approved 8-12-15

1 CITY OF FLINT

2 RECEIVERSHIP TRANSITION ADVISORY BOARD MEETING

3 JULY 15, 2015

4 2:00 p.m.

5

6 Meeting before the RTAB Board at

7 1101 S. Saginaw, Flint, Michigan, on Wednesday, July 15,

8 2015.

9

10 BOARD MEMBERS PRESENT:

11 Frederick Headen - The Chairperson
Robert McMahan
12 Brian Larkin
David McGhee
13 Beverly Walker-Griffea

14

15 FROM THE CITY:

16 Natasha Henderson, Administrator
Jody Lundquist, Finance Director
17

18 OTHERS PRESENT:

19 R. Eric Cline
Monica Galloway
20 Eric Mays

21

22 REPORTED BY: Mona Storm, CSR# 4460

23

24

25

1 MOTION INDEX

2 MOTION PAGE

3 I. Call to order 3

4 A. Roll Call 3

5 B. Approval of Agenda 4

6 C. Approval of 6-11-15 minutes 4

7 II. OLD BUSINESS 4

8 A. Obsolete Personal Property Tax Exemption 7

9 III. NEW BUSINESS: 7

10 A. Approval of Resolutions & Ordinances for

11 City Council Meetings

12 June 8, 2015, approved except 448 9

13 #150448, approved 9

14 June 22, 2015, approved 12

15 June 29, 2015, not approved 33

16 Budget Amendment, approved 34

17 B. City Administrator Items 34

18 Renewal of Transportation millage, adopted 36

19 B. 1. Budget to Actual 36

20 2. Budget Overview 38

21 IV. Public Comment 47

22 V. Adjournment 54

23

24

25

1 Flint, Michigan

2 Wednesday, July 15, 2015

3 2:01 p.m.

4 THE CHAIRPERSON: It is 2:00. This meeting

5 of the Flint RTAB will be in order. There are copies

6 of the agenda in the back of the room for anyone who

7 doesn't have one but wishes to. Also in the back is a

8 sign-in sheet for anyone who wishes to address the

9 Board during public comment.

10 Item I A, Roll Call. I'll let the record

11 reflect that all five RTAB members are present. We do

12 have a quorum.

13 Item I B of the agenda, we had a last minute

14 addition involving a renewal of a transportation

15 millage resolution. For that, is there any objection

16 to adding that item to the agenda?

17 MR. LARKIN: No objection.

18 MR. McMAHAN: No objection.

19 THE CHAIRPERSON: If not, any objection to

20 approving the agenda as amended?

21 MR. McMAHAN: So moved with the amendment.

22 MR. McGHEE: Support.

23 MR. LARKIN: Support.

24 THE CHAIRPERSON: Those in favor?

25 BOARD MEMBERS: Aye.

1 THE CHAIRPERSON: Opposed?

2 The agenda's approved.

3 Item I C, approval of the minutes of the RTAB

4 meeting of June 11th. Those were previously passed

5 out. Are there any corrections or additions to those

6 minutes?

7 If not, I'll entertain a motion that the

8 minutes be approved as reported.

9 MR. LARKIN: So moved.

10 MR. McMAHAN: Support.

11 MS. WALKER-GRIFFEA: Support.

12 THE CHAIRPERSON: Those in favor, please say

13 "aye".

14 BOARD MEMBERS: Aye.

15 THE CHAIRPERSON: Opposed?

16 The prior meeting minutes are approved.

17 Item II, Old Business. We have before us a

18 request for exemption for obsolete property. This item

19 was before us at the last meeting. We have in our

20 packet information provided by the City Administrator

21 as well as information provided by the City Council.

22 It happens to be before us based upon Section 19 of the

23 Emergency Manager Order 20. It's a situation where an

24 economic or redevelopment issue was presented to the

25 Council and disapproved. So the tiebreaker goes to

1 this particular board.

2 Also, at the conclusion of the last meeting

3 we had the opportunity, as members, to present a series

4 of questions to both the City Administrator and the

5 Council and received responses back from those. Just

6 for purposes only, on discussion, is there a motion

7 that the exemption be approved?

8 Again, for discussion purposes only.

9 MR. McMAHAN: A motion.

10 THE CHAIRPERSON: Support?

11 MS. WALKER-GRIFFEA: Support.

12 THE CHAIRPERSON: Motion conveyed and a

13 second. Any discussion of the members?

14 MR. LARKIN: I would -- I would like to

15 address the Board and I would like to acknowledge that

16 I would -- I would be abstaining from the vote of this

17 specific topic, due to my level of involvement with

18 this particular project in advance of being appointed

19 to the Transition Advisory Board.

20 THE CHAIRPERSON: Other discussion?

21 Other members?

22 MR. McMAHAN: I don't have any, other than to

23 say I want to thank the City and the Council for the

24 completeness of their responses to the questions. They

25 were very informative and complete.

1 MR. McGHEE: Yeah, I second that. Not only
2 informative but also timely. They did a great job in,
3 you know, providing answers and responses to those
4 issues or questions or concerns.
5 THE CHAIRPERSON: Any other discussion?
6 If not --
7 MS. WALKER-GRIFFEA: I guess I would just
8 like to say --
9 THE CHAIRPERSON: Yes?
10 MS. WALKER-GRIFFEA: I would just like to
11 say, as a part of the discussion, one of the things
12 that pretty much jumped out at me is that, as we move
13 forward, working together with this new configuration,
14 that it would be great and I would be very supportive
15 of the City Council making sure that they're having a
16 voice as things are moving along with resolutions with
17 the Mayor and the City Manager.
18 I think that, as I read the information, it
19 looked like some of the conflict that caused this vote
20 to be different was a lack of communication between
21 those two or three organizational components.

22 THE CHAIRPERSON: Other comments from the

23 members?

24 If not, questions on the adoption of the

25 motion? The motion is that the requested exemption for

1 obsolete property be approved. Those in favor, please
2 say "aye".
3 MR. McMAHAN: Aye.
4 MR. McGHEE: Aye.
5 MS. WALKER-GRIFFEA: Aye.
6 THE CHAIRPERSON: Opposed?
7 The motion is adopted.
8 Item III, New Business. A, Approval of
9 Resolutions and Ordinances of the City Council
10 meetings. Mr. Cline, is this an issue to which you
11 wish to speak?
12 MR. CLINE: Good afternoon. Just to draw
13 your attention to one particular item, Resolution
14 Number 448 is requesting a budget amendment to the
15 fiscal '16 budget to account for additional expenses
16 related to the 911 consolidation.
17 I believe since this is an amendment to the
18 two-year budget, it would require the State Treasurer
19 to approve that. So, typically, the RTAB boards will
20 make a recommendation to approve that amendment to the
21 budget, assuming of course that you -- that you agree

22 with that. Therefore, it has been somewhat the

23 practice of the other RTAB boards to adopt the other

24 resolutions from that particular meeting with the

25 exception of that particular resolution which you'll

1 see singled out on your agenda and then address that in
2 a separate motion so you can make a recommendation to
3 the State Treasurer on that.
4 So I don't know if there's any specific
5 questions on this particular packet. I believe
6 everything else was pretty standard I've had but I did
7 want to note that just procedurally for you. So --
8 okay. Thank you.
9 THE CHAIRPERSON: Has money been identified
10 with regards to this particular item?
11 MR. CLINE: I believe it has, yes. There is
12 some information that was provided by the City on that.
13 I would defer to them for more specific discussion as
14 to that. But yes, the money has been identified. I
15 believe that there's no undue strain on the City's
16 budget to make this amendment. And, as I understand
17 it, the 911 consolidation will be complete, I believe,
18 by either late August or early September. So --
19 THE CHAIRPERSON: And your recommendation
20 will be that the resolutions, other than 448, be voted
21 upon separately and then 448 then would be voted upon?

