

MINUTES  
WORK SESSION MEETING OF THE PERRY CITY COUNCIL  
SEPTEMBER 18, 2007

1. Call to Order: Mayor James Worrall, Presiding Officer called to order the work session meeting held September 18, 2007 at 5:04 p.m.

2. Roll:

Elected Officials Present: Mayor James Worrall, Presiding, Mayor Pro-Tempore Joe Kusar, Council Member Bobby Glover, and Council Member James Moore.

Staff: City Manager Lee Gilmour, \*David Walker, City Attorney, Mike Beecham, Director of Community Development, George Potter, Director of Public Safety, Deputy Chief Joel Gray, Fire Department, Captain Bill Phelps, Police Department, \*Captain Heath Dykes, Police Department, and Recording Secretary Annie Warren.

\*(Captain Heath Dykes arrived at 5:08 p.m.; David Walker arrived at 5:10 p.m.)

Guests: Sheila Jones, Executive Director PACVB, Charles Shelton, Terre Moody Walker, Bill Loudermilk, and Ellie Loudermilk.

Press: Ms. Charlotte Perkins, Houston Daily Journal and Ms. Natasha Smith, Macon Telegraph.

3. Items of Review/Discussion:

- 3a. Ms. Sheila Jones – Executive Director of the Perry Area Convention and Visitors Bureau. The first item Ms. Jones presented to Council was the need for new directional signage at Airport Road and Thompson Road. The CVB feels we get a lot of tourist traffic coming in from the airport and when you get to the stop sign, what do you do. This would be a three-sided sign and you have a copy there of each side and what we propose on each side. The Board suggested on the last page which if coming in from I-75 a U-turn arrow. We feel like there is a need for directional signage out there for our tourist and we have permission from the Houston County Development Authority to use the corner of the property where the spec building is with the understanding if someone buys that building we will be at their mercy. We feel it is a wise investment to put it up forever how long it will be there. We are investing a little over \$1500 for these signs and we would like City Council approval with this design, which is from Creative Signs and Designs who have produced the other signs in town. Council Member James Moore stated, it looks good to me and I don't see a problem. City Manager Lee Gilmour asked Council if they concurred. Council concurred. Second item - Ms. Jones has been working with Ellie

Loudermilk, Terre Moody Walker and Tish Mims on improving our historic walking tour. It's very popular with our tourists, and we just felt like you ever read the current brochure it's not very interesting. It just states this person lived in this house and when it was built. As you know Ellie has a lot of valuable information about our historic properties. We have revamped this tour and even added some new sites to make it more interesting, it's going from fifty-two (52) sites to fifty-nine (59) sites with a fold-out brochure of the history of Perry. By changing this, the signs that are up, have probably been up sixteen (16) plus years, the old logos are actually on them. The City has the authority; we will print the brochures we would like to ask City Council to fund the signs and have the fire department or whomever, pull the old ones up and put out the new ones since they have to get onto private property. This is a proposal for the signs, this is Creative Signs and Designs, the old one at the bottom, the new concept drawing at the top. We would need fifty-nine (59) new signs at nineteen (19) dollars each for a total \$1,121. We are ready to go on the brochures, but we can't have a brochure if the signs are old and numbered wrong. Also, once the tour is up and running, we plan to add it as a downloadable pod cast from our website so someone coming into town can download it and drive through town and listen to it one their own. Mayor Worrall asked Council what they would like to do about the signs. Mayor Pro-Tempore Joe Kusar stated he was in favor. Mayor Worrall asked Council if they were agreeable to pull it from the Hotel/Motel Tax. Council concurred. Council Member James Moore – The estimate is just for the signs, not the installation. Ms. Jones – This is correct. It was my understanding that the fire department is the ones who put up the signs. Public Safety Director George Potter - No, Public Work does. Ms. Jones thanked the Council and left.

