

UNION CITY MINUTES
3rd MILLAGE RATE PUBLIC HEARING
TUESDAY, AUGUST 21, 2012
7:00 A.M.

Present: Mayor Ralph Moore, Council Members Angelette Mealing, Shirley Jackson, Brian Jones, Vince Williams, City Manager Steve Rapson, City Clerk Jacqueline Cossey and Assistant City Clerk Tameca White

Mayor Moore called the meeting to order and turned it over to Mr. Rapson.

City Manager Steve Rapson led this discussion and stated that this is the third Millage Rate Hearing on the millage rate before it is actually adopted. He added that the final millage rate hearing will be this evening as well as the budget adoption. Mr. Rapson stated that this is raising the millage rate to 10.598 which is associated with the rollback that we discussed in the last two meetings.

Mayor Moore asked if there were any questions.

No one asked any questions regarding the millage rate.

At this time Councilmember Jones asked if the changes that he suggested were incorporated into the budget.

Mr. Rapson responded, "No". He then informed the Mayor and Council that Councilmember Jones sent an email regarding three budget items, but none of those items have been incorporated into the budget because he does not make changes to the budget unless he gets three affirmative votes to do so. He further added that he was going to discuss this after the millage rate hearing to get direction from the Council and he could revise the budget and bring it back this evening for final adoption.

Mayor Moore asked Councilman Jones what were his recommendations.

Councilman Jones stated that the first item was regarding the money that is set aside for the Moore Jackson Community Center (MJCC) should be rolled into the general fund. He added that he was having a conversation with Councilmember Jackson about the money and that the money could stay there as long as the budget, in Steve's words, acts the way it is suppose to that our fund balance should be 2.6 million.

Mr. Rapson interjected and stated that he wanted to explain this to everybody to make sure that we are all clear. He stated that right now, if you look at the actual general fund budget, there is about 2.6 million that says fund balance; and that is the correct fund balance of the general fund, but over in the Jail Authority budget, the reason that they are even in the black is because there is a 3 million loan. He further added that if you take that 3 million loan and subtract it from 2.6 million you are obviously don't have any cash sitting over in the general fund. Mr. Rapson

stated that when we do that refinancing and we settle all of that up, that 2.6 million fund balance will become real in the general fund, so assuming that everything acts the way that it is suppose to with the revenues for the general fund; we should in theory, because if you look at the general fund, we are only going to be using \$200,000 to balance new revenue coming in with expenditures, the 2.6 would shrink to 2.4 in a perfect world. He further added that the problem is that there is still an unknown with local option sales tax and we will not have that answer until probably December. He then looked to Mayor Moore for confirmation.

Mayor Moore stated that the Mayors met last Thursday in Mayor Reed's office and we still have not reached a consensus. He added that we are doing some recognizes to see what their budget reflect. He further added that they have a budget out there, but whether or not it reflects the 15% sales tax revenue...we believe it will be something between 15% and 9.5%, but they are not sure what it will be. Mayor Moore stated that it would be negligible for us in terms of revenue.

Mr. Rapson interjected and stated that of all of the models that are floating around, the ones that are based on the digest or commercial, Union City itself is not really dramatically impacted one way or the other because we have such a strong commercial base. He then stated that when he put the budget together, he did not assume best case or worst case, but it was somewhere in the middle, so if it is anywhere close to where it is going to end up; we are probably in fairly good shape. He added that the problem is that we just do not know and we know until we are almost four months into the budget. Mr. Rapson further added that we have incorporated that, so short of that caveat with the budget; he is pretty rock solid with the rest of the revenue and we are pretty tight on the expenditure side of the equation. He then stated that Councilman Jones alluded to the fact that he was concerned that we did not have a fund balance and we should take \$800,000 from the MJCC and push that back to the general fund. Mr. Rapson further stated that he explained to Mr. Jones via email that we could do that whenever we want because 2 years ago we moved \$500,000 back, but whether it is sitting in the general fund or in the capital fund really does not make a difference with regards to our cash and that \$800,000 will be sitting there at the end of our fiscal year and we will not spend it on anything else. He concluded that it will be sitting there flagged for the MJCC and if we ever do anything with it at all, it will be this Board's decision in a public meeting to move it or leave it. He then added that in his mind, the purpose of leaving it there is because if you are going to try to pick that up after we go a full cycle and now we have \$3 million in the general fund; next year we can decide whether we are going to add another \$900,000 or \$1 million to complete the project which is about \$1.7 million table it completely and move the money back at that point.

