



The Buckhead Council of Neighborhoods Board Meeting

April 14, 2011

Peachtree Presbyterian Church, Room 2315

6:30 – 8:30 PM

Meeting Minutes

Attendees:

	Full Name	Neighborhood/Organization	E-mail Address
1	Certain	Gordon Certain	North Buckhead
2	Chung	Hannah Chung	Zone 2 Community Prosecutor
3	Churchill	Leslie Churchill	Margaret Mitchell
4	Cochran	Noreen Cochran	Northside Neighbor
5	Cox	Diane Cox	Brookwood
6	Delk	Barbara Delk	Historic Brookhaven
7	Gordon	Tom Gordon	Ardmore Park
8	Grunwald	Ron Grunwald	Loring Heights
9	King	Jim King	Chastain Park
10	Lavroff	Walda Lavroff	North Buckhead
11	Martin	Ronnie Martin	West Paces Northside
12	Mayeux	Louis Mayeux	North Buckhead/Patch
13	Mirgorod	George Mirgorod	Pine Hills
14	Moister	Roger Moister	Collier Hills North
15	Moyers	Jennifer Moyers	Whitewater Creek
16	O'Connell	Ann O'Connell	Mt. Paran-Northside
17	Pritchard	Elizabeth Pritchard	Peachtree Battle Alliance
18	Quillian	Buff Quillian	Peachtree Heights West
19	Reese	Loulie Reese	Memorial Park
20	Schaffner	John Schaffner	Buckhead View
21	Smith	Alex Smith	Wildwood
22	Wathen	Debra Wathen	Paces
23	Weinman	Melissa Weinman	Buckhead Reporter

Representation by Neighborhood:

	Neighborhood	Name(s)
1	Ardmore Park	Tom Gordon
2	Brookwood	Diane Cox
3	Chastain Park	Jim King
4	Collier Hills North	Roger Moister
5	Historic Brookhaven	Barbara Delk
6	Loring Heights	Ron Grunwald
7	Margaret Mitchell	Leslie Churchill
8	Memorial Park	Loulie Reese
9	Mt. Paran-Northside	Ann O'Connell, Jennifer Moyers
10	North Buckhead	Gordon Certain, Walda Lavroff
11	Paces	Debra Wathen
12	Peachtree Battle Alliance	Elizabeth Pritchard
13	Peachtree Heights West	Buff Quillian
14	Pine Hills	George Mirgorod
15	West Paces Northside	Ronnie Martin
16	Wildwood	Alex Smith

BCN 2010/11 Officers (Executive Committee)

Office	Officer	Neighborhood	E-mail
Chairman	Jim King	Chastain Park	jimking@mindspring.com
Vice-chairman	Elizabeth Prichard	Peachtree Battle Alliance	elizpritchard@bellsouth.net
Secretary	Gordon Certain	North Buckhead	gcertain@comcast.net
Treasurer	Barbara Kennedy	Collier Hills	bar2010@aol.com
Communications	Bob Schneider	Garden Hills	bschneider@gardenhills.net
Member at Large	George Mirgorod	Pine Hills	gmirgorod@comcast.net

BCN Board Meeting Minutes – April 14, 2011

BCN Standing Committees

Committee	Chair	E-mail
Executive Committee	Jim King	jimking@mindspring.com
Communications Committee	Bob Schneider	bschneider@gardenhills.net

BCN Liaisons

Topic	Liaison	E-mail
Education	Leslie Churchill	lschurchill@bellsouth.net
Parks	Gordon Certain	gcertain@comcast.net
Property Taxes	George Mirgorod	gmirgorod@comcast.net
Public Safety	Kim Kahwach	KAJensen@bellsouth.net
Redistricting	Jim King	jimking@mindspring.com
Transportation, Development and Infrastructure – Watershed Department	Elizabeth Prichard Kristy Gillmann	elizpritchard@bellsouth.net phca_kristy@hotmail.com

I. Welcome

Jim King called the meeting to order at 6:40 PM.

