

March 4, 2013

The Mayor and Council of the City of Calera met on March 4, 2013 at 6:30 p.m. at Calera City Hall with the following present:

Absent: Jon G. Graham

Mayor Pro Tem: David Bradshaw

Council Members: Ernest Montgomery, Alan Watts, Chris Bunn, Philip Busby, Bobby Joe Phillips

Department Heads: Sean Lemley, Police Chief
David Jones, Public Works Director
Roy Hadaway, Finance Director
Sean Kendrick, Fire Chief
Chris Pappas, City Engineer
Janet Greathouse, Library Director

Guests: Randy and Rebecca Krueger, Bill Davis, Christine Boatwright and Jasper Levio

Jason Seales called the meeting to order and opened with a Word of Prayer and the Pledge of Allegiance.

Council Member Phillips made a motion to approve and dispense with the reading of the following minutes:

Regular Meeting – February 19, 2013
Work Session – February 19, 2013

Council Member Bunn seconded said motion which was carried unanimously.

REPORTS OF DEPARTMENT HEADS:

Roy Hadaway, Finance Director submitted the following budget adjustments for approval

See Attached Budget Adjustment Register
Radios – Police Cars
Fairy Tale Ball

Council Member Bunn made a motion to approve the budget adjustment as requested. Council Member Montgomery seconded said motion which was carried unanimously.

Roy Hadaway, Finance Director reported the Audit is complete and been placed on the city website for public record. Mr. Hadaway discussed the consideration of an increase in sales tax and requested Public Hearings be scheduled.

Council Member Montgomery made a motion to set the following Public Hearings concerning the proposed one cent sales tax increase.

First Public Hearing – March 18, 2013 @ 6:30 p.m.
Second Public Hearing – March 25, 2013 @ 6:30 p.m. – Special Called Meeting Date

Third Public Hearing – April 1, 2013 @ 6:30 p.m.

Council Member Watts seconded said motion which was carried unanimously.

Janet Greathouse, Library Director thanked city departments for their help in making the Fairy Tale Ball a success.

Sean Lemley, Police Chief reported Mr. McCoy with CSX is working up a cost estimate to repair the railroad crossings.

COUNCIL MEMBER REPORTS:

Council Member Montgomery requested Rebecca Krueger update the Mayor and Council on the recent AOK project. Mrs. Krueger reported over 600 people came to receive free clothing.

AOK requested to reserve the Calera Community Center and the Calera Presbyterian Church for the following dates: Friday, September 20, 2013 to Saturday, October 5, 2013.

Council Member Bunn made a motion to authorize AOK to use the Calera Community Center and the Calera Presbyterian Church free of charge for the requested dates. Council Member Watts seconded said motion which was carried unanimously.

Council Member Watts thanked David Jones, Public Works Director for quickly repairing the pot holes located on 16th Street.

Council Member Busby thanked Sean Lemley, Police Chief for allowing the Mayor and Council to use the simulation training exercise to show how the city's police officers train and gain experience.

Council Member Busby reported Calera High School Student, Coby Mize has claimed the 160-pound Class 1A-4A State Wrestling Championship Title for the second year. Mr. Mize should be recognized for his accomplishments.

Council Member Phillips requested Chris Pappas, City Engineer update the Council on the Meriweather Project. Mr. Pappas reported the work should begin this summer.

MAYOR REPORT:

No report given

OLD BUSINESS:

No old business

NEW BUSINESS:

PROCLAMATION

WHEREAS: Alienating behaviors are often found in high conflict divorce or never married and asymmetrical custody arrangements; and

WHEREAS: Speaking negatively about a parent to or in front of a child; interfering with communication and visitation; and discussing inappropriate information with a child, such as details of the separation, court proceedings, or financial matters, are behaviors that can not only destroy the bond between a loving parent and child, but can cause a child mental and emotional harm; and

WHEREAS: Parental alienation takes advantage of the impressionable and dependent nature of children; and

WHEREAS: Parental alienation deprives children of their right to love and be loved by both parents; and

WHEREAS: Parental alienation is considered harmful to children, as the alienating tactics are confusing, frightening and rob children of their sense of security; and

WHEREAS: Professionals agree that the problem of parental alienation is damaging to children and can affect them into adulthood, with tragic consequences; and

WHEREAS: There were more than 20,000 divorced Alabamians, almost 25,000 unwed births in 2011, and approximately 40,000 children in Alabama subjected to child custody determination; and

WHEREAS: With awareness come education and understanding, and the power to stop the abuse of innocent children caught in the crossfire of the people they love; dear friends, since God so loved us, we also ought to love one another;

WHEREAS: Love does no harm to its neighbor. Therefore love is the fulfillment of the law. This year organizers are doing something special by asking everyone to take 10 minutes out of their day at noon on April 25th, anywhere in the state, and blow soap bubbles representing love.

