

The Regular meeting of the Finance/Executive Committee of the Atlanta City Council was held Wednesday, July 14, 2010, at 1:00 p.m. in Committee Room #2, City Hall South, 2<sup>nd</sup> Floor.

**Present:** Councilmember Adrean, Chair  
 Councilmember Felicia A. Moore  
 Councilmember Howard Shook  
 Councilmember C.T. Martin  
 Councilmember Aaron Watson  
 Councilmember H. Lamar Willis

Roosevelt Council, Acting CFO  
 Departmental Staff

**Absent:** Councilmember Alex Wan

Chairperson Adrean called the meeting to order at 1:30 p.m. after declaring a quorum present. The Committee members present were introduced as follows: Councilmembers Felicia A. Moore, Howard Shook, C.T. Martin, Aaron Watson and H. Lamar Willis. Other Departmental staff was present as well.

The Agenda was adopted as printed with one Resolution. Chairperson Adrean offered a motion to **accept the Walk In Paper, 6 Yeas**. The minutes of the Finance/Executive Committee June 16, 2010 were adopted as well.

## **DISCUSSION ITEMS**

### **INTERNAL CONTROLS AS OF JUNE 30, 2009**

**Ms. Leslie Ward:** Internal Auditor addressed the Committee by introducing the External Auditors: Mr. Fred Williams, Chair, Mr. Don Penopi, and Ms. Marion Cameron. She then stated that all of them are Certified Public Accounts. Councilmember Moore stated that the work that you do is extremely important. We do not take the work lightly. We do not always follow the recommendations, but it does not mitigate the work that you do. She encourages the Auditors to continue what they do.

**Mr. Greg Ellison:** of Banks, Finley and White addressed the Committee by stating that he will give the results of the internal controls. We are required to review the controls. The work is based on the nature of the controls. During the course of the review we come up with recommendations. There are two major category findings: 1) material weaknesses, which is located on page #4 and significant efficiencies, which are less severe than material weaknesses. There could be situations that could fail to be corrected. Chairperson Adrean asked for their opinion on the scope of the audit. Mr. Ellison responded that if there are any from past experiences that could impact the statements, we would adjust the scope of work. Page #5 is the beginning of the material weaknesses. There is a need to improve the Close Out cycle as well as an improvement of the design for the financial statements. There were some deficiencies in the full accrued basis and the cash basis. Councilmember Moore asked why would they move from cash to an accrual basis. Mr. Ellison responded that in the first part of the year, it was recorded on a cash basis. It is stated that revenues be earned and expenditures be recognized when they are paid. There has to be a conversion in order for them to be paid the end of the year. Councilmember Moore asked if there are any discrepancies? Mr. Ellison responded that there was a recording of unpaid invoices at the end of the year. Acting CFO Council responded that the report was for fiscal year 2009. The changes are reflected in 2010. In the 3<sup>rd</sup> quarter we tried to accrue for expenses that are coming in; anything that comes in June is for the prior year and recorded for the prior year. Councilmember Moore asked if this page will go away next year. Acting CFO Council responded, yes. Councilmember Martin stated that part of the problem has been Departments are holding onto invoices. The key word for him is improving the Close Out process, meaning that it is around 80%. The Mayor needs to get with the Commissioners to get the invoices taken care of. We know that the controls are not there. Do you always have the information? Mr. Ellison responded that we are looking at the disbursements in a 60 day period. Councilmember Moore stated that if it is that

good of an accomplishment, why is it listed as a top priority? Mr. Ellison responded that there could be misstatements in the financial system. In 2009, the combinations of the items were raised to misstatements. There is a lot of improvement because of Oracle. Councilmember Moore stated that we have made progress, but still have material weaknesses. She does not want to minimize the progress. We shouldn't lose facts and these should not be taken lightly. Councilmember Watson stated that the timing is off because this is a year old. If we were looking at the next year, it would be better. Chairperson Adrean stated that this report is for the June 2009 Audit. It does not make it unimportant. Councilmember Martin stated that this is a test. Auditors look at how the information is recorded. Mr. Ellison responded that it is making sure that procedures are in place. There are a lot of factors in the closing process. Some of the items are covered in later pages, but these are things that need to be dealt with. The proper recording of debt related transactions is part of the closing process as well as the proper recording of pension. There needs to be proper reconciliation of fiduciary funds. Many of the excess funds of the City are invested and should be invested to the fair market value. Balancing the cash pool should be part of the Close Out process. Timely reporting of depreciation of Water and Airport assets should also be part of the Close Out. The next slide represents the communication with the Departments. There are three office operations, the entire City, Watershed and Aviation. We are making recommendations for ongoing communication. There can be unusual activities going on and they need to be recorded properly. There were issues during the year with adjustments that had to be made. The next slide shows there were some material misstatements and adjustments that had to be made. For example, within the Enterprise Funds, if construction is going on the interest should be capitalized into the project. There had to be some adjustments made in order to record it. The City has specific funds where debt should be captured. There was some improper recording of the debt service payments. We had to move some of the interest into the designated funds. The debt service should follow the Bond transactions. There was some crossing of the payments and adjustments had to be made. Chairperson Adrean asked if in 2010, what is the matching of the mileage rate from the Fulton County Parks Improvement Fund. Acting CFO Council responded that we looked into how they occurred. We were not reconciling all of the accounts. We are making sure that it would not happen in FY2010. Mr. Ellison stated that the pension expense reconciling did not have a problem. The actuarial amount should have been recorded, but adjustments had to be made. Councilmember Moore asked if page #7 will go away next year as well as page #6.

**Mr. Greg Richardson:** Controller addressed the Committee by stating that page #7 will not be seen here next year. Councilmember Moore asked about the financial reporting process.

**Mr. Peter Aman:** Chief Operating Officer addressed the Committee by stating that page #6 will not be here next year. We have done everything to have things done on a monthly period. We went through each Department line item invoice in April.