II. Introductions

The attendees introduced themselves. A quorum was achieved after a few minutes.

III. Approval of March Minutes

Minutes for the March meeting were not approved due to the lack of a quorum at the time.

IV. Admit Any New Member Neighborhoods

After a protracted discussion, **Loring Heights** was admitted as a new member of BCN. Bounded by I-75 on the north, the Norfolk Southern rail line on the east and Northside Drive on the west, Loring Heights is BCN's first member just outside of Buckhead as defined by the Buckhead Coalition. It is similar to and contiguous to other BCN member neighborhoods. The vote approve the membership of Loring Heights was 14-1-0 with only Collier Hills North dissenting. Twenty-three neighborhoods had paid 2011 dues as of this meeting.

V. Committee and Liaison Updates

- **Executive Committee** – No report.
- **Communications Committee** – No report. The near-term objective for this committee is the BCN web site.
- **Education** – Leslie reported that the anticipated closing date for the high school site acquisition is May 2. Construction is to start in January. She mentioned that the transaction is a "short sell".

An executive search team for the new superintendent has been appointed and is to submit five candidate names on June 6. This list is to be shortened to three within a week and to a finalist on June 25.

- **Parks** – Gordon mentioned Park Pride's annual conference, which featured a presentation about the Buckhead Greenspace Action Plan.

BCN Board Meeting Minutes – April 14, 2011

- **Property Taxes** – No report.
- **Public Safety** – No report. APD Assistant Chief Peter Andresen contacted Jim King just before the board meeting. He told Jim that no action had been taken yet on BCN's requests for information and will come to the BCN meeting in May to brief us on topics such as response time reporting.
- **Redistricting** – No report. This will be addressed in the report on the Capitol visit.
- **Transportation, Development and Infrastructure** – Jennifer Moyers reported that the Mount Paran Northside neighborhood had formed a traffic committee to address traffic/pedestrian issues related to the new high school site. Debra Wathen volunteered to work with Jennifer in related concerns involving the West Paces Ferry Road/Northside Parkway intersection. A meeting with Public Works Commissioner Richard Mendosa. It was suggested that GDOT's Bryant Poole also be involved.
- **Watershed Department** – No report.

VI. Capitol Visit Debrief

About 18 BCN representatives visited the state Capitol on April 12 at lunch time. We met with Ed Lindsey and Elly Dobbs, both of whom were often involved in proceedings on the House floor. We were briefed on transportation issues by Representative Donna Sheldon of a Gwinnett County house district. Representative Joe Wilkinson of a Sandy Springs house district also spoke to us.

Transportation

The briefing on transportation covered the "obstacles" to raising the gasoline tax (Priuses and EVs) with the conclusion that transportation money should be raised through sales taxes. The plans we were briefed about focused on roads with little mention of transit – there were no plans for transit at this time but it is "possible". The issue of the double taxation (MARTA and TSPLOST taxes) was brought up but with no outlook for relief. Rep. Shelton indicated that her area was not opposed to linking to MARTA but they wanted operations there handled by a regional entity, not MARTA. Few (if any) specific TSPLOST projects were discussed.

Education, Human Trafficking, and Ethics Loophole

Rep. Ed Lindsey briefed us on a bill he had introduced to give the Governor the power to remove and replace school board representatives from the Atlanta BOE (and other boards grandfathered in previous legislation). Ed also briefed us in legislation he had written to establish/increase penalties on "human trafficking". He also briefed us on efforts underway to close a loophole opened by a recent court decision. That decision had removed the reporting obligations relating to the lobbying of legislators' staff and families.

Effort to Limit Scope of Fulton County Government, Milton County, etc.

We were briefed on a bill that had been submitted the previous day by either Lindsey or Wendell Willard with bipartisan support. Neither the title of the bill or its text was provided. The briefing was general in nature.

