MINUTES
CALLED COUNCIL MEETING
TUESDAY, JULY 31, 2012
6:30 P.M.

Present: Councilmembers Angelette Mealing, Shirley Jackson, Brian Jones, and Vince Williams, City Attorney Dennis Davenport, City Manager Steve Rapson and Assistant City Clerk Tameca P. White

Absent: City Clerk Jacqueline R. Cossey

CALL TO ORDER
The meeting was called to order by Mayor Ralph Moore.

1. Council to discuss pending negotiations for Local Option Sales Tax

Mayor Moore thanked everyone for attending the meeting. He continued by stating that the purpose of the meeting is that starting July 1st, based upon State statue, the negotiation, deliberation of the allocation for the Local Option Sales Tax (LOST) before it expires at the end of the year. It requires sixty days of discussion between the county and cities. Chairman John Eaves as of July 1st called the first meeting. The Mayors and the counties have met and have agreed to go back to their respective jurisdictions and give latitude for negotiation and discussion. He further stated that his basis for discussion is that, the least this city will be is an absent municipality, which means that our distribution of the sales tax will be based on the population according to the 2010 Census. Mayor Moore stated that anything after that will be gravy and that he is looking to get latitude to be able to go into an in-depth discussion.

Councilmember Shirley Jackson asked if we had been absent in the past.

Mayor Moore stated that yes we have been absent before and that this is not new to Union City. He continued that before he goes into any discussion that he would like from the Council the ability to go into any further discussion, "deal making", or anything that will best benefit this City or benefit the process.

Councilmember Brian Jones asked that at minimum based on our population for 2010 what would be our ten year increase local option sales tax.

Steve Rapson stated that our distribution would go up a million eight for a full year. So it would go up about 4.8 million based on pure population per year. For us our year starts in September. That impact for us is a 7 months increase because January gets paid in February and it ripples. In essence this will be a key determination that is talked about during the budget process because this is what will enable Union City to be sustainable in future years.

Councilmember Jones asked, "Based on the numbers in absentee, do you see this being perceived well or do you see this going into some great judgment?"

Mayor Moore answered by stating that if this is not agreed upon within the 60 day window then mediation is filed. It will depend on what is agreed upon and what cities are asking for. There are three cities losing population, Atlanta, East Point and College Park, and they feel that they are victim of their lost because of certain other circumstance and not necessarily because people have moved out of their city. They are looking to be made whole, but how that happens is uncertain and that is where the discussion will begin. There is a consensus by the Mayors that Fulton County should take less. Fulton County has not yet been formally approached with this, but they currently receive 15% which is not based on any variable, but was part of the 35% that they were granted in the 1990 census during the first Local Sales Tax.

Councilmember Angelette Mealing asked if the 15% of Fulton County, what is being proposed or is that current.

Mayor Moore stated that it is current.

Councilmember Mealing asked that based on the spreadsheet what would be their new proposal.

Mr. Rapson stated that they start out at 35% and the state legislative, as the new cities came on, took the amount of the LOST amount that the cities received and reduced the amounts over the last three or four years to 15.18% as it sits today.

Councilmember Mealing asked if either way Union City will benefit.

Mr. Rapson stated that the two losers are East Point and College Park based on population they each lose about a million and six a piece. We are picking up a million and eight because we had residence move in from other places and ours went up significantly and theirs went down significantly, so over a 10 year period we were one of the winners, Fairburn was also a winner and East Point, College Park, losers. And although the City of Atlanta lost, their loss is only about $700,000 dollars on a base of 95.6 million which means they are fine.

Mayor Moore stated that these are the same people who held us hostage over less than 1% of revenue going toward their sewer. We don't know exactly where Atlanta will be going; they have not shown their hand yet.

Councilmember Jackson stated that it was not always figured on population. She asked if there was another fraction to it.

Mayor Moore stated that after we had a re-calculation of our census, we went back to the table and said that if everyone in the 65% is getting their share per the population distribution we should also. After a long discussion, finally Fulton County decided to give us less than 1% of their 35%. It did not remain 35%. In 1994 it became 34.62%.

Councilmember Jones asked if that was local sales per sales jurisdiction, was that one factor.

Mayor Moore stated that he did not follow the question.

Councilmember Jones stated other than population; it would be determined by sales.

Mayor Moore stated yes, that is one factor. There are eight factors in the legislation, but out of that eight is very difficult to quantify.

Councilmember Vince Williams stated that we have to remember that there was a time when East Point and College Park did well during this and Union City suffered. So our objective is to make sure that Union City gets the best bang.

Mayor Moore stated we will. He stated that we have been approached with measuring this with other variables, but one man's standard can be another man's objections and what we are sticking with can be measured, and that is population.

Councilmember Jackson asked if a motion is needed.

Mayor Moore stated yes.

***On motion of Councilmember Jackson seconded by Councilmember Williams and carried, to give Mayor Moore latitude to make a decision and anything he feels has questions and seriousness, that before he makes a decision, he will bring it back to the Council. Vote was unanimously approved.***

VII. ADJOURNMENT:

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

Tameca P. White, Assistant City Clerk

Ralph Moore, Mayor