22 MR. CLINE: Yes, yes. Because that would be

23 in the form of a recommendation to the State Treasurer

24 to approve an amendment to the two-year budget, so --

25 THE CHAIRPERSON: Is there, then, a motion to

1 the effect that the resolutions from the June 8th City
2 Council Meeting, other than 448, be approved?
3 MR. LARKIN: So moved.
4 MR. McMAHAN: Support.
5 THE CHAIRPERSON: A motion is made and a
6 second. Is there any discussion?
7 If not, those in favor please say "aye".
8 BOARD MEMBERS: Aye.
9 THE CHAIRPERSON: Opposed?
10 Motion is approved.
11 That leaves Resolution 448. Is there a
12 motion that Resolution 448 be approved?
13 MR. McGHEE: I motion that this particular
14 resolution is amended as recommended.
15 THE CHAIRPERSON: Is there support?
16 MR. LARKIN: Support.
17 THE CHAIRPERSON: Any discussion?
18 If not, those in favor of the motion, please
19 say "aye".
20 BOARD MEMBERS: Aye.
21 THE CHAIRPERSON: Opposed?

22 The motion is adopted.

23 Item 2, a Resolution from the Regular City

24 Council meeting of June 22nd, Attachment 4.

25 Mr. Cline, any comments with regards to this?

1 MR. CLINE: I believe that everything here is
2 pretty self-explanatory. There is a Brownfield
3 agreement between the City and the County that is up
4 for consideration that is simply working through the
5 County to administer a Federal Brownfield grant for
6 some environmental cleanup within the City. And
7 there's also a change order for approximately $2,200
8 for IT services. Most of the items, in my review, seem
9 pretty standard.
10 The -- I will say that the Brownfield
11 agreement, also, the City currently has a couple of
12 other agreements of a similar nature in place. So I
13 didn't see anything, looking through it, that gave me
14 cause for concern on that. So I think this is a
15 standardized meeting. So if there's no specific
16 questions --
17 MS. WALKER-GRIFFEA: I have a question.
18 MR. CLINE: Yes?
19 MS. WALKER-GRIFFEA: How does 150484.1 fit
20 into this?
21 MR. CLINE: And that is -- I'm sorry. Which

22 subject is that?

23 MS. WALKER-GRIFFEA: 150484.1.

24 MR. CLINE: 484.1, I believe that is the

25 change order. 484. I'm trying to find it. And what

1 is your specific question related to it?

2 It is a change order to an IT service

3 contract to increase the amount of funding available to

4 the vendor to perform some additional activities for

5 the City.

6 MS. WALKER-GRIFFEA: Is it within the

7 Environmental Protection?

8 MR. CLINE: No, there's a separate issue.

9 MS. WALKER-GRIFFEA: So it is separate?

10 MR. CLINE: Yes. I'm sorry.

11 MS. WALKER-GRIFFEA: Okay. That was it.

12 MR. CLINE: Okay.

13 THE CHAIRPERSON: And with respect to all of

14 these involved dollar amounts, have appropriate funding

15 sources been identified?

16 MR. CLINE: Yes.

17 THE CHAIRPERSON: Is there a motion, then,

18 with respect to the resolution from the Regular City

19 Council meeting of June 22nd, as described by

20 Mr. Cline, be approved?

21 MR. McGHEE: So moved.

22 MS. WALKER-GRIFFEA: So moved.

23 THE CHAIRPERSON: Support.

24 MR. LARKIN: Support.

25 THE CHAIRPERSON: Discussion?

1 Those in favor of the motion, please say
2 "aye".
3 BOARD MEMBERS: Aye.
4 THE CHAIRPERSON: Opposed?
5 The motion is adopted.
6 Item III 3, Resolutions of the Regular (sic)
7 City Council Meeting of June 29th. Those are
8 Attachments 5a and 5b. Mr. Cline?
9 MR. CLINE: Yes. What we have here, this is
10 the -- took place at a Special City Council meeting on
11 June 29th. The City Administrator presented a series
12 of year-end budget amendments to the City Council,
13 which were ultimately adopted.
14 However, the City Council amended the motion
15 to adopt the budget amendments and in order to use
16 about $200,000 of the City's existing fund balance for
17 use for grass and weed abatement throughout the City.
18 I wanted to note that the City's standing fund balance
19 at this point is just under $500,000. It is $495,153
20 by information I have. So use of the $200,000 would --
21 would be using approximately 40 percent of the City's

22 existing fund balance.

23 We have a memo from a City Administrator that

24 indicates her concerns with this use of fund balance

25 and shows that such a vote and such usage is not

1 consistent with the City's fund balance policies and
2 has expressed concern over this usage.
3 I think what is before the RTAB -- and I
4 don't know if you have specific questions and I
5 would -- I would think that you may want to speak with
6 the City Administrator on this, if need be. But one of
7 the concerns that -- or procedurally one of the
8 concerns that the RTAB needs to recognize is that,
9 whatever decision that you render, it's either going to
10 be an approval, which approves both budget amendments
11 and the use of the $200,000 or it's going to be denied,
12 all of it.
13 You're not in a position to sort of pick one
14 and not the other because it was all contained within
15 one vote and the limitations of the RTAB is pretty
16 much, I guess, an up and down vote process. So you'll
17 need to take that into account if the Board rejects
18 this action and the City is going to have to go back
19 and determine how to address those budget amendments
20 because they were for a fiscal year end that is now
21 passed and ended June 30th.

22 If it move -- if you approve it and it moves

23 forward, then the City's going to have to be concerned

24 with the drain on its fund balance and the fact that

25 those policies were established by Emergency Manager

1 directive and are in place through City policy. So --
2 and there are minimum thresholds, I believe 12 to
3 15 percent is what the City is supposed to have.
4 Unfortunately they're not quite that level
5 but they're on path to build up to it. So it's -- it's
6 a rather complicated issue before you. So I don't know
7 if you have any other specific questions.
8 THE CHAIRPERSON: And what is your
9 understanding of the difference, if any, between
10 Resolution 488 and 488.1?
11 MR. CLINE: As best as I have been able to
12 determine from multiple readings of this, Resolution
13 488 just effectively acknowledges that the Council is
14 going to amend the budget amendments as presented.
15 They -- that resolution really has, in my analysis, no
16 effective -- it doesn't really do anything one way or
17 the other. It's more of just a ceremonial statement
18 that we're going to amend these budget amendments and
19 then 488.1 is actually the one that -- that adopts the
20 action that is now before you.
21 THE CHAIRPERSON: Okay.

22 MR. CLINE: So, really, you have -- I guess

23 you could say you have -- you have two motions to -- to

24 consider but the first one, really, there's no

25 practical effect to it.