NOW, THEREFORE, I, David Bradshaw, Mayor Pro Tem of the City of Calera, do hereby proclaim April 21 through April 27, 2013, as **PARENTAL ALIENATION PREVENTION WEEK** and April 25, 2013, as **PARENTAL ALIENATION AWARENESS DAY**

Council Member Phillips made a motion to proclaim April 21 – April 27 as Parental Alienation Prevention Week and April 25, 2013 at Parental Alienation Awareness Day. Council Member Bunn seconded said motion which was carried unanimously.

Mayor Pro Tem Bradshaw introduced the following Resolution:

RESOLUTION NO. R-2012-12

BE IT RESOLVED BY THE MAYOR AND COUNCIL OF THE CITY OF

CALERA, ALABAMA

Be it ordained by the City Council of the City of Calera, Alabama, that Resolution No. 2012-12 is hereby amended to read as follows:

WHEREAS, the Mayor and Council of the City of Calera, Alabama hereby adopts the following Investment Policy:

Section 1. PURPOSE

The purpose of this Policy is to set forth the investment objectives and parameters for the management of public funds of the City of Calera. This investment policy is designed to safeguard funds on behalf of the City, to assure the availability of operating and capital funds when needed, provide an investment return competitive with comparable funds and financial market indices; and to address various financial statement disclosure requirements established by GASB 40.

Section 2. SCOPE

This investment policy applies to all cash and investments held or controlled by the City. This policy does not apply to funds related to the issuance of debt where there are other indentures in effect for such funds.

Section 3. INVESTMENT OBJECTIVES

A. Credit Risk (Custodial Credit Risk and Concentration Credit Risk)

The city will minimize Custodial Credit Risk, which is the risk of loss due to the failure of the security issuer or backer, by; limiting investments to the types of securities listed in Section 5 of this Investment Policy; and qualifying the financial institutions, broker/dealers, intermediaries and advisors with which the City will do business in accordance with Section 4 of this Investment Policy.

The city will minimize Concentration of Credit Risk, which is the risk of loss attributed to the magnitude of the City's investment in a single issuer, by diversifying the investment portfolio so that the impact of potential losses from any one type of security or issuer will be minimized.

B. Investment Rate Risk

The City will minimize Interest Rate Risk, which is the risk that the market value of securities in the portfolio will fall due to changes in market interest rates, by; structuring the investment portfolio so that securities mature to meet cash requirements for ongoing operations, thereby avoiding the need to sell securities in the open market; and investing operating funds primarily in shorter-term securities, liquid asset funds, money market mutual funds, or similar investment pools and limiting the average maturity in accordance with the City's cash requirements.

C. Foreign Currency Risk

The City is not authorized to invest in investments which have this type of risk.

Section 4. AUTHORIZED INVESTMENT INSTITUTIONS AND DEALERS

Only firms meeting one of the following requirements shall be eligible to serve as Authorized Institutions:

- A. The firm must comply with the following requirements:
 - i. Primary and regional dealers that qualify under Securities and Exchange Commission Rule 15C3-1 (uniform net capital rule);
 - ii. Capital of no less than \$10,000,000;
 - iii. Registered as a dealer under the Securities Exchange Act of 1934;
 - iv. A member of the National Association of Securities Dealers (NASD);
 - v. Registered to sell securities in Alabama; and
 - vi. The firm and assigned broker have been engaged in the business of effecting transactions in U.S. government and agency obligations for at least five (5) consecutive years; or,

- B. Public Depositories qualified in accordance with the laws of the State of Alabama.

All brokers, dealers and other financial institutions deemed to be Authorized Institutions shall be provided with current copies of this Investment Policy.

Section 5. AUTHORIZED INVESTMENTS AND PORTFOLIO COMPOSITION

Investments and Depositories are restricted to those complying with Alabama Code Section 19-3-120. These include:

- A. United States Government Securities
- B. United States Government Agencies
- C. Federal Instrumentalities (United States Government-Sponsored Enterprises).
- D. Certificates of Deposit.
- E. Repurchase Agreements.
- F. Commercial Paper.
- G. Bankers' Acceptances.
- H. Registered Investment Companies (Money Market Mutual Funds).
- I. Investment pools composed entirely of instruments that are legal for direct investment by a municipality.

BUDGET MANAGEMENT POLICY

That City of Calera, Alabama ("the City") establishes budget policies which guide the development of the City's budget. The purpose of the budget policies are to:

- (a) Ensure the City maintains a financial base sufficient to sustain a consistent level of municipal services;
- (b) Ensure the City is able to withstand local and regional economic variations;
- (c) Adjust to changes in the service requirements of the community; and
- (d) Maintain a good credit rating with the rating agencies so that borrowing costs are minimized and access to credit is preserved.

