

SOUTH FULTON CITY COMMISSION  
SOUTH FULTON, TENNESSEE  
November 17, 2005

PUBLIC HEARING

- A. Public Comments on Proposed Ordinance Fiscal Year 2005/06 Operating Budget and Property Tax Increase

AGENDA

OLD BUSINESS

- A. Second & Final Reading Ordinance #2005-06 (Appropriating Funds, Establish a Property Tax Rate, Establish Spending Limits for FYB 070105 through FYE 063006)

NEW BUSINESS

- A. DAR Flags
- B. WCMT Lions Club Girls Basketball Christmas Tournament – Ad

MINUTES

OPEN PUBLIC HEARING

Mayor David James opened the public hearing on Thursday, November 17, 2005 at 5:00 p.m. at the South Fulton Municipal Complex. There were approximately forty members present.

PURPOSE OF PUBLIC HEARING

Mayor James stated the purpose of the public hearing was to hear comments on proposed ordinance to adopt the FY2005-2006 budget including a property tax rate increase.

Tommy Legins, city auditor, recapped general deficits for the past several years as presented in the audits as follows: FY1999-2000 -\$94,587, FY2000-01 -\$201,939, FY2001-02 - \$152,661, FY2002-03 -\$358,032 and FY2003-04 -\$425,689.

City Manager Kathy Dillon stated she takes full responsibility for deficit in budget year 2004. She gave a brief history of construction of the municipal building from purchase in May 2001 through its completion in FY2004. She stated options are limited as the city does not qualify for non-taxable bonds. She stated property taxes could be increased to pay deficit back at rate of \$16.20, but this would cause a hardship on residents. She stated the city can go through a Public Building Authority and they would hold the deed to the building until bond is paid off and then city would buy back the building for \$1.00.

Ms. Dillon stated the bond has been stopped by petition signed by city residents. She recommended the commission adopt the proposed budget. She stated a buyer for the municipal complex or the utilities is not going to happen tomorrow. She stated the commission has to make decisions that are easiest on residents' pocketbooks. She stated the

tax rate needs to be set so those revenues can begin to be collected.

Larry Henderson, 417 Honey Locust Drive, asked for the resignation of the commission. He stated the citizens cannot afford the increased utility rates.

James Pierce, 100 Wild Cherry Lane, questioned what the interest rate on the loan would be and how much money the city would actually pay back.

Mr. Legins informed him the rate could vary, but highest rate would be 6% and the payback would be about \$4.56 million.

Mr. Pierce stated the commissioners should know the answers to these questions. He stated citizens are unhappy with commission and if they do not resign, another petition would be circulated to call for a city election. He stated they do not trust the current commission with \$3.5 million.

Bobby McCord, 408 Williams, stated he did not understand the financial situation of the city and questioned if it was necessary to borrow \$3.2 million. He stated he did not want the commission to sell the utilities.

Sam Miller, 227 Fourth, stated the commission should get information out to the citizens also that he was unaware that Industrial Board has purchased land in McConnell.

Charles McGuire, 422 Honey Locust, stated he has been in South Fulton since 1993 and utility rates have increased up to 92% and taxes 70% compared to electric rate increases of 17% and county taxes decreased 5%.

Arista House, 311 Taylor, stated residents can't afford to pay high utility rates and people who are elected to office should be qualified.

Sammy Haddad, 426 Honey Locust, stated city should be run like a business and needs excellent management people. He asked how much Chamber of Commerce pays for rent and was told by City Manager that monthly rent is \$100, are under a five year contract and city pays utilities.

Mike Beadles, 226 Old Pierce Road, stated he is not sure he is not sure he is in favor of the bond, but Mr. Pierce and Mr. Henderson have not offered any solution to the problem except to call for resignation of the commission and then run the city themselves.

Cody Martin, 909 Forestdale, Student Representative for the City Commission, stated South Fulton is a great place to live. He stated our location affords us the luxury of purchasing groceries without paying tax across the state line and other items at 6% sales tax, no state income tax, lower insurance rates.

Dorothy Jackson, 716 Enterprise, stated residents cannot pay additional taxes. She also stated commission should not cut police department personnel.

Marvin Mercer, 4711 Pamela Circle, stated many residents are on fixed incomes and cannot afford additional increases in taxes and utilities. He suggested the city get out of the building.

#### CLOSE PUBLIC HEARING

Mayor James closed the public hearing at 6:30 p.m.

#### OPEN REGULARLY SCHEDULED MEETING

#### CALL TO ORDER

The meeting was called to order by Mayor David James on Thursday, November 17, 2005 at 6:35 p.m. following the public hearing. Reverend Marvin Mercer gave the invocation and Karl Ivey led the Pledge of Allegiance.

#### ROLL CALL BY RECORDER

Roll call was taken by City Recorder Debbie Beadles. Present were D James, R Haskins, C Moody, T Pettigrew, K Dillon, K Ivey, C Martin.

#### MAYOR'S WELCOME

Mayor James welcomed all in attendance to the meeting.

#### APPROVAL OF MINUTES

Commissioner Moody moved to approve the minutes of meetings from October 5, 6, 17 and 20, 2005 and public hearing of October 20, 2005 as presented. Commissioner Pettigrew seconded the motion. All voted aye. Motion carries.

#### REVIEW OF OCTOBER DISBURSEMENTS

Commissioner Moody moved to approve October disbursements. Commissioner Pettigrew seconded the motion. All voted aye. Motion carries.

#### REVIEW OF YEAR-TO-DATE BUDGET

Ms. Dillon stated budget information reflects four months into the fiscal year.

#### DEPARTMENT REPORTS

Commissioner Haskins moved to accept department reports as presented. Commissioner Moody seconded the motion. All voted aye. Motion carries.

#### QUESTIONS, COMMENTS, SUGGESTIONS FROM CITIZENS

Dorothy Jackson, 716 Enterprise, stated they have a "neighborhood watch program" in her neighborhood as a large number of senior citizens reside there and they appreciate the police making their rounds on a regular basis.

Arista House, 311 Taylor, also expressed her appreciation to the Police Dept.

**SECOND & FINAL READING OF ORDINANCE #2005-6**

Commissioner Haskins moved to approve the second and final reading of Ordinance #2005-6 (ordinance appropriating funds, establishing property tax rate and spending limits for the fiscal year beginning July 1, 2005 and ending June 30, 2006). Commissioner Moody seconded the motion. In roll call vote, Commissioners Haskins, Moody and Pettigrew voted aye. Mayor James voted no. Commissioner Kane was absent. Motion carries.

**NEW BUSINESS**

**DAR FLAGS**

Ms. Dillon stated no action need be taken by commission.

**WCMT LIONS CLUB GIRLS BASKETBALL CHRISTMAS TOURNAMENT – ADS**

Ms. Dillon stated no action need be taken by commission.

**RESOLUTION #2005-12 (SET UTILITY RATES)**

Commissioner Haskins moved to adopt Resolution #2005-12 (set utility rates). Commissioner Pettigrew seconded the motion. Commissioners Moody, Pettigrew and Haskins voted aye. Mayor James voted no. Commissioner Kane was absent. Motion carries.

**REPORT FROM MAYOR**

Mayor James reported that Gordon Jones and Leroy Sawyer have resigned their seats on the Industrial Board.

**REPORT FROM CITY MANAGER**

Ms. Dillon had no report.

**ADJOURNMENT**

Commissioner Haskins moved to adjourn at 7:05 p.m. Commissioner Moody seconded the motion. All voted aye. Motion carries.

ATTEST: \_\_\_\_\_ APPROVED BY: \_\_\_\_\_  
RECORDER MAYOR