

**City Council of Peachtree City
Minutes of Meeting
August 18, 2011**

The Mayor and Council of the City of Peachtree City met on Thursday, August 18, 2011, in City Hall Council Chambers. Mayor Don Haddix called the meeting to order at 7:00 p.m. Council Members present were: Vanessa Fleisch, Doug Sturbaum, Kim Learnard, and Eric Imker.

Announcements, Awards, Special Recognition

Haddix presented a proclamation for National Payroll Week.

Citizen Comment

There was none.

Agenda Changes

There were none.

Minutes

Haddix noted an additional document on the dais, amendments to the August 4, 2011, regular meeting minutes by Council Member Fleisch.

Learnard moved to approve the minutes of the June 7, 2011, City Council/Planning Commission workshop. Fleisch seconded. Motion carried 4-0-1 (Sturbaum).

Learnard moved to approve the August 4, 2011, regular meeting minutes as amended. Sturbaum seconded. Motion carried unanimously.

Monthly Reports

Consent Agenda

1. Consider Request to Surplus Obsolete Technology Equipment

Learnard moved to approve the Consent Agenda. Sturbaum seconded. Motion carried unanimously.

New Agenda Items

08-11-01 Consider Reclassification of Code Enforcement Officer Positions

Human Resources Administrator Ellece Brown addressed Council, noting that Code Enforcement had been included in of the reorganization of the Recreation Department. The Parks Monitor, Municipal Code Enforcement Officer, and Housing Code Official positions had been moved under the Police Department and reevaluated, and staff had found greater efficiencies by making all the positions the same. The recommended new grade was a 275, which was one grade higher than the current Code Enforcement positions, higher than Parks Monitor position, and one grade lower than the Housing Code Official position.

Sturbaum moved to approve the reclassification. Imker seconded. Motion carried unanimously.

08-11-02 Consider Reclassification of Public Works Positions

Brown said this proposal was also part of the reorganization. The positions transferred from the former Leisure Services Division to Public Services had been reevaluated and updated with new responsibilities. Four positions moved up and two moved down. Staff was recommending that the former Maintenance Technician positions (I, II, and III) be reclassified as Buildings & Grounds

Maintenance Technician positions, with a grade increase per level; the Facilities Maintenance Manager be reclassified to Building & Grounds Manager with a two-grade increase; the Sign Technician and Lead Sign Technical positions be reduced one grade; that three Crew Leader positions (Grade 274) be eliminated and replaced with one new Buildings Maintenance Supervisor position and one new Grounds Maintenance Supervisor position (Grade 277).

Sturbaum moved to approve the reclassifications as recommended by staff. Imker seconded. Motion carried unanimously.

Learnard asked if the motion needed to include the other changes proposed, eliminating positions and replacing them. Meeker confirmed the motion covered the entire proposal from staff.

08-11-03 Consider Elimination/Replacement of Positions in Recreation & Special Events Department.

Brown said this proposal was the final element of the reorganization. Staff recommended eliminating the Office Administrator position (Grade 275) in the Recreation and Special Events department and replacing it with a Recreation Services Specialist position (Grade 274).

Fleisch moved to approve the elimination and replacement of the position. Learnard seconded. Motion carried unanimously.

08-11-04 Consider Adoption of Millage Rates

Financial Services Director Paul Salvatore said staff was recommending that Council adopt a millage rate of 6.384 for Maintenance & Operations, and a rate of 0.399 for Bonds. These were the same rates as adopted for 2010 and reflected a 1.7% tax decrease based on the reduced tax digest. The rates would generate an estimated \$200,000 less than generated in 2011, and the budget had been adjusted to reflect the reduced revenue.

Salvatore then said that, for a Peachtree City property tax bill, the school system made up 62.7% of the total. The millage rate for the County had increased, and an E-911 tax had been added. Overall, the bills would show about a 0.5 mill increase from the County and E-911, resulting in a \$5.58 increase for a \$257,000 home.