The bill affects large municipalized counties (e.g. Fulton County). The objective of the bill is to narrow the scope of Fulton County's government by getting it out of providing municipal services and collecting taxes for those services. Fulton, with the exception of portions in south Fulton, is entirely municipalized. This bill would effectively make unincorporated portions of south Fulton incorporate or be absorbed into a surrounding city (Atlanta).

BCN Board Meeting Minutes – April 14, 2011

Brad Bradford (?), a lobbyist with the Buckhead Coalition who briefed us, argued that when implemented, Fulton's tax collections would be reduced by 25%. It was not at all clear that spending by municipalities wouldn't go up when they started providing the services discontinued by the county. Some of the services apparently precluded by the bill (for example, senior centers) are popular in Sandy Springs, according to Rep. Wilkinson – the average age of the population there is 55 but the average age of voters is 65. But, whether overall spending would be reduced markedly or not, it would be done by the cities and not by the county, resulting in reductions in redundant staffing. In any case, services such as the justice system and the health department would continue to be operated by the county.

The underlying message of this briefing on Fulton was that this legislation might somehow head off the creation of Milton County. It was not clear how it would have that effect.

Jim King wondered if we weren't perhaps going at things from the wrong direction: rather than focusing on Milton, why not look at how Atlanta would fare economically if the city were its own county and all of the money raised now for Fulton stayed inside Atlanta. The legislation being pursued now for Milton would re-establish earlier counties. Jim pointed out that the current Fulton was once made up of three counties: Campbell in the south, Fulton and Milton in the north. Could the three pieces sustain themselves? Would Atlanta be better off as its own county? Could South Fulton sustain itself as a third county? Jim said he is not saying that this kind of subdivision is what we should do, but an honest review of the situation should look at all of the pieces and not just the Milton piece.

Some in the meeting suggested that it was unfortunate that we missed our chance to do what Jacksonville and Miami did years ago – have a single consolidated government. They wondered if it is too late to do that.

Redistricting

We learned that south Atlanta is going to lose one or two state house seats because of population decreases. Ed Lindsey's district was unique in Atlanta, growing to about 54,000 (the number needed for a 2012-2021 state house district). Elly's district lost population significantly because of the removal of the housing projects, vacancies and the flooding.

With the loss of population in the south, the new districts may become more elongated. The current senate districts run north-south and are already elongated – Buckhead is represented by three senators. Jim told Ed Lindsey at the Capitol that we would like to restore a more Buckhead-oriented senate district along the lines that Mike Egan had before the 2000 Census. The population counts would support a new district that could extend from Brookwood Hills north including all of Sandy Springs. Lindsey made the comment that it is sometimes better to have one representative than six – you can look to that one person to get things done.

Conclusion

Jim indicated that BCN would like to make a visit to the Legislature an annual affair. Ed Lindsey suggested that we come at the beginning of the session.

VII. Pension Review

Ann O'Connell presented her overview of the city's pension plans and some of the history behind them. Her excellent presentation covered the points set out in her single-page handout (next page and at http://www.nbca.org/bcn/minutes/2011-04-14_Pension_Analysis.pdf).

The city has three pension plans: Police, Fire and General. The pension plans are, to say the least, very good (for the retiring employee). The plans' benefit formulas were significantly revised in the 2001-05 period, basically increasing the formula by about 50%. Before the

BCN Board Meeting Minutes – April 14, 2011

changes the benefit formula was 2% times pay times years of service. The 2% was increased to 3% for the fire and police and 2½% for the general employees.