Continuing, Mr. Ellison stated that page #8 (recording of non routine transactions) shows that we looked for a system being in place to deal with those kinds of transactions. It is important to have communications throughout each fund. There were three situations in 2009, the MOST being recorded in a different way by the State. The State still has some concerns about it and they want some additional disclosures in 2010. Another concern is the Zoo Bonds, the Fulton County Recreational Authority or the City should have been responsible for recording it. The third item is the Department of Aviation to review assets to see if they should remain an accounting asset. It should have been moved or adjusted. There should be something in place for routine items. Page #9 is the accounting and reconciliation of the Cash Pool. There needs to be a process in place for the cash pool accounts. Mr. Richardson responded that the reconciliation is done daily. Everything is cleaned up and this will not be on the report next year. Our classification is more interfund in nature. We have made a slight change. Mr. Ellison responded that page #10, additional findings relative to the cash pool is related to the Department of Watershed for a large balance accumulated of

\$692,000. There was one fund paying for all of the bills. Mr. Richardson responded that the transaction was after the Audit. Any of the Bond funds used to construct is being recorded in the Bond Fund. When it is finished the assets go into the R N E fund. When the transfer was made it was on an accrual basis. It created an inconsistency in the two accounts. This issue will not exist next year. We have built in procedures. If they have issues, we discuss it. We now have monthly meetings. The Enterprise Funds recordings are under an accrued basis, but the governmental funds are under a modified accrual basis. Councilmember Martin asked if anything was related moving from MARSG to Oracle. Mr. Richardson responded no, it has been more of an education. Councilmember Moore asked what is in place to prevent us from owing Watershed money. Did we fully budget for water bills in each Department this year? Mr. Richardson responded that the information is easily accessible. There is a fund in the cash pool that can be identified where the source is. The issue that has occurred is losing sight of how much the general fund has. Since then we have stopped making that entry. There is a constant monitoring of those accounts. Councilmember Moore stated that Aviation and Watershed seems to be on an island of their own. Mr. Richardson responded that as long as the Mayor is associated with Water and Aviation, the Finance Department is responsible. Each entity will have staff operating on a daily basis doing financials. We do their financial statements. They are responsible for preparing them. There is a political nature to that. He can work with the CFO's for each organization. Acting CFO Council added that it comes to the governing structure as a whole. Enterprise Funds will do things independently. This is a work in process. We now get financials from the Departments and provide them with monthly statements. Mr. Richardson stated that moving forward they will provide us their financial reports. Chairperson Adrean asked if there are any reconciling processes? Acting CFO Council responded that there are monthly meetings and there is willingness from the Enterprise Funds Departments. We have to provide the financial benefit. Councilmember Moore stated that if they have to demonstrate willingness, there is a problem. She is concerned because she gets to engage with the CFO and the Enterprise Funds are doing what they want to. This Finance Committee spends a lot of time on the General Fund while others do what they want to. Acting CFO Council responded that the majority of time is on the General Fund. We are starting to see a consolidated piece. Councilmember Martin stated that under former CFO Davis you could not move and he did not know about it. Until that change happens again, we will always be in the situation we are in now. There is no stabilization. The progress we are looking for will be here soon. There has to be more patience. Mr. Ellison stated that page #11 is the material weakness #7 is construction at the Airport, the aging of the construction progress. There were some items that had been captured that should not have been recorded because of allocation issues or taking out and put in services. We are suggesting regular reconciliations in Oracle. Councilmember Willis asked if it means the number of dollars spent is not accurate. Mr. Ellison responded that an adjustment had to be made. There were costs going back to 2004 and should not have been recorded. Some projects were completed. Some of them impacted operations and capital assets. Councilmember Willis asked about the number of minority participation being impacted. Mr. Ellison responded that we only looked at it as an accounting practice, not compliance. Page #12, item #8 (monitoring), it already requires that we communicate to a body with government responsibility. One of the controls is looking at how it is being handled and the improvements taking place. Chairperson Adrean stated that we need to talk about utilizing your professional guidance to address some of these controls. Mr. Ellison responded that we review the status of all of these things; we look at controls to strengthen the receivables. Page #14 (accounts payable) shows that invoices have to be recorded and we have to capture all of the invoices. In government we deal with purchase orders that are encumbered. The outstanding invoices need to be encumbered. There is an aging process that needs reviewing. Page #15 is the participant data being presented to the Actuary. The problem was who had ownership of the data. The City has a lot of operating leases for space and equipment. There was an effort in 2009 to get a comprehensive listing. There needs to be an updated inventory. Page #16 (Grant Funds), we were reviewing some of the GHDA's. There were some challenges with the pass thru Grants that were federal funds. We have to make sure that all are captured. Page #16, item #15 shows that we have to

report original and final budgets. The last item is monitoring services from outside servicers. There should be a service audit report. The next couple of pages are the operations in the Information Technology environment. We have made recommendations. There should be user controls and various controls for changes as well as monitoring the changes. Page #21 is the prior deficiencies. 1<sup>st</sup> is reconciliation of the general ledger, and that process is taking place. We recommend increased training for governmental accounting and the need for accounting and construction process. A policy and procedure manual should be created. We have provided drafts of documents. We have recommended a single point of information technology operations. The City needs a continuing plan.

**Mr. Dan Smith:** Chief of the Department of Information Technology addressed the Committee by stating that we are making progress. The recommendations will not be here next year. We have provided a map. There are manual processes being put in place. That recommendation could be processed manually. This is not the only audit done on IT. Councilmember Martin asked about page #17. Would you need additional staff to deal with outside services? Acting CFO Council responded, no. Councilmember Martin thanked Mr. Ellison and the Audit Committee for all of their hard work.

### **CONSENT AGENDA**

#### **TO AMEND THE 2011 (INTERGOVERNMENTAL GRANT FUND) BUDGET**

10-O-1279 (1) An Ordinance by Finance/Executive Committee amending the 2011 (Intergovernmental Grant Fund) Budget, Department of Executive Offices, by adding to Anticipations and Appropriations in the amount of \$45,000.00 for a donation from Clean Energy, to pay the incremental cost of purchasing eighteen (18) E450 Parking Shuttles for conversion to compressed natural gas; and for other purposes.

