

**City Council of Peachtree City
Meeting Minutes
Thursday, December 12, 2019
6:30 p.m.**

The Mayor and Council of Peachtree City met in a special called meeting on Thursday, December 12, 2019. Mayor Pro Tem Terry Ernst, presiding in the absence of Mayor Vanessa Fleisch, called the meeting to order at 6:30 p.m. Others attending: Mike King, Kevin Madden, and Phil Prebor.

Announcements, Awards, Special Recognition

Ernst recognized Deputy City Clerk Pam Dufresne as November's Employee of the Month. The Supervisor of the Quarter was DuWayne Ward of Building Maintenance.

Minutes

King moved to approve the November 21, 2019, regular meeting minutes. Madden seconded. Motion carried unanimously.

Consent Agenda

- 1. Consider Bid for Police Vehicle Purchase – Allen Vigil Ford, Morrow**
- 2. Consider Bid for Police Vehicle Accessories Purchase – Transcomm Services & Dana Safety**
- 3. Consider Stormwater Maintenance Agreement – McAlister's Deli, Commerce Drive**
- 4. Consider FY 2020 Budget Amendment – Funding for Temporary Contract Labor**
- 5. Consider Appointment to Peachtree City Airport Authority – Max Braun**
- 6. Consider Acceptance of SAFEBuilt Donation**
- 7. Consider Renewal of Insurance Brokerage Services – McGriff, Siebels, & Williams of Georgia, Inc.**

Madden moved to approve Consent Agenda items 1-7. King seconded. Motion carried unanimously.

New Agenda Items

12-12-01 Review and Prioritization/Deletion of Short- and Medium-Term Goals

City Manager Jon Rorie began by presenting the City's mission statement, which he said explained the "why" behind the "what" that they were going to do. He said the City's budget policy stated that, if they were going to expand programs or move forward on some of these goals, then ongoing funding sources or cuts to the budget had to be identified. Programs were evaluated to ensure they were both consistent with the mission and with the budget policy.

Council came together on December 3 for a brainstorming session that looked at future plans and goals. Rorie pointed out that staff did that all the time and prioritized the projects. As an example, he presented a spreadsheet listing goals for the Library. Replacing the carpet upstairs was given a low priority, while remodeling the restrooms on the lower level was ranked higher. There were also projects prioritized for the Amphitheater and Public Works, but Rorie said he wanted to address how they established goals because that would tie in with a discussion on the fiscal year end budget analysis.

Under Public Works, they were looking at mini split HVAC systems at the Library and Police Department and electronic control panels for HVAC at the Library. While assigned and ranked by the Public Works Department, they were applied in various departments all over the City. All were funded in the budget's 522250 line, which meant they were part of the Capital Improvement Projects (CIP) program funded each year as part of the General Fund budget. These were maintenance items that had to be done. It was important to be aware of them because some of

the items on Council's list of priorities were not appropriate for them to deal with; they were just operational in nature, and staff would handle them.

Rorie took all the suggestions that came from the brainstorming session and established a priority ranking, a suggestion of who would champion it, and a time frame. The lower the number, he explained, the higher the ranking from the perspective of Council as a body. He looked at the suggestion to form a transportation group with Coweta County and the Atlanta Regional Commission (ARC) to explore solutions to the traffic issues at the SR 74/54 intersection, perhaps a bypass. This was ranked a five, which meant each member of Council said it was a top priority. At 2 p.m. that afternoon, Rorie said, the Fayette County Board of Commissioners adopted a transportation plan that called for establishing such a transportation group, so this was already in the works.

Next, the Council ranked the recycling yard as a top priority, followed by sewer extensions on Huddleston, a parallel path network, as well as others. City administration, including the City Manager, department heads, directors, and chiefs, would take the lead roles in those tasks, but a member of Council would also be chosen to help staff work through issues that might arise. The formation of a transportation group was a public policy type initiative. The 54/74 traffic problem was a regional issue that required a regional approach. Rorie acknowledged that the idea of a bypass was fraught with problems. The TDK Extension was off the table, as far as Peachtree City was concerned, but other jurisdictions might not think so. There could be conflict right off the bat, so a Council champion would be required. They would have to operate with other political bodies; this was not just a local issue.

Madden said he would like to serve as the champion for that project because he felt a bypass would be essential for the community. Rorie said that would be fine, noting that they put a question mark after bypass during the December 3 meeting. The solution of today could not become someone's problem tomorrow. The solution to a congested intersection was to dilute that traffic. That was where the concept of a bypass came into play. However, they had to figure out how to provide an alternate route to 36,000 vehicles. Rorie said it was not as simple as building another road. Tyrone was already objecting to the widening of Palmetto and Tyrone roads because that would mean more traffic for them. Rorie did not believe Coweta County had any interest in widening Rockaway Road off SR 74 South because they thought it would ruin the character of downtown Senoia. It was not easy because they were taking traffic that was a problem and diverting it somewhere else. The objection to the TDK Extension was that traffic would cross 74, hit Crosstown, go to the Parkway to Robinson, and then take Spear, Ebenezer, or SR 54 East. Every option, once on TDK or Crosstown, used City streets, and meant maintenance and improvements would be City projects. It was beast, and would take a lot of effort, so if Madden were willing to champion the cause, it would be appreciated. Rorie noted that the effort would be worth it if they could work out a solution.

Rorie showed that he had put a red line through goals that were the responsibility of various departments, such as getting the word out about local businesses and attractions. That was the responsibility of the Convention and Visitors Bureau (CVB), not Council. They would talk later about the Kedron pool bubble. A decision on the bubble's future was truly a public policy decision, Rorie remarked.

The average ranking for the items marked in blue was 3.6. One called for Council to work with other entities on SR 74 and I-85, and Rorie said that had been done. City Engineer Dave Borkowski, Planning and Development Director Robin Cailloux, Mike Warrix, the former Planning and Development Director, along with Rorie and staff had worked with Fayette County, the Atlanta Regional Commission (ARC), Tyrone, and the Gateway Coalition on this area. The Coalition's

purpose was to establish highway overlays and manage access along the SR 74 North corridor up to the state's SR 74/I-85 project, which was now set for 2022. It had been delayed due to the astronomical costs of acquiring rights-of-way, meaning that funding had to be divided between two different budget years. Rorie said they could not control what was being built in that area; that was Fairburn and South Fulton. The point of marking items in blue was to show that there was nothing more Council could do to speed them up; they were in the hopper and moving forward.

