

STATE OF THE CITY ADDRESS

TEMPLE MAYOR MICHAEL JOHNSON

Delivered to City Council during Meeting of February 4, 2019

At this time of year, it is traditional for a business, a government, or an organization to reflect back on the past, to look ahead at what appears to its future, and to identify where things seem to be at the present time. The resulting document is a status report. So, as Mayor of the City of Temple, during tonight's regular monthly meeting of the City Council, I shall make my annual "State of our City" report to you and to the citizens of this wonderful community.

I have completed my first year as Mayor. I have enjoyed and appreciated my inaugural year as the elected leader of the City of Temple. It is an honor to serve in this capacity, and I pledge to each of you that I will do my best to lead and to guide this city so current challenges will be remembered as becoming stepping stones to success. I believe the City of Temple has a bright future, and all of us can be a part of making sure our future is very good.

For me in the new position of serving as your Mayor, 2018 was a challenging and an exciting year. Holding elective office for the first time and having the responsibility and the pleasure of working with the members of the City Council, I feel good about our accomplishments of 2018 and about our plans for this new year.

As we entered 2019, I felt very positive about the spirit of cooperation which now exists among the City of Temple's elected officials. Certainly, there will be differences of opinion and not all votes are going to be unanimous. But I believe all six of us are committed to teamwork for the benefit of this community. And you can see the results of that spirit of cooperation as you look back at 2018.

WATER AND SEWER SERVICES. Although some good efforts had been made in the past to correct the fiscal and operational problems which have hindered improvements in the City's water and sewer services, I can report that in 2018 this City's elected officials worked together to finalize a plan and to take action to stabilize our revenue situation. Following a detailed Water and Sewer Study, rates were increased in order to generate additional needed funds for operations and for debt retirement payments. This was an important "first step" in the process.

Even though the rate structure was changed, the City was able to continue a discount in the water and sewer base rate charges for senior customers. Also, we continue to charge a lower base rate for water services and sewer services for "small non-residential" customers, as compared with the regular commercial customer rates. Actions taken by us to implement water and sewer rate structure

changes and various operational changes are intended to improve the City's fiscal status and to bring the City into compliance with our covenant requirements with the bank that issued bonds a few years ago for the upgrading of our water distribution and sewer treatment facilities. At the end of calendar 2018, the City of Temple was getting close to finalizing a plan to maintain the system's fiscal integrity and to initiating a refinancing plan to handle the \$4.6 million balloon note which comes due on January 1, 2021. I look forward to the time in the near future when these arrangements can be put in place.

Working through various problems which have hindered the City's utility billing and collection processes in recent years, in 2018 we were able to complete the transition from Harris TBS to the new Casselle system. We still are working on problems of various complexities and priorities; however, each month is bringing us closer to having a smooth and seamless billing process. Problems still occur, but their number and their magnitude are declining.

The biggest remaining change -- and challenge -- is to replace the City of Temple's old water meters. Currently, almost 1,800 of our some 2,000 water meters must be read manually. This is a labor intensive process and a time-consuming process, as compared with the electronic remote reading of the newer models of water meters. In the 2019 Capital Fund budget adopted in December 2018, the City Council set aside \$400,000.00 from the Water Fund and from SPLOST revenues for the purchase and installation of new "remote read" water meters. At the end of the year, the City was working on the specifications and bid arrangements preparatory to a solicitation of proposals from the six major manufacturers of water meters. Simultaneously, we are looking into a couple of financial options, because we want to have for the citizens of Temple the best operating system we can have along with the best fiscal arrangements we can make.

Currently, both the water system and the sewer system have frequent "service delivery" problems due to their aging infrastructure. Many of you during the past year experienced low water pressure problems or even service interruptions because of old water lines breaking. The sewage collection system is aging, and major maintenance problems occur from time to time at one of the City's 13 sewer lift stations. There are major challenges in keeping the very important sewer lift station on Villa Rosa Road in service and in preventing sewer spills when heavy rains produce tremendous amounts of stormwater runoff, coupled sometimes with a power outage at that lift station. More than half of the sewage which flows to the City's sewer treatment plant from the other 12 lift stations passes through the Villa Rosa lift station. At some point, it must be expanded or rebuilt.

ROADS AND TRACKS. Working with the Georgia Department of Transportation (GDOT), the City of Temple in 2018 continued its limited street resurfacing and improvement program. Another small number of streets will be resurfaced in 2019. A disappointment has been GDOT's continuing delay of making improvements to the U. S. Highway 78 – Georgia Highway 113 intersection adjacent to City Hall. We completed our part of pre-construction work some months ago; and we look forward in 2019 to this intersection being improved, and we hope it will be soon.