#### **FAVORABLE ON FIRST READ**

#### **REGULAR**

#### **TO EXECUTE AMENDMENT AGREEMENT NO. 3 WITH ADVANCED DISPOSAL SERVICES, INC. FOR FC-7650-04A**

10-O-1206 (1) A **Substitute** Ordinance by Finance/Executive Committee authorizing the Mayor to execute Amendment Agreement No. 3 with Advanced Disposal Services, Inc. for FC-7650-04A, Annual Contract for Disposal of Municipal Solid Waste Services, on behalf of the Department of Public Works, to extend the Agreement on a month to month basis not to exceed November 28, 2010; and authorizing the City of Atlanta to waive the Competitive Source Selection Requirements contained in Section 2-1187 through 2-1189, and 2-1206 of Article X of the Procurement and Real Estate Code of the City of Atlanta Code of Ordinances; and for proposes. **(Finance/Executive Committee Substitute changes the date from November to February, 7/14/10)**

#### **FAVORABLE ON SUBSTITUTE**

Chairperson Adrean stated that the Substitute changes the date from November to February. Councilmember Shook stated that the last time we extended it was for the same reason.

**Mr. James Swope:** of the Department of Public Works addressed the Committee by stating this is the second time we have extended this. The first expiration was for February 28<sup>th</sup> and the second one was February 21<sup>st</sup> of this year. There was coordination to rewrite the RFP for better pricing. Councilmember Moore stated to continue to do the month to month extension is ridiculous. At what point and time did you decide that the Department of Watershed should be involved in the process? Mr. Swope responded that we have been working with them and Procurement. We have a draft that covers both operations. Councilmember Moore reiterated that the last time you were supposed to go out and get a RFP. Why did Watershed slow up the process? Where are you in this process? Mr. Swope responded that we have a release. Councilmember Moore asked what is taking so long. Mr. Swope responded that we are anticipating the 180 days for the procurement process. We want sufficient time to complete the process. This continual extension does not make sense to her. She has concerns with the temporary location because it has become a permanent location. The compost waste is a hazard. Councilmember Martin offered a motion to **Approve on Substitute, 6 Yeas.**

**TO EXECUTE AMENDMENT AGREEMENT NO. 8 WITH REPUBLIC SERVICES OF GEORGIA, LP FOR FC-7650-04B**

10-O-1207 (2) A **Substitute** Ordinance by Finance/Executive Committee authorizing the Mayor to execute Amendment Agreement No. 8 with Republic Services of Georgia, LP for FC-7650-04B, Annual Contract for Disposal of Municipal Solid Waste Services, on behalf of the Department of Public Works, to extend the Agreement on a month to month basis not to exceed November 28, 2010; and authorizing the City of Atlanta to waive the Competitive Source Selection Requirements contained in Sections 2-1187 through 2-1189, and 2-1206 of Article X of the Procurement and Real Estate Code of the City of Atlanta Code of Ordinances; and for other purposes. **(Finance/Executive Committee Substitute changes the date from November to February, 7/14/10)**

**FAVORABLE ON SUBSTITUTE**

Councilmember Martin offered a motion to **Approve on Substitute, 6 Yeas.**

**TO AMEND THE FY 2010 AIRPORT RENEWAL AND EXTENSION BUDGET, DEPARTMENT OF AVIATION**

10-O-1208 (3) A **Substitute** Ordinance by Finance/Executive Committee authorizing the Chief Financial Officer to amend the FY 2010 Airport Renewal and Extension Budget, Department of Aviation, by adding to anticipations and appropriations Grant Funds in the total amount of \$4,359,328 from the Federal Aviation Administration for Project Number 3-13-0008-094-2010 "Rehabilitate Taxiway L & M (Westside) – Construction"; and for other purposes. **(Finance/ Executive Committee Conditional Passage includes the FDOA numbers, 7/14/10)**

**FAVORABLE ON SUBSTITUTE ON CONDITION**

**Mr. Robert Kennedy:** Interim Aviation General Manager addressed the Committee by stating that this is for the runway complex. Councilmember Moore asked why some of the funds have XXXs. Acting CFO Council responded that at the time of the Legislative Review we didn't have the account numbers. When the Department provides the account numbers is when they become the actual numbers. We tried to enhance our process in Finance. Councilmember Moore stated that legislation should be as complete as possible. Councilmember Shook asked if the data will be available on Monday. Councilmember Martin offered a motion to **Approve on Substitute on**

**Condition, 5 Yeas, 1 Abstention.** Councilmember Watson asked what risk is there for having the XXXs. Acting CFO Council responded that we can't move anything forward with XXXs. There is no reason to have XXXs. We have to identify the source of funding first.

**TO AMEND THE 2010 AIRPORT RENEWAL AND EXTENSION FUND BUDGET, DEPARTMENT OF AVIATION**

10-O-1209 (4) An Ordinance by Finance/Executive Committee authorizing the Chief Financial Officer to amend the 2010 Airport Renewal and Extension Fund Budget, Department of Aviation, by adding to anticipations and appropriations Grant Funds in the total amount of \$10,000,000 from the Federal Aviation Administration for Letter of Intent #ASO-02-2, Payment #8-Extend Runway 10/28, Project Number 3-13-0008-93-2010, for the payment of Debt Service of the City of Atlanta Airport Passenger Facility Charge and Subordinate Lien Revenue Bonds, Series 2004E; and for other purposes. **(Finance/Executive Committee Conditional Passage includes the FDOA, 7/14/10)**

**FAVORABLE ON CONDITION**

Councilmember Martin offered a motion to **Approve. On Condition, 5 Yeas, 1 Abstention.** Councilmember Moore stated that the risk is that she is approving legislation that is incomplete. The condition is to provide Account Numbers.

**TO AMEND THE FY 2010 BUDGET**

10-O-1210 (5) An Ordinance by Finance/Executive Committee authorizing the Chief Financial Officer to amend the FY 2010 Budget by adding to anticipations and appropriations Grant Funds in the total amount of \$2,500,000 from the Federal Aviation Administration for Letter of Intent #ASO-96-01, Payment #5 – Construct Taxiway V (8R End Around); and for other purposes.