BCN Meeting - April 14, 2011
Overview of City of Atlanta Pension Plans

	Police	Fire	General
Old Formula	2% x pay x service	2% x pay x service	2% x pay x service
New Formula (2001 - 2005)	3%	3%	2.5%
Retirement Age	55	55	65 (or 55 with service)
Average:			
Age	39	39	46
Service	11	11	11
Pay	\$50,000	\$50,000	\$45,000
Sample Benefit	\$50,000 x 25 x 3% = \$37,500 = 75% of pay	\$50,000 x 25 x 3% = \$37,500 = 75% of pay	\$45,000 x 30 x 2.5% = \$33,750 = 75% of pay
Actual Replacement %	81%	81%	64%
Other	Cost of living increases are automatic, employee contributions required (7% to 8%), no social security coverage, post retirement medical not included in this review (additional liability of \$1.1 billion).		
Pension Funding:			
Plans are 53% funded (liability is \$3.2 billion, assets are \$1.7 billion)			
Annual required contribution (ARC) up 13%/yr since 2001			
From \$55 million in 2001 to \$144 million in 2009			
Projected to \$160 million in 2015			
Annual cost is over 20% of budget			
Reasons for underfunding:			
- Benefit increases			
- Fund performance (asset returns 1% - 3% over 10 years)			
- Other experience (early retirements, higher salaries, disabilities, etc.)			
Past			
Amortization of Post Service Cost:			
- 1990s 14 years			
- 2005 Moved to 20 years			
- 2009 Moved to 30+ years			
Proposed Changes include:			
- Social Security			
- Reduce Benefits (multiplier, COLI, covered pay, etc.)			
- Move to Defined contribution (401(k))			
- Increase employee contributions			

Ann said the retirement age was 55 for the fire and police “as it should be”, while it is 65 (or 55 with 25 years of service) for general employees. “High-pay” general employees are not included in the pension plan – they have a separate defined contribution plan.

Ann listed examples of retirement pay and then included “average actual replacement %”, the percent of pay at retirement paid actually paid in the pension (for the police it is 81% rather than 75% since police often to work longer than 25 years or retire beyond 55).

All of the plans have a cost of living increase provision, going up a very generous 3% a year. Employee contributions to the plan are required: 7% for single employees and 8% for married. Employee contributions didn’t increase when the formulas were revised. None of the city employees are covered by Social Security, so their pension is their only retirement income.

BCN Board Meeting Minutes – April 14, 2011

In addition to the pension, retired employees receive post-retirement medical insurance, which involves an additional liability of \$1.1 billion to the city. This is not currently funded—when it begins to be funded, as required, the annual cost to the city will be \$80 million.

The pension plans are currently 53% funded. Before the 2001-05 changes, the funding ratios were about 80% to 90%. The “annual required contribution” (ARC) has gone up 13% per year since 2001 to \$144 million in 2009. It is projected to go to \$160 million in 2015.

The ARC now represents 20% of the city’s budget and 50% of payroll, causing all kinds of problems. They can’t afford to hire new employees, so overtime is over-used.

The plans are significantly underfunded for several reasons:

- The changes in the benefit formula were retroactive, some in 2001, the rest by 2005.
- Asset performance has been “abysmal” during the past ten years. 8% earnings were planned; actual returns were 1% to 3%.
- Employees have tended to retire earlier than expected. (While early retirees are paid a smaller pension, they get it for many more years of life.)
- Employee pay increases were higher than expected.
- In the ‘90s, Past Pension Costs were amortized over a reasonable 14 years. They are now amortized over 30+years.

Changes being considered include some or all of:

- Freeze the plan. (Employees would keep the benefits earned so far, but would earn no future benefits under the plan.)
- Switch employees to the Social Security System.
- Move to a defined benefit plan (401K).
- Increase employee contributions.
- Get a new investment advisor.

Even with a restructured plan, funding benefits already earned by employees will be a huge challenge. But, at least, liabilities would not grow as fast. Yolanda may ask for citizens to show up at hearings should negotiations with the unions not proceed well. Other local governments and the state have already reformed their plans. Mayor Reed has taken the position that no attempt will be made to retroactively reduce benefits already accrued. No legislation to revise the pension plans has been drafted yet.