Imker clarified that Peachtree City taxes were under \$700 per year for that same price home, which was less than the average annual sewer bill and less than a lot of homeowner association fees. That amount covered all the departments and services provided by the City, and Imker said he felt the City was really holding the line on taxes.

Sturbaum moved to adopt the Millage Rates as presented. Learnard seconded. Motion carried unanimously.

08-11-05 Consider Resolutions for Adoption of FY 2012 Budget and Commitment of Fund Balance

Salvatore said the City held several workshops and the required public hearing for the budget, so Council could now take action to adopt the budget. Salvatore said the only changes included the most updated tax digest and debt service figures. Council had directed a few changes that had been made, including cutting an additional \$100,000 in departmental budgets, the elimination of one police vehicle in the replacement schedule, and a reduction in the PIP contingency reduction by \$35,000.

The resolution for commitment of fund balance supported the City's five-year model and the 20% reserves policy for revenue stabilization.

Haddix noted three changes made in the budget and asked who on Council supported the reduction of the police car replacement. All four Council Members expressed their acceptance of the change.

Learnard reviewed the highlights of the budget and said no line item had been overlooked or taken lightly. Departmental expenses had increased over FY 2011 because \$1.6 million due to the defined benefit pension plan for employees that was not expensed for FY 2011 (it had been paid in 2010 to take advantage of down market). The remaining \$1 million increase was for computer upgrades, employee pay in lieu of salary after several years of no salary increases, healthcare increases, the 2011 election, and legal fees.

Learnard continued that the City's millage rate would be remaining the same in a year when the tax digest had decreased, meaning less money would be coming in to the City. Under state law, the City could have raised the millage rate to maintain the same revenue and not called it a tax increase. However, Council realized that the citizens shared the financially difficult situations. The proposed budget also added \$1.378 million to reserves, which put the City in a long-term financially stable situation to maintain at least 20% reserves in coming years to help balance the budget when the Special Purpose Local Option Sales Tax (SPLOST) funds were depleted and if Local Option Sales Tax (LOST) funding decreased.

Learnard said the City expected revenues from reserve investments to increase due to a policy change in 2011. The City had also refinanced three debts for an estimated savings of over \$200,000, and had reduced future loan payments by about \$54,000 by paying off the Development Authority of Peachtree City bonds early.

The reorganization had also played a big role, and the goal was to achieve cost reductions without reducing service, and possibly to achieve increased service levels. Learnard concluded that, after that night, Council could start working to eliminate the projected 0.213 millage increase for 2012. She congratulated staff and Council for their work on the budget.

Imker said he began reviewing the 2012 budget the previous August after the FY 2011 budget had been adopted. He felt this was one of the best budgets the City had put forward in many years and said staff and the new City Manager had watched out for every dollar. Last year, Imker had asked the major department heads to review budgets line item by line item, and was satisfied that there was no waste and the City was operating in as lean a manner as possible. The FY 2012 budget was a continuation of that process.

Haddix said he was ready to approve the budget, and Council could make adjustments as needed if the economy continued to decline.

Imker said he would like to recommend that the employee pay in lieu of salary be staggered by paying one percent in December and the second percent in May after a review of the financial situation as a precaution against problems with the budget mid-year. Imker said he would like to consider this as an amendment to the budget resolution. Fleisch asked Salvatore what the implementation cost would be to split the payment. Salvatore and Assistant Finance Director Janet Camburn said staff time and check stock were the only real costs, but they did not have a specific number. Salvatore noted the split payment could be accomplished via direction to staff versus changing the budget resolution. Imker withdrew his recommendation to include the

item as part of budget resolution and asked if Council could consider it at the meeting in November prior to the December distribution.

Haddix asked if there were any damaging legal implications to splitting the payment. Vrana said employee morale was the only real issue. Fleisch asked if Council could make the decision to split the payment or make the entire two percent payment in November. Meeker said the budget reflected a full two percent, so a reduction to one percent would require a budget amendment.