Flashing left turn arrows were blue lined because they were not applicable. They had asked the Georgia Department of Transportation (GDOT) more than once, and the answer was "no." Future dredging of Lake Peachtree was set by contract. A bathymetric survey was in place. They could move forward in the next couple of years to measure siltation in the lake's zone one on the SR 54 East side, but it should not be necessary. Rorie said it did not need to be on the list as a goal over the next couple of years, but it should not be forgotten, of course. He also blue-lined changing the municipal election cycle to even-numbered years, as well as funding a replacement K-9 officer. That was something that occurred through the budget.

Rorie noted that this was Council's list; his role was to see how to deal with it at the staff and departmental levels. Some items did not need to be on the list; some were operational in nature; others required legislative change, although they might want to look at that. He had a prioritized list of items; some had been removed, while others could be debated. He said he could clearly reduce the list by about 30% without diminishing its integrity. Council could then evaluate the focal points.

King asked if Council could get a copy of this list, work on it, and present it at the first budget workshop next year. They could prioritize it, if not solidify it. King said he would like to have a Council consensus by the first workshop.

Prebor said he would like to see each Council Member rank the items 1-10, see how it shook out, and then talk about it again.

Rorie noted that they were talking about forced choices between options, which would always be subjective. There was no right or wrong answer, just a "second right answer." The pool bubble, which he promised would be discussed extensively, was an example. People often said the role of government was to carry out the will of the people, but people had different opinions, so government often had to compromise.

Council agreed Rorie could eliminate the redlined items, leaving the blue for Council to decide. Ernst said they would go through the list again to assign rankings, with Rorie adding they could bring it back after the first of the year.

12-19-02 Year End Fiscal Review of FY 2019

Rorie told Council that he looked forward to this review each year because it allowed him to tout different things that staff had done. People came to the table with different views of how the government operated. Some might say the City departments tried to spend all their money or they would not get it next year. That was nonsense. As a budget policy, the goal for everyone was to come in between 2-3% under budget. They were conservative on revenues and expenses and held staff accountable for not overspending. That did not mean budget amendments were not required in cases of unforeseen circumstances.

Finance Director Paul Salvatore said the fiscal year (FY) ran from October 1 to September 30, and staff was currently preparing for the FY 2019 financial audit. They had about a six-month window to complete the audit; it had to be filed with the state by March 31. Preliminary figures were

available, but they were unaudited. The auditors would come in around the first of the year. Salvatore said that the numbers for operations and fiscal year impacts were favorable compared to their projections for the FY 2020 budget. Tonight, they would discuss the impacts of salaries and benefits, budget amendments, rollovers, CIP projects, and service amendments.

Salvatore showed a five-year budget model, pointing out the column for FY 2020's adopted budget. He wanted to focus on the projected column, upon which the budget was based. Those were the numbers they had thought they would end up with at the end of FY 2019. They would focus on revenues, expenses, and the fund balance. Projected revenues were about \$37,708,000, while the unaudited actual figure was about \$38,447,000, which amounted to a favorable difference of about \$739,000. The projection was off by 2% to the good. He presented a bar graph that showed the actual numbers compared to projections for several budget items. The difference in local option sales tax projections stood out. It was more than \$400,000 over budget, but Salvatore had projected it would be more like \$600,000. Other items were favorable, including vehicle tax revenues and insurance. A chart listed the items numerically. It showed that they budgeted sales tax to be about \$7,561,000 and got almost \$8 million.

Rorie noted that the interest earnings category showed a difference of 52%. The projected actual was about \$260,000, while it came in at \$396,000. Salvatore explained that they wanted to be extra-conservative when making the projection for the budget. He also pointed out that more money in the bank earned more interest. Interest was a revenue stream, Rorie noted, so protecting the cash led to an increased revenue stream.

They projected expenditures of \$36,797,000, but only spent \$35,733,000, Salvatore reported, which was \$1,063,000 favorable, a difference of 2.9%. Some of that was because things were not done by year-end, so there were some carryovers, as there usually were at the end of the year. Therefore, part of the money left over would be reserved. If adjusted, it was closer to about \$500,000, or about 1.6% to the good.

Rorie pointed out that this meant expenses were down by the 2% average that they expected of department heads. Salvatore said the almost 3% difference was partially due to not getting things done and partially due to savings, to which Rorie agreed, noting salary savings due to vacant positions was a factor.

Salvatore summarized, they were \$739,000 to the good in revenues and approximately \$1 million to the good in expenses, which added up to about \$1,802,000.

They had projected the fund balance would increase by \$910,000, but it actually increased by \$2.7 million. The ending reserve balance was projected at about \$16 million, and the additional \$1.8 million would bring it up to \$17.8 million. There was about \$480,000 in carryover appropriations for projects that were not started, and the departments asked that the funding be carried over to the current fiscal year.

Prebor asked if there were any big tickets items in the carryover group. Salvatore replied that the biggest one he could recall was \$150,000 for the Planning Department for a study, adding that he could provide a detailed list of items. Actually, he noted, that was a budget adjustment item that Council had approved.

Last year, Prebor recalled, paving was the biggest carryover expense. Salvatore said that, at \$110,000 or so, paving was probably the second biggest item on this year's list of carryovers.

If they could figure out to the penny what paving was going to cost, they could execute to the penny, Rorie remarked, but that was impossible. The goal was to end up with a favorable balance by being conservative on both the revenue and expense sides. Sometimes, though, they had to sequester funds at mid-year to make sure they met budget targets. They looked at it consistently throughout the year.

Madden clarified that the \$480,000 was for outstanding projects and was carried over to the next fiscal year. He asked what some of them were.

Salvatore displayed a spreadsheet that listed the carryover projects. It showed the grant for Planning at \$150,000 and street resurfacing at \$101,000. There was some money in the Mayor and Council professional services. Unspent money in facilities maintenance was carried over for future repairs. Information technology had some carryovers, mostly for geographic information system (GIS) projects. Rorie said they were finishing up on the building improvements at the Library, another carryover, right now. The spreadsheet showed minor vehicle repair in the Police Department. Finance had some training that came right at the end of the fiscal year. There was some document scanning that needed to be done, Salvatore went on.

Ernst wanted to know if the \$100,000 carryover in street resurfacing came about because they did not have time for those projects.

Rorie explained that one mile of road required full-depth reclamation (FDR) cost about \$400,000 or so. When the budget got down to \$100,000, for instance, no more paving could roll out, because it might cost \$150,000, rather than \$100,000. There had to be a stopping point. The goal, he said, was to spend every dime for street resurfacing, but they could not just do part of a road when they got to the end of the year.

The carryover brought down the favorable change in the reserve balance at year-end from about \$1.8 million to around \$1.3 million, Salvatore stated.