**FAVORABLE ON CONDITION**

Councilmember Martin offered a motion to **Approve on Condition, 5 Yeas, 1 Abstention.**

**TO WAIVE THE COMPETITIVE PROCUREMENT PROVISIONS**

10-O-1248 (6) A **Substitute** Ordinance by Finance/Executive Committee authorizing the City of Atlanta to waive the Competitive Procurement Provisions contained in Article X, Procurement and Real Estate Code of the City of Atlanta, to authorize the Mayor to execute Amendment No. 3 to Contract No. FC-6005007976 between the City of Atlanta and Banks, Finley, White & Company, on behalf of the Department of Finance, to extend the contract terms for an additional 7 months and add funding in an amount not to exceed \$1,100,000.00; all expenses to be charged to and paid from the FDOA Numbers listed; and for other purposes. **(Finance/Executive Committee Substitute includes FDOA numbers, 7/14/10)**

**FAVORABLE ON SUBSTITUTE**

Councilmember Martin offered a motion to **Approve on Substitute, 5 Yeas.** Councilmember Moore asked what are we waiving? Ms. Ward responded that the term of the contract and audit period got out of sync a couple of years ago. The current

contract expires in August and it needs to be extended. Councilmember Moore asked if we are on track to have it ready in seven months. Ms. Ward responded that we are preparing for a transition with the Audit Committee. We expect to solicit a new proposal. The recommendation will come from the Audit Committee along with Finance.

**TO CORRECT ORDINANCE NUMBER 09-O-0780**

10-O-1250 (7) A **Substitute** Ordinance by Finance/Executive Committee to correct Ordinance number 09-O-0780 adopted by the City Council on May 18, 2009 and approved by the Mayor on May 26, 2009 by deleting incorrect Department Organization and Expenditure Number and Description and inserting in lieu thereof the correct Department Organization and Expenditure Number and Description; and for other purposes. **(Finance/Executive Committee Substitute corrects the word Ordains instead of Resolves, 7/14/10)**

**FAVORABLE ON SUBSTITUTE**

**Ms. Sheila Pierce:** Deputy Commissioner of the Department of Watershed Management addressed the Committee by stating that the Substitute corrects the word Ordains instead of Resolves. Councilmember Martin offered a motion to **Approve on Substitute, 5 Yeas.**

**TO AMEND THE 2011 ( \_\_\_\_\_ FUND) BUDGET, DEPARTMENT OF EXECUTIVE OFFICES**

10-O-1252 (8) An Ordinance by Finance/Executive Committee to amend the 2011 ( \_\_\_\_\_ Fund) Budget, Department of Executive Offices, by adding to anticipations and appropriations in the amount of \$200,000.00 from the Fund for Cities of Service, Inc. for the Cities of Service Leadership Grant; to authorize the Mayor to execute all necessary Grant Agreements; and for other purposes. **(Finance/Executive Committee Conditional Passage to provide the FDOA by Monday, 7/14/10)**

**FORWARD WITH NO RECOMMENDATION ON CONDITION**

Councilmember Willis offered a motion to move Forward with No Recommendation on Condition of getting a Substitute of the FDOA by Monday.

**Ms. Katrina Taylor-Parks:** Mayor's Office Deputy Chief of Staff addressed the Committee by stating that this is to accept a Grant from the Rockefeller Foundation. There are no matching funds. It is for a position and benefits. The Department of Human Resources will have the job description ready on next week. We are not looking to do anything outside of the \$200,000. This person will create a plan for civic engagements. Every City in the nation put in an application, but only ten Cities were chosen. The position is for two years. They will see how well we have done in the first year and then we go back to get funding for the second year. Councilmember Moore stated that this paper has blanks in it. Ms. Taylor-Parks responded that we rushed it. We just received all of the information on Monday. Councilmember Moore stated that two years has nothing to do with the cost. Councilmember Willis offered a motion to move **Forward on Condition, 5 Yeas, 1 Abstention.**

**TO REQUEST THE ISSUANCE BY THE CITY OF ATLANTA AND FULTON RECREATION AUTHORITY**

10-O-1338 (9) An Ordinance by Councilmembers Howard Shook and Kwanza Hall to request the issuance by the City of Atlanta and Fulton

Recreation Authority (The “Issuer”) of its Revenue Refunding and Improvement Bonds (Downtown Arena Private Improvements Project); Taxable Series 2010 in the maximum aggregate principal amount of \$145,000,000 (The “Series 2010 Bonds”), to authorize the Mayor to execute, deliver and perform an Intergovernmental Agreement by and among the Issuer, the City of Atlanta (The “City”) and Fulton County, Georgia (The “County”) for the purpose of financing and refinancing the cost of (1) the construction, reconstruction, improvement, equipment and extension of the Downtown Arena and (2) the provision of other Recreation Facilities and Programs for the City and the County, to authorize acknowledgment of service and the filing of an Issuer on behalf of the City in validation proceedings to be brought in validating the Series 2010 Bonds, to authorize the execution and delivery of a First Amendment to Operating Agreement among the City, the County and Arena Operations, LLC (The “Operator”); to authorize the Mayor to enter into a Bond Purchase Agreement and continuing disclosure undertaking in connection with the sale of the 2010 Bonds; to approve the Official Statement to authorize certain related actions all in connection with the Issuance of the Series 2010 Bonds; and for other purposes.

**HELD**

Councilmember Moore asked how long will this be Held.

**Ms. Clair Coleman:** Senior Assistant City Attorney addressed the Committee by stating that we are reviewing documents and will complete the process next week. Councilmember Moore asked if this is a General Obligation Bond fund payment. Assistant City Attorney Coleman responded that it is refunding of a 1997 financing. It will refinance the current outstanding debt. Chairperson Adrean asked if the principal amount will go up with refinancing. Assistant City Attorney Coleman responded, it would slightly. We will have Atlanta Spirit and Bond Counsel available to answer questions.

