

BOARD OF MAYOR
AND COMMISSIONERS

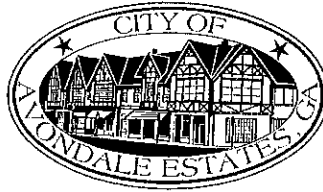
JONATHAN ELMORE
MAYOR

TERRY GIAGER
MAYOR PRO TEM

RANDY BEEBE
COMMISSIONER

LINDSAY FORLINES
COMMISSIONER

JOHN QUINN
COMMISSIONER



R. CLAI BROWN
CITY MANAGER
JULIETTE SIMS-OWENS
CITY CLERK
ROBERT E. WILSON
CITY ATTORNEY
STEPHEN W. NICHOLAS
CITY JUDGE

**BOARD OF MAYOR AND COMMISSIONERS
SPECIAL CALLED MEETING**

July 1, 2015

Immediately following the Public Hearing re 2015 Tax Millage Rate

MINUTES

Members Present: Jonathon Elmore, Mayor
Terry Giager, Mayor Pro Tem
Randy Beebe, Commissioner
Lindsay Forlines, Commissioner

Members Absent: John Quinn, Commissioner

Staff Present: Clai Brown, City Manager

Item No. 1 Meeting Called to Order at 6:14 by Mayor Elmore

Item No. 2 Adoption of Agenda

A motion to adopt the agenda as presented by Mayor Elmore, seconded by Commissioner Forlines; passed with all ayes (4-0)

Item No. 3 Ordinance for the Georgia Municipal Employees Benefit Systems (GMEBS) Defined Benefit Retirement Plan Agreement -Third of three required readings

A motion to adopt by Commissioner Forlines; passed with all ayes (4-0)

No public comment

Item No. 4 2015 Tax Millage Rate Ordinance – Third of three required readings

Mayor Pro Tern Giager Randy said he could live with a .5 reduction. I don't see anyone in favor of leaving it at 10.957 at this point. The discussion will be 'what can we live with?' The 10.957 will bring in \$351,000.00. The 10.5 will bring in \$271,000.00 excess over the current budget. If we dropped it to 10.0, it would be \$184,000.00, approximately. If we drop it a full millage rate, 9.957, it would give us \$176,322.00. If we roll back to the original value, which levels

everything, we'd still come out with a \$79,000.00 increase. I think that, basically, is Stratford Green coming in. You can take \$100,000.00 out of either one of these because Stratford Green coming in is what we projected to be the excess from them.

Commissioner Forlines Do we have the corresponding percentages of what the tax increase would be with those numbers? I'm assuming the halfway point takes us from 20% to 10%.

Mayor Elmore It's at 40% assessed value.

Mayor Pro Tern Giager I think what she's saying is, What is the percentage decrease in the millage rate? From 10.957 to 10.0, what is that percentage? It's not quite 10%.

City Manager Brown It would be about 11%.

Commissioner Forlines A 20% tax increase --

City Manager Brown It's not a 20% tax increase. It was a 16%.

Mayor Pro Tern Giager I know we had some emails that said 20%, but it was 16.4%. That was still the largest it would be.

Commissioner Forlines Clai, do we know how any of those reductions correspond to the average increase on a home? That's my bigger concern.

City Manager Brown Yes. Using 10.5, there's about a \$36.00 difference on an assessed value of a \$200,000.00 home, assessed at \$80,000.00.

Mayor Elmore If a house's value increases 10%, we offset that by taking a full point off.

Mayor Pro Tern Giager Not quite, but it's close. If I were going to do 10.0 or 9.957, you're only talking \$7,000.00 difference between the two. I'd rather do a full point at 9.957, rather than to go 10.0 if I was going to do that. That's a \$180,000.00 difference. \$175,000.00 is what you're giving up. You almost split the thing right down the middle. You have \$350,000.00, and you're going to have \$176,000.00. You're splitting it right down the middle on what the increase would have been.