Salvatore then presented a "stagnant model," showing the budget as adopted for 2020 with the old projections. He added in the \$17.8 million in the existing fund balance as opposed to \$16 million, noting that changes would need to be made for FY 2020 and onward. He was using this to show how the ending fund balances would change, and the percentages would go up slightly. The rest of this discussion would focus on those changes.

Rorie said they had a target amount of 25% for uses of funds for cash reserves. As the budget went up, that amount went up because it was a percentage of X. Since the Great Recession, their goal had been to program a minimum of \$1 million for a five-year period (\$5 million total) to serve as a buffer for recessionary periods. When people saw a deficit in red on the budget model, they automatically assumed they were spending over the budget. Rorie said it was a matter of perspective; some of it was carryover, but some was additional expenditures from the cash reserves as opposed to financing or not doing a project. He often said they could save a whole lot of money by doing nothing, but that was not the reason the government existed. It existed to provide services. The service level capacity was a matter of perspective and people's worldview. It was a moving piece of the puzzle all the time. The cash reserve balances and where they came from depended on expenditures and the City's goals.

They had been struggling with this for four or five years, trying to get the reserves in shape to address cyclical recessions. Rorie explained that during economic downturns, like in 2008 and 2009, property values dropped, and, as a result, the tax digest decreased, meaning ad valorem tax revenue went down. Sales tax was the second highest revenue stream and had also dropped

during the Great Recession. If the two highest sources of revenue tanked, they had to figure out what to cut. Peachtree City decided to do as most cities and deferred maintenance. Some of that deferred maintenance led to higher costs when they were trying to recover. The cost difference for a road requiring FDR as opposed to a two-inch overlay would be more than \$100,000. If they did not plan for these recessionary cycles, and the typical response was to reduce service capacity, they would face increased demand for the dollars in the future. They needed to stabilize that and be able to pull from the cash reserves. Peachtree City had to take out bond debt just to fix roofs, Rorie remarked.

King recalled that the City reduced its workforce in Public Works by about 25 individuals during the recession, stopping a lot of in-house maintenance. All paving stopped with the exception of the 2003 Special Purpose Local Option Sales Tax (SPLOST) for Crosstown Road. Rorie remarked that they had to do that over a two-year period because they lacked enough funding in year one. They also increased their debt, King noted. He wanted to know if that \$1 million a year would cover what they had projected they would lose or should they be looking at \$1.5 million.

Rorie explained that the time-value of money would suggest that it would be that \$1 million plus 2% for every year they were trying to accumulate it for.

King said they should look at the 25% base they were mandated to have and strive for 50% to give them a full year of reserves.

Rorie remarked that cities did different things. Some of the beach towns of North Carolina where he worked previously tried to have 50% on hand. Prebor noted that Newnan had 100%, if he recalled correctly.

The money sitting in the reserve accounts drove revenue as it was laddered through certificates of deposit and so on, Rorie stated, and they had to be careful about how they maintained that.

Moving on, Rorie stated the City had about 270 full-time employees, plus part-time and seasonal employees. The salary package was about \$13 million a year, which was about the value of ad valorem tax revenue and what they paid for Public Safety. They did not want to create an environment where they were not managing their salary and benefits and found themselves 10 or 14 years later in a market hole where they were not competitive. That had happened. When cities were not competitive, some of the least-tenured employees were likely to leave for \$1,000 or \$1,500 more a year.

The role of the city manager was critical in managing the compensation plan, Rorie asserted. They looked at where the market was and conducted studies and analyses. Human Resources Director Ellece Brown looked annually at compensation packages, not focusing only on salary or the hourly rate, but on benefits, as well. They budgeted to maintain the compensation plan.

Rorie showed a chart they had utilized during the Council retreats and budget workshops. It showed that applications for law enforcement jobs were down 63% nationwide in 2013-17, and applications for firefighter/emergency medical technician (EMT) positions dropped 38%. This was true in Peachtree City, so Council had recently taken action. He read the exact language written into the recommendation: "In accordance with Fair Labor Standards Act (FLSA) provisions . . . Council adjusted work hours from 2,808 annually to 2,920 annually for Fire/EMS Public Safety personnel and 2,080 annually to 2,184 for Police Public Safety personnel with an associated market rate safety adjustment of \$2,500 for all uniformed Public Safety personnel." This had a \$411,000 budget impact.

Whether that was a raise or not depended on point of view, Rorie said. The pay plan was market driven, not based on what someone wanted. He noted that the people who mowed grass in the rights-of-way made \$26,000 a year and suggested that Council might want to work in 95-degree weather for that. It was easy to let emotions get involved, but they had to be driven by the market. They wanted to be the employer of choice, not the employer of last resort. They adjusted the hours worked in order to be market-driven. Originally, Peachtree City's personnel were working fewer hours than those in other jurisdictions, so this change got everyone on the same page.

Rorie showed the results of a voluntary salary survey of area law enforcement agencies that had looked at several things, including pickup costs related to deferred benefits (DB) and deferred compensation (DC) plans. Fayette County contributed 2.5% to the DB plan for employees, Fayetteville contributed 2%, and Peachtree City contributed 2.25%. The contribution was variable, and the return was variable. Fayette County offered five-year vs. 10-year vesting, but employees had to contribute 2.5%. This was all market-driven. Rorie noted they sent out 12 requests for information in this survey and received five responses.

There were different categories in Fayetteville: police officer I, II, and III, up to master police officer. There was a progression through the ranks. Fire Chief Joe O'Connor would be talking about career development programs and performance benchmarks and how they progressed through the pay scale, Rorie commented.

Another salary survey showed salaries for various positions. A grounds maintenance supervisor in Peachtree City made \$45,000, but in LaGrange, was paid \$59,000. Rorie said he could not explain the difference, but said there might be different job requirements and duties. He asked if people would be willing to drive from Peachtree City to LaGrange for an additional \$14,000 and said he might. It was all about being competitive. They had adjusted the salary of a police officer, firefighter, and EMT/paramedic by \$2,500 within FLSA and to make sure they were market driven. He noted that 60% of the \$38 million budget went to personnel costs.

Some items were marked in blue on the salary survey chart, and their pay increases were managed through cost of living adjustments (COLA). COLA was based on the consumer price index for urban employees (CPI-U). It was market and index driven.

Madden wanted to know how the City stood in preparing to pay retirement benefits, saying nothing could bankrupt a city quicker. Rorie asked him to wait; that topic was coming up.