1 MR. McMAHAN: But these are coupled. Did I
2 understand you correctly?
3 MR. CLINE: Well, there's a separate vote
4 taken that -- and that was their intention, to amend
5 the budget amendments that were presented to them.
6 MR. McMAHAN: Well, you just said that this
7 is an up or down on --
8 MR. CLINE: Yes. But you could vote -- you
9 could vote separately on each one.
10 MR. McMAHAN: Okay. So we can break it up?
11 MR. CLINE: Yes. But you can't -- what I'm
12 saying is what -- I'm sorry. I -- what I -- just to
13 clarify what I said earlier is that you can't separate
14 the actual budget amendments from the use of the
15 $200,000. That's intertwined in the vote that was
16 taken. But that second resolution, which was actually
17 the first vote taken by Council, that really has no --
18 it's more of a position statement, as I interpret it,
19 than an actual action statement.
20 THE CHAIRPERSON: I believe that we may have
21 questions, or at least I do, for the City Administrator

22 but I'm going to make sure others of my colleagues may

23 have questions as well so I'll let them go first.

24 MR. LARKIN: I have a question for the City

25 Administrator. If, based on the -- what has just been

1 provided as far as our options for voting here today,
2 if the amendments that were presented to City Council
3 by your administration are not approved, what impact is
4 that going to have in the operation of the City moving
5 forward over these next 30 days until the RTAB meets
6 again?
7 MS. HENDERSON: It doesn't have an impact in
8 the sense that we're -- we've completed that fiscal
9 year. However, the impact that I see is that we don't
10 have a budget amendment for the past year and that is
11 something that we are supposed to have. That's general
12 accounting principles; that we should have amended the
13 budget. It's in accordance with the -- the fiscal
14 responsibility, the financial responsibility orders
15 that are in place. And I gave you a copy of those, of
16 two of those.
17 We are supposed to have budget amendments at
18 every quarter and this happens to be our year end
19 quarter, which is the fourth quarter. So we do need
20 that budget amendment for auditing purposes to close
21 out. Because those, the implications of that, would be

22 that we could get findings because that is not approved

23 because we don't -- if you're asking specifically about

24 the $200,000, of course we're out of that year so we

25 couldn't go back and spend $200,000 on grass abatement.

1 It would be in this year, if we did that at this point.
2 THE CHAIRPERSON: Is it -- is it your
3 understanding with regards to the issue before us,
4 which is a City Council resolution, that were we to
5 disapprove that resolution, that the situation at that
6 point would be that you, as the Administrator, and the
7 City Council would then go back and revisit your
8 original request to them?
9 MS. HENDERSON: I would do that. I would go
10 back and -- and I would ask the Council President if he
11 would be willing to revisit that so that we could talk
12 about that again. However, we are out of that fiscal
13 year. So we do need to have a budget amendment in
14 place. So I hope that answers your question. We do
15 need that budget amendment and I do continue to fill
16 the same position that I presented in the memo about
17 that.
18 THE CHAIRPERSON: And placing the particular
19 budget amendment in place would require what action by
20 this Board or action by you and the City Council?
21 MS. HENDERSON: It would require action with

22 the procedure that I, as the City Administrator, have

23 to go through to take those things to the Council and

24 then it comes to the RTAB.

25 THE CHAIRPERSON: And can you speak to --

1 even though we have your memo here from July 1, can you
2 speak to the issue of the fund balance requirement, the
3 12 percent and the impact that the $200,000, if
4 approved, would have upon the current balance?
5 MS. HENDERSON: Yes, I -- I can. In the --
6 the memo that I sent to you all, it basically explains
7 that this is a -- the fund balance, we do have an
8 unrestricted fund balance of the $1 million that was
9 actually budgeted. So at the end of this -- of the
10 fourth quarter, it ended up that -- such that it was
11 1 -- it would have been 1.495 million.
12 All of this -- the City has a fund balance at
13 this point because of that emergency loan and that was
14 for $7 million. That $7 million was granted to the
15 City and the $7 million was then paid to another fund
16 that the general fund holds, just for some background
17 on that.
18 So coming out 495,000 over the 1 million that
19 was budgeted, that puts the City in a situation where
20 you have -- it would still be less than 3 percent. So
21 we budgeted the 1 million, came out 1 point -- just to

22 say 1.5 for purposes of the meeting.

23 However, the fund balance policy clearly

24 states that the City shall maintain an unrestricted

25 reserve, an amount equal to no less than 12 percent and

1 no more than 15 percent of budgeted general fund
2 expenditures at all times.
3 It was understood when the Emergency Manager
4 left that the City would not be in a position that we
5 would have 12 percent of the fund balance -- of --
6 12 percent fund balance. So the plan to do that is to
7 budget accordingly. So we're budgeting the million
8 dollars because that's realistic at this point.
9 However, this is a situation where the City actually
10 had an overage of the -- the -- the .5 million.
11 So with that being said, we're not too --
12 with the fund balance policy, we're not at 12 percent,
13 we're not even close. And for me and for what I feel
14 the fund balance policy was put in place for, it was
15 something that was adopted -- I would like to note that
16 it was adopted by Council, under emergency management
17 they adopted it, and then it was ordered by the
18 Emergency Manager as well.
19 This, to me, says that we need to get to the
20 12 percent and it doesn't speak to if we happen to have
21 .5 million over the 1 million budget or whatever it may

22 be, that we should spend it if we're not at the

23 12 percent. And because we're not at the 12 percent, I

24 think it's an -- we're in a very detrimental time. And

25 to have a budget that is 51.3 million into only --

1 we're not talking about a fund balance, we're not
2 talking about just this year. There's not any fund
3 balance, other than what we're speaking of right now,
4 that's resulted out of the City having the $7 million
5 loan.
6 Because as we go over the budget later in
7 this meeting, you'll see that this is not even
8 included. This, the $7 million, the loan was not taken
9 into account when this budget was actually done for
10 '016 for the year that we're sitting in right now which
11 started July 1.
12 So I hope that gives you a little bit of
13 background and this is not to say that I don't
14 understand the City's stance on grass abatement. And
15 that is why Administration has come up with a plan to
16 deal with grass abatement.
17 However, at this point, to take fund balance
18 that's in the general fund of which all of your
19 enterprise funds depend on, meaning general fund is not
20 restricted. If something happens, that's where you can
21 get the money from. If something happens, for

22 instance, with the water fund, sewer fund, the general

23 fund is not restricted. So, therefore, the money has

24 to come -- come there. So all funds rely back upon the

25 general fund, so that's why it's important that we do

1 have a fund balance.

2 And this is standard practice for

3 municipalities, that you would have at least 12 to

4 15 percent of fund balance so that, if anything

5 happens -- there are extenuating circumstances and

6 expenses that may come up. For instance, as in your

7 memo, it talks about the re-appraisal that the City

8 will have to do. And that is something that the State

9 Tax Commission is requiring the City to do. That is a

10 general fund expense.

11 So the City will have to pay and budget for

12 to pay that. And this is unrestricted fund balance.

13 So, therefore, that is somewhere that we possibly may

14 have to utilize the fund balance. So that is why it's

15 important to always have a fund balance and then there

16 are just some more instances and I know that you

17 guys -- you all have that information so I won't go

18 into that. So I hope that helps.