A major action in 2018 directly pertaining to road improvements within the City of Temple and the adjacent areas of unincorporated Carroll County was the rejection by voters of a dedicated sales tax for transportation purposes. While I certainly respect this decision by the voters in November, the defeat of the Transportation Special Purpose Local Option Sales Tax (TSPLOST) referendum likely will mean very few road projects will be done in Temple and elsewhere in Carroll County during the next few years. We had what I still consider to be an excellent specific list of projects to be funded through TSPLOST, but these projects now have no funding source. And this includes some improvements to the current "railroad situation" in Temple.

As you may recall, the City established a special fee a couple of years ago which is applicable to the several residential subdivisions that had been started before the recession hit and many developers subsequently went bankrupt. Eventually, different parts of those properties were sold to various builders, whose interest was limited to building on their lots without regard for the entire subdivision's final appearance and the condition of its streets. In order to generate the funds needed to bring the streets' condition "up to City Code", the City Council enacted the Roadway and Infrastructure Projects Improvement Fee. The builder of each new house in the subdivision must pay this fee, and the funds are to be used to pay for the final layer of road surfacing work and for related public works items. The fee is different for each subdivision, because it is calculated to generate the projected cost to finish the infrastructure work in that specific development; however, the maximum amount of this fee per lot is \$2,500.00.

Let me note that at the end of 2018, this special fee applied to six subdivisions which had been started before the recession and now are being completed. In each of these subdivisions as each new housing unit is permitted by the City for construction, this fee is paid to the City government. And these ear-marked funds can be used by the City only to pay for needed infrastructure improvements in that particular subdivision.

One comment concerning the railroad tracks in Temple. Until the time arrives somewhere in the future when there is either a railroad underpass or overpass to handle vehicular traffic while a train is passing through our community or is setting idle on the tracks here, there are going to be traffic congestion problems. We did establish some new and improved communication with Norfolk Southern officials in 2018, and my hope is that in the future some problems won't recur because of better planning and operations by the railroad...or at least the problems will be resolved much quicker. The bottom line is that Temple, like many other communities, is a "railroad town" and we must try to accommodate each other.

POLICE DEPARTMENT. Let me make six statements which I believe to be an accurate reflection of our Police Department in 2018. First, I think this past year's overall performance by our Police Department was a reflection of a law enforcement agency which is continuing to improve. Second, we had virtually no personnel turnover in the ranks of our police officers. We were not operating short-staffed as had been a problem frequently in the past. A stable work force usually is a sign of a good work environment and a very good attitude in the workplace. I appreciate the work our men and women have done in patrolling our streets, catching lawbreakers, and protecting our citizens. Third and a reflection of this atmosphere and the various ways our Police Department works to keep Temple safe, the City of Temple in 2018 again was among the safest communities in Georgia. There are more than 550 cities in Georgia, and statistics reported by Nation Home Security, using FBI crime report statistics, resulted in this organization ranking Temple as the 46th safest place in the State.

Fourth, once again we had a very successful Shop with a Cop event during the Christmas holidays, with some 74 children being able to receive Christmas gifts with a total value of more than \$7,400.00. In 2018, the Police Department participated in several community events to raise funds for this program, including the City of Temple Founder's Day. It was great to see the expressions on the faces of youngsters as they shopped with some of our officers. And what a wonderful example of "community policing"!

Fifth, even though our Police Department is small in numbers, it is "24-7" in operations. In order to make this work effectively, we must have a very low absenteeism rate. We do, and the annual evaluations of most officers in 2018 show these officers "exceeded" or "far exceeded" expectations in terms of "attendance."

Sixth, and as you may know, approximately half of the City of Temple government's entire full-time work force is in the Police Department. We have 14 certified officer positions, including a Chief, one Lieutenant, and two Sergeants. The department provides staffing for Municipal Court, including maintaining court records, etc. With the growth of this community, the amount of vehicle traffic especially on Interstate 20, and the reality of criminal activity due to drugs, gang-type groups, and related factors, law enforcement has an increasing work load; and the increase in the case load in Municipal Court in 2018 clearly reflected this.

RECREATION. Having available a variety of recreational activities for our children and young people is essential, in my opinion. We want the programs offered by the City Recreation Department to be a positive experience. We are continuing to work to improve our facilities and programs in the City Park. And some initiatives started in 2018 and continuing through this spring should benefit our sports leagues and the individuals who visit the park to enjoy the athletic activities, the playground, and the walking trail, as well as participating in community events or in occasions such as family reunions.

During my first year in office, I and members of the City Council made it clear we want to hear from our citizens concerning problems and missed opportunities they have seen in our Recreation operations, because we want to build on and improve what the City had in place in 2018. Decisions were made in 2018 concerning field improvements, restroom facilities, parking, and accessibility to the

Recreation Center and other parts of the City Park; and I expect my next annual "State of the City" report to include how these initiatives have been implemented.