Rorie said he had asked Brown to determine where Public Safety employees fit in terms of their position on the pay scale. It showed that 6.35% of the police officers were at the minimum pay, and 52% were between minimum and the first quartile. That meant about 60% were below the first quartile. The difference between the minimum and the first quartile was 12.5%. In the Fire Department, 22% were at the minimum, and 39% were between minimum and the first quartile, so about 60% were below the first quartile. Rorie remarked that he believed about 60% of all employees throughout the City were below the first quartile. The goal was not to get employees to the maximum; the goal was to have a recruitment and retention strategy with a competitive, market-based salary and a way for employees to move within those scales in a way that was reasonable. This would create a "handcuff," a pay rate that would keep them from jumping ship for \$1,000. The City could do that through their total compensation package – health insurance, DC, and DB – so they could have employees who wanted to be there, wanted to do well, and wanted to do more. If they did not want that, the City wanted to help them be successful somewhere else. They wanted to top quality employees, and the way to keep them was to ensure that they had top quality compensation.

Rorie noted that Public Works had a maintenance tech I position that could do X. Once they learned to do Y, they could move to maintenance tech II, and once they learned to do Z, they could move to maintenance tech III. There was no comparable program in either the Fire or the Police Departments. In the Police Department, they went from police officer to corporal to sergeant. There was no skill set career development program, which was a weakness that they needed to address to incentivize and retain good employees.

O'Connor explained that he was presenting a retention plan that had been a work in progress for years. He and Police Chief Janet Moon had coordinated the plans that would progress some of their departments' personnel based on performance as well as time. An employee who had been there for several years that he could put in a temporary leadership role was more valuable to the department than someone newly hired. This career development plan (CDP) allowed an employee to progress for each additional year of service and meet pre-determined criteria. This could continue for five years, allowing the employee to move from one title to another without changing pay grades. They would move at least 1% in their salary for each year for those first five years if they met the pre-determined criteria. In those first three to five years, most employees became proficient at their jobs and were fine-tuning their skills.

They capped the increases at 125% of the starting pay for the pay grade, which was the mid-point of the pay scale. They did not cap it at 107% of starting pay because they had done COLAs in the last few years where they did not adjust the pay scale for the full amount of the COLA. Some people crept up above starting pay simply by earning the full COLA as opposed to how they adjusted the pay scale. Some employees had earned merit pay, which was a fixed amount of \$1,200, not a salary increase.

Starting pay was market-driven, and usually the top-out in salary was 150% of starting pay. If they started an employee at \$40,000, the scale would go as high as \$60,000. However, few employees were above the mid-point, and most of them had been employed when there was a system to progress them across the pay scale. Most of those not at mid-point arrived in the 2007-2009 period or later when there was no system of moving up the pay scale.

The CDP would allow employees to increase their salaries by 7% above starting pay. No one above the mid-point would be eligible for this program, O'Connor said. He presented charts that showed how an employee could be coached into earning a raise by attending training. There were five lists of training courses for fire personnel, and four for police. One set was required during the probationary period. They asked a lot of probationary firefighters and police officers because they wanted them to be able to operate autonomously, and that required significant training. Mandatory requirements during probation included a field-training program, being rated by the state and qualified by the department to drive heavy firefighting apparatus, incident command, basic firefighting, and emergency medical training. Currently, they had no way to reward someone who came off probation. The proposed system would give them an additional 1% of salary at that point. Other lists included basic firefighting courses, medical classes, leadership training, and instruction for the City's special teams, such as wildland firefighter (specialized training in managing wildfires in urban areas), haz-mat, or water rescue.

The Police Department also had a list of required courses for the probationary period, and they, too, would get a 1% salary bump when they came off probation. That would amount to \$420 on a \$42,000 starting salary. There was a list of classes that covered topics such as interview skills, then listings of more advanced courses.

Probationary firefighters would be labeled firefighter 1. They served a 12-month probationary period and would get the 1% raise when they completed everything on the gray list. Everything

was done on their anniversary, so after a year, they could move to firefighter 2, then up to firefighter III and on to senior firefighter in another year, followed by senior firefighter 2 and 3. The program was designed to take five years to go through the levels. Madden pointed out that they were having to complete training to advance, and O'Connor noted that by completing the classes, they were becoming more valuable to the department.

The police officer version showed that in order to move from a non-probationary police officer 2 level to police officer 3, they needed to complete three classes from list A. That would move them 1% up the pay scale.

O'Connor showed the training courses required to get a firefighter from firefighter 3 to senior firefighter 1. They would have to complete a course from list A and one course each from lists B and C, which were longer classes and required more from the student. In both the Police and Fire Departments, the move to senior level came with a 2% raise in pay because that seemed to be the biggest jump in growth and the likelihood of holding on to an employee.

During those five years, police officers and firefighters could earn 1% after one year, 1% after two years, 2% after three, and 1% after four, and 1% after five, assuming they had completed all the training. There were people in the Fire Department, he noted, who had come off probation but opted not to attend advanced firefighter or medical training. They were content at starting pay, and, as long as they were content, O'Connor said he was content at leaving them there.

Six of the seven percentage points related to time, and the seventh related to college. O'Connor noted that college was a tricky subject in Public Safety. They recognized the need for it for managers and leaders, but getting employees to take the first step was hard. Getting them to understand that having a college level English composition class was valuable to the department was hard. One percentage point would be built in when a firefighter could produce a transcript showing they had completed two college classes. They gave them four classes to choose from: math, English composition, computer science, or a leadership/management course.

They wanted to ensure that they would be able to pay for the CDP over the long haul, and O'Connor described this as just a toe in the water, a not too aggressive way to get started.

O'Connor displayed a chart of police officers that showed their starting dates, starting pay, the amount of their 1% bump in pay and the percent over starting. There was someone who started in September 2018 who was at 102% of starting pay, thanks to last year's COLA. At the bottom of the chart was an officer who started in 2007 and was making 124% of starting pay. That person would top out and not be eligible for the CDP. There were people in both departments who had taken the classes they were asking for and who had been there for more than two years. They would be getting 2% as a kick-off and go from Police Officer 1 to 3. The 2% raise would move them from about 110% or 115% all the way up to 125%. There were corporals, sergeants, and lieutenants still within the starting pay for their pay grade, O'Connor noted. He had firefighter/EMTs, firefighter/paramedics, and even a battalion chief within 10% of starting pay. They realized they needed to give everyone the opportunity to move up, so if an employee was in the first half of the pay scale, they would be eligible for this program.