19 THE CHAIRPERSON: Any questions?

20 MS. WALKER-GRIFFEA: I have a question. Have

21 we been able to start the grass abatement?

22 MS. HENDERSON: Yes, we have. We have. And

23 we also -- their -- we had funding located for this

24 year, meaning in our CDBG there was an allocation. We

25 had an allocation of 60,000 and that was for the tool

1 shed, different recs and that would be grass abatement
2 as well.
3 Also, we took $100,000 in our -- in the
4 Public Works Department and those funds are restricted
5 so those were for right-of-ways. Right-of-ways have
6 been a huge issue for the City so we are addressing
7 that and so we found -- and then we also took $20,000
8 from fund balance and that was without coming to the
9 Council for an amendment for this year, meaning we
10 looked in another department that we thought would
11 possibly be lower than the allocation and we took that
12 20,000 from there and we're utilizing that for grass
13 abatement as well.
14 Also, in addition to what was already
15 allocated in the budget from CDBG, we found another
16 $20,000 to allocate there as well to kind of switch
17 around because what was important for myself as the
18 City Administrator and Ms. Lundquist as the Chief
19 Financial Officer is that we do not start to go into
20 fund balance for situations like this because we really
21 need to get to this 12 to 15 percent of which is one of

22 the fiscal stability policies and we really need to --

23 because that is how this community can become fiscally

24 stable and sustainable. Thank you.

25 MR. LARKIN: I have a question. Was there --

1 and I don't know if this may be more appropriate for
2 Council. But was there any rationale behind the
3 specific request of 200,000; was it based on any
4 particular value or in accordance with any other
5 proposals that were out there or where did that number
6 come from?
7 MS. HENDERSON: There was a motion there that
8 was actually -- the $200,000 came from the Council
9 Chair Josh Freeman, he put the number out there, it's
10 $200,000. And I don't know if you all are aware, for
11 grass abatement that is an expensive cost. So the
12 $200,000 probably was a lower number than probably
13 their middle ground. I'm just speaking, I don't know.
14 But, for grass abatement, it is expensive.
15 So I can acknowledge that, even though I don't believe
16 that it's in the City's best interest to take the fund
17 balance to do that. So I hope that kind of helps you.
18 I don't know if you would like a Council member to
19 address that or --
20 MR. McMAHAN: You've indicated in your memo
21 that you identified resources, approximately $140,000,

22 in this year's budget, the 2016 budget.

23 MS. HENDERSON: That's correct.

24 MR. McMAHAN: For this purpose, without any

25 budget amendment and within the balance budget for the

1 City's standard, is that still the case; is that
2 correct?
3 MS. HENDERSON: That is correct. And we are
4 implementing that right now.
5 MR. McGHEE: So, just for clarity's sake, I
6 have a question. We are at the point in time in the
7 year, in the fiscal year, where we need a budget
8 amendment but approve-ment of this particular amendment
9 would also approve the $200,000 for -- is that correct?
10 MR. CLINE: Yes.
11 MR. McGHEE: Okay.
12 MS. HENDERSON: That's correct.
13 MR. LARKIN: You mentioned the possibility of
14 fines if we don't approve the budget.
15 MS. HENDERSON: No, not fines. We could have
16 findings.
17 MR. LARKIN: Oh, findings.
18 MS. HENDERSON: For audit purposes.
19 MR. McMAHAN: And how does that typically
20 conclude?
21 MS. HENDERSON: That -- have you all decided?

22 MS. LUNDQUIST: October.

23 MS. HENDERSON: October.

24 MR. McMAHAN: So there's several meetings

25 between now and then for the Council?

1 MS. HENDERSON: That is correct. It would be
2 best by -- we would -- by August would be great or by
3 July 15th. I know that's today.
4 Yeah. Any -- anything?
5 THE CHAIRPERSON: Other questions for the
6 City Administrator?
7 MS. WALKER-GRIFFEA: Can I ask him?
8 THE CHAIRPERSON: Yes.
9 MS. WALKER-GRIFFEA: So we cannot separate,
10 correct?
11 MR. CLINE: Correct.
12 MS. WALKER-GRIFFEA: Okay.
13 MR. CLINE: It's all or nothing.
14 MS. WALKER-GRIFFEA: Okay.
15 MR. McMAHAN: But the Council has sufficient
16 time to pass the requisite amendment prior to the audit
17 close?
18 MR. CLINE: I believe they would, yes. All
19 communities try to address these things prior to the
20 end of the fiscal year. Given that the City has to
21 work through the RTAB as well, I think that none of us

22 collectively were quite in sync yet, since we had just

23 completed our first meeting, to really get that

24 scheduling worked out and recognize that, which is not

25 unusual when a RTAB begins operation in a community.

1 However, I believe it is kind of my opinion
2 that I think if they just go back and redo it, although
3 it may not be a perfect solution, it is a solution that
4 could be pursued and would probably be at least for, at
5 a minimum sake of appearances, it would be better than
6 nothing. Though I think some additional research in
7 that line could, you know, help the City. But that's a
8 line of conversation that is still going on, I think.
9 But as the City Administrator indicated and I
10 think her next step, if the Board does not approve
11 this, would be to go back and ask the City Council to
12 readdress this, so --
13 THE CHAIRPERSON: Mr. Larkin?
14 MR. LARKIN: So, procedurally, moving
15 forward, if an amendment is brought forth to Council
16 and an additional amendment is put on it, is this the
17 only option that we have at that point? Is this --
18 and, for instance, I asked we address the -- the
19 Advisory Board addressed earlier a specific exemption,
20 City Administrator had one point of view, the Council
21 had one point of view, it was brought forward, we had a

22 choice. Is that possible with a budget amendment?

23 MR. CLINE: I don't believe that it is.

24 MR. LARKIN: Okay.

25 MR. CLINE: For the OPRA tax -- tax exemption

1 that you addressed earlier, that was specifically
2 identified in the final Emergency Manager Order to make
3 that possible. But in this case, it does not. There
4 are some narrow exceptions under certain circumstances
5 where the City Administrator can come forward to you.
6 But in this particular case, she presented
7 budget amendments. Those were adopted but there was
8 additional add-ons to the motion and, therefore,
9 because that's a City Council action, I believe that
10 it's before you as either you concur with them or you
11 disagree and you're going to deny it.
12 MR. LARKIN: Thank you.
13 MR. CLINE: Anything else?
14 THE CHAIRPERSON: Mr. McGhee?
15 MR. McGHEE: No. Forgive me, I'm just
16 processing this. Understanding that, obviously, this
17 needs to be approved but I'm just stuck on the all or
18 nothing piece, considering that -- so if the -- bear
19 with me for a second.
20 MR. McMAHAN: Well, I think -- may I?
21 MR. McGHEE: Yeah, go ahead.

