

**CITY OF CALHOUN
SPECIALLY CALLED MEETING OF THE
CITY COUNCIL and
CALHOUN BOARD OF EDUCATION
DEPOT COMMUNITY ROOM
700 WEST LINE STREET CONFERENCE ROOM
FEBRUARY 24, 2003, 7:00 P.M.**

MINUTES

**COUNCIL PRESENT: James F. Palmer, Mayor
 John D. Shelton, Jr., Mayor Pro Tem
 Ronald H. Woods, Councilman
 Ray Denmon, Councilman**

COUNCIL ABSENT: Lorene Potts, Councilwoman

**BOARD OF EDUCATION PRESENT: Al Edwards, Vice Chairman
 Amy Atkinson
 Ed Moyer**

**BOARD OF EDUCATION ABSENT: George Crowley, Chairman
 Marc Ethridge**

**ALSO PRESENT: William P. Bailey, City Attorney
 Kelly Cornwell, Director of Utilities
 Eddie Peterson, Director of Public Safety and Public Works
 Cathy Harrison, City Administrator
 Judy Neal, City School Superintendent
 Don Hood, City School Finance Director**

1. Mayor Palmer called the joint meeting of the City Council and Board of Education to order and welcomed everyone in attendance, with a special welcome to Jim Pannell, Bond Attorney of Oliver, Maner & Gray, L.L.P. in Savannah and Bryce Holcomb of Salomon Smith Barney.
 - a. Mayor Palmer gave the invocation.
2. Mayor Palmer led the group in the Pledge of Allegiance to the United States Flag.
3. Minutes of the February 10, 2003 regular City Council meeting were approved as written.
4. Mayor's Comments:
 - a. Mayor Palmer stated the meeting was a joint meeting with the City Board of Education and the purpose was for review of a 2002 bond resolution amendment


regarding the issuance of Series 2003 bonds for \$5,000,000.00. Mayor Palmer turned the presentation over to City Attorney William P. Bailey.

- 1) Attorney Bailey introduced Jim Pannel, Bond Council from the firm of Oliver, Maner & Gray of Savannah, Georgia. He stated the firm had provided the resolutions and prepared the bond documents. He also introduced Bryce Holcomb of Salomon, Smith-Barney, which had priced the bonds and had an offer for purchase of the bonds.
 - 2) At this time, Bryce Holcomb reviewed the bond pricing, distributing work papers for each member of the Council and the School Board. He reviewed the pricing in detail, stating the actual preliminary pricing of Friday afternoon, February 21, 2003 had been improved. The actual marketing of the bonds occurred on the morning of February 24. He stated, based on the early morning marketing and with very few Georgia bonds in the market, and based upon the quality of the bonds, the net effective rate was 3.91%. He stated his company was making an offer for purchase of the bonds based upon the pricing schedule.
 - 3) Mr. Jim Pannell reviewed the bond resolution, stating there would be two that would need to be adopted by the Board of Education; one would be the Intercept Resolution, which would authorize the state to withhold state funds if there were not sufficient funds at the local level to pay the bonds. The second would be a supplemental resolution to the original resolution adopted in 2002, based upon a referendum by voters in November 2001.
- b. Following review of the resolutions, Al Edwards made a motion to adopt the Intercept Resolution and the second Supplemental Resolution. The motion was seconded by Amy Atkinson and Ed Moyer with Al Edward, Amy Atkinson and Ed Moyer voting affirmatively, motion carried.
- 1) Councilman Woods made a motion for the City Council to adopt the Second Supplemental Resolution, in which the sale of the bonds would be authorized. The motion was seconded by Councilman Denmon, with Councilman Woods, Councilman Denmon and Mayor Pro Tem Shelton voting affirmatively, motion carried.
 - 2) Jim Pannell stated Pam Allen of his staff had worked very diligently with the City School staff and the City of Calhoun staff and the city is to be commended for the level of operations, as well as for the management which allows the city to have a good bond rating. He stated the bonds had been marketed at “AA” bonds, based upon the Intercept Agreement with the state and the underlying rate was an “A-” which was the same rating as the prior year.
 - 3) Mayor Palmer expressed appreciation to both the firms of Jim Pannell and Bryce Holcomb for their efficient work and for the favorable rating for the bonds.
- c. Mayor Palmer reminded the Council of the “Georgia Cities Week,” April 20-26, 2003.
- d. Mayor Palmer reminded the Council of the public hearing scheduled for March 10, 2003 regarding the beer package license application for Fast Petroleum, Inc at 1402 Highway 41 South.