In response to a question from Prebor about a firefighter hired in 1997 who was close to 125%, O'Connor explained that COLA changed the pay scale, so it was not a factor. What mattered here was merit and other raises they got through the years. Prior to 2007, there was an annual evaluation that had dollars associated with it. There was a baseline amount for completing a year of service, and there was a portion based on merit that could earn the employee extra percentage points. They no longer did pay raises based on merit. Merit was a one-time thing and

was limited to 25% of staff each year. Prior to 2007, every year's evaluation moved people a little farther across the pay scale. It was unsustainable in many ways, so when they brought it back, they tried to come up with something sustainable.

Ernst explained that every employee used to get an annual evaluation on their anniversary date and receive a 2.5% or 5% merit raise if they continued in their employment, with that year's COLA added to that. There were employees who could get a 7% pay raise every year.

This had not been capped and was a supervisor's way to reward their folks, O'Connor commented. He acknowledged that his employees worked hard and said 50-60% did more than the minimum and worked hard every day. However, they had decided to limit the merit pay to 25% of employees and required strong justification.

O'Connor showed the number of sergeants and lieutenants who would qualify for the CDP; three of six lieutenants would be eligible. In total for the Police Department, 39 out of the 54 shift employees would be eligible, and the dollar amounts would add up to \$27,784. In the Fire department, 50 of the 60 shift personnel were under the 125% of starting pay and were eligible to participate in the CDP. That was a huge percentage, he said, pointing out that he had one full shift at starting pay and a lot more that were close. The cost for the Fire Department would be about \$37,000. The total for both departments would be around \$65,000. Most of the money would go to firefighter/EMTs and paramedics, along with the folks coming off probation.

King asked if most of the firefighters still at starting pay were some of those who worked in two different districts, such as in Newnan or Riverdale as well as Peachtree City. O'Connor said they had stopped hiring people who worked full-time in two departments, but still had three or four, which was half of what it had been at one time. There were people who had been there 10 years, but were still close to starting pay. They had not attended any of the classes on the lists. They would still get the 1% because they were off probation, but that was where they would stay unless they chose to participate in advanced training.

King asked what would happen if they hired an experienced firefighter from another department who had all the advanced training. O'Connor said that was something they did not include in this program because they had so many on the beginning part of the pay scale. He noted that they had hired people with years of experience. He recalled that he hired a battalion chief who had retired from Clayton County as a firefighter/EMT at starting pay. He had all the training on the lists and had been with the City more than two years, but out of the CDP, he would get just a 2% pay raise. O'Connor said he could push him all the way to the end because he had the training and the college requirements.

Prebor said it seemed like they should go all the way in, and, for example, pay that employee what he deserved for his experience, but Rorie explained the drawback to that approach, saying there were long-tenured employees already who had not advanced in the salary schedule, so if they brought someone in off the street at a higher rate, they would have to move everybody, at great expense. They should not give experienced people from other departments higher pay than the people they already had.

Prebor said it would be tough to get experienced people in any job if they were only paying starting salary, and Rorie agreed, asking why the City would want them to bail on their current job. He went back to the statement that this should be market-driven, not money-driven. This was the public sector, and they had a pay and compensation plan on purpose. They had already brought in two police officers at a higher rate than others who were already on board, and he had to fix that. A pay and compensation plan was part of a larger program and could not be personalized

for individuals. They wanted highly trained employees, but they could not hire them at the expense of those who were there already.

Ernst added that if they were coming to get a job with Peachtree City, it was because they knew what they were getting into and wanted to come. They were not coming for the big bucks to start.

O'Connor said he talked to two new employees who both had three to five years with another metro Atlanta department. Even though they started at Peachtree City's starting pay, the compensation and benefits package was to their advantage. He remarked that they were smart enough to look at the big picture, which was what they expected from the people they wanted.

Prebor wanted to know how they reimbursed the college tuition, and Rorie told him there was a tuition reimbursement program that was budgeted. O'Connor said an employee could be reimbursed up to \$1,500 per year, meaning they could take both of those classes with essentially nothing out of pocket. They could not get a degree out of \$1,500 a year, but it was a start. One did not get leaders with degrees without demonstrating the department valued them, he went on, saying he would not promote someone to lieutenant without 30 semester hours. A battalion chief needed a bachelor's degree. The Police Department was similar. Leaders needed that fundamental education. It was less about the course of study than it was their ability to learn and their ability to communicate. Most of his command staff had master's degrees, O'Connor reported. The tuition reimbursement was another way to sweeten the pot and get them started with college. Once they started, they realized that what they imagined college to be was not necessarily what college was. They could acquire skills that were applicable in their lives very quickly.

Rorie said fire training taught that the components of a fire were heat, fuel, oxygen, and chemical chain reactions. That could be compared to what this training program was doing. It supplied the heat, fuel, and oxygen to cause a chemical chain reaction and create a sustainable fire. The CDP was an attempt to light a fire under the employees. Once they got started on college, they would feed off each other. Tuition reimbursement was good, and there was a 1% incentive at the end.

Madden said he wanted the public to understand that the college courses were paid for with tax dollars. They were providing time for the police officers and firefighters to take them. Peachtree City wanted and expected its firefighters and police officers to be the best trained and best equipped. It was important to support these people as they progressed; they did not want to train them, then have them go somewhere else. The CDP was good because it allowed them to benefit financially and intellectually. It also showed that the City cared and that, if they stayed, they would nurture them and help them throughout their careers. He thanked everyone for all the effort they had put into this.

Rorie said this was just a start; the program would evolve. O'Connor stated it was a good start and that it was important to start it in a sustainable way. They did not want to begin it, and then have to stop. This was designed to be a template for the City, he went on. It was easier for the Fire and Police Departments to start because there were plenty of continuing education opportunities. It might be a little more difficult for some other positions, but it was possible. It would require thinking how to progress a new administrative assistant, for instance, to get better over the next five years. The goal was to implement a similar program in every department, citywide.

Doing these little steps along the way would prevent them from having to come around in five or 10 years and do this huge pay increase in order to become competitive, Rorie remarked.

Rorie reminded Council that they budgeted 2.5% for COLA, a total of \$298,000, in the FY 2020 budget. COLA was based on CPI-U, and the actual 12-month average had been 1.8%. Over a 30-year period, the average CPI-U was 2.45%. The recommendation was to execute the COLA at 1.8%, which would be about \$215,000, leaving a carryover in the budget of \$84,000 that could be applied as part of the total compensation package.

