

**CITY OF CALHOUN
REGULAR CITY COUNCIL MEETING
DEPOT COMMUNITY ROOM
109 SOUTH KING ST
SEPTEMBER 22, 2014 7:00 P.M.**

MINUTES

**PRESENT: James F. Palmer, Mayor
Al Edwards, Mayor Pro Tem
George Crowley, Councilman
David Hammond, Councilman
Matt Barton, Councilman**

ALSO: Eddie Peterson, City Administrator; Paul Worley, City Clerk; Garry Moss, Police Chief; Jeff Defoor, Director of Electric Utilities; George Govignon, City Attorney;

- 1. Mayor Palmer called the meeting to order and welcomed everyone in attendance.
A. Councilman Crowley gave the invocation.**
- 2. Mayor Palmer led the group in the Pledge of Allegiance to the United States Flag.**
- 3. Councilman Hammond made a motion to approve the agenda and Councilman Barton seconded the motion. All voted aye, motion approved.**
- 4. Councilman Barton made a motion to approve the regular minutes of the September 8, 2014 City Council Meeting. Councilman Crowley gave a second with all voting aye, motion approved.**
- 5. Mayor's Comments:**
 - A. Tom Gehl with the Georgia Municipal Association was in attendance to present Georgia State Representative John D. Meadows III with the 2014 Legislator of the Year Award from the South Eastern Association of Telecommunications Officers and Advisors. Mr. Meadows received the award because of his efforts to defend the ability of Georgia's cities to provide broadband internet service to their residents. He helped to defeat a bill introduced in the 2013 Legislative Session that would have prohibited cities from building digital broadband networks.**
 - B. Mayor Palmer read a proclamation in support of Red Ribbon Week. The Red Ribbon Campaign encourages a drug-free lifestyle and involvement in drug prevention and reduction efforts. Councilman Hammond made a motion to approve the signing of the Red Ribbon Week Proclamation. Councilman Barton gave a second with all voting aye, motion approved.**
- 6. Public Hearings and Comments: None**
- 7. Old Business: None**

8. New Business:

- A. Mayor Palmer read a Beer and Liquor pouring manager change request for VFW Post #5376 for a location of 406 West Line Street. The prior manager was Hillery Williams and the proposed manager is Timothy Cooper. Councilman Crowley made a motion to approve the manager change request. Councilman Edwards gave a second with all voting aye, motion approved.
- B. Mayor Palmer read a Beer package manager change request for A Knight Hi Tech for a location of 295 West Line Street. The prior manager was Vilas Patel and the proposed manager is Tejas (Terry) Patel. Councilman Edwards made a motion to approve the manager change request. Councilman Crowley gave a second with all voting aye, motion approved.
- C. Mayor Palmer conducted the first reading of a beer and wine package request by RaceTrac Petroleum, Inc. at a location of 665 Hwy 53 East. Councilman Hammond made a motion to set the public hearing for October 27th. Councilman Edwards gave a second with all voting aye, motion approved.
- D. Mayor Palmer read a proposed Resolution amending Freeport exemption regulations for the City of Calhoun. The proposed Resolution increases the current exemption rate of 40% to 60% in all three Freeport inventory categories effective January 1, 2015. The Council approved an increase in exemption rate to 40% for 2014 and now the new resolution would increase the exemption to 60% in all three categories effective January 1, 2015. Mayor Palmer stated that there has been lengthy discussions concerning Freeport and it was discussed further at the work session. At the work session Mr. Peterson and Mr. Worley presented information concerning the real growth and future potential growth of the tax digest. With the discussion of increasing gross digest numbers the Council discussed the possibilities of going ahead with another 20% increase in the Freeport exemptions while evaluating the impact to local government and the school system. Councilman Hammond stated that the Mayor and Council are pro-business and support retaining and bring diversity of new jobs to our community. There has been a lot of work evaluating the tax digest, working with the Chamber of Commerce and Industrial Development Authority to make sure the concessions we give are verified and that all parties are benefiting from this process. The City's additional increase of exemptions is an effort to help our community stay competitive in not only attracting new industries, but ensuring existing industries continue to do business in Calhoun and Gordon County. The Mayor and Council have been very thorough in evaluating the impact of Freeport exemptions on public services and the financial impact on our local school system. With last year's decision to increase Freeport exemptions, the Mayor and Council committed to reviewing the Freeport issue every year with a goal of increasing the exemption by 20% at a minimum of every two years. Mayor Palmer stated that with strong growth in the local tax digest, this year's move to 60%, one year ahead of schedule, shows the Mayor and Council are willing to work to help attract new business and show the City's commitment and

appreciation to existing industries. Councilman Crowley made a motion to approve the Resolution. Councilman Barton gave a second with all voting aye, motion approved. (Resolution attached)

9. Other written items not on the agenda: None

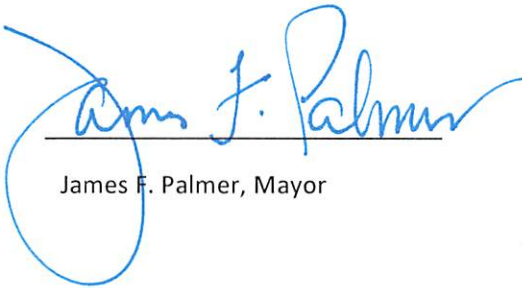
10. Work Reports:

- A. Administrator Eddie Peterson
- B. General Manager Larry Vickery
- C. City Attorney George Govignon


11. Councilman Hammond made a motion to adjourn. The motion was seconded by Councilman Barton with all voting aye, motion approved.