Councilman Jones stated that another item was the concerts. He stated that we know that the concerts are going to run us in a deficit in the next two to three years, so he suggested cutting back on one of the concerts and one movie to try and prolong the life of the event. He added that it is better to have one concert and one movie for four years than to have two concerts and two movies for two years. He then stated that he does not feel that there is a consensus to go in that direction right now.

Mayor Moore stated that we will know if we get any corporate sponsors.

Mr. Rapson stated that we are doing two things to offset the cost. He further stated that one thing that we are doing is the LaQuinta Inn is complete and hopefully that will come online, but the revenues for that is not incorporated anywhere and the other thing is Lauren is going to start pursuing sponsorships and sell tables. He concluded that we are going to give ourselves one more year to pursue those avenues and at the same time he will try to enter into some kind of in-kind relationships where maybe the Atlanta Journal Constitution (AJC) becomes a sponsor so instead of writing them a check for \$10,000, maybe the check will be for \$5,000. He added with that \$5000 that he does not have to write expenditure check will feel just like revenue to him. He further added that he will be pursuing these over the next year and at the next budget cycle, we maybe do exactly what Councilmember Jones suggested. Mr. Rapson then stated that there is also the uncertainty of what is going to happen with the mall and whether they are going to allow us to be there and that decision drives this long before we get to the decision of where we are going to go because at that point we will not have a place to go and have these type of concerts.

Mayor Moore stated that he is in communication with a development group out of Chicago for a Mixed Use project. He added that when you talk with developers for a long time, sometimes you know if they are blowing smoke out of their ear, but he thinks that this group is about 55% or 56% legitimate to do something out there and if they do; he does not think that the mall area will be available anymore.

Mr. Rapson stated that we can do exactly what we are doing now for the next two cycles. He added that it is just like we are resolving the Jail Authority issue and buying ourselves more time by scaling it back and we could do that at the beginning of next year.

At this time Councilmember Williams stated that he commends Councilman Jones on those suggestions, but he thinks that as a Council; they should look towards the experts that we hired to do this. He added that certainly over these next two years we are in a position to do the concerts as they are and we have already designated staff to start securing sponsorships and he does not think that this is the time for the Council to buckle and have fear. He further added that we knew a few years ago that we were going to be somewhat in this area and some got here sooner than we did and we are now tasting it, but he thinks that if we continue doing what we are doing, certainly with some of the things that we have in place, we will be fine. Mr. Williams stated that he is concerned with the location, but we have our finger on Banneker and other options as well and who knows what is going to happen over the next two to three years. He added that he certainly agrees with Mr. Rapson with LaQuinta already being finished, somebody is going to grab that and it is going to be a nice tax incentive in the City once it gets picked up by someone. He then stated that he would leave it as it is right now.

Councilmember Mealing stated that she was in agreement with Councilman Williams.

Councilman Jones stated that the other item is an item for Executive Session for a personnel matter.

Mr. Rapson stated that he incorporated an additional pay grades for the Mayor and Council in this budget. He added that it is in there because he does not know the situation that the Council will be in over the next year. He then explained that if the Mayor or a member of the Council

were hit by a truck and had to be replaced; the replacement would get the new salary, so the salary does not start until the next election cycle. He concluded that it is there and when you run again it will be your new salary.