They were also trying to deal with the DC program, Rorie noted, with a goal of getting 90% or higher participation. Currently, about 66% of employees participated. They were thinking about using \$65,000 of the \$84,000 as an incentive to get closer to the 90% participation goal for the DC program. It would be divided among all current full-time employees as a \$240 enrollment distribution. Employees who already participated in DC would get the \$240 as well. The reason employees did not participate in DC was that, in the case of lower-paid employees, it was all they could do to pay their bills. He understood that, so they were going to offer this one-time distribution for enrolling. Brown would meet with every employee who was not participating and explain that they would be signed up in the DC plan, and start them off with \$240. Next year's financial model called for a 2.5% COLA. Anyone who wanted to be eligible for another \$240 contribution would have to contribute 0.5% of his or her salary. That would be \$5 a pay period or \$130 a year for someone making \$26,000. The City would match them 50 cents on every dollar they put in.

Prebor asked when they could borrow against this money in an emergency. Brown said there were rules about that, and Rorie added that the idea was to get them all started. King asked about a cap for the match, and Brown said it was 2% of salary.

It would cost \$65,000 to start this, and next year, it would be budgeted the same \$65,000. It was dependent on each department meeting their budget targets. If they did not meet the budget, COLA was off the table, and the \$240 would not be available. In addition, the CPI-U had to come in at less than 2.5% because that was how it was funded. If it came in at 2%, there was 0.5% to distribute. If it came in at 3%, there was nothing, and it was not implemented.

Rorie presented a list of all the salary and budget adjustments for FY 2020. There was the COLA adjustment for all employees at 1.8%, which amounted to about \$250,000, \$84,000 less than budget. He wanted to fund an Assistant City Manager/Public Services Director position. Implementing the CDP in all departments was on the list, which would require a budget amendment of \$65,000. He was not overly concerned about movement in the budget due to this because they had addressed it already in the Public Works/Maintenance Department with the tech I, II, and III positions. This would address it with the Fire and Police. They wanted to begin it with support roles in departments including Finance.

Rorie wanted them to adjust the pay for grade 16PS (Public Safety) by \$1,200 minimum. Rorie recalled that O'Connor mentioned he had some people who had been there 10 years and had opted not to take advanced training courses. They needed people to go through development programs to become detectives or corporals or master firefighters. The 16PS grade for the firefighter/paramedic was one of the key pieces to that puzzle, Rorie noted. It took a couple of years to qualify as a firefighter/paramedic. They wanted to hire firefighter/EMTs, but wanted them to aspire and train to be paramedics. Not everyone wanted to be a paramedic, but those who did should be compensated. Not everyone was interested in being a hard-stripe corporal. There were many people titled corporal, but they were not really second in command of a shift. Master firefighters would be second in command at a station. This would be an adjustment that allowed the minimum pay for grade 16PS to bump up \$1,200. That would cost about \$26,000. That would create issues dealing with the higher ranks, but Rorie said he was OK with that compression because he wanted to incentivize the EMTs to move up. Moving from EMT to paramedic was

about a \$5,000 move. Things were changing in Public Safety—in response times, equipment, and so on. Rorie said the budget could absorb these costs already.

Rorie said he could do the same thing with Maintenance Tech III. They were having difficulties recruiting truck drivers and equipment operators. In grade 12, they had technicians who could operate equipment, but could not drive it to the scene. This would incentivize them to get a commercial driver's license (CDL).

The DC mandatory participation would require a \$65,000 amendment. The recommended impact was roughly \$240,000 minus the \$84,000.

Madden asked Public Works Director Scott Hicks if there was a program where a Tech II worker could obtain a CDL and whether the City would pay for that. Hicks replied that they could study and take the test on the clock. Rorie noted that the goal should always be to grow their own and promote from within. That was what all of this was about. The City would provide the incentive and the opportunity. The classes O'Connor talked about were offered internally, so all a firefighter or police officer had to do was to show up.

Capital improvements was the next topic, and Rorie began by pointing out that there were three tot lots within half a mile of each other. That was too many. There were many aging structures that should not be replaced. He proposed upgrading and replacing equipment at Battery Way Park, which would require a budget amendment for \$45,000. He wanted to remove Pebblestump Park in 2020 due to the upgrades planned for the All Children's Playground. The playground on Lily Green could also be removed. The distance between All Children's and Pebblestump Point was less than 500 or 600 feet. Fire stations were built no closer than a mile and a half apart.

One of Council's and staff's goals was evaluating the hockey rink surface. There was about \$30,000 left in the 2014 facilities bond that, coupled with another \$50,000, could replace the hockey rink. He said he would recommend doing this. The mission statement and the service policy called for maintaining service levels. Prebor asked if this was a multi-use surface, and Rorie said it was, but they did not want so many markings for different uses that it was no longer a hockey rink. Recreation and Special Events Director Quinn Bledsoe said they had looked at using it for basketball, volleyball, and miniature soccer. It was not appropriate for pickleball.

Rorie said Public Works had a mini skid steer that had been worth its weight in gold. There was competition about who would use it, so he recommended purchasing another for \$35,000. They needed another stake bed dump truck for \$58,000. Police and Fire Department trucks, all of which were white, were replaced at 125,000 miles. After that, they would be downgraded for use in the Public Works department. They originally got an F-250 step down from the Police for the Grounds division when it was rolled out about four or five years ago. It was due to be replaced.

CIP budget amendments were \$45,000 for Battery Way Park, \$50,000 for the indoor hockey rink, \$35,000 for the mini-skid steer, and \$58,000 for the F-350 stake bed dump truck. The total was \$188,000.

Rorie moved on to traffic problems, referring to a *Washington Post* article that discussed problems with horse-drawn buggies on roads in Amish country. Traffic hotspots identified by Council included SR 54/74 and Huddleston Road/SR 54.

On the west side of SR 74/54, there had been improvements at Planterra and MacDuff, there was a displaced left turn on the schedule, and there were access management plans. Rorie noted that Salvatore said roughly \$40,000 was rolled over in the professional services line, and he

recommended that they dedicate \$20,000 of that to look at topography/grade, dual turning lanes without split phasing, and potential no left outs at Huddleston Road/SR 54. They needed a plan for anything they wanted to do. It would have to be submitted to GDOT. He had reached out to an engineering consultant and got a price of \$20,000 for a concept plan with a cost estimate. The money was already budgeted.

They had done an access plan for the SR 54 East corridor that identified potential locations for R-cuts. They had spoken to GDOT in regards to R-cuts at Dan Lakly and Governor's Square. Prebor asked if the median was big enough at Dan Lakly. Rorie showed the GDOT plan that would modify the roadway to accommodate the R-cut. They were looking at a bid process in January or February, with a cost estimate of about \$82,000. Governor's Square was part of the newly-annexed property on the east side. Rorie noted that the intersections where people had to clear four lanes for a left turn were dangerous. They had put in R-cuts on SR 74 North at Kedron, Lexington, and Senoia. Some people in the Kedron vicinity claimed it would make traffic worse, but it had not. They were aiming to increase access and mobility.