22 MR. McMAHAN: I think, procedurally, we have

23 to encourage -- with recognizing that the RTAB exists,

24 I think, procedurally, we have to encourage the Council

25 administration to not bundle things in this way because

1 it creates a difficult -- given our present structure,
2 it creates difficulty for us to process it. It
3 presents us with an option of having to send something
4 back to the -- you know, which we would rather not do,
5 obviously --
6 MR. McGHEE: Right.
7 MR. McMAHAN: -- you know, given the
8 requirements. But if presented this way, it also
9 restrains our ability to act.
10 MR. LARKIN: I guess our question to Eric,
11 though, is did they have a choice; could it have come
12 before us without being bundled?
13 MR. CLINE: They could have voted on it as a
14 separate motion. Why they elected to --
15 MR. McGHEE: That's it.
16 MR. CLINE: -- to --
17 MR. LARKIN: Okay. Thank you for that.
18 MR. CLINE: Yeah. Why they elected to
19 approve it in the same motion as the budget amendments,
20 I can't say. But they could have simply, you know,
21 adopted the budget amendment, for example,

22 hypothetically, and then made another motion to use the

23 200,000 and then voted on that and then you could have

24 voted separately on these issues. So --

25 MR. LARKIN: Okay.

1 MR. CLINE: -- that could have been an
2 option. See, the nature of the RTAB, the way it is
3 structured, it is basically a reactionary body and, as
4 you review the action of the City Council, it's either
5 you -- you review it -- you affirm it or you review it,
6 you disagree but there's no -- for lack of a better
7 term, there's no line item veto capability. So you
8 can't say, "Well, I like this part of the motion but
9 not that part"; it doesn't work that way.
10 THE CHAIRPERSON: So the issue before us has
11 to do with Resolution 488.1 adopted at the special
12 meeting. We don't presently have a motion before us.
13 But at least for purposes of Board discussion, if any,
14 is there a motion that Resolution 488.1 from the
15 Special City Council Meeting, June 29th, 2015 be
16 disapproved, for discussion purposes only?
17 I'm sorry?
18 MR. LARKIN: So move.
19 THE CHAIRPERSON: Is there support?
20 MR. McMAHAN: Support.
21 THE CHAIRPERSON: Discussion?

22 MR. McGHEE: So we have compliance rules,

23 right, the fiscal year?

24 THE CHAIRPERSON: Um-hmm.

25 MR. McGHEE: And we also have a fund balance.

1 So it's just the -- considering that they were bundled,
2 a motion for bundling, they weren't separate, the
3 conclusion of the audit is anticipated?
4 MS. HENDERSON: In October.
5 MR. McGHEE: October. I'm thinking aloud,
6 sorry. Thank you.
7 THE CHAIRPERSON: While you're thinking
8 aloud, the -- the -- the issue for me, I guess, is
9 two-fold. One is it appears to be the case -- and
10 correct me if I'm wrong -- that at least some funding
11 has been identified to address this issue without the
12 need to invade the fund balance; is that correct?
13 MS. HENDERSON: Yes, that is correct.
14 THE CHAIRPERSON: And secondly, my concern
15 would be with regards to the fund balance currently, at
16 least as of the end of last fiscal year, being just
17 under $500,000 is nowhere close to the 12 percent as
18 recommended by the City's own ordinance.
19 And given the fact that the City just
20 recently, several months ago, left emergency status, I
21 would be concerned about anything -- just as an

22 individual RTAB member, I would be concerned about

23 anything that would either jeopardize the City's

24 financial condition or even send the signal that City

25 officials weren't sufficiently concerned about

1 maintaining that balance.

2 To some extent, given that the existence of

3 the emergency loan is not too far stretched to say that

4 this fund balance is as good as the Department of

5 Treasury's fund balance. So, as an individual RTAB

6 member, I would have some reluctance in approving the

7 use of almost half of the existing fund balance toward

8 a particular activity that the City Administrator has

9 already identified other sources to fund. I don't know

10 how other members feel about that.

11 MR. LARKIN: I would have to concur in when

12 you think about the role of the Transition Advisory

13 Board, I believe we're in place to -- to help

14 transition into home rule. And, if we are making

15 decisions or encouraging decisions that are viewed

16 negatively by those who influence the transition, then

17 we won't really be doing our job.

18 So if it's -- if we're communicating to the

19 State that we are not able to be -- make fiscally sound

20 decisions, that won't look well towards a successful

21 transition. And I think that that's going to be really

22 important as we make our decisions moving forward is

23 trying to communicate to the State level as a whole

24 that we are, in fact, ready to make those decisions so

25 we can move to home rule.

1 So I would agree with you, Chair.

2 MR. McGHEE: Yeah, I think it's a matter of

3 the dollars as well. I mean, understanding that, you

4 know, the fund balance is there and present, regardless

5 of the dollar amount, large in part due to the loan. I

6 mean, it does speak to the dollar amount. I do have a

7 question, though, and I'm not sure who would be the

8 proper person to answer this question.

9 Is it possible for this particular body to

10 approve or remove approval for the original resolutions

11 as presented to Council without improvements? I'm just

12 curious.

13 THE CHAIRPERSON: No, that would be that

14 resolution before us.

15 MR. CLINE: No, that resolution is not before

16 you and that is not what the City Council voted on.

17 MR. McGHEE: Okay.

18 MR. CLINE: So, yes, the Chair is correct.

19 What you have to decide upon is what the action that

20 they -- they took.

21 MR. McMAHAN: It would -- Mr. Chairman, it

22 would be possible for the Board, however, to pass on it

23 since if the Board's recommendation to the Council

24 that, if the Council were to approve the resolution of

25 original amendments solely, that RTAB would be

1 supportive of that?

2 THE CHAIRPERSON: Absolutely.

3 MR. McMAHAN: That could come as a separate

4 approval?

5 THE CHAIRPERSON: Absolutely. Other

6 discussion?

7 If not, the question's on the adoption of the

8 motion. And the motion was that City Council -- in

9 Resolution 488.1 that the adopting of the Special City

10 Council meeting June 29th, 2015 not be approved. Those

11 in favor of the motion, please say "aye".

12 BOARD MEMBERS: Aye.

13 THE CHAIRPERSON: Opposed?

14 Motion is adopted.

15 I don't know if we wish to formalize the

16 census of the Board.

17 MR. McMAHAN: Mr. Chairman, I'd like to move

18 that the Board resolve the issue since of the -- since

19 the Board can transmit that resolution to the City

20 Council, indicating that we are supportive of the

21 budget amendments, unamended budget amendments, as

22 presented, we would be supportive of that.

23 THE CHAIRPERSON: Support?

24 MR. LARKIN: Support.

25 MR. McGHEE: Aye.

1 MS. WALKER-GRIFFEA: Support.

2 MR. McGHEE: Oh, you called for support. I'm

3 sorry.

4 THE CHAIRPERSON: Motion has been made and

5 supported. Any discussion?

6 Hearing none, those in favor of the motion

7 please say "aye".

8 BOARD MEMBERS: Aye.

9 THE CHAIRPERSON: Opposed?

10 Motion is adopted.

11 Item III B, City Administrator items.

12 Ms. Henderson?

13 MS. HENDERSON: The CFO will be presenting

14 the budget action.

15 MR. CLINE: Mr. Chairman, just as a reminder,

16 we did add the one item to the agenda for the -- the

17 millage that -- the transportation millage that was

18 adopted by the City Council.

19 THE CHAIRPERSON: This particular item was

20 forwarded to us, I believe, earlier this week. It is

21 an -- as I understand, a renewal of a transportation

22 millage and it is before us today because action hasn't

23 been taken, I believe, by the day before the next RTAB

24 meeting. So has everyone had a chance to take a look

25 at this?