- 3b. Update relative to amendment to City benefits plan for certified public safety employees. City Manager Lee Gilmour presented to Council an update on the City benefits plan for certified public safety employees. At Council's second work session in August, we had talked about some of the potential costs and issues for amending the City's retirement and health insurance plans to provide additional benefits to certified public safety employees. I have a memo to you to look at which I just a follow-up on some of the points talked about there. Very briefly, the first item, inquires made about the City paying for all health costs associated with City employees. If you take a look at my August 13<sup>th</sup> memo, you will see if we operate underneath a group plan coverage, this may be a benefit, but since we operate under a self-insured program, it would not really impact how much we fund for claims but it would increase how much we would have to pay by \$248,434, which would be us paying for all the premium costs for all the employees. So obviously Administration recommendation is since there is no benefit with that option, not to pursue that suggestion. Second item, cost impact to the City should the Council approve amending

the current retirement benefits plan to allow full retirement at age fifty (55). My August 9<sup>th</sup> memo to you all, you can see break out by additional funds that would cost us an additional \$57,900 or so a year that is something you may want to consider. I think that is a do able range for the Council if not this fiscal year, than maybe plan for that in the next fiscal year. Next item was that you directed the Administration to seek proposals from qualified consultants to perform an actuarial study of the projected costs and financial reporting liability if the City provided health insurance benefits to retired state certified public safety employees. We were able to get a list of seven (7) firms recommended to the City, of those seven (7), two (2) declined, two (2) responded and three (3) provided no reply. The two responses are enclosed. The first response was from J.G. Gaston and Associates, Inc. they are talking about a one time charge of \$2,800 just to do the actuarial study. The second item we have is a response from Strategic Planning Associates, LLC, and I would like to point out to you his first paragraph, "As we discussed, you letter of August 13 came as a bit of a surprise. Because of changes in accounting rules, most governments are seeking ways *out* of post-retirement health care (PRHC) commitments – not, as the City of Perry appears to be doing, trying to first get *in*." I am emphasizing that because that was the Manager's position when we had talked about that. However, they have indicated they would do for us an actuarial analysis although talking with Mr. Sherman, he said no matter how bad that figure is provided to you, when the actuarial work is done, it is even worst than that over the period. I want to remind everyone there is two (2) parts to that, the first one is what is anticipated to be your actual costs, like your current year costs, and the second, how the actuaries take that over a ten year or twenty year period and that has to be included in our financial statement. So that has a considerable cost impact. Mayor-Pro-Tempore Joe Kusar – that goes on in the first paragraph, it is not on the cost, but accruals may run as high as ten (10) times, that must be on the current accrual. City Manager Lee Gilmour – Exactly right. Council Member Bobby Glover – What happened to GMA? Weren't they supposed to come in and give us some help here? City Manager Lee Gilmour – GMA does not have a consultant set up yet to do this work. They are talking about getting one. Council Member Bobby Glover – What about the actuarial? City manager Lee Gilmour – they don't have anyone to do this, this is the health insurance, not retirement. Now they do talk about several other options that can be taken a look at such as Defined-Contribution Benefits, Voluntary Employee's Benefit Association, and Health savings Accounts which might be more effective. The price they are talking about is – Actuarial Analysis: \$9,500 and Strategic Analysis: \$25,000. I certainly do not think \$25,000 is a small number, however, as I state in my cover memo, I do think it is important for us to do some type of planning or assist our employees relative to future health planning where it might be just the public safety employees or as the Administration has said, something for

all our employees. I would recommend to the Council, not today to decide, but to consider the viability of hiring this firm to come in and provide a series of other options to take a look at. I think if Council just wants to have an actuarial number, to have that number out there for the post benefits, go with J.G. Gaston and Associates, Inc. you will get a report back that will tell you it is astronomical high and you pay them \$2,500. Council Member Bobby Glover – have we checked them out? City Manager Lee Gilmour – Yes. Council Member Bobby Glover – Who checked them out? City Manager Lee Gilmour – I did. They have agreed with me 100%. We will probably go over this again because we have three Council members missing because it's important for them to be involved. You did ask for this information and we did say we would have this information for you to consider. Mayor Pro-Tempore Joe Kusar – I think that health care is important, national issues I believe there are going to be changes in our health care system. I don't think this is an appropriate time to be going this deeply into this. It may be something we do in the future but not in the very short coming. City Manager Lee Gilmour – Like I said, think about it. Last item, we had talked about the retirement cost for the state certified public safety employees. What we had presented to you all relative to the retirement, was if we were going to amend our current plan to provide for early retirement for state certified public safety employees, the contribution rate would have to go from 8.40% to 7.07% or \$25,700 a year. That's our current plan, to go ahead and make that change. Now the request from the public safety people is to increase the calculation benefits, I meet with them and got clarified with what they would like to see, and that is provided in my memo, second page, option two (2) which is the current calculate rate for retirement is 8.40% if we amend just for the public safety employees. The increase calculation figure, the City impact rate goes from 8.40% to 16.67%, or if you were just going to have it on the public safety payroll this assumes the City does 100% contribution, it would go from 8.40% to 25.44%. The cost impact to make that change to the City on an annual basis \$363,200.