Rorie read from the access plan: *"In the future, it will be important to maintain the existing low frequency of access points and median breaks present along the corridor using all tools, Peachtree City, the County, and GDOT can leverage. Any new development or, especially, redevelopment is an opportunity to preserve the capacity and safety of the SR 54 corridor with strong access management policies."* They did not want to duplicate a problem by adding more signals. They needed these right-in, right-outs and the R-cuts, which were effective. Rorie said people were saying they could turn left at South Kedron, but he said they could drive 1.2 miles to the signal. The reason for signals was to enhance safe movement. He went back to Dan Lakly and Governor's Square, saying those projects could be financed with SPLOST dollars leveraged with grants from GDOT.

Other objectives were the sewer extensions on Huddleston and establishing the redevelopment committee. By the first meeting in January, they needed from Council recommendations of people to serve on the LCI Steering Committee and Core Team. They needed a diverse group, including people who had a background in transportation, economic development, architecture, or planning. There were people in the community with this expertise. Some served on the Planning Commission, and others were on the Fayette County Development Authority.

They also needed to be thinking about how to accomplish the sewer improvements in the Huddleston Road area. They had talked about establishing a community improvement district (CID). This was a self-funded district where 75% of value of the property owners and a majority in number of the property owners voted to tax themselves at a given rate to provide for project improvements. If the Huddleston district took on a \$5 million sewer project, they would have to tax themselves 40 years at 5 mills or 17 years at 12 mills. The maximum was 12 mills. Intersection improvements at Huddleston/SR 54 might cost \$750,000, which would take 20 years to pay for at five mills and seven years at 12 mills. To build a multi-use path in the district, they were talking about leveraging SPLOST dollars to create a public-private partnership with the CID. They needed to stop talking about these things and do something about them. The sewer extension was one of the top issues Council mentioned during the recent workshop.

They also had to make a decision on the Kedron pool bubble. Possible options were replacing the vinyl bubble for \$500,000 on top of another \$200,000 of concrete work or taking the concrete work, budgeted for 2020-21 at \$225,000, and add a permanent roof at the same time, instead of re-doing the bubble every so many years. The roof and the concrete foundation totaled about \$1 million and should be addressed together. When this came up in the Retreat sessions, Rorie said he suggested they eliminate the bubble and immediately got emails in protest. They should

explore the rate structure of the pool, look at what it cost to install the bubble, and how the swim teams that used the pool should contribute. They had to start somewhere.

Rorie displayed the 2020 CIP program. Some items were marked in blue to designate them as debt service, which was a lease-purchase program. Other projects were cash items. He said Bledsoe was ready to do the request for proposal (RFP) for the All Children's Playground, budgeted at \$320,000 cash. The Kedron gym floor replacement, budgeted at \$220,000 cash, was underway. A \$40,000 gym lighting project was complete. The equipment lease-loan proceeds were \$2 million, with the facilities bonds at \$0. Not all debt was bad, so they could look at paying \$320,000 cash for the All Children's Playground or adding it to the bond list and taking out a long-term facilities bond in today's dollars and use that cash for the first year's payment.

The expansion of the Police Department was another project under consideration. He showed a proposed 3,000 square foot extension that would go into the parking lot and how they intended to enclose the sally port. The price tag was about \$200 per square foot, on the high end for a total of about \$800,000, but Rorie did not know the exact amount. He believed \$200 per square foot was a safe assumption, but they never knew until they had plans to put out for bid.

It was the same situation with the expansion of Fire Station 82 on Peachtree Parkway. They were looking at a 1,200 square foot expansion that would cost roughly \$240,000. A similar expansion in size and cost was planned for Station 83 on the south end of the Parkway.

Rorie showed the original concept for Station 86 along MacDuff Parkway. There would be a two-bay apparatus area and a storage room. When they talked about the models changing, they were talking about how to affect the most people to do the most good with limited resources. They had to be careful because each fire station had a construction cost, a debt cost, an operational expense, and a personnel expense. They looked at a plan for Station 86 in which the dirt work alone came to about \$1 million. The goal for building that station was to provide gap coverage between stations 81's and 82's response to that area and 84's response from Crabapple. He questioned if Council was willing to invest \$2-plus million for a station on 17 acres just to close a gap. Rorie said he still believed that having small satellite stations operating to handle 90% of the calls was more important than big stations all over the place. That was a public policy decision, and some firefighters would disagree, he remarked.

A metal storage building was on the goal list, and Rorie asked Council to look at how all the pieces came together. He said they were considering a 20,000 square foot metal building near the Fire Station 81 on Paschal Road. The grading would be \$25,000; the concrete was \$170,000, while the quote for building materials was \$132,000. Labor was \$52,000, and electrical was \$25,000 for a total of about \$407,000. If they had a pool bubble, they needed a place to store it in the summer. It was not only the bubble at \$500,000; it was where to put it when it was not in use. Currently, they put it in the basement of McIntosh Place. They changed that facility from a business occupancy to an assembly occupancy in 2012 or so, adding an elevator shaft and installing sprinklers for the entire facility. They did some things on the front end so they could finish out the basement. That would cost more than \$600,000 in yesterday's dollars. If they finished out McIntosh Place, there was no longer a place to store the bubble. At Fire Station 82, there were empty drive-thru bays filled with turnout gear and PT equipment. One bay had been enclosed, and that was where they could put a reserve engine. They could re-capture that space with the \$240,000 add-on.

In FY 2025, the City's bond debt would be \$57,000. In FY 2026, it would be \$0, Rorie went on. Debt was a tool and was neither good nor bad. It allowed the financing of long-term projects without huge spikes in the budget. That was why they replaced 10 police cars per year. The lease-purchase of 10 cars per year allowed for financial stabilization. He recalled that they had

discussed how deferring maintenance had necessitated facilities bonds, so, in 2011, they brought on a facilities bond that included stormwater and some other things. They paid, on average, \$500,000 per year. There were two more payments, in 2021 and 2022. Those were both principal and interest for \$500,000. In 2023, that payment would go away. That looked like a huge increase in revenue, but it was actually a huge decrease in expense.

As a debt service recommendation, Rorie said, Council could consider Police and Fire Department expansions, All Children's Playground, Kedron Pool (as in a permanent structure over the pool at a cost of \$1 million), land acquisition for \$1 million, which could be right-of-way to a site for the metal storage building, along with buildout of McIntosh Place. This all came to a total bond debt of about \$5.4 million.