Commissioner Beebe I still like leaving it the same, but we do need to consider the people that are going to be a burden on. I still think we should reduce it to 10.5.

Commissioner Forlines Realistically speaking, the amount this would mean per household is not huge. Largely, the taxes are going up because their homes are being valued at a more appropriate rate. We can't offset the increase, but I do think it's important that we lower somewhat. Even if it's not much, we still

need to offer relief. Part of it shows that we are a very fiscally responsible, in light of what tax payers are going through. There's not much we can do to make a huge difference in the tax bill in terms of the numbers we're talking about and the increase from DeKalb. I think it's important that we do lower it just to send the appropriate message to our constituents. I think people will be confused that

favor of the decrease; I was in favor of keeping it at 10.957. I'd like you to consider a half percent. It's still an overall increase. Thank you.

Mayor Elmore How much did Stratford Green add to the tax digest?

City Manager Brown Approximately \$5,000,000.00.

Mayor Elmore Last year the tax digest was slightly over \$148,000,000.00 and this year it's a tad over \$178,000,000.00. The increase is 17%. We have to address the 17% tax increase, after Stratford Green has been taken out.

Commissioner Forlines I'm still in support of the full mill. Less than \$100,000.00 is not going to keep us from the projects that we're talking about now. Obviously, that's a lot of money and we can do a lot of things with that. This is an election year and we have a mayor that was just elected. I'm very conscience of the message we are going to send as a board. This is difficult. There was so much misunderstanding during the last election when we had this issue. It's very important that we send the appropriate message while being mindful of the finances involved.

Mayor Elmore Everyone realizes when I say excess, I mean over the budget that we've stated.

Commissioner Beebe I'm honored to be here with our citizens who say they want to be taxed more. It shows the integrity of our city. At the same time, we're trying to lower taxes. You are the citizenry here tonight that do not want to lower taxes, so I'm back to a half point.

Mayor Pro Tern Giager In 2013 we had a 6.51 tax increase and going to the 9.957, we'll be at 6%. That's in line with what we've done before. I feel very comfortable with that. My platform was for no increase in taxes when I ran for commissioner. Although this will be an increase, I think it's acceptable. I am for the full one point rollback to 9.957.

Commissioner Forlines I'm in favor of the full off of 10.957.

Commissioner Beebe I'm still half, we'll to put it to a vote.

Mayor Elmore Do we have a motion to adopt an ordinance for the City of Avondale Estates to set the tax millage rate for the tax year 2015 for other purposes at 9.957?

The motion was seconded by Commissioner Forlines; passed with ayes (3-1)

Mayor Elmore I appreciate you all being here. I feel confident that we've done the right thing. I respect and appreciate your presence and opinions.

John Pomberg, 3288 Kensington Road My only objection is that I don't think anything should ever be done or discussed as the outcome of an election because

we lower our millage rate but their taxes are still where they are. Our constituents are very informed, but it's not the most black and white of issues.

City Manager Brown Lowering a half point on an \$80,000.00 assessment house is \$36.00.

Mayor Pro Tern Giager If you average that on every house in our city, it's \$56.00 per home. By dropping a half millage point. I've divided about 1,400 residences into \$80,000.00. That's an average of \$56.00 per house, which is less than \$5.00 a month.

Commissioner Beebe That doesn't factor in any of the appraisal figures of the house, does it?

Mayor Pro Tern Giager No. That's what I'm saying. It's an average for every resident.

Commissioner Forlines Terry, do you know if we dropped it a full mill, rather than a half, what the average change would be?

Mayor Pro Tern Giager About \$112.00 for average, per house.

Mayor Elmore It's slightly different for 9.957 and 10. If we dropped it a full point, a full point would be \$176,322.00 excess based on these preliminary tax digest numbers. At 10, it would be \$183,859.00.

Mayor Pro Tern Giager I'd like to propose that we move it to 9.957.

Commissioner Beebe I'm happier at a half, but I can get there.