- 3c. Consider appointments For Impact Fee Advisory Committee. City Manager Lee Gilmour presented to Council members consideration appointments to the Impact Fee Advisory Committee. We talked about this at your last council meeting and have it on tonight Council's agenda to make what decisions they want to. Just a couple of things I would like to point out to Council members here in the work session. Number one, we had originally talked about and you had approved a seven (7) member advisory board. We checked with state law and state law has been changed now to where development community has to have fifty (50) percent representation instead of forty (40) percent representation, so we would like to recommend to Council that you increase the Impact Fee Committee size from seven (7) to eight (8). The second thing we like to recommend to you all is that Council consider instead appointment for the

development community positions, instead of appointing particular persons, the Council just designate certain community groups, and let those groups appoint whoever they want subject to the criteria you all had talked about last time. Whoever is a member of this committee must reside in the City or service area. Council Member Bobby Glover – Okay, break that down. City Manager Lee Gilmour – What that would mean that each member who is appointed to this committee, I will use the map up above Ms. Walker’s head, either they would either have to be in the purple or the blue (the City limits), or in the red outline area which is the service area. So in other words we would not have someone who is a homebuilder who lives in Warner Robins who would be serving on this committee, but they could be a homebuilder who lives out in Farm Lane off 341. Council Member James Moore – Could live in a different county but in the service area. City Manager Lee Gilmour – That exactly right. Because the impact fee is going to affect whatever comes into the City in the service area. The second point following up on Mr. Glover’s question, as long as they met that criteria, for example what is recommended to you is that one of the positions in on the development community be the Perry Area Realtors, subject to that they pick one of their members and say that’s whose on. Another group would be developers. Mayor Pro-Tempore Joe Kusar – Is there an official developers association? City Manager Lee Gilmour – We will send notices to all the developers, I don’t think they have an official group. Mayor Worrall – How about the Houston County Homebuilders Association? Mayor Pro-Tempore Joe Kusar – They are already on. Council Member Bobby Glover – Why would you want to take it away from the Council? City Manager Lee Gilmour – Well, I’m just making that as a suggestion because you are going to have a number of people who are going to express an interest in being on this committee, particularly from the development community, so if you choose one you potentially antagonize another. Council Member Bobby Glover – We have been doing that for forty years. The twenty years I have been down here we have upset a lot of people and what have you, so let’s bite that bullet and let each Council person name some body. I want to add J.W. Warren, Jr. to the list. City Manager Lee Gilmour – That’s fine; I just offer it as a suggestion. The persons expressing an interest to my office so far are:

- Dan Ross –President – Home Builders Association of W.R.
- Rob Cooper – Century 21
- Bob Hubbard
- Lynward Barrett – Landmark Realty
- Chuck Ramsdale
- Bill Court
- Ed Beckham
- Betty Ovatter

We will send letters to the development community to get names of individuals who may be interested in serving on the Impact Fee advisory Committee.

4. Other Items as needed: None
5. Executive Session entered at 5:44 p.m.: Council Member James Moore moved to adjourn regular meeting and enter into an Executive Session for the purpose of discussing a pending litigation matter. Council Member Bobby Glover seconded the motion and it carried unanimously.
6. Executive Session adjourned; regular meeting reconvened. Council adjourned the Executive Session held September 18, 2007 and reconvened into the regular meeting.
7. Adopted Resolution No. 2007-42 stating purpose of Executive Session held September 18, 2007 was to discuss a pending litigation matter. Council Member Bobby Glover moved to adopt a resolution stating the purpose of the Executive Session held on September 18, 2007 was to discuss a pending litigation matter. Mayor Pro-Tempore Joe Kusar seconded the motion and it carried unanimously. (*Resolution 2007-42 has been entered in the City's official book of record*).
8. Adjournment. There being no further business to come before the Council in the reconvened meeting of September 18, 2007, Mayor James Worrall, adjourned the meeting.