pay. These claims were negotiated down from \$166,662 to \$142,506.

Mayor Wood asked how the cost was incurred over time. Mr. Roach said the City initially took the position it was not responsible because these were pre-existing health conditions when the resident came to the jail. They have since been advised that the City is legally responsible for payment for anything that occurs while the inmates are in City care. Mayor Wood asked if some of these costs go back to 2006. Mr. Roach replied yes. He said when he came to the City this January both Human Resources and Police Department staff were working together to identify the legitimate claims and have pulled out the claims for which they could not identify custody records and identified the ones that the city is clearly responsible for.

City Administrator Kay Love stated that prior to Mr. Roach's arrival, in years past when the city had not paid the bill or had responded to Grady Hospital that the City of Roswell was not required to pay, Grady did not in turn bill the City. She stated that like many businesses within the current economy, given Grady's financial situation, they went back through outstanding receivables and began to bill the City about a year ago. The City has been negotiating with Grady and verifying the records and this finalizes these bills. She added that two years ago the City made protocol changes as to who goes to what hospital as well as the initiation of inmate medical services which has helped offset; therefore this is a combination of protocol and approach to help remedy this issue in the future.

Council Comment:

Councilmember Orlans said if Grady Hospital takes responsibility for indigent care of Fulton and DeKalb residents and they are also inmates of the City of Roswell jail then it seems Grady should provide that service in the same way as if the resident should walk in off the street. Mr. Orlans said he did not understand why the City should have to pay for that service when our tax dollars are already paying for it. City Attorney David Davidson said it is state law which says if they are in City custody, they are the City's responsibility and the city is to pay for their medical care.

Councilmember Price asked if the City anticipates any other bills from that timeframe. Mr. Roach replied no and stated the law firm that represents the collections activity was asked to specifically identify all claims and they sent a list of 130. He stated the settlement agreement absolves the City of any responsibility for other claims that might arise from that period. Councilmember Price asked if the city has a legal recourse should anything else show up from that timeframe going forward. Mr. Roach replied he believed so. Mr. Davidson stated that provided they sign the release and waiver the city is fine.

Councilmember Diamond responded to Mr. Orlans' point that the good news and bad news about crime free-housing is that many of the City of Roswell prisoners are not from Roswell or Fulton County. A fair number are Gwinnett based, therefore the up and down side is that they may not qualify into that formula either.

There was no further Council discussion.

A motion was made by Council Member Orlans, seconded by Council Member Igleheart, that the settlement agreement, the payment to Fulton-DeKalb Hospital Authority/Grady Hospital and the Budget Amendment in the amount of \$142,506.47 be approved. The motion carried by the following vote:

In Favor: 5

Community Development - Councilmember Betty Price

7.

Approval of a Resolution for the Creation of the Strategic Economic Development Plan (SEDP) Steering Committee and appointment of the Committee members.

Presented by Alice Wakefield, Director of Community Development

Director of Community Development Alice Wakefield stated this Committee would assist staff and the consultant RKG Associates in facilitating the development of the Strategic Economic Development Plan. The anticipated kick-off meeting for the plan effort will be June 29, 2011.

The nominated names were read by Ms. Wakefield. They are Bill Bland, Bryan Chamberlain, Sr., David Craig, Vincent Crowell, Kenneth Davis, Nancy Davis, Steve Handel, Alex Kaufman, Debbie Keel, Tom Ladow, Tony Landers, Stephen Moxley, Al Nash, Adam Orkin, Alfredo Ortiz, Alex Paulson, Tim Perry, David Rozier, Jr., David Schmit, Linda Schultz, Jay Small and Duden Yegenoglu.

Council Comment:

Councilmember Price stated she knew that a Resolution must be passed in addition to approving the appointees. She stated she did not know when Council ever identified the makeup of that Committee. Mayor Wood asked Ms. Price if she had an amendment she would like to make to this motion. Ms. Price replied no, but she was curious because initially there was a listing of the categories of people that would be on the Committee and that listing was modified and she was not sure if there was ever a conclusion. She stated her concern was that an education component was indicated and she did not understand, given that Council did not wish to interfere in School Board matters regarding realignment of school districting zones, and added that a comment had been made that the City should not interfere in their business. She asked if Council had an explanation as to why an education leader had been nominated for this Committee.

Councilmember Diamond replied the purpose of this is to bring business to Roswell and the education component is about bringing education forces and all types of education and all that encompasses. She said it has very little to do with existing school matters rather a means of reaching out to what could be brought in. People in that field are apprised of those things and the whole makeup of this is about bringing people in who have access to resources within their fields that know what kinds of growth is in their industry and what types of businesses might be able to come into Roswell.

There was no further discussion by Council. There was no public comment.

A motion was made by Council Member Price, seconded by Council Member Diamond, that the Resolution for the Creation of the (SEDP) Steering

Committee and the 22 committee member names read be approved. The motion carried by the following vote:

In Favor: 5

Recreation and Parks Department - Councilmember Kent Igleheart

8. **Approval for Mayor and/or City Administrator to sign a contract with Southern Wood Systems to manufacture the Riverside Park Stage Roof system in the amount of \$59,022 and Approval of Budget Amendment 9620-05-23-11 in the amount of \$98,512.**

Presented by Joe Glover, Director of Recreation and Parks and Historic and Cultural Affairs

City Administrator Kay Love said the structure is a 60' x 40' wooden post structure with a wood roof with shingles. The roof system will be purchased from Southern Wood Systems and the plan is to utilize a stand-by trades contractor to pour footings and construct the pre-manufactured roof. Weather permitting and approval of the contract tonight, the construction will be completed in mid-September.

Mayor Wood asked for the overall cost of the project. Kay Love replied she did not have the exact figure but it would be a little over \$100,000. Mayor Wood asked if that included the current engineering that has already been done. Ms. Love replied that the amount included the engineering. Ms. Love said it would be around \$120,000 including the engineering. She said she would get the exact amount.

There was no further discussion by Council. There was no public comment.

A motion was made by Council Member Igleheart, seconded by Council Member Wynn, that the contract with Southern Wood Systems and the Budget Amendment in the amount of \$98,512 be approved. The motion carried by the following vote:

In Favor: 5

City Attorney's Report

9. **Recommendation for closure to discuss personnel and acquisition of real estate.**

No closure was needed so no action was taken.

Adjournment

After no further business, the Regular Meeting adjourned at 8:18 p.m. for a Work Session to discuss the FY2012 Proposed Budget.