**TO WAIVE THE CITY OF ATLANTA CODE OF ORDINANCE ARTICLE X, SECTION 2-1206**

10-O-1345 (10)

A **Substitute** Ordinance by Councilmember Kwanza Hall waiving the City of Atlanta Code of Ordinance Article X, Section 2-1206 of the Procurement and Real Estate Code, authorizing the Mayor and his Designee to enter into an appropriate Contractual Agreement with Wayne Evans Auction Company, Inc., for Liquidation Sale Services for City Hall East Surplus Property by Auctioneer Services, on behalf of the Office of Enterprise and Asset Management; all revenue generated under the contract shall be deposited to Fund Account and Center Number: 1A01 (General Fund) 491101 (Sale of Equipment, B00001 (Revenue Center). **(Finance/Executive Committee Substitute is to read as an Ordinance instead of a Resolution, Finance/Executive Committee Conditional Passage to correct the numbers by Monday, 7/14/10)**

**HELD ON SUBSTITUTE ON CONDITION**

Chairperson Adrean stated that we have a Substitute to read as an Ordinance instead of a Resolution and will take on Condition that the correct numbers will be correct. Councilmember Moore stated that the word asset is misspelled in the Caption. What is the typical cost of an auctioneer?

**Mr. Dave Chapman:** Deputy Chief Procurement Officer addressed the Committee by stating that last year we did not do liquidation. In an effort to clear out City Hall East we did a competitive bid for \$600 for 6 or 8 lots of furniture, around .12 cents per item. Auctioneers and Liquidators receive a fee. It can go as high as 10% to 50%. Councilmember Moore stated that you negotiate the cost. What other responses did you get? Mr. Chapman responded that this is to enter into a contract to conduct the auction. Councilmember Moore stated that this person will get 50%. What is the typical commission? Did everyone come back at 50%? The .12 cents seems cheaper. Mr. Chapman responded it is .12 cents per item. If the chair is sold for \$10 dollars, the liquidator would receive \$5 dollars. The .12 cents was a straight bid of per item. They wanted to buy whole sale for .12 cents per item. It depends on the age, volume of the goods, etc. Councilmember Moore stated that she wants to see the factors that determined this. She wants to see the estimation. 50% is a whole lot. Mr. Chapman responded that he would provide the information. Chairperson Adrean asked if the assets are depreciated on our books. Mr. Chapman responded that some of it goes back to the 1960's. Councilmember Willis asked what happened to the new furniture that was purchased and being surplused by the Office of Enterprise Assets Management. Acting CFO Council added that furniture has been used by others that were surplused. This furniture is below that. Councilmember Martin stated if this does not work, it would be given to the Salvation Army, etc. He then offered a motion to get the information to Moore before Monday. Is this to help get out of the building? Acting CFO Council responded that we are close to a transaction for the sale of City Hall East. Councilmember Martin stated that when he went over there, it was things with broken arms, tables with broken legs, etc. Mr. Richardson responded that the book value and any fixed assets will be included with what we do. Other items will be identified. From a financial prospective, the items have hit the books. There are no assets on the books. Chairperson Adrean asked if there is an inventory of the nice furniture. Councilmember Willis stated that he believes there are two lists. How are we tracking it? Councilmember Moore wants to understand what the 50% represents. Chairperson Adrean asked if we can Hold this paper for two weeks. Acting CFO Council responded that we would have to get information on the timeframe. He does not know the timeline.

**Ms. Luz Burrero:** Mayor's Office Deputy Chief Operating Officer addressed the Committee by stating that she would have an updated list by Monday. We do not have it today. There is no known impact to the schedule. There is no compelling reason for it to be done now. The process was conducted by Procurement when they generated the bid. Councilmember Willis stated that the challenge is the adequate analysis. It is hard to determine what to do until an analysis is done. Mr. Chapman responded that in terms of depositing the surplus methods was to clear out City Hall East. Bids came in and we received one and the best one was .12 cents per item. The Department felt that .12 cents was insufficient. We have a contract for auctioneering services and they will receive a 10% buyer's premium. In conversation we discussed and negotiated the age, price and condition of the surplus. We then decided on a liquidation sale. We then discussed the liquidation sale fee. The sale will be open to the public because some non profit organizations or City employees could take advantage of the sale and then we will have an auction. Councilmember Moore stated that the problem is just talking to one person. Mr. Chapman responded that we will provide a survey. Councilmember Moore asked if it is possible to talk to other people to receive a reasonable rate. Councilmember Shook asked if we are Holding this paper. He then offered a Substitute motion to Hold on Substitute. Councilmember Moore stated that a lot of Cities are using the avenues of E-Bay or Craig's List or swap with other Cities. Have we looked at that? Mr. Chapman responded that online disposal is becoming more efficient, but we are not doing it. We are trying to move toward that. Councilmember Moore asked the Law Department to look at the Code regarding using the Internet.

**TO CREATE A TRUST FUND ACCOUNT FOR CITY OF ATLANTA COUNCIL DISTRICT 11**

10-O-1346 (11) An Ordinance by Councilmembers Keisha Lance Bottoms and C.T. Martin authorizing the Mayor or his Designee (Chief Financial Officer) to create a Trust Fund Account for City of Atlanta Council District 11 to accept donations for the “Still Standing, Still Strong: Strengthening Our Communities & Families For Success” Back To School Event’ and for other purposes.

**FAVORABLE**

Councilmember Martin offered a motion to **Approve, 5 Yeas.**

**TO ENTER INTO AN INMATE AGREEMENT WITH THE SOUTH FULTON MUNICIPAL REGIONAL JAIL AUTHORITY**

10-R-1153 (1) A **Substitute** Resolution by Finance/Executive Committee authorizing the Mayor of the City of Atlanta to enter into an Inmate Agreement with the South Fulton Municipal Regional Jail Authority (The “Authority”) for the purpose of Housing Persons charged with or sentenced for a violation of the City of Atlanta Code of Ordinances in the facility operated by the Authority; and for other purposes. **(Referred back by Full Council, 7/6/10)**

**HELD**

Councilmember Moore asked why are we Holding it and not Filing it. Assistant City Attorney Coleman responded that the Administration wants to get the contract finalized. We need to come back to Council with any amendments. Councilmember Moore asked what is the timeframe? Assistant City Attorney Coleman responded that she does not know of any.