Councilman Williams stated that he thinks that with Union City's status over the past many years, this Body has not been given the just salary and you never do get the just salary. He added that so many people call this part-time but you find yourself doing more than what many of your counterparts do in other jurisdictions because from this Body everybody works and we are trying to bring everybody up to speed as it relates to our neighbors and he does not think that it is unfair at this time, as it not something that the Council would get next week or next month, but he thinks that it is fair and it is just.

Mr. Rapson stated that although no one has asked him to do this, but since we are correcting it, when we do salary adjustments, he thinks that this is something that we should do at the same time. He added that if everybody gets a 3% he should move those forward so we don't have to address this issue continuously.

Councilman Williams stated that this is always something that you don't want to talk about because you don't want to give anybody the impression that we are running away with the money.

Mr. Rapson stated that based on what we discussed, the budget will not need to be adjusted and even based on the discussion that you are going to talk about in Executive Session, based on what Mr. Jones has proposed, those items can be incorporated with the dollars that we have so there is really no funds that have to be incorporated based on his recommendation. He concluded that you just need to let us know what you want us to do.

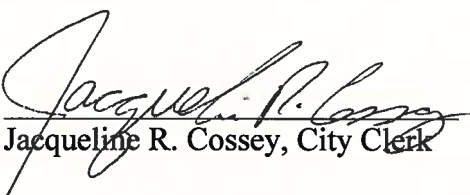
On motion of Councilmember Jones seconded by Councilmember Mealing and carried, Council entered into executive session to discuss a personnel matter.

On motion of Councilmember Jones seconded by Councilmember Mealing and carried, the City Clerk was given the recommended 3% increase. Vote was three-to-one (3-to-1). Councilman Williams voted in opposition.

On motion of Councilman Jones seconded by Councilmember Mealing and carried, Council reconvened to Regular Session.

At this time Mayor Moore stated that there was a consensus of a 3% one-time raise for the city clerk.

On motion of Councilmember Mealing seconded by Councilmember Jackson and carried, the meeting adjourned.


Jacqueline R. Cossey, City Clerk


Ralph Moore, Mayor

STATE OF GEORGIA

COUNTY OF FULTON

EXECUTIVE SESSION AFFIDAVIT

Personally appeared before me, Ralph Moore, Mayor of the City of Union City, Georgia, who after being duly sworn says:

1.

I was the presiding officer of a meeting of the Union City Mayor and City Council held on the 21 day of August, 20 12.

2.

That it is my understanding that O.C.G.A. § 50-14-4(b) provides as follows:

When any meeting of an agency is closed to the public pursuant to subsection a of this Code section, the person presiding over such meeting shall execute and file with the official minutes of the meeting a notarized affidavit stating under oath that the subject matter of the meeting or the closed portion thereof was devoted to matters within the exceptions provided by law and identifying the specific relevant exception.

3.

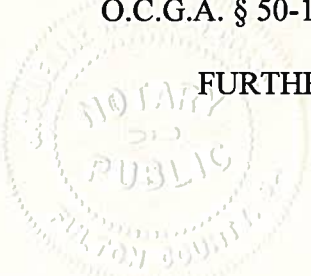
The subject matter of the closed meeting or closed portion of the meeting held on the 21 day of August, 20 12, which was closed for the purpose(s) of Oral Personal Matter as allowed by O.C.G.A., Title 50, Chapter 14, was devoted to matters within those exceptions and as provided by law.

4.

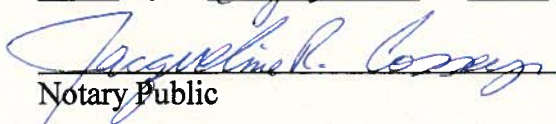
This affidavit is being executed for the purpose of complying with the mandate of O.C.G.A. § 50-14-4 (b) that such an affidavit is executed.

FURTHER AFFIANT SAITH NOT.


RALPH MOORE, Mayor



Sworn to and subscribed before me this 21 day of August, 20 12.


Notary Public