

**OAK RIDGE CITY COUNCIL  
SPECIAL MEETING MINUTES**

May 14, 2012

The special meeting of the City Council City of Oak Ridge, Tennessee convened at 7:00 p.m. on May 14, 2012, in the Courtroom of the Municipal Building with Mayor Thomas L. Beehan presiding

**INVOCATION**

The Invocation was given by Pastor Robert May of the Oak Ridge Family Bible Church

**PLEDGE OF ALLEGIANCE**

The Pledge of Allegiance to the Flag of the United States of America was given by Mr. Larry Vickers.

**ROLL CALL**

Upon roll call, the following councilmembers were present: Mayor Thomas L. Beehan; Councilmember Anne Garcia Garland; Councilmember L. Charles Hensley; Councilmember Charles J. Hope, Jr.; Councilmember David N. Mosby; Mayor Pro Tem D. Jane Miller; and Councilmember Ellen D. Smith.

Also present were Mark S. Watson, City Manager; Janice E. McGinnis, Finance Director; Kenneth R. Krushenski, City Attorney; and Diana R. Stanley, City Clerk.

**PUBLIC HEARINGS AND FIRST READING OF ORDINANCES**

**AN ORDINANCE TO PROVIDE REVENUE FOR MUNICIPAL PURPOSES FOR THE FISCAL YEAR BEGINNING JULY 1, 2012, BY IMPOSING A TAX ON ALL PROPERTY WITHIN THE CITY, FIXING THE RATE OF THE TAX, ADOPTING A BUDGET, AND ADOPTING APPROPRIATIONS.**

*(A Public Hearing will also occur during Second Reading of the Ordinance scheduled for May 29, 2012)*

Councilmember Hensley moved that the ordinance be approved on first reading, seconded by Councilmember Hope.

City Manager Mark Watson reviewed the FY 2013 Budget Assumptions as presented at the May 7, 2012 City Council Meeting and noted that the property tax rate will remain at \$2.39. Mr. Watson also reviewed additional budget elements including positional changes, major capital projects, and a budget schedule.

A public hearing was held with the following participants:

Ms. Trina Baughn, 119 Newport Drive, made inquiries about the City's ability to provide salary increases, additional personnel, and complete projects with no increase in the property tax rate and no additional debt. The City Manager responded that the City was not planning to issue any debt, except in possible circumstances with the Environmental Protection Agency Mandates, and that the City would use the most efficient means to fund projects, in addition to deferring others to a later date. Ms. Baughn also inquired about who is responsible for the outcome of the budget to which the City Attorney clarified that City Council is responsible for approving the budget as presented by the City Manager.

Ms. Kay Williamson, 420 Jefferson Avenue, congratulated the Oak Ridge High School's accomplishments of recent rankings within the nation and at the state level. Ms. Williamson noted that the school administration makes the best decisions for the schools and its students.

The public hearing closed.

Brief discussions occurred with the City Manager, Finance Director Janice McGinnis, and Recreation and Parks Department Director Josh Collins responding to the various questions and comments regarding potential projects, school funds for capital outlay, and indebtedness.

Personnel Director Penelope Sissom provided information regarding the cost savings associated with the proposed personnel ordinance changes considered during first reading at the May 7, 2012 City Council meeting. Ms. Sissom noted that the proposed changes regarding injury leave would have saved the City money had it been in effect in previous years. She also noted that there are costs associated with adding an additional city holiday (as proposed in the FY2013 budget); however, the Finance Director explained that there will not be incremental cost for a holiday because that day is already built into the budget. The Personnel Director noted that adding an additional city holiday would result in the Personnel Plan be amending by means of an ordinance.

Councilmember Smith asked that City Council and City staff not automatically assume that spending takes place on all items listed in the Economic Diversification Fund, and that budgeting for these items does not equate to a commitment to spend the funds.

Additional discussions continued on various budget topics that included economic opportunities, consolidation of resources, salary increases, and the Special Programs Fund. City staff, including Fire Chief Darryl Kerley, responded to questions and comments presented.

The City Manager discussed the present state of the Debt Service Fund by reviewing the history of the 2005 Referendum that increased the sales tax to help fund the Oak Ridge High School renovation debt. Mr. Watson explained that when the voters opted to increase the sales tax to 0.5%, the understanding was that the City would have received the entire increase of sales tax generated to be used toward the renovation debt. He added that when Anderson County superseded the City, the rate was reduced to 0.25% toward the retirement of the debt, and the remaining 0.25% is shared among three school entities in Anderson County, with Oak Ridge being one.

The City Manager explained that he would like for City Council to distribute and discuss a joint resolution which outlined a plan where the City would continue to receive debt payments of the full amount and allow time to discuss other arrangements.

Following discussions between City Council and City staff regarding the consideration of the joint resolution that was introduced during first reading of the ordinance, City Attorney Kenneth Krushenski clarified that the resolution will need to be considered separately from the ordinance and that the resolution not be voted on during the special meeting. Based on comments and discussions, it was determined to only discuss the resolution.

The resolution was placed on the floor for discussion and read, in its entirety, by the City Clerk.

The City Manager explained to City Council the main differences between the joint resolution presented at the special meeting versus the previous version that was discussed during a City Council Work Session in April. Mr. Watson pointed out that this joint resolution includes an additional paragraph on the general history of the debt issuance, reaffirms that the retirement of the debt is the primary purpose, includes language from the 2005 ballot, and notes that the City would continue with its repayment course for the remainder of the Fiscal Year 2012 and 2013, and lastly, allow time to further discuss long term funding issues while continuing dialog with the Board of Education.

Several members of City Council commented that the joint resolution presented was a good solution at discussing a means to move forward with the retirement of the high school debt.

The City Manager was instructed by Council to direct the resolution to the Superintendent of Schools for consideration per the recommendation from the City Attorney.

The ordinance was approved unanimously on first reading by board vote with Councilmembers Garcia Garland, Hensley, Hope, Mosby, Smith, Mayor Pro Tem Miller, and Mayor Beehan voting "Aye."

ADJOURNMENT

The meeting adjourned at 8:45 p.m.

  
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Diana R. Stanley, City Clerk

APPROVED BY CITY COUNCIL  
May 29, 2012

  
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Thomas L. Beehan, Mayor