**TO APPLY FOR THE U.S. ENVIRONMENTAL PROTECTION AGENCY CLIMATE SHOWCASE COMMUNITIES GRANT**

10-R-1280 (2) A Resolution by Finance/Executive Committee authorizing the Mayor’s Office to apply for the U.S. Environmental Protection Agency Climate Showcase Communities Grant, in an amount not to exceed five hundred thousand dollars and no cents (\$500,000.00) per Grant, to establish and implement climate change initiatives within the City of Atlanta; and for other purposes.

**FAVORABLE**

**Mr. Aaron Basting:** of the Mayor’s Office of Sustainability addressed the Committee by stating that the 50% will be done by a non profit match. Councilmember Martin offered a motion to **Approve, 4 Yeas, 1 Nay.**

**TO UTILIZE THE STATE OF GEORGIA TECHNOLOGY AUTHORITY CONTRACT 980-280008 WITH MOTOROLA, INC.**

10-R-1281 (3) A **Substituted and Amended** Resolution by Finance/Executive Committee authorizing the Chief Procurement Officer to utilize the State of Georgia Technology Authority Contract 980-280008 with Motorola, Inc. for the purchase of Radio Communication Equipment on behalf of the Department of Aviation, in an amount not to exceed \$59,550.17; all contracted work will be charged to

and paid from PTAE0: 18101334 (AIP 24) 103 (Task) 550591336 (DOA PFC Revenue 96AA) 5422003 (Vehicles \$5,000+) and FDOA: 5505 Capital Plan) 5422003 (Vehicles \$5,000+) 7563000 (Airport) 101334 (AIP 24) 91336 (DOA PFC Revenue 96AA) 000 (Default) 0000000 (Default) 0000000 (Default). **(Finance/ Executive Committee Substitute..., Finance/ Executive Committee Amendment removes the Default in the Caption and in all of the Resolve Clauses, 7/14/10)**

**FAVORABLE ON SUBSTITUTE AS AMENDED**

Councilmember Shook asked about the Default Numbers. Mr. Kennedy said that these numbers are assigned by Finance. It is the segment. Acting CFO Council responded that these numbers are account segments. We tend to use it as a Default. We can break it out. Chairperson Adrean asked if we need it. Acting CFO Council responded that we don't need it. Councilmember Shook stated that it might be better not to use them at all. He offered an Amendment to remove the Default in the Caption and in all of the Resolve Clauses. Councilmember Martin offered a motion to **Approve on Substitute as Amended, 5 Yeas.**

**TO UTILIZE GEORGIA STATE CONTRACT #SWC-30747**

10-R-1282 (4) A Resolution by Finance/Executive Committee authorizing the Chief Procurement Officer to utilize Georgia State Contract #SWC-30747, to purchase respirators and other safety equipment and supplies, on behalf of the Department of Police ("Department"), in an amount not to exceed nine-hundred twenty-seven thousand, two-hundred sixty dollars \$927,260). All costs shall be charged to and paid from a Grant from the United States Department of Homeland Security: 2501 (Intergovernmental Grant Fund); 240101 (General Ledger Department: APD Chief of Police: 5316002 (Expense Account Equipment \$0-\$999); 1320000 (Function Activity Number: Chief Executive): 210352 (General Ledger Project: UASI - APD 2007); 31863 (General Ledger Funding Source: UASI 2007); and for other purposes.

**FAVORABLE**

**Assistant Chief Andreasen:** of the Police Department addressed the Committee by stating that this is for 2000 pieces of protective gear. Councilmember Martin offered a motion to **Approve, 5 Yeas.**

**TO EXECUTE A SOLE SOURCE AGREEMENT WITH PREMIER CHEMICALS**

10-R-1283 (5) A Resolution by Finance/Executive Committee authorizing the Mayor to execute a Sole Source Agreement with Premier Chemicals for Thioguard Magnesium Hydroxide Slurry at the RM Clayton WRC and Utoy Creek WRC, on behalf of the Department of Watershed Management, in an amount not to exceed nine hundred thousand dollars and no cents (\$900,000.00); all contracted work shall be charged to and paid from the listed Fund Department Organization and Account Numbers in the following amounts: 5051 (Water & Wastewater Revenue Fund, 170204 (DWM Treatment RM Clayton WRC) 5311003 (Chemicals) 4335000 (Sewage Treatment Plant) - \$400,000; 5051 (Water & Wastewater Revenue Fund) 170209 (DWM Wastewater Pumping Stations) 5311003 (Chemicals) 4334000 (Sewer Lift Stations) - \$200,000; 5051 (Water & Wastewater Revenue Fund, 170205 (DWM Treatment Utoy Creek WRC) 5311003 (Chemicals)

4335000 (Sewage Treatment Plant) - \$300,000; and for other purposes.

**FAVORABLE**

Councilmember Shook offered a motion to **Approve, 6 Yeas.**

**TO GRANT AMNESTY ON LATE FEES, PENALTIES AND INTEREST FOR UNPAID PARKING TICKETS**

10-O-0401 (1) An Ordinance by Councilmember C.T. Martin to grant amnesty on late fees, penalties and interest for unpaid parking tickets; to provide that no additional fees, penalties or interest shall be assessed against the obligor for late payments; to repeal conflicting Ordinances; and for other purposes. **(Held, 2/24/10)**

**HELD**

**TO TRANSFER THE PROPERTY LOCATED AT 695 PONCE DE LEON AVE, N.E.**

10-O-0502 (2) An Ordinance by Councilmember Kwanza Hall authorizing the Mayor to transfer the property located at 695 Ponce De Leon Ave, N.E. also known as City Hall East to the Atlanta Development Authority; to authorize the transfer of the contracts associated with the property; to authorize the Mayor to execute a Quitclaim Deed transferring the property to the Atlanta Development Authority upon the closing of the property; and for other properties. **(Held, 3/10/10)**

