

COUNCIL PRESENT: Bruner, Dunagan, Wangemann, Hamrick, Figueras
STAFF PRESENT: Padgett, Palmour, Jordan
STAFF ABSENT: Sheppard

Mayor Bruner called the meeting to order.

RETIREMENT PLAN A ISSUES:

FY2010 Actuarial Report

Rocky Joyner and Malachi Waterman attended the meeting on behalf of Retirement Plan A's actuarial firm (The Segal Company). Mr. Joyner stated the plan was in good shape despite the economy and shared the following information:

1. The Plan continues to meet the Government Accounting Standards Board (GASB) requirements with the current contribution rate.
2. The Plan experienced salary gains since the projected benefits were lower than expected. (Benefits were lower due to mandatory furlough days and restricted overtime coupled with no salary increases nor longevity pay.)
3. The recommended contributions increased from 27.26% to 28.98% due to investment losses recognized during the year.
4. The Plan accumulated a \$3.4 million credit balance which can be used to offset shortfalls to the recommended contribution rate. As such, the total contributions can remain at \$26.4% of payroll to meet funding obligations for the next fiscal year if so desired.
5. If investment returns exactly match the valuation assumption of 7.5% and all other plan experience matches expectations, the recommended contribution is expected to increase in each of the next few years.
6. The amortization period is currently 18 years. State law allows the plan to have a 30 year amortization period.
7. The funded ratio remains at 60% and is expected to remain level until the deferred investment losses are fully recognized. After recognizing the losses, the funding ratio is expected to improve.
8. The Retirement Board has requested an experience review of all assumptions and methods used to value the Plan. It will be completed this summer and presented to the Board for consideration during the 2011 valuation report. This review should be completed every five years.

Mr. Joyner concluded by stating the Plan is meeting all requirements and is funded properly noting it was a continuous process to monitor all aspects of the fund. He felt the Board takes the investments very seriously and, upon inquiry, stated the current investment strategy was reasonable.

ADMINISTRATIVE SERVICES ISSUES:

Proposed Ordinance: Amendment to Service Charges – Returned Checks

Administrative Services Director Melody Marlowe stated the current ordinance requires service charges equivalent to \$30 or 5%, whichever is greater, as it pertains to returned checks. It was not the city's intent to make money on return checks. She felt a cap of \$30 was reasonable to

cover these costs. The proposed ordinance would set the return check fee at \$30. It also provided an avenue for addressing administrative errors of the past through the City Manager and/or Council.

Placed on the February 1, 2011 Council Meeting Agenda

Alcoholic Beverage License Application

Senior Finance Technician Tracie Morris presented the following applications:

- A new application from McAurther's Grill & Pub, 1706 Cleveland Highway, for consumption on the premises of beer, wine and liquor.
- A new application from Texaco Food Mart, 1411 Browns Bridge Road, for the package sale of beer and wine.

Both applications were in order.

Placed on the February 1, 2011 Council Meeting Agenda

PUBLIC UTILITIES ISSUES:

Equipment Evaluation

Distribution and Collection Systems Manager Joey Leverette stated an Ad Hoc Committee was to review equipment and vehicles for the purpose of identifying opportunities to share with other departments and to generate cost savings. He confirmed there had been ongoing equipment sharing efforts for quite a while between Public Utilities and Public Works. He commented on specific pieces of equipment and stated the two departments have a good working relationship.

PUBLIC WORKS ISSUES:

Potholes

Council Member Dunagan asked for clarification about potholes which led to discussion about the climate that is required for this work to be done.

Council Member Figueras reported a pothole on Crestview.

CITY MANAGER'S ISSUES:

Council Retreat

City Manager Kip Padgett reviewed the agenda for the upcoming retreat.

Homeless Discussion

City Manager Kip Padgett stated staff was receiving calls about the homeless issue. He suggested that Council Member Figueras and Council Member Wangemann meet with Community Service Center Director Phillippa Lewis Moss and others, as needed. From that point, Mrs. Moss would gather information to present at a future work session.

Council Member Figueras commented on a letter from Terry Walton, First Methodist Church, to discuss what they are doing for the homeless. She also commented on an invitation to Lanier Hills Church to discuss this issue.

It was noted that there was also a letter from Lindsey McCamey, First United Methodist, sharing a goal to identify 13 churches that would be willing to help.

COUNCIL ISSUES:

Council Member Wangemann

1. Provided a report about his participation at the Georgia Municipal Association Conference.
2. Requested flyers about Citizen Government Academy to distribute while inviting citizens to the Council Meeting.
3. Reported a citizens concern about fluoride in the water and asked if this should be revisited to determine if any changes are required. Public Utilities Department staff attending the meeting indicated the department was doing what was required by state law.

Council Member Hamrick

1. Commented on a letter from Reuben Black regarding fees. The City Manager stated he was working with the Public Utilities Department to address this.
2. Expressed a desire for the City should pursue the Voting Right Act Bailout.

Council Member Figueras

1. Provided a report about her participation at the Georgia Municipal Association Conference.
2. Commended Gainesville High School for being recognized as a Blue Ribbon School.
3. Enjoyed the Buy Local Event noting it was well attended.

EXECUTIVE SESSION:

City Manager Kip Padgett requested an Executive Session to discuss personnel and potential litigation.

Motion to close the Work Session to conduct an Executive Session to discuss personnel and potential litigation at 10:01 AM.

Motion made by Council Member Dunagan
Motion seconded by Council Member Hamrick

Council Members voting in favor of the motion were Bruner, Dunagan, Wangemann, Hamrick and Figueras.

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Tim Collins and Tina Wetherford attended from 10:01 AM until 10:15 AM.

Motion to close the Executive Session and continue the Work Session at 10:50 AM.

Motion made by Council Member Dunagan

Motion seconded by Council Member Hamrick

Council Members voting in favor of the motion were Bruner, Dunagan, Wangemann, Hamrick and Figueras.

OTHER BUSINESS:

February 1, 2011 Council Meeting

The City Clerk was instructed to place a proposed ordinance to amend water and sewer service fees on the upcoming Council Meeting agenda along with appointments for the Friends of the Parks and Main Street Gainesville Advisory Board.

ADJOURNMENT: 10:53 AM

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