Even as we plan for and look forward to the future, we need to make sure we remember past accomplishments. And we did this in 2018, as a group gathered on Saturday morning, August 4, to officially unveil and dedicate a new sign to celebrate the outstanding series of achievements in Temple's sports history by a group of 16-and-under girls who were the Temple Hot Shots softball team. This team captured our hearts and attention two decades earlier in becoming the 1998 United States Slo-Pitch Softball Association World Champions. Over a period of three years, these young women won many regional and statewide trophies. As we pointed out on that special occasion last summer with a few of the Hot Shots in attendance, this new sign continues to memorialize their names and accomplishments. They made Temple proud.

But even as we look ahead with high expectations and as we look back in history at the Temple Hot Shots, I want to say thank you to the coaches, the parents and other key supporters, our staff, and the players for their respective contributions in 2018. Local recreation programs and activities are a vital part of any community. I now appreciate them as an elected official, as in the past I appreciated them as a parent and as a coach.

SENIOR CENTER. In the middle of ballfields, a gymnasium, outdoor courts, and other facilities such as a children's playground, a walking trail, and a large picnic shelter, we have a special facility for a special group of people: our senior citizens. Sandra Stillwell does a great job as director of the Temple Senior Center. And, in fact, we recognized the director's accomplishments last fall when she served as the Grand Marshall in our Founder's Day parade. Ms. Sandra and the other members of the Senior Center staff provide a valuable service in our community.

At the start of 2018, we expanded our nutrition program at the Senior Center, adding Friday to our previous Monday-through-Thursday schedule for serving lunch. For \$1.00, our seniors can enjoy a nourishing meal; and equally nourishing is the fellowship that our seniors have at lunchtime and during the Senior Center's operating hours. Also, from time to time our Senior Center sponsors trips, and I know the participants have a great time at their destinations as well as during their bus rides.

In 2018 the City funded and started work on a small addition to the kitchen in order to provide adequate freezer space, more refrigeration space, and shelf storage space. We need this because our Senior Center is serving more citizens. I look forward to seeing this project completed soon.

COMMUNITY DEVELOPMENT. As we know, Temple and the surrounding area are beginning to see more and more growth after several years of little change. Recognizing in 2018 that the pace of growth was increasing, your City government took several initiatives to help plan for the future. And we had wonderful citizen participation, both with individuals agreeing to serve on boards and committees and with other individuals coming to public hearings to speak for or against various proposals.

In 2018, the City's 20-year Comprehensive Plan was updated by a Steering Committee whose membership primarily consisted of private citizens. The committee did a great job, and this plan will

help guide Temple's future development. Also in 2018, the City Planning Commission (which is composed of six private citizens) and the City Council and I worked with our staff and a consultant in writing Temple's first Development Plan. The final draft was completed early in January 2019, and it will be reviewed on February 12 by the Planning Commission and our elected officials. Then, we will have a couple of public hearings before the City Council adopts this comprehensive Development Code in March or April. It is needed.

Also in 2018, the City adopted a current Zoning Map. Although various rezoning decisions had been made in recent years, the official map had not been updated. Your elected officials want to make sure that in the future this map is updated periodically. We intend to make sure there is an up-to-date Zoning Map.

CITY ADMINISTRATION. In City Hall we have the Mayor's Office and space where the City Council meets. Also in this building at the corner of Carrollton Street and U.S. Highway 78 are the offices of our City Administrator, City Clerk, Code Enforcement Officer, Utility Billing Clerk, Accounts Payable Clerk, and Finance Director. Let me note that for most of 2018, the City contracted for a part-time Fiscal Services Consultant. However, near the end of the year the City Council established a job description for our first full-time Finance Director, and that post now has been filled.

Thus far in my State of the City report, I have not quoted a lot of dollar amounts. At this point I think it is appropriate to provide you with dollar amounts, not only to identify our revenues and expenditures in 2018 but also to show you that the City of Temple's financial status is good and is continuing to get better. I'll report on our three major funds: the General Fund, the Water Fund (which also includes Sewer operations), and the Capital Improvements Fund. As I start, let me note that our fiscal year is the same as the calendar year.

Revenue sources for the General Fund include taxes, licenses and permits, fines and forfeitures, recreation registrations and related activities, interest earned, Senior Center revenues, and relatively small miscellaneous sources. The 2018 General Fund budget adopted in December 2017 by the City Council totaled \$2,910,088.51. The final amended General Fund budget for Fiscal Year 2018 expected to be adopted tonight is \$225,263.49 higher, being a total of \$3,135,352.00.

Under State law, a local government must have a balanced budget. Our 2018 General Fund expenditures basically were in the areas that I have covered in this presentation: the Police, Public Works, Senior Center, Recreation, Library, Municipal Court, Community Development, City Administration, and the Governing Body (being the Mayor and City Council). We did not spend all the budgeted funds; therefore, of the \$3,135,352.00 in this final amended annual budget, a total of \$2,923,046.10 was expended and \$212,305.90 was our "net revenue over expenditures." Thus, those funds are being included in the 2019 budget, as approved by the City Council.