1 MS. WALKER-GRIFFEA: Uh-huh.

2 MR. McGHEE: Uh-huh.

3 THE CHAIRPERSON: Is there a motion that this

4 particular item be approved?

5 MR. LARKIN: So moved.

6 MS. WALKER-GRIFFEA: So support.

7 THE CHAIRPERSON: Is there support?

8 MR. McGHEE: Support.

9 THE CHAIRPERSON: Discussion?

10 MR. LARKIN: So I -- a form of discussion,

11 clarity. Has the -- the decision needs to be made the

12 day before our next meeting. Has this been brought

13 before Council already or are we -- is the motion that

14 we're making right now as we're -- if this is passed,

15 we are in support of it?

16 THE CHAIRPERSON: My understanding is this

17 was approved by Council.

18 MR. LARKIN: Okay. Okay.

19 THE CHAIRPERSON: Is that correct?

20 MR. CLINE: Yes, this was a -- this was

21 adopted by the City Council. It was adopted, I

22 believe, this -- this Monday.

23 MR. LARKIN: Okay.

24 MR. CLINE: And the City contacted our

25 office, given the timeframes. Because it has to -- it

1 has to be submitted to the County one day before your
2 next RTAB meeting. And they asked if we could consider
3 this meeting -- right. And it is a -- my understanding
4 is it is a renewal of an existing millage so there's no
5 increases or anything.
6 My office indicated we'd be happy to put it
7 before the Board so the City Council has already voted
8 on it. I believe it was an eight to one vote on that,
9 if I remember the minutes correctly, though you should
10 have received a copy of the minutes. But I believe the
11 vote was eight to one in favor of the -- the
12 resolution. So --
13 THE CHAIRPERSON: Questions on the adoption
14 of the motion?
15 Any further discussion?
16 Those in favor, please say "aye".
17 BOARD MEMBERS: Aye.
18 THE CHAIRPERSON: Opposed?
19 Motion is adopted.
20 Now, Item III B 1.
21 MS. LUNDQUIST: Good afternoon.

22 BOARD MEMBERS: Good afternoon.

23 MS. LUNDQUIST: You have before you a

24 slightly revised format and I'll just go briefly

25 through that. The budget to actual revenue expenditure

1 report has changed for the period purportedly through
2 May 31st, than the report that you were provided last
3 month. It came on -- actually, just after your first
4 meeting, you'll see activity for fiscal year '13/'14
5 compared to activity through 5-31-14 so that you can
6 kind of see where were we each month this year,
7 compared to the fiscal year prior, and then with the
8 available balance and the percentage of budget used
9 year-to-date. This is a tool that we internally, here
10 at the City, use quite frequently for projecting where
11 we are compared to the budget, in terms of project
12 completion, revenue, receipts, et cetera.
13 The budget amendments that were proposed took
14 into account the activity through this period and
15 projected those through fiscal year end, ultimately to
16 be in compliance with the uniform budget and the County
17 Act. We want to make sure that we don't have any
18 expenditures that exceed approved appropriations.
19 At the end of May 31st, 2015 we would have
20 been approximately 92 percent through the fiscal year.
21 So looking down the furthest right-hand column,

22 "Percentage Budget Used Year to Date", each month that

23 you look at this, you would probably take a look at

24 revenues and say, "Okay. Where are we?" Hopefully,

25 we're doing slightly better than projected when it

1 comes to receiving our revenues so you would hope to
2 see something above 92 percent there. And then, on the
3 expenditure side, we would hope that we are doing
4 better than expected on controlling the costs and we
5 hope to see 92 percent or below.
6 Otherwise, as of May 31st, we were pretty
7 much on track to end the fiscal year as anticipated and
8 that's also reflected in the budget amendments that had
9 been proposed for June 30 with a fund balance higher
10 than anticipated.
11 The cash flow -- or the cash balances is also
12 required by the Emergency Manager Order 20 that was
13 provided before you. Due to the timing of the
14 appropriations, we provided through April 30th. We're
15 in the middle of completing May. At the time that the
16 reports were due last month for the period ending
17 May 31st, that would be a change going forward. So
18 that ultimately you'll -- I can provide May, I suppose,
19 with June. But going forward next month you'll have
20 the unaudited balances through fiscal year end. And
21 that's all I have. Thank you.

22 THE CHAIRPERSON: Questions?

23 Item 2, Budget Overview.

24 MS. HENDERSON: We provided the budget

25 document. Did you all receive that?

1 MR. McGHEE: Uh-huh -- yes.

2 MS. HENDERSON: I'd like to start with --

3 with Page 14. These are the City Council priorities

4 for the '016 budget year. These were taken into

5 consideration when -- when developing a budget for the

6 '016 and '017 fiscal year.

7 On Page 16, you have the revenue projections

8 and that's for -- because we do a two-year budget for

9 '016 and it's for '017 as well. And the total would be

10 162- and that's for '016 and '017. And those are

11 projections. And the expense projections for

12 '016/'017, the total, and that includes the enterprise

13 funds, water/sewer fund, that would be 162- in total

14 for the expense projection as well.

15 And on Page 19 you have your general fund

16 budget, the revenues, expenses. This projection is for

17 five years so they can -- it does show you where we

18 believe we will be over the projected five years. I

19 would like to note that the $7 million is not included

20 in this budget. We did not have the emergency loan

21 when we worked on this budget. And it has already been

22 revised in the sense that we received that and we have

23 accounted for that.

24 The police and fire millage, the revenues

25 expended on that, all of that's outlined in the

1 neighborhood police millage. Those millages are very
2 important, as far as public safety because it does fund
3 a percentage of the public safety. And when I say
4 "public safety", meaning police and fire.
5 There's a parks millage that's accounted for
6 the revenues and expenses on that as well. The public
7 improvement fund, five-year projection on that as well.
8 The major streets fund, those funds are
9 Act 51 funding and the local streets as well.
10 The lighting special assessment, the City
11 does have a special assessment for lighting; waste
12 collection and assessment for that as well.
13 Drug forfeiture funds; that is something that
14 if there is drug money that's gone through the process
15 and then it's turned over to the City, this is where it
16 would appear and it gets back to the City and the City
17 can utilize it for certain restricted -- restricted
18 activity.
19 Building safety fund, it's 542 funds. CDBG
20 home dollars, these -- these are grants, other grants
21 as well that would be outside of those Federal grants

22 and State.

23 The sewer fund and the water fund, those are

24 our two enterprise funds, business-type activity,

25 meaning those funds are supported by the revenue that

1 you bring in, it runs exact to -- a utility, for
2 instance, electricity, Consumers, we can compare to
3 that. It is a business-type function, you are expected
4 to charge rates to support this product.
5 So that would give us a total of revenues of
6 156- and then it has the expenses at 162-. This does
7 not take into consideration the fact that we did
8 receive that $7 million. So it will kind of -- it will
9 show more of a deficit and it's really not a deficit.
10 We don't -- the City does not have a deficit. After
11 about ten years, the City does not have a deficit.
12 MS. WALKER-GRIFFEA: Can I ask a question?
13 MS. HENDERSON: Uh-huh.
14 MS. WALKER-GRIFFEA: How did you -- what did
15 you base your projection on?
16 How is it done?
17 MS. HENDERSON: That is we work with the
18 assessor. The assessor helps us, as far as what we
19 believe we will bring in based on property. So if you
20 go to all of your -- I'm getting to the revenue source.
21 I may have skipped over that. And maybe this will

22 help, if I can go to the revenue sources that -- that's

23 after when we get to general fund, it will show the

24 revenue sources that we have. So that's the next page

25 so -- and hopefully that will answer your question.

