

**MILTON CHARTER COMMISSION**  
**February 22, 2012 Meeting**  
**Minutes/Agenda Summary**

- I. The Chairman called the meeting order and recognized a quorum at 6:05 p.m.

The following Commission members were in attendance: Robert Meyers, Ron Wallace, David Shannon, Gordon Hunter, and George Ragsdale.

Others in attendance were City Manager Chris Lagerbloom, attorney Thomas Mondelli on behalf of City Attorney/Secretary Ken Jarrard, Dr. Jeff Dorfman, Robert Morrison, Executive Aide to the City Manager, Mayor, and City Council Christine Doss, and City of Milton Finance Director Stacey Inglis.

II. **Approval of Minutes**

Copies of the January 30, 2012 minutes were circulated for review and approval.

- Commission members requested that in the future all draft minutes be e-mailed to the members in advance of the meeting for review. City Attorney agreed to make sure that the minutes would be sent in advance of future meetings and took down all Commission members' e-mail addresses.
- Commission member noted two typographical errors on pages 3 and 5 of the minutes. On page 3 under a discussion of Veto Power, the minutes should read that a motion was made to reverse the Commission's earlier decision. On page 5 under a discussion of salary for the City's elected officers, the Commission clarified that minutes should reflect that salary discussions should be subject to the further review of future Charter Commissions.
- Commission member requested that the minutes be revised to more clearly highlight the actual decisions of the Commission as distinct from discussions of any particular issues.

**[George Ragsdale left the meeting at 6:15 p.m.]**

- At that time a motion and second were made to approve the January 30, 2012 minutes with the amendments to the minutes discussed above. Motion approved 4-0.

III. **Millage Rate Discussion**

At this time, the City Manager formally introduced Dr. Jeff Dorfman and Robert Morrison to the Charter Commission for the purpose of discussing the City's millage rate.

- Mr. Morrison began the discussion by noting that the City’s current millage rate is capped at 4.731 mills and inquired whether the cap applies only to expenses or to capital outlays as well.
- City Manager indicated that a preliminary opinion from bond counsel indicates the cap applies to both.

**[Chris Lagerbloom left the meeting at 6:30 p.m.]**

- Mr. Morrison stated that most counties and local governments have a cap for expenses but not for bonds that have been approved by voters on a ballot question, allowing the existence of an essentially unlimited ad valorem tax. If the City held a bond referendum with the millage rate capped, it could impact the City’s bond rating. Ultimately, Mr. Morrison advised that this is a question that needs to be addressed by the City’s bond counsel.
- Commission members then discussed what changes could be made to the City Charter on this issue. Two issues in the Charter were highlighted for review:
  1. Currently, the Charter requires a majority of all registered voters to approve a bond issue. This “double majority” differs from the voting rules of other jurisdictions which simply require a majority of voters in an election to approve a bond.
  2. Whether the Charter’s language capping the millage rate could be changed to cap only the millage rate for expenses and not for approved bonds.
- Commission members discussed whether other jurisdictions cap the millage rate in a similar manner to the City.
- Dr. Dorfman noted the only jurisdiction he knew of that did so was Jefferson City, Alabama, which is currently in or approaching bankruptcy, in part because of this specific issue. Dr. Dorfman generally endorses the proposition local governments should be able to raise taxes to pay off bonds. Otherwise, the full faith and credit of the government would be in question.
- Commissioners then discussed the origins of the cap, and that it was made at the suggestion of the original City Manager and CH2MHill.
- Mr. Morrison then inquired whether this issue was better addressed by the State Legislature rather than by voters approving a modification to the Charter.

**[George Ragsdale returns at 6:46 p.m.]**

- Commission summarized the discussion on the Millage Rate to that point.
- Discussion then shifted to the question of changing the “Double Majority” rule in the Charter.

- Commission members noted that regardless of the application of the cap, the Double Majority should be changed.
- Commission also noted that the Charter should be more flexible on the question of Millage Cap, that way the City can be responsive to future needs.
- Discussion continued regarding the best way to go about changing the Millage Rate and the Double Majority rule in the Charter, and whether the matter should be left to the State Legislature. Additional discussion was had on the practical impact of the current “Double Majority” rule on raising the millage rate. Dr. Dorfman noted that current rule would make raising the millage rate exceedingly difficult to accomplish.

**[Chris Lagerbloom Returns at 7:10 p.m.]**

- After discussion, the Commission proposed changes to the City Charter:

1. Section 1.12(40)(A) is changed to read:

For all years, the millage rate imposed for ad valorem taxes on real property shall not exceed 4.731 unless a higher limit is recommended by resolution of the city council and approved by a majority of votes cast in an election; provided, however, that for the purposes of compliance with O.C.G.A. § 48-8-91, the millage rate may be adjusted upward for the sole purpose of complying with the millage rate rollback provisions set forth therein;

Commissioners noted that Section 6.11(b) must also be changed to be in accord with the proposed change to Section 1.12(b)(40). As such, Section 6.11(b) is changed to read:

For all years, the millage rate imposed for ad valorem taxes on real property shall not exceed 4.731, unless a higher millage rate is recommended by resolution of the city council and subsequently approved by a majority of votes cast in an election. This millage rate limit shall apply to the millage rate actually levied and shall not apply to the hypothetical millage rate computed under O.C.G.A. § 48-8-91(a), relating to conditions on imposition of the joint county and municipal sales tax.

A motion and second were made to approve the language in both sections. Motion approved 5-0.

2. The Commission then proposed creating a new Section 1.12(40)(B) which shall read:

If recommended by resolution of the City Council and approved by a majority of votes cast in an election, ad valorem taxes on real property may be levied for the purpose of paying principal in interest on bonded indebtedness. These ad valorem taxes shall not be considered subject to the millage rate cap in subsection (A) above.

A motion and second were made to approve the language. Motion approved 5-0.

- Upon recommendation from City Financial Director, a motion and second were made to remove Section 1.12(40)(C) in its entirety. This change was recommended as it was currently impossible to comply with the requirements of the Section. Motion approved 5-0.

**[Morrison, Dorfman, and Inglis leave at 7:40 p.m.]**

#### **IV. Next Meeting:**

Per direction of the Commission, the next two meetings were scheduled for March 7, 2012 and March 21, 2012. At that time, the Commission shall review all proposed changes to the Charter made to date in order to obtain consensus on the language proposed and confirm the changes.

**[Chris Lagerbloom leaves at 7:48 p.m.]**

#### **V. City Boundaries**

- Commission notes that there are two issues to be discussed. First whether there should be changes to the size and composition of the City's voting districts for the purpose of electing individuals to the City Council. Second, how the City should address the "islands" within the City that are controlled by other municipalities, specifically Courthouse (Roswell) and North Park (Alpharetta).
- Commission member inquired whether the "islands" were permissible under the annexation ordinances and whether it would be possible to create a voluntary arrangement with the other municipalities regarding control and access to the "islands."
- Commission member proposed reducing the voting districts from 6 to 3, with two council members elected from each district. This would allow for potentially stronger candidates to be elected to the City Council as the pool of elected officials would be expanded for each Council seat.
- Discussion ensued regarding how borders of the proposed districts would be set and whether each proposed district would have staggered elections for the Council seats.

- Ultimately the discussion was continued for a later date in order to examine the issue further and seek additional demographic information from the City regarding population density.

## **VI. Closing**

A motion and second were made to adjourn the meeting. Motion approved 5-0.

Meeting adjourned at 8:02 p.m.