**HELD**

**TO AMEND AND RESTATE THE FOURTHEENTH SUPPLEMENTAL BOND ORDINANCE**

10-O-0599 (3) An Ordinance amending and restating the Fourteenth Supplemental Bond Ordinance of the City of Atlanta adopted on July 6, 2009 (09-O-1099) as amended by a First Amendment to Fourteenth Supplemental Bond Ordinance adopted on September 8, 2009 all of which provides for the supplementing of the restated and amended Master Bond Ordinance of the City of Atlanta adopted on March 20, 2000 (99-O-1896), as previously amended and supplemented; to provide for the issuance of Airport General Revenue Bonds, Series 2010A (The "Series 2010A Bonds"), and to provide for the issuance of Airport Passenger Facility Charge and Subordinate Lien General Revenue Bonds, Series 2010B (The Series 2010B Bonds" together with the Series 2010A Bonds, the "Series 2010A/B Bonds"), in the combined aggregate principal amount of not to exceed \$800,000,000; to provide funds to finance or refinance, in whole or in part, the cost of the planning, engineering, design, acquisition and construction of certain improvements to Hartsfield-Jackson Atlanta International Airport, including certain capitalized interest during construction, to provide for a reasonably required Debt Service Reserve, and to pay expenses relating thereto; to authorize and approve the preparation, use and distribution of an Official Statement in connection with the offer and sale of the Bonds; granting the Mayor the authority to deem final the Preliminary Official Statement for purposes of Securities and Exchange Commission Rule 15c2-12; granting the Mayor the authority to approve and execute a Final Official Statement; approving the

forms of a continuing Disclosure Agreement, a Bond Purchase Agreement, and certain other Agreements in connection with said Bonds; authorizing the conduct of a Public Hearing as required by Internal Revenue Code Section 147(f), the negotiation and purchase of Municipal Bond Insurance and the selection of a Bond Insurer with respect to all or a portion of said Bonds, if determined to be in the best interest of the City, designating a Paying Agent and Bond Registrar; to provide for the form of the Bonds and for the execution of the Bonds; to provide for the place of payment of the principal of and interest on the Bonds; to amend the Debt Service Reserve requirement for Airport Passenger Facility Charge and Subordinate Lien General Revenue Bonds; and for other purposes. **(Held, 4/28/10)**

**HELD**

**TO AMEND THE FY 2010 GENERAL FUND BUDGET**

- 10-O-0603 (4) An Ordinance by Councilmember Felicia A. Moore amending the FY 2010 General Fund Budget, by adding to anticipations and appropriations the amount of five hundred ninety seven thousand, six hundred fifty-seven dollars and forty cents (\$597,657.40) received from Fulton County as a refund of monies paid in advance to Fulton County for the conduct of the City of Atlanta's 2009 General and Run-Off Elections; and for other purposes. **(Held, 4/28/10); (Held as Substituted and Amended, 5/12/10)**

**HELD**

**TO AMEND ARTICLE VII DIVISION II OF CHAPTER II OF THE CODE OF ORDINANCES OF THE CITY OF ATLANTA**

- 10-O-0774 (5) An Ordinance by Councilmembers H. Lamar Willis and Alex Wan to amend Article VII Division II of Chapter II of the Code of Ordinances of the City of Atlanta so as to provide that it shall be unlawful for any City Officer or Employee to knowingly and willfully withhold information, make false or misleading statements or to give untrue testimony before any of its standing Committees; to provide that any Officer or Employee who is found to have violated this Provision shall be dismissed from the employ of the City; and for other purposes. **(Held, 4/28/10)**

**HELD**

**TO AMEND THE CODE OF ORDINANCES, CITY OF ATLANTA, GEORGIA, CHAPTER 114**

- 10-O-0788 (6) An Ordinance by Councilmembers Ivory Lee Young, Jr. and Joyce Sheperd to amend the Code of Ordinances, City of Atlanta, Georgia Chapter 114 (Personnel), Article II (Compensation, Payroll Deductions and Charitable Contributions) and Division 1 (Generally), Section 114-28 (Deduction of Labor Organizations Dues from Salaries). **(Held, 4/28/10)**

**HELD**

**TO AMEND CHAPTER 114, ARTICLE IV, DIVISION 12, SECTION 114-379**

- 10-O-0874 (7) An Ordinance by Finance/Executive Committee amending Chapter 114, Article IV, Division 12, Section 114-379 of the City of Atlanta Code of Ordinances entitled "Layoff or Reduction In Force" so as to provide for the use of the Veterans Preference authorized by Section 114-207 during the calculation of retention points; and for other purposes. **(Held, 6/2/10)**

**HELD**

**TO EXECUTE RENEWAL AGREEMENT NUMBER 2, FC-7665-04A**

- 10-R-0881 (8) A Resolution by Finance/Executive Committee authorizing the Mayor to execute Renewal Agreement Number 2, FC-7665-04A Citywide Janitorial Services, between the City of Atlanta and A-Action Janitorial Inc. on behalf of the Executive Offices-Office of Enterprise Assets Management to include the sites and funding for the Office of Enterprise Assets Management, Department of Police, the Department of Watershed Management and the Department of Public Works-Office of Transportation, the total contract not to exceed amount is one million sixty-three thousand, four hundred eighty-three dollars and eight cents (\$1,063,483.08); funds to be encumbered in fiscal year 2011 pending budget approval. All contracted work shall be charged to and paid from the below referenced accounts. **(Held, 5/12/10)**

**HELD**

**TO AMEND SECTION 6-637 (C) AND 6-637 (D) OF THE 1978 PENSION ACT**

- 10-O-0906 (9) An Ordinance by Finance/Executive Committee to amend Section 6-637 (c) and 6-637 (d) of the 1978 Pension Act (Related Laws) of the Code of Ordinances of the City of Atlanta so as to provide New and Non-Vested Members having less than ten (10) years of Creditable Service in the Firefighters Pension Fund, a fifteen (15) year vesting schedule, two percent (2%) Multiplier for all Creditable Years of service, one hundred percent 100% CAP of Average Earnings, to repeal conflicting ordinances; and for other purposes. **(Held, 6/2/10)**