Mayor Elmore I'm leaning toward a full point. Everyone here has valid points. If we take it down a full point, instead of having a 20% tax increase, it's 10 percent. We're cutting that in half.

City Manager Brown That's about a 6% increase over the rollback, 5.8, I rounded up over the rollback.

Mayor Pro Tern Giager We haven't had any increases in the last four years.

Mayor Elmore If you look at the bottom, the notice of tax increase, in 2013 there was a 6.15% increase, 2014 there was a 3.88% increase and at the numbers, the \$178,000,000.00 digest, that's 18.02%.

Do we have any public comment on this?

Mary Ann Anziano, 3242 Wiltshire Drive We're not increasing the millage rate the tax increase in Avondale Estates. What's happened is that the values of the homes are raising the taxes. It's raising revenue to come into the city, based on the value of the home. It's not a tax increase. So, what you're doing is lowering taxes.

Mayor Pro Tern Giager That's not the way the state defines it. It is a tax increase because we have a balanced budget. Since we're going to have excess, the state defines it as a tax increase.

Mary Ann Anziano. 3242 Wiltshire Drive I guarantee you that every one that has a higher value on their home, as they get ready to sell it, they're going to want that higher value.

Commissioner Forlines Those typically don't have anything to do with real estate --

Mayor Elmore It's a little bit of a game. The county is assessing these properties and setting it. We're setting a millage rate. The consensus here is that most people are going to be writing a bigger check and that this is our measure to offset that. We're all in this together. We set the millage rate, not the county. They set the assessment, not us. The state says here's your rollback number, and neither the county, nor the city can -- Thank you. Any further public comment?

Joe Anziano, 3242 Wiltshire Drive If we took out Stratford Green, the amount of the digest would be down. I'm trying to correlate all that. We added 'x' number of houses at approximately \$180,000.00 retail value and \$100,000.00 per for assessed value. We've had multiple things that happened last year that being one of them. That's Stratford Green, your tax digest is going up. If we look at the average house before Stratford Green, it might have been 350 - 400,000.00 average value. 40% of that is \$160,000.00, 1% off of that is \$160.00. Stratford Green is entered into our thinking, as well. I'm glad they're in and I'm glad they're part of us and our community. That's part of why the digest has gone up.

City Manager Brown At the 9.957 proposed reduction of one mill, is a reduction of about 50,000.00 minimum coming from Stratford Green to that 176 number you mentioned.

Joe Anziano. 3242 Wiltshire Drive Stratford Green. You take \$50,000.00 off of -- What did we start with when we started this conversation at 10.957? It was \$351,000.00. Take off Stratford Green, it's \$300,000.00.

City Manager Brown Not at 10.957. It's a different number.

Mayor Elmore How much did Stratford Green add to the tax digest?

City Manager Brown About \$55,000.00 at 10.957.

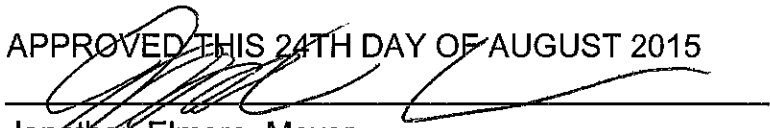
Joe Anziano. 3242 Wiltshire Drive I'm not trying to be opportunistic, is that with something less than a full percent there is an opportunity here for us to build the excess and operating reserve for those things that we really do need and argue each time that we don't have enough money for them. I wasn't in

then you're not doing the business of the city. I'm surprised it even came up in this discussion.

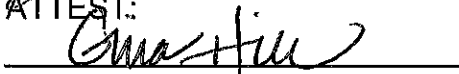
Item No. 5 Adjournment

A motion to adjourn was made by Mayor Pro Tern Giager, seconded by Commissioner Beebe; passed with all ayes (4-0)

APPROVED THIS 24TH DAY OF AUGUST 2015


Jonathan Elmore, Mayor

ATTEST:


Gina Hill, City Clerk