The following presents a summary of the policies which guide the budget development process:

- (1) The City will prepare a budget annually; budgets will be reviewed on at least a quarterly basis for amendment of revenue and expense expectations based upon actual results to date.

- (2) The City will maintain the fiscal integrity of its operating, debt service, and capital improvement budgets. It is the City's intent to maximize the level of public goods and services while minimizing the level of debt.

- (3) Annual projected expenditures in any budget should not exceed 90% of the annual projected revenue.
- (4) The City will maintain a minimum unreserved General Fund balance of no less than 10% of annual operating expenditures. The purpose of this fund is to provide a means for the City to respond to potential adversities such as public emergencies, natural disasters, or similarly unanticipated events.

DEBT MANAGEMENT POLICY

The purpose of this Debt Management Policy is to establish guidelines for the issuance and management of the debt of the City of Calera, Alabama (“the City”). The City is committed to consistent, best practices financial management, including maintaining the financial strength and flexibility of the City, as well as the full and timely repayment of all borrowings. The City views debt as a means to distribute and equalize improvement costs to both present and future citizens, and as a means to address the near-term cash flow impact of undertaking certain public improvements.

To further the directives set forth above and to promote long-term stability and strategic thinking, the City Council hereby adopts the following policies:

- 1) The City will prepare and adopt a five-year Capital Budget, updated every year, to identify capital project needs, estimated cost per year, and possible funding sources to finance the plan.
- 2) City Council approval is required prior to the issuance of debt.
- 3) Capital projects financed through the issuance of bonds are financed for a period not to exceed a conservative estimate of the useful life of the facility or equipment to be financed.
- 4) The City will not use long-term debt to support current operations.
- 5) The City will use refunding bonds when appropriate to restructure its current outstanding debt.
- 6) The City will conduct its debt management functions in a manner designed to maintain or enhance its existing credit ratings, so that borrowing costs are minimized and access to credit is preserved.

INVESTMENT MANAGEMENT POLICY

The purpose of the City Calera’s Investment Management Policy is to provide guidelines and limitations for the responsible management of the City’s funds that are available for investment. The investment policy applies to the cash management and investment activities of the City, except for the debt service funds, reserve funds, and other financial assets held by various fiscal agents and trustees as provided by the appropriate bond ordinance or indenture. The financial assets of all other funds shall be administered in accordance with the provisions of this policy.

It is the policy of the City to invest public funds in a manner which will provide maximum security of principal consistent with a market rate of return while meeting the cash flow needs of the City and conforming to all applicable State, County, and City statutes governing the investment of public funds.

The primary objectives of the City shall be:

- (1) Safety: Investments of the City shall be undertaken in a manner that seeks to

- ensure the preservation of capital.
- (2) Liquidity: The City's investment portfolio shall remain sufficiently liquid to enable the City to meet all operating requirements which might be reasonably anticipated.
 - (3) Return on Investment: The City's investment portfolio shall be designed with the objective of attaining a market rate of return throughout the budgetary and economic cycles, taking into account the City's investment risk constraints and the cash flow characteristics of the portfolio.

The standard of prudence used by the City shall be the "prudent person rule" and shall be applied in the context of managing the overall portfolio within the applicable legal constraints. The prudent person rule is restated below:

"Investments shall be made with judgment and care, under circumstances then prevailing, which persons of prudence, discretion and intelligence would exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital as well as the probable income to be derived."

The City is empowered to invest in any securities as defined by the Code of Alabama 11-81-21.

BE IT FURTHER RESOLVED, that upon the adoption and execution of this resolution, that a copy of this policy be kept on record by the City Clerk.

Council Member Bunn made a motion to adopt Resolution No. R-2012-12. Council Member Montgomery seconded said motion and upon vote, results were as follows:

AYES: Montgomery, Watts, Bradshaw, Bunn, Busby, Phillips

NAYS: None

The Mayor Pro Tem declared Resolution No. R-2012-12 adopted this the 4th day of March 2013.

David Bradshaw, Mayor Pro Tem

ATTESTED BY:

Connie B. Payton, City Clerk

APPOINTMENT OF PARK AND RECREATION MEMBERS:

Council Member Busby made a motion to appoint Candace Roberson and Kenneth Mobley to the Park and Recreation Board with a term expiring Feb 2018. Council Member Montgomery seconded said motion and upon vote, the results were as follows:

AYES: Montgomery, Watts, Bradshaw, Bunn, Busby, Phillips

NAYS: None

GUESTS:

Council Member Phillips made a motion to adjourn the meeting at 6:57 p.m.

Approved this 18th day of March, 2013.

David Bradshaw, Mayor Pro Tem

ATTEST:

Connie B. Payton, City Clerk