- e. Mayor Palmer reminded the Council of the public hearing scheduled for March 10, 2003 at 7:00 p.m. regarding the SRF loan for planned water system improvements.
 - f. Mayor Palmer reminded the Council and public of zoning hearings scheduled for March 10, 2003 at 7:00 p.m. as follows:
 - 1) A request by William L. Eubanks, Sr. and Jack L. Anderson, Sr. for a 45-foot fire code variance for lots 5 and 8 and a 30-foot fire code variance for lots 6 and 7 of the property at 145 Marine Drive, for a new development.
 - 2) A request by James F. Ledbetter, as agent for Jack and Elva Crump, to rezone approximately 4.494 acres from R-1 to C-2 at 165 Marine Drive, located in Land Lot 311, 14th District, 3rd Section of Gordon County, Georgia.
5. Public Hearing and Comments: **none.**
6. Old Business: **none.**
7. New Business:
- a. Mayor Palmer stated the Council and he had reviewed a GMA 457(b) Employee Funded Deferred Compensation Plan presentation, made by David Livingston of GMA and Ron Kendrick of CitiStreet at the work session, and at this time, he would ask that a motion be held until the Council had sufficient time to review the proposal.
8. Other written items not on the agenda:
- a. Mayor Palmer asked Administrator Harrison to review the proposed contract from Paul Glick regarding implementation of GASB-34. Harrison reviewed the proposed work outlined by Paul Glick. She stated Mr. Glick is an authority, having written many journals and books regarding municipal finance. He is also under contract with the University of Georgia Continuing Education for training of both city and county staff, as well as elected officials, regarding governmental accounting. She stated Mr. Glick would be preparing templates and the foundation for GASB-34, which would involve implementation of the most dramatic change in municipal accounting in over 20 years. Harrison stated it was most important that the city begin the new accounting in the most effective and efficient manner possible. She stated Mr. Glick is currently providing the same type of work for the City of Dalton and has just completed the same type of work for Floyd County. She stated under the direction of Mr. Glick, the city would be able to provide its own inventory for streets, sidewalks, curb and gutter, and drainage and would be able to provide its own pricing. Following review, Councilman Woods made a motion to approve a contract for \$18,000.00, second by Mayor Pro Tem Shelton, with Councilman Woods, Mayor Pro Tem Shelton and Councilman Denmon voting affirmatively, motion carried.
9. Mayor Palmer stated it was not necessary to move to executive session.

10. Councilman Woods made a motion to adjourn, second by Mayor Pro Tem Shelton, with Councilman Woods, Mayor Pro Tem Shelton and Councilman Denmon voting affirmatively, motion carried.

Approved:



James F. Palmer, Mayor
City of Calhoun

Approved:

Al Edwards, Vice Chairman
Calhoun Board of Education

Submitted:



Cathy Harrison, City Administrator

ATTEST:

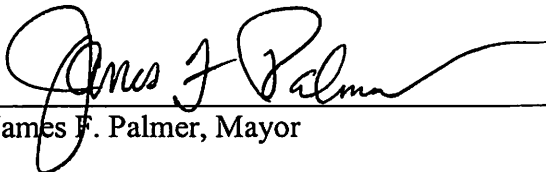
Judy Neal, School Superintendent

**RESOLUTION OF THE MAYOR AND COUNCIL OF THE CITY OF CALHOUN
AND THE BOARD OF EDUCATION OF THE CITY OF CALHOUN
DESIGNATING A SUCCESSOR CUSTODIAN TO A SUB-ACCOUNT WITHIN
A CONSTRUCTION FUND ESTABLISHED IN CONNECTION WITH THE
ISSUANCE OF THE CITY OF CALHOUN GENERAL OBLIGATION SCHOOL
BONDS, SERIES 2003.**

RESOLVED that, pursuant to the power contained in Paragraph (b) of Section 603 of the Master Bond Resolution adopted on February 27, 2002 by the Mayor and Council of the City of Calhoun and the Board of Education of the City of Calhoun, Branch Banking & Trust Company in the City of Calhoun, Georgia is hereby designated to succeed Wachovia Bank, National Association as custodian of a sub-account, established for receipt of proceeds from the sale of the \$5,000,000 City of Calhoun General Obligation School Bonds, Series 2003, established within the City of Calhoun 2001 General Obligation School Bond Election Construction Fund.

APPROVED AND ADOPTED by the Mayor and Council of the City of Calhoun, this 24th day of March 2003.

CITY OF CALHOUN



James F. Palmer, Mayor

APPROVED AND ADOPTED by the Board of Education of the City of Calhoun, this _____ day of _____ 2003.

CALHOUN BOARD OF EDUCATION

George Crowley, Chairman

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Submitted:



Cathy Harrison, City Administrator

ATTEST:

Judy Neal, School Superintendent