

CALL TO ORDER

Mayor Knight called to order the special called meeting of the Rutledge City Council on the above date. Council members Brenda Thompson, Chad Cook, Bill Spann and James Bratcher were present. Commissioner Andy Ainslie was present. No other members of the public were present.

LOST NEGOTIATIONS – CONSIDERATION OF SUBMISSION OF CERTIFICATE OF DISTRIBUTION

Mayor Knight asked Commissioner Ainslie why the County wanted to cut Rutledge's percentage of the LOST distribution. He said the City has not asked for anything in 8 years. We have to look out for the best interest of the City.

Why does the County want to cut us one half percent?

Commissioner Ainslie said if you look at the County proposal, it is identical to the past.

The cut was because of the new formula.

The next formula could result in Rutledge getting only 2 percent.

Mayor Knight asked didn't the County raise the percentage for Bostwick and Buckhead.

Commissioner Ainslie said it is because of the new formula.

Michael Lamar calculated the formula at 76% for the County and they had another person calculate it and he came up with 76.9% for the County.

They don't know where it will go the next time.

Mayor Knight said the City received a memo via email from ACCG and GMA and they both recommend not attaching conditions to the certificate. Commissioner Ainslie said if we set this without conditions, it will be good for 10 years.

Mayor Knight asked if we can change it before the 10 years are up.

Commissioner Ainslie said no, it will be good from 2010 to 2020.

Since we can't come up with an agreement, leave it as is for 1 year, and we will see what the legislature comes up with in 2014.

There should be a new formula but we don't know where we will be but it will be different, it could be lower or it could be higher, but it should be based on the population.

Mayor Knight said he doesn't know what the best formula would be.

Commissioner Ainslie said if Baxter brings people to Rutledge, Rutledge could grow upwards of 250 more people.

Commissioner Ainslie said the percentage we get now is based on the 2000 Census. The County gets 73% and the Municipalities get 27% total. Madison is at 21% of the population. Mayor Knight said we have no say so. We have to rely on what Madison and the County agree to. Commissioner Ainslie said it is based on population. But as of right now, all the prior negotiations are thrown out. Stay where we are for 1 year and let the legislature straighten it out.

Council member Chad Cook asked if we have to agree 100%. Mayor Knight said if we ask for more, then the other cities would be cut. Mayor Knight asked why not leave us at 4% for 10 years. Commissioner Ainslie said we can't do that. We need to let the legislature decide. He has a gut feeling that Rutledge will receive less if the legislature decides.

Council member James Bratcher said Rutledge will lose money with the new formula. Commissioner Ainslie said the percentage would be less, but the revenues would be more because it would be based on more spending.

Mayor Knight said Rutledge has a good bit of money in the bank. It could last about 5.3 years if we spend how we have been spending. If we cut back, it could last longer.

Commissioner Ainslie said 40% of sales tax money comes from outside of our county. The 2010 formula put us at 3.6% and we did not like that. Mayor Knight said we had no control over it.

Commissioner Ainslie said Buckhead and Bostwick agreed to stay where we are for 1 year and see what happens.

Mayor Knight said why not go for the 4% for 10 years. Then the cities don't have to worry about it. Commissioner Ainslie said because we are using a 2000 formula in 2013.

He said Rutledge could get more with a new formula.
Mayor Knight said we could get less.
Commissioner Ainslie said let the legislative decide.
It will be fair and equitable for everyone.

Mayor Knight said we can ask for more but might not get it. Council member Chad Cook asked what is the worst that can happen?
Mayor Knight said we would be out of \$125,000 a year in taxes.
Council member Chad Cook said what happens if we lock in at 4% for 10 years.
Mayor Knight said we would go through the same thing again in 2020.

Council member James Bratcher said basing it on the population is the fair way. Council member Chad Cooks said it sounds like we have no choice.
Commissioner Ainslie said not for 1 year.
The County wants to stay the same for 1 year.
The County is willing to stay where we are and is not willing to change any numbers on the list as it is now.

Commissioner Ainslie said Madison is not agreeing to anything right now. They are afraid of what the new formula could be.
Madison has a large "point of sale" revenue and that won't be a part of the new formula.

Mayor Knight called City Attorney, John Nix, to ask if Rutledge agrees to the 4% for 1 year, and then the County changes the percentage Madison gets, will they have to raise what Rutledge gets. He asked Mr. Nix what kind of power the City Council can give the Mayor to make the decision on Thursday, October 17, 2013. The city attorney said he would talk with his partners and give us a call back shortly.

Mayor Knight said by waiting until Thursday, we can see what the other cities are willing to do. If we make a decision tonight we can't negotiate any more.
Mayor Knight said his opinion is we can't make the decision tonight leaving options on the table.

Commissioner Ainslie said the percentage Madison wants is based also on the "point of sales" revenues. He said he can almost guarantee the new formula will not include the POS. Mayor

Knight said why not do it for another 10 years.

Commissioner Ainslie said because the population changes.

He said if we want a larger percentage then we need to contact and work with our legislators.

Council member Brenda Thompson asked what the council's ideas were.

Mayor Knight said to see what the city attorney says in regards to the Council giving the Mayor the authority to make the decision tomorrow.

Council member Bill Spann said if the County and Madison can't agree leave it as is for 1 year. He thinks our city will grow.

Mr. Nix called Mayor Knight back and said the Council can give the Mayor the authority to negotiate the percentage tomorrow and to sign and submit the certificate tomorrow.

James Bratcher made motion to give Mayor Knight the authority and power to negotiate the final percentage on Thursday, October 17, 2013 and the authority to sign and submit the Certificate of Distribution on Thursday, October 17, 2013. Brenda Thompson seconded, all voted in favor and motion carried.

Brenda Thompson made motion to adjourn. Bill Spann seconded, all voted in favor and motion carried.

MEETING ADJOURNED