1 MS. WALKER-GRIFFEA: And the other question
2 is for the 7 million, how does that factor into the
3 budget? Is it -- you said it's going to show more of a
4 deficit. How much?
5 MS. HENDERSON: That, the $7 million, meaning
6 the $7 million that was a deficit, that money was owed
7 to another fund, meaning our enterprise fund. So that
8 money was transferred over to the business-type fund
9 which would have been the water and sewer fund. Those
10 funds were transferred out. And it wiped away the
11 deficit that you had in the general fund because the
12 general fund is the fund that owed those other funds,
13 if that makes sense.
14 MS. WALKER-GRIFFEA: It does but will it show
15 a deficit somewhere else or --
16 MS. HENDERSON: No, it will not. It will
17 not.
18 MS. WALKER-GRIFFEA: Okay.
19 MS. HENDERSON: It wiped that out.
20 MS. WALKER-GRIFFEA: So there's no --
21 MS. HENDERSON: We don't have a deficit in

22 any of the funds at this point. And the fund that

23 we -- the general fund, that would have been a fund

24 balance with the other issue that we were speaking

25 about earlier. So it was a fund balance for the

1 general fund because the general fund no longer has a
2 deficit. And before that, it would have been a deficit
3 before the emergency loan, there would have been a
4 deficit in that fund.
5 MS. WALKER-GRIFFEA: So we don't have to make
6 any emergency loan payments back to anyone?
7 MS. HENDERSON: We do.
8 MS. WALKER-GRIFFEA: We do?
9 MS. HENDERSON: We do. We make that every
10 year. It's about 466,000 a year.
11 MS. WALKER-GRIFFEA: Okay.
12 MS. HENDERSON: We do have to -- that is a
13 loan. And it's over a 15-year period.
14 MS. WALKER-GRIFFEA: Fifteen years, okay.
15 MS. HENDERSON: And it's a 2.89 percent
16 interest rate.
17 MS. WALKER-GRIFFEA: Thank you.
18 MS. HENDERSON: Okay. Revenue projections:
19 That's on Page 8 and that talks about the different
20 revenue sources that we have and their projections for
21 '016/'017. And just so you'll know, with the property

22 tax, property and special assessment taxes, we get that

23 information from the Assessor, he can base it on

24 market -- the market rate, how -- if he thinks that the

25 CL will go up, how he figures that out.

1 And then we work together to come up with a
2 conservative projection so that we can -- because our
3 budgets are based on what we will collect within that
4 year, so we're conservative on that.
5 The other sources: A large source of income
6 for the general fund is the income taxes. Income
7 taxes, we base that off of what we've collected the
8 previous year, if we're going down. If we're going up,
9 we're conservative with those so we can project
10 accordingly.
11 The sales tax revenue, that comes directly
12 from the State. We're given that information as to
13 what that will be and so that will be the
14 constitutional and the statutory.
15 And the charges for services, any services
16 that we offer, that could be inspections, that could be
17 a number of things. Transfers in that would be from
18 our enterprise funds, we do charge the enterprise funds
19 for the City operating those funds, the management of
20 that, there are administrative fees. We do have a
21 PILOT, payment in lieu of tax, because we can do that

22 because that is a business-type fund. So we do have a

23 payment in lieu of taxes that comes from our

24 business-type activities, meaning the water and sewer

25 fund.

1 And so these are projections from '016 and
2 '017 and that's on Page 28. Our expenditures are
3 broken down by fund. On 29, you can see a pie chart of
4 that. However, on Page 30, it breaks -- it breaks it
5 completely down into our revenues and then also the
6 appropriations, so those will be our expenditure
7 departments that we have to expend; the City Council,
8 District Court. And it goes on to break that out. And
9 this is our actual budget document. And this is the
10 budget that was in place when the Emergency Manager
11 left. He left a two-year budget in place and this
12 would be it.
13 Number 31 -- or 32, it's our authorized
14 position list that was left in place as well. The
15 capital improvements start on Page 34 and those were
16 broken down as to you can even see fiscal year '15,
17 what was completed, and then what's planned for '016
18 and even '017 as well.
19 And then as you go through each fund, like
20 for the capital -- park capital improvements, those are
21 described. The transportation improvement plan is

22 included as well.

23 And if you could move to Page 43, the pension

24 and retiree healthcare, by fund. This shows the

25 percent of the budgets that we are expending on pension

1 and retirees' healthcare and it shows -- it breaks it
2 down by fund.
3 And on 48 it starts -- after that, it starts
4 the master fee schedule -- all of the City's fees,
5 anything that we do charge for the service, all of
6 those things are broken down in here. And there are,
7 like, 18 pages of that.
8 And that completes the overview. And this is
9 the budget document '016/'017 that was left in place by
10 the Emergency Manager and I did get a chance to work
11 with Mr. Ambrose on this document. Thank you.
12 THE CHAIRPERSON: Two questions, if I may,
13 with regards to the projections of the property tax
14 revenue. One is what's the City's property tax
15 collection rate, roughly?
16 MS. HENDERSON: I don't know off the top of
17 my head.
18 THE CHAIRPERSON: And -- and, secondly, does
19 the City have, in a given year, charge-backs to the
20 County for delinquent tax?
21 MS. HENDERSON: Yes, we do.

22 THE CHAIRPERSON: And, roughly, what level

23 would that -- would that be?

24 MS. HENDERSON: I'll -- I can check it. I

25 can e-mail it to you.

1 THE CHAIRPERSON: Okay. And is that factored
2 in the numbers with regards to projected property tax
3 revenue?
4 MS. HENDERSON: We do factor that in.
5 MS. WALKER-GRIFFEA: If we have other
6 questions in between, can we send them to you to get
7 answered?
8 MR. CLINE: Certainly.
9 MS. HENDERSON: And I can e-mail that
10 information, those questions?
11 MR. CLINE: Absolutely.
12 MS. HENDERSON: I'll get those numbers and
13 get those to all of you through via Mr. Cline.
14 THE CHAIRPERSON: Okay. Thank you. Other
15 questions?
16 If not, Item 4, Public Comment. Mr. Cline,
17 do you have a list of the people who signed in?
18 MR. CLINE: I do, yes.
19 THE CHAIRPERSON: And just as a reminder, the
20 motion approved at the last meeting to limit public
21 comment to no more than 2 minutes per person remains in

22 effect.