Sturbaum moved to adopt the resolution for the FY 2012 budget, with all supporting schedules, and the resolution for the Commitment of Fund Balance as presented. Imker seconded. Motion carried unanimously.

08-11-06 Consider Adoption of Resolution Approving Intergovernmental Agreement with Public Facilities Authority

Haddix noted that Council had an amended version of the resolution on the dais, which had been adopted by the Public Facilities Authority earlier that evening. Learnard moved to adopt the amended resolution. Fleisch seconded. Motion carried unanimously.

08-11-07 Consider Extension of Contract with Parker Wrecker

Police Chief H. C. "Skip" Clark addressed Council, saying staff was requesting a one-year extension to the contract entered in 2008. Policy allowed for the extension before going back out for bid, and staff had a good working history with the firm.

Sturbaum moved to approve the contract extension with Parker Wrecker. Learnard seconded. Motion carried unanimously.

08-11-08 Consider Ordinance Amendment – Alcohol at City Facilities

Public Information Officer/City Clerk Betsy Tyler explained that the previous month, Council had amended the alcohol ordinance relating to distances from churches and schools. That change allowed the City to consider allowing alcohol at private events at The Gathering Place, which had been discussed for two years.

Since the ordinance change in July, a veterans group had asked staff to bring forward an ordinance amendment allowing alcohol at The Gathering Place for an event that fall. Making such a change required an additional amendment to the Recreation Ordinance, which limited alcohol to the Amphitheater and Tennis Center under specific conditions. Staff was recommending adding a third instance, under which Council could grant a Qualifying Location Permit as was being requested for The Gathering Place. Tyler also noted that the ordinance had outdated verbiage related to the former Tourism Association, which had been updated to reflect the new Convention & Visitors Bureau.

Tyler said, prior to the current Qualifying Location and Special Event alcohol license process, previous Councils had approved alcohol at two private events on City property, at City Hall and at Drake Field. Both those events would now require the Qualifying Location Permit authorized by Council and a separate Special Event Permit. Similarly, a private special event at The Gathering Place would still need to obtain a Special Event Permit before alcohol would be allowed.

Sturbaum asked Meeker if he had any legal concerns about the ordinance change, and Meeker said he had reviewed the ordinance.

Learnard moved to approve the amendment to the Recreation Ordinance regarding alcohol at City facilities per staff recommendation. Sturbaum seconded. Motion carried unanimously.

08-11-09 Consider Qualifying Location Permit Application – The Gathering Place

Learnard moved to approve the Qualifying Location Permit for The Gathering Place. Fleisch seconded. Motion carried unanimously.

Council Staff Topics

City Manager Jim Pennington commended Salvatore for the work he had put in on the budget.

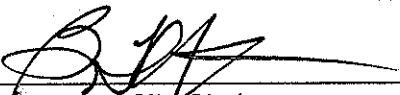
Pennington said there were several issues that would be brought up at the September 1 meeting, including the Library repair plan.

Haddix thanked staff for their hard work during the year.

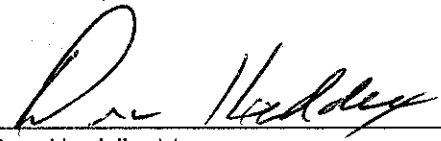
Meeker said Council had several topics for executive session. Sturbaum moved to convene in executive session for acquisition of real estate and threatened or pending litigation at 7:40 p.m. Fleisch seconded. Motion carried unanimously.

Imker moved to reconvene in regular session at 8:20 p.m. Learnard seconded. Motion carried unanimously.

There being no further business, Sturbaum moved to adjourn the meeting. Learnard seconded. Motion carried unanimously. The meeting adjourned at 8:25 p.m.



Betsy Tyler, City Clerk



Don Haddix, Mayor