VIII. Announcements

Zone 2 Community Prosecutor Hannah Chung reported that Torus Dixon (the “Chastain Burglar”) was sentenced to 30 years, to serve 18 years with no parole. Dixon was responsible for many burglaries in the Chastain Park neighborhood. Hannah held two training sessions for Zone 2 officers in March, refreshing them on criminal procedures.

IX. Next Meeting – May 12, 2011.

X. Adjourn - The meeting adjourned at about 8:45 PM.

***Note:** The opinions expressed by the speakers and individual neighborhood representatives in these minutes do not necessarily represent those of BCN or its member neighborhoods.*

Prepared by Gordon Certain

BCN Secretary

May 9, 2011, revised 5/9/11 4:45PM to update dues payments

BCN Board Meeting Minutes – April 14, 2011

BCN Organizational Status as of 05/09/11																
		BCN Dues			Representation at BCN Board Meetings											
	Neighborhood	2009	2010	2011	2008	2009	2010	2011								
					3 meetings	12 meetings	11 meetings	Feb	Mar	Apr	May	Jun	Aug	Sep	Oct	Nov
1	Arden															
2	Ardmore Park	✓	✓	✓	100%	67%	91%	✓	✓	✓						
3	Argonne Forest						9%									
4	Brookwood		✓	✓		17%	45%	✓	✓	✓						
5	Brookwood Hills			Voted to join		8%		✓								
6	Buckhead Forest	✓	✓	✓	100%	75%	100%		✓							
7	Buckhead Heights					8%										
8	Castlewood	✓	✓			17%										
9	Channing Valley															
10	Chastain Park	✓	✓	✓	100%	100%	100%	✓	✓	✓						
11	Collier Hills	✓	✓	✓		67%	82%	✓	✓							
12	Collier Hills North			✓		8%	9%		✓	✓						
13	Garden Hills	✓	✓			75%	91%		✓							
14	Grant Estates	✓	✓		100%	83%	82%									
15	Historic Brookhaven	✓	✓	✓	33%	58%	91%			✓						
16	Kingswood	✓			33%	8%	9%									
17	Lindridge Martin Manor	✓	✓	✓	33%	25%	55%	✓								
18	Loring Heights			✓						✓						
19	Margaret Mitchell	✓	✓	✓		33%	64%	✓	✓	✓						
20	Memorial Park	✓	✓	✓	67%	58%	91%	✓	✓	✓						
21	Mt. Paran-Northside	✓	✓	✓	100%	75%	55%	✓	✓	✓						
22	North Buckhead	✓	✓	✓	100%	100%	100%	✓	✓	✓						
23	Paces	✓	✓	✓	67%	58%	55%	✓	✓	✓						
24	Paces West	✓	✓			17%										
25	PeachtreeBattle Alliance	✓	✓	✓	100%	83%	64%	✓		✓						
26	Peachtree Heights East	✓	✓	✓	67%	50%		✓	✓							
27	Peachtree Heights West	✓	✓	✓	33%	25%	73%	✓	✓							
28	Peachtree Hills	✓	✓	✓	100%	75%	45%	✓	✓							
29	Peachtree Park	✓	✓	✓	67%	83%	55%		✓							
30	Pine Hills		✓	✓	33%	8%	91%	✓	✓	✓						
31	Pleasant Hill															
32	Ridgedale Park	✓	✓	✓	100%	58%	73%		✓							
33	Springlake		✓	✓			55%	✓								
34	Tuxedo Park	✓	✓	✓	67%	75%	73%	✓								
35	Wesley Bohler	✓	✓			17%	9%									
36	West Paces Northside	✓	✓	✓	67%	67%	64%	✓		✓						
37	Whitewater Creek	✓	✓	See Note	100%	75%	45%	Note: Now reported with Mt. Paran Northside								
38	Wildwood			✓	33%		27%		✓	✓						
Neighborhood Totals		26	28	25	Avg: 16	Avg: 16	Avg: 18	20	19	16						