Now, let me share some figures concerning our Water and Sewer operations. The 2018 Water Fund budget adopted in December 2017 totaled \$2,549,440.00. For all of us, I think we can better appreciate the importance of water and sewer services in the City of Temple when you realize the

original Water Fund budget for 2018 totaled more than \$2.5 million and this was only \$360,648.51 smaller than the General Fund budget.

The Water Fund includes revenues from the delivery of Water services, Sewer services, and Sanitation (Garbage) services, with very small income amounts from interest earned and from miscellaneous sources. This December 2017-adopted budget also included an intergovernmental transfer from the 2015 SPLOST fund. Likewise, this budget showed expenditures in these same areas: water, sewer, and sanitation, as well as payment of debt service and intergovernmental transfers.

As with the General Fund, we did not spend all of the Water Fund budget. The final amended Water Fund budget showed a slight decrease in revenues, down to \$2,548,640.00. And we showed a much larger decrease in expenditures, so the final amended balanced budget enabled the City of Temple to realize a "net revenue over expenditures" amount of \$455,583.00. Certainly, this is very encouraging news when you realize that we still have a large bond debt with our water and sewer system. The only bad news with this fund concerns Sanitation (Garbage) services where the final amended budget shows revenues of \$217,202.00 and expenditures of \$228,657.00. In 2019, we must address and deal with this deficit funding situation of more than \$11,000.00 from the year just-ended; and if we don't correct this problem, we'll have the same type of deficit repeating itself.

Turning now to our 2018 Capital Improvements Fund budget, we projected that virtually all of the needed revenues would come from the 2015 SPLOST program. For me personally, I did not expect the City in 2018 to spend a large amount of the Capital Improvements Fund budget because the City had a new City Administration, including myself as Mayor. I felt we needed time to be sure of our fiscal status and the priority of our capital needs, as well as making sure this Administration had a good understanding of prior capital fiscal obligations in water and sewer.

As a result we spent only \$218,690.00 from the 2018 Capital Fund budget. This was \$65,000.00 on playgrounds in the City Park, \$17,505.00 in water operations, \$23,609.00 at two of the sewer lift stations, \$11,986.00 at the sewer treatment plant, \$36,000.00 for street resurfacing, \$56,540.00 for two police patrol vehicles, and \$8,050.00 for certain equipment in these two vehicles.

Looking ahead, I can tell you that 2019 is going to be a year when several major capital improvements projects are carried out in the City of Temple. Although the City had not expended any funds by the end of the 2018 fiscal year on these projects, we are primed to move forward with them in this new year.

Now, before I move to the final part of my first State of the City report, I want to say a few words about the men and women who make up the work force for this local government. From an overall perspective, I know from my first-year experience as Mayor of this wonderful city that we have a dedicated work force and that our employees take pride in carrying out their duties. I won't start calling names, because I don't want to overlook anyone. But as a group, I can say that I am proud to be associated with them and I am delighted that these men and women have committed themselves to serving this community.

I don't intend this to be a commercial message for an insurance company, but I can say this about our work force: You are in good hands with the City of Temple employees.

CITY COUNCIL AND MAYOR. I took my oath of office as Mayor of the City of Temple on January 8, 2018. At that same meeting Councilmember Howard Walden took the oath of office as he started a new four-year term, and Ms. Terron Bivins took the same oath of office to serve again on this governing body after a four-year absence.

At that January 8 meeting Councilmember Richard Bracknell was re-elected by his peers to serve as Mayor Pro Tem; and I might add that during the first City Council meeting of 2019, he was re-elected to the same position. The other City Council members at the start of 2018 were Tom Wallace and Todd Rothwell.

It was my great pleasure to serve with these five individuals in 2018. Overall, I think we had very good teamwork and many accomplishments. Not that we always agreed on everything, but that should not be surprising in any elected body...or even in any family or group of friends or co-workers. But I believe we accomplished a lot in 2018 for this community and its citizens, including having a clear majority of your elected officials working together to heal old hurts, to mend old fences, and to rebuild burned bridges...and to be willing to work with all segments of our community for the betterment of the City of Temple.

I thank the voters of Temple for making it possible for us to serve together, and I am sure all of these elected officials -- including new City Councilmember Hiliary Miller -- are committed to working to make 2019 to be a bright and successful year for Temple and its citizens.

My final comment and my final thanks concern my wonderful wife Donna. We are a team; and have been a team for years, including our service at Temple High School. So, thank you Donna for making it possible for me to give of my time to the Office of Mayor. And thank you for your advice and counsel along the way.

May God bless this City Council, this City's employees, this City's businesses, and all of this City's citizens.

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