23 MR. CLINE: Yes, first individual is

24 Monica Galloway.

25 MS. GALLOWAY: Thank you. And I do respect

1 the two minutes but I'd ask for just a little bit of
2 latitude and the reason why is because, as you sit
3 through these proceedings, you realize that Council
4 doesn't really have a voice, not that I don't respect
5 Miss Natasha. And Mr. Cline, we don't get to meet with
6 him so, when he sits up to kind of speak on behalf of
7 the things that are going on, I know that they sit down
8 and recap. But what I asked that I just want some
9 clarity -- and I know you probably can't answer today
10 as we move through the transition between the Council
11 and the RTAB and the administration.
12 My question or task to the RTAB is for you to
13 advise us. I know that you guys are a TAB that, you
14 know, everything that we approve or disapprove comes
15 before you. But I do not see the advisory piece of it
16 as to, "Hey, Council, this is why we did what we did"
17 or let's have a dialogue before we sit before the
18 public and make a decision on something that you guys
19 made a decision.
20 And the reason why I say that is because,
21 when we sit in leadership-abilities, I represent one of

22 nine boards and so my ideology on a proposal may very

23 well be different but, unfortunately, we only get to

24 hash those things out in front of the community in a

25 meeting that's supposed to be orderly and timely but

1 we're expected to make very important decisions in that
2 timeframe.
3 And I just want to share one example, if I
4 can. The OPRA, there's a lot that I don't know. The
5 tax abatement, there's a lot that I don't know. But
6 what I do know is that we're called as a leadership to
7 take this community into financial sustainability based
8 on leadership that has made poor decisions financially
9 for years.
10 So what you have is you have us trying to
11 make decisions that we think will take the community
12 where they need to go, financially, and yet, at the
13 same time, decisions are still being done to cause this
14 community to be in bondage. And why do I say that?
15 Yes, they say we're out of financial emergency but we
16 have a loan that instead of being 7 million, it turns
17 into 8.5 million because you pay interest on that
18 money.
19 So for the next 15 years some of us may not
20 be here but the community that is left with that debt
21 has to deal with that debt. And then we deal with KWA,

22 which is a hundred million dollar debt that is on this

23 community for the next 20 years. So whoever those

24 people that decide to come in and those people that

25 decide to leave, we have to still remember that, before

1 the City opens their doors and gets started, those two
2 debts are on them for the next 15 to 20 years. Then we
3 have people that businesses, which I -- we want
4 business to come in but we have businesses that don't
5 look at this community and say, "This community can't
6 afford to give you an abatement for the next 12 years."
7 And then you look at other -- like General Motors, I
8 understand you wave a carrot in front of us, saying,
9 "We want to do X amount of billions of dollars --
10 millions of dollars but, in order for us to do that, we
11 need you to forgive $162,000 a year." But as I sit in
12 my seat, I'm thinking, you look at us and say, "Why
13 would you fight us over $14,000 a month?"
14 And I sit in my seat and say, "Why would you,
15 General Motors, come in to a community that is
16 struggling for resources and revenue and say, 'But we
17 need you to not have us pay $14,000 a month?"
18 And so what I'm asking this Board to do,
19 advise us, advise us how we let this community feel
20 like we're working on their behalf without giving away
21 their revenue, without tying their hands with their

22 revenues. Because we don't give tax breaks to

23 residents. We know that they're struggling. The water

24 rate continues to exceed. And now we're not doing it

25 this year because we're in a mayoral race but we still

1 have a hundred million dollars and whatever interest
2 that is, I've asked Miss Henderson to get that. And
3 for me, as a financial person, that should be a number
4 that I should be able to ramble off to you the minute
5 that you ask me. You know why? Because that's the
6 biggest debt that this community holds.
7 And so that's my challenge to this RTAB.
8 Please advise us. Tell us how we can communicate with
9 you before this meeting and be given two minutes to try
10 and articulate how we feel or what we need from you.
11 So thank you for allowing -- oh, and then one
12 more thing. I'm sorry. If you guys can ask about the
13 Land Bank having immunity because the reason why we're
14 looking for money to cut grass is because a lot of the
15 Land Bank's properties are not being maintained because
16 they don't have the money.
17 So we get calls every day from residents
18 saying, even the areas that you guys are supposed to
19 maintain, you're not, which Miss Henderson just shared
20 we're not even doing the parts that are considered the
21 public space, that people can't see.

22 And then the second thing is the mandatory

23 real property assessment that supposedly the State is

24 requiring that we do but, when we had a meeting the

25 other day, the Assessor is even like he doesn't want to

1 do it, like it's too much for him. But you have the
2 State saying you're going to do it, it's going to be
3 done and either you choose somebody that can do it or
4 we'll take away your revenue share. And this is per
5 Miss Henderson.
6 And so for me, let them take revenue sharing,
7 if that means that all of our community is assessed
8 properly so that we can know where we stand. I just
9 want to be advised. Thank you for listening.
10 THE CHAIRPERSON: Thank you.
11 MR. CLINE: The last individual is Eric Mays.
12 MR. MAYS: All right. Thank you. I've
13 enjoyed the second RTAB meeting and I would say this to
14 you: Even on the amendment of the 200,000, I was
15 itching to try to talk to you because it ain't a big
16 deal. You know, we can go back and do it. But at the
17 time they hadn't found the money. So as we do our
18 thing to try to make stuff happen, you could really
19 learn a lot.
20 I appreciate the opportunity to communicate
21 to you. I emphasize due diligence. I emphasize -- I'm

22 liking reading the transcripts because that's a

23 legislative body we have here in power to inquire but

24 it's been taken away from us under Emergency Manager

25 Law. Some of my colleagues don't get it. They don't

1 spend the time to do their due diligence and I'm kind
2 of laughing ironically because, if my colleagues
3 treated you like you just treated Ms. Galloway, I
4 wouldn't have had a warrant for my arrest for talking
5 about weed and tax abatements. There's no real time
6 frame. There's no stringent way to communicate with
7 others as you would have them do unto you.
8 If she communicated like she just did to
9 you -- watch me beat that timeframe when the bell go
10 off -- you would have called the police and had her
11 removed and she would have read about herself because
12 that's what she just did to me.
13 I don't bite my tongue, Mr. Headen. I've
14 been interacting with you for years.
15 Miss Beverly Walker-Griffea, you are asking
16 good questions.
17 Mr. Larkin, you are asking good questions.
18 The City Administrator and the Council should
19 treat people, you know, right. People have different
20 mentality. And with those different mentalities, they
21 speak and learn at different speeds. I'll see what we

22 can do to be a better community. Get input from us.

23 Thank you.

24 THE CHAIRPERSON: Thank you, Councilman.

25 MR. CLINE: That's all.

1 THE CHAIRPERSON: Any other public comment?

2 MR. CLINE: No more.

3 THE CHAIRPERSON: Item 5, is there a motion

4 to be adjourned?

5 MR. LARKIN: So move.

6 THE CHAIRPERSON: Support?

7 MR. McMAHAN: Support.

8 THE CHAIRPERSON: Without objection, we are

9 adjourned.

10 (Meeting was concluded at 3:15 p.m.)

11 * * * *

12

13

14

15

16

17

18

19

20

21

22

23

24

25

1 CERTIFICATE

2

3 I, Mona Storm, do hereby certify that I have
4 recorded stenographically the proceedings had and
5 testimony taken in the meeting, at the time and place
6 hereinbefore set forth, and I do further certify that
7 the foregoing transcript, consisting of (55) pages, is
8 a true and correct transcript of my said stenographic
9 notes.

10

11 _____
Date

12 _____
Mona Storm
CSR-4460

13

14

15

16

17

18

19

20

21

22

23

24

25