Approved:

Submitted:



James F. Palmer, Mayor



Paul Worley, City Clerk

CITY OF CALHOUN, GEORGIA

**RESOLUTION TO ADOPT INCREASED
FREEPORT EXEMPTIONS AS TO
INVENTORY PURSUANT TO
O.C.G.A. SECTION 48-5-48.2**

WHEREAS, pursuant to the provisions of Section 48-5-48.2 of the Official Code of Georgia Annotated (as authorized by Article VII Section II Paragraph III of the 1983 Constitution of the State of Georgia) the 1994 referendum approved by the electorate of the City of Calhoun, known more simply as the Freeport Referendum, regarding the exemption of certain property as described in the aforementioned provisions, and

WHEREAS, the electors of the City of Calhoun, Georgia have approved in said 1994 referendum the exemption of all three classes of inventory described in the aforementioned provisions, namely;

- Class I: Inventory of goods in the process of manufacture or production which shall include all partly finished goods and raw materials held for direct use or consumption in the ordinary course of the taxpayer's manufacturing or production business in the State of Georgia.
- Class II: Inventory of finished goods manufactured or produced within the State of Georgia in the ordinary course of the taxpayer's manufacturing or production business when held by the original manufacturer or producer of said finished goods, and
- Class III: Inventory of finished goods which, on the first day of January, are stored in a warehouse, dock, or wharf, whether public or private, and which are destined for a shipment to a final destination outside the State of Georgia and inventory of finished goods which are shipped into the State of Georgia from outside this State and stored for transshipment to a final destination outside this State.

WHEREAS, since the 1994 referendum vote several resolutions have been considered and approved by the Mayor and Council of the City of Calhoun (its governing authority) in 1995 and later in 2006 creating an exemption of twenty percent (20%) for all three classifications of product described by O.C.G.A. §48-5-48.2; and

WHEREAS, since the 1994 referendum vote several resolutions have been considered and approved by the Mayor and Council of the City of Calhoun (its governing authority) in 1995 and later in 2006 creating an exemption of twenty percent (20%) for all three classifications of product described by O.C.G.A. §48-5-48.2 and these exemptions were increased to forty percent (40%) on January 1, 2014 by resolution in 2013; and

WHEREAS, the Mayor and Council of the City of Calhoun (its governing authority) wish to implement and increase the exemptions approved by the voters as herein before described in accordance with the power vested by O.C.G.A. §48-5-48.2(e).

NOW, THEREFORE, BE IT RESOLVED by the Mayor and Council of the City of Calhoun that the statutorily provided tax exemptions shall be provided for each classification of product as follows:

Class I: The class of inventory described as inventory of goods in the process of manufacture and production which shall include all partly finished goods and raw materials held for direct use or consumption in the ordinary course of the taxpayer's business in the State of Georgia be hereby exempt from ad valorem taxation at the rate of sixty per cent (60%) of the value of said property as defined in the aforementioned Code provision, with said exemption commencing January 1, 2015; and

Class II: The class of inventory of finished goods manufactured or produced within the State of Georgia in the ordinary course of the taxpayer's manufacturing or production business when held by the original manufacturer or producer of said finished goods be hereby exempt from ad valorem taxation at the rate of sixty per cent (60%) of the value of said property as defined in the aforementioned Code provisions, with said exemption commencing January 1, 2015; and

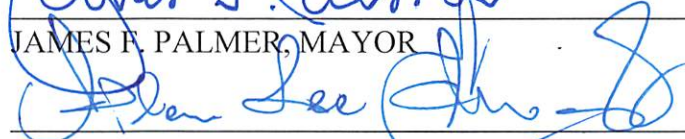
Class III: The class of inventory of finished goods which, on the first day of January, are stored in a warehouse, dock or wharf, whether public or private, and which are destined for a shipment to a final destination outside the State of Georgia and inventory of finished goods which are shipped into the State of Georgia from outside this State and stored for transshipment to a final destination outside this State be hereby exempt from ad valorem taxation at the rate of sixty per cent (60%) of the value of said property as defined in the aforementioned Code provisions, with said exemption commencing January 1, 2015; and

NOW, THEREFORE, BE IT RESOLVED that the City Clerk/Administrator is further directed to immediately transmit a copy of this Resolution to the Georgia State Revenue Commissioners.

RESOLVED this 22nd day of September, 2014.



JAMES F. PALMER, MAYOR



ALLEN LEE EDWARDS, MAYOR PRO TEM



MADISON F. BARTON, CITY COUNCILMAN



GEORGE R. CROWLEY, CITY COUNCILMAN



WILLIAM D. HAMMOND, CITY COUNCILMAN

ATTEST:



PAUL WORLEY, CITY CLERK

(SEAL)



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