The salary and compensation amendments they had discussed totaled \$170,000, while the CIP amendments were \$188,000. They had programmed a debt service recommendation for a 15-year period of \$5.4 million, which equated to about \$448,000 per year, with a half year in 2020 of \$224,000. He showed a method of allocating the adjustments to the financial model, listing expenses, carryovers, assumptions of annual increased in the budgets, the debt service limitation of \$5.4 million.

Rorie noted that the budget policy said for increased expenses, there had to be an ongoing revenue source. They had identified that and were consistent with the budget policy. The \$470,000 increase in the General Fund that could cover the debt service.

Salvatore showed that the adopted 2020 budget said they would use \$490,000 in cash reserves to balance it. That included payment of some one-time capital items. He said he went back and loaded everything they had just talked about into the model, including new assumptions on revenue. They could take the original \$490,000, add \$480,000 in carryovers, \$224,000 for half a year debt, \$170,000 in personnel adjustments, \$188,000 in capital, and then adjust it back down for the new revenue. It came up around \$1,045,000. He made sure the salary impact for new positions was programmed in as an ongoing expense and made sure that, after he added in the debt service for the bond, he backed out the things they had programmed for cash, such as the Kedron pool roof.

Salvatore presented the new model to start the 2021 budget process and added a column for 2025. They would still maintain reserves of about 41% each year, in spite of all the changes.

Salvatore showed the five-year model they looked at when they adopted the 2020 budget in July. They anticipated a \$16 million fund balance to start 2020, ending with about \$16.8 million in 2024. Those percentages hovered around 38% to 40%. The updated model started with about \$17.3 million and topped out in 2024 at \$17.4 million, or about 40%. He pointed out a jump in 2025 due to the bond debt being paid off.

Madden asked about the line on the 2021 budget that went to \$170,777. He wanted to know if that included the \$5.4 million bond, and Salvatore said it did. He figured in six months' of debt service for 2020 if they did it this year, which would be \$224,000, jumping to \$448,000 in future years. Operating expenses in 2021 would go up when the new fire station opened. Rorie said there were additional firefighters built into that budget. There was 6% growth programmed into their budget as opposed to everyone else. Madden said that was assuming they added the smaller station they had discussed, but Rorie noted they needed direction one way or the other.

Prebor remarked that this was a lot of information, and he hoped they would go over it again. Rorie said he would make that recommendation. They spent a lot of time going through budget

Retreat sessions because these things were not knee-jerk reactions. It was appropriate that they get time to think about these budget changes. Council had gone through a goal-setting process, and each member had individual priorities. Acting as a board, they had to give perspective to those priorities and see how to roll them out. The only way to do that was through a funding mechanism. They could decide not to execute any on the projects on the bond list he provided, but it would have an impact on the list of goals they had set.

There was merit in further review, Rorie remarked, but said he did not know if that applied to the salary and compensation piece because of how they rolled that out at the end of the fiscal year or to the one-shop capital improvements, such as the dump truck purchase. He said he recognized that the 800-pound gorilla was the bond list, and they might want to consider that a little while.

Madden wondered what the interest rate they would get in March. Salvatore said he used 3%. Madden stated they could borrow the money now because these things had to be done, but Prebor broke in and said that was the question. Madden said he considered all of the items on the bond list to be essential and felt they should borrow the \$5.4 million now, at a low percent, and get the job done. Concrete was going up, as were asphalt and construction expenses.

King said he understood that argument, but Madden was assuming they would do all the projects. He did not agree, and Prebor and Ernst both said they agreed with King. King pointed out that they just heard 15 minutes ago that \$320,000 was already a cash project on the books, but now they were looking at borrowing money for something they had the ability to pay for. He could not support the Kedron pool project, he stated.

Prebor interjected that they needed more information before they could make any kind of decision, especially if they wanted to move ahead and borrow. He understood the point about getting a good interest rate, but said they had to do a lot of work on it first.

Getting back to the goals list, Rorie said they had to consider that, if they did a project, to what extent should it be done, and whether they cash fund projects or wait. There was a consequence to waiting or to not doing a project. All staff could do was make proposals, but there had to be a decision by the body.

Prebor remarked that the biggest goal was to improve the SR 74/54 intersection, but that was not on the bond list. Rorie asked them what they could do. The City was not the solution. It had a \$55 million price tag. Prebor said they had mentioned a bypass. Rorie said that would cost \$10 million to \$15 million. Both Tyrone and Senoia would object to a bypass coming through their towns.

The items on the debt service list were public policy decisions, Rorie noted. They could decide not to finish the bottom floor of McIntosh Place and cut out \$800,000. They should ask what they would do with it if it were finished out. They started the whole conversation with a request to recognize the mission. Answering the "why" was the only way to determine the "what." He knew the list would be subject to debate, but asked Council if they would be willing to move forward with them on the salary recommendation. Council agreed. They also agreed to move forward on the four capital improvement items: dump truck, hockey rink, Battery Way Park, and mini-skid steer. The total was \$188,000. King said he had no problem with that. Salvatore commented that they had made a good effort to cash fund things that were in the previous facilities bond, such as roofs. These four items were over and above the routine maintenance items. They were policy decisions, Rorie noted. Ernst said he was good with this list.

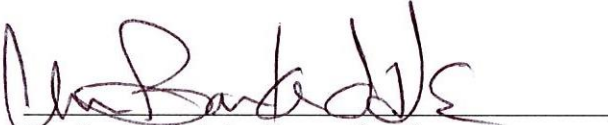
Prebor asked about the cost of the hockey rink floor. Rorie said it was \$80,000; \$30,000 was left over from the 2014 facilities bond, so he needed a budget amendment of \$50,000 from the CIP.

Rorie said he had to have direction. King, Ernst, and Madden said they were fine with both items, while Prebor said he was okay with the salary recommendations, but had a problem with the hockey rink floor. Madden asked if a motion was needed, and City Attorney Ted Meeker said it was not advertised as a voting agenda item. Salvatore suggested they come back with a budget adjustment item on the Consent Agenda at the January 2 meeting.

King moved to convene in executive session to discuss threatened or pending litigation, personnel, and the sale, lease, or acquisition of real estate at 9:21 p.m. Madden seconded. Motion carried unanimously.

Ernst moved to reconvene in regular session at 10:03 p.m. Madden seconded. Motion carried unanimously.

There being no further business to discuss, King moved to adjourn the meeting. Madden seconded. Motion carried unanimously. The meeting adjourned at 10:04 p.m.


Martha Barksdale, Recording Secretary


Terry Ernst, Mayor Pro Tem