**HELD**

**TO AMEND SECTION 6-222 (C) AND 6-222 (D) OF THE 1978 PENSION ACT**

- 10-O-0908 (10) An Ordinance by Finance/Executive Committee to amend Section 6-222 (c) and 6-222 (d) of the 1978 Pension Act (Related Laws) of the Code of Ordinances of the City of Atlanta so as to provide New and Non-Vested Members having less than ten (10) years of Creditable Service in the Police Officers Pension Fund, a fifteen (15) year vesting schedule, two percent (2%) Multiplier for all Creditable Years of service, one hundred percent 100% CAP of Average Earnings, to repeal conflicting ordinances; and for other purposes. **(Held, 6/2/10)**

**HELD**

**TO AMEND SECTION 6-37 (C) AND 6-37 (D) OF THE 1978 PENSION ACT**

10-O-0910 (11) An Ordinance by Finance/Executive Committee to amend Section 6-37 (c) and 6-37 (d) of the 1978 Pension Act (Related Laws) of the Code of Ordinances of the City of Atlanta so as to provide Members of the General Employees Pension Fund, a fifteen (15) year vesting schedule, two percent (2%) Multiplier for all Creditable Years of service, one hundred percent (100%) CAP of Average Earnings, to repeal conflicting ordinances; and for other purposes. **(Held, 6/2/10)**

**HELD**

**TO ENTER INTO A COOPERATIVE PURCHASING AGREEMENT**

10-R-0944 (12) A Resolution by Finance/Executive Committee authorizing the Mayor to enter into a Cooperative Purchasing Agreement pursuant to Section 2-1604 et. seq. of the City of Atlanta Code of Ordinances, utilizing the United States of America GSA Schedule #GS-35F-0111K, Software House International (Principal Decision Systems International (PDSI) Tele Staff Workforce Management) in an amount not to exceed sixty nine thousand one hundred seven and ninety five cents (\$69,107.95). All contracted work to be charged and paid from PTAE0 (P) 19200769, (A) 770191491 (T) 109 (E) 5213001 (O) COA; and for other purposes. **(Held, 6/2/10)**

**HELD**

**TO ENTER INTO A MEMORANDUM OF UNDERSTANDING WITH THE SOUTHEAST ENERGY EFFICIENCY ALLIANCE**

10-R-1046 (13) A Resolution by Finance/Executive Committee authorizing the Mayor to enter into a Memorandum of Understanding with the Southeast Energy Efficiency Alliance for the installation of donated wind turbine, utilizing funds from the U.S. Department of Energy's Energy Efficiency and Conservation Block Grant in the amount of \$15,000.00; and for other purposes. **(Held, 6/2/10)**

**HELD**

**TO PROVIDE FOR THE ANNEXATION OF PROPERTY LOCATED AT 418 MORGAN PLACE, S.E.**

10-O-1169 (14) An Ordinance by Councilmembers Natalyn Archibong and Aaron Watson to provide for the annexation of property located at 418 Morgan Place, S.E., Atlanta, Georgia to the corporate limits of the City of Atlanta, Georgia pursuant to the 100% method; to authorize the Law Department to seek preclearance from the United States Department of Justice and to notify the Georgia Department of Community Affairs of such annexation; and for other purposes. **(Held, 6/16/10)**

**HELD**

**TO REQUEST THE ISSUANCE BY THE ATLANTA URBAN REDEVELOPMENT AGENCY**

- 10-O-1229 (15) An Ordinance by Councilmembers Michael Bond, Aaron Watson, H. Lamar Willis, Cleta Winslow, Natalyn Archibong, Ivory Lee Young, Jr. and Kwanza Hall to request the issuance by the Atlanta Urban Redevelopment Agency (The “Issuer”) of its Taxable Recovery Zone Economic Development Revenue Bonds, Series 2010 in the aggregate principal amount of not to exceed \$\_\_\_\_\_ (The “Series 2010 Bond”) to financing the cost of certain Urban Redevelopment Projects (The “Series 2010 Project”) to be acquired constructed and installed by the Issuer within the City of Atlanta (The “City”); to authorize the Mayor to execute, delivery and perform an Intergovernmental Agreement by and between the Issuer and the City; to authorize acknowledgement of service and the filing of an answer on behalf of the City in validation proceedings to be brought in validating the Series 2010 Bonds; to authorize the Mayor to enter into a Bond Purchase Agreement and continuing disclosure undertaking in connection with the sale of the Series 2010 Bonds, to approve the Official Statement to authorize certain related actions all in connection with the issuance of the Series 2010 Bonds; and for other purposes. **(Held, 6/30/10)**

**HELD**

**ITEMS NOT ON AGENDA**

**TO EXECUTE OPTION YEAR 3 OF AN INTERGOVERNMENTAL AGREEMENT**

- 10-R-1331 (1) A Resolution by Finance/Executive Committee authorizing the Mayor to execute Option Year 3 of an Intergovernmental Agreement with the Housing Authority of the City of Atlanta, Georgia (“AHA”) to perform Environmental Reviews for AHA Projects and Activities which receive Federal Financial Assistance; and for other purposes.

**FAVORABLE**

**Mr. Lee Hannah:** Director of the Office of Grants addressed the Committee by stating that this is for the AHA and City to conduct environmental reviews. It has to be done before the 14<sup>th</sup>. Councilmember Watson offered a motion to **Approve, 6 Yeas.**

Concluding, Chairperson Adrean stated that we need to have a Work Session about the next Budget Session and Cash Pool Controls. We can add them to the Agenda or do Work Sessions. Councilmember Shook stated that when we do it at the Committee meeting all Councilmembers will attend than at Work Sessions.

**ADJOURNMENT**

Having no further business before the Committee, the meeting was adjourned at 3:20 p.m.

Respectfully submitted,

Roosevelt Council, Acting CFO

Charlene Parker  
Recording Secretary

***“The Department of Finance... because customer service is important to us.”***