THE CITY COMMISSION
CITY OF PARIS, TENNESSEE
SPECIAL-CALLED MEETING
JUNE 25, 2014

The Board of Commissioners of the City of Paris, Tennessee met in a special-called session Wednesday, June 25, 2014 at 12 noon in the City Hall Courtroom of the City of Paris, Tennessee for the purpose of conducting the following and any other business:

**PUBLIC HEARING**

1. FY 2015 Tax Ordinance (Second Reading)
2. FY 2015 Budget Ordinance (Second Reading)

**FY 2015 TAX ORDINANCE (SECOND READING)**

No comments.

**FY 2015 BUDGET ORDINANCE (SECOND READING)**

No comments.

**SPECIAL-CALLED MEETING**

**OLD BUSINESS:**

1. FY 2015 Tax Ordinance (Second Reading)
2. FY 2015 Budget Ordinance (Second Reading)

Present: Mayor Sam Tharpe
Vice Mayor Gayle Griffith
Commissioner Terry Fuller

Also Present: Carl Holder, City Manager
Fred McLean, City Attorney
Kim Foster, Finance Director
Willette Ray, Administrative Assistant to the City Manager
Jennifer Morris, Community Development Director
Michael Williams, Fire Chief
Mike Brown, Building Inspector
John Etheridge, Board of Public Utilities

Media: Bill McCutcheon, The Paris Post-Intelligencer
Tim Alsobrooks, WMUF
Shannon McFarlin, WTPR

Mayor Tharpe called the meeting to order.

**FY 2015 TAX ORDINANCE**

The FY 2015 Tax Rate Ordinance was presented for Second Reading and a Public Hearing was held prior to the Commission Meeting.

After a brief discussion, Commissioner Fuller made a motion which was seconded by Vice Mayor Griffith to approve the Ordinance on Second Reading. The motion carried unanimously.

Ordinance No. 1173

AN ORDINANCE Fixing the Tax Rate and Providing for the
Date and Condition of Payment for the Year 2014.

BE IT ORDAINED by the Board of Commissioners of the City of Paris, Tennessee, that the following shall be the tax rate and conditions by which they may be paid for the year 2014.

SECTION 1. A tax of $_____.7342_____ per hundred dollars ($100) of assessed valuation on all taxable property, real and personal, within the corporate limits of the City of Paris, be and hereby is levied for the use of the City of Paris, Tennessee, for the taxable year of 2014.

SECTION 2. All taxes on property, both real and personal, shall be due and payable upon the effective date of this ordinance and shall become delinquent on the first (1st) day of March, 2015. In the event that payment is not made before March 1, 2015, the amount of said tax will become delinquent and a penalty of one and one-half percent (1.5%) for each month thereafter for twelve (12) months upon all taxes remaining shall be imposed and collected by the City and paid into the City Treasury.

SECTION 3. All ordinance and parts of ordinances or resolutions in conflict with this ordinance are hereby repealed.

SECTION 4. This ordinance shall take effect on the first day of October, 2014.

Passed and adopted _____June 10, 2014_____.

Passed and adopted _____June 25, 2014_____.

/s/Samuel Tharpe
Mayor

/s/Kim Foster
Finance Director

**FY 2015 BUDGET ORDINANCE (SECOND READING)**

The FY 2015 Budget Ordinance was presented for Second Reading and a Public Hearing was held prior to the Commission Meeting.

After a brief discussion, Commissioner Fuller made a motion which was seconded by Vice Mayor Griffith to approve the Ordinance on Second Reading. The motion carried unanimously.

ORDINANCE NO. 1172

AN ORDINANCE OF THE CITY OF PARIS, TENNESSEE ADOPTING THE ANNUAL BUDGET FOR THE FISCAL YEAR BEGINNING JULY 1, 2014 AND ENDING JUNE 30, 2015

WHEREAS, *Tennessee Code Annotated* Title 9 Chapter 1 Section 116 requires that all funds of the State of Tennessee and all its political subdivisions shall first be appropriated before being expended and that only funds that are available shall be appropriated; and

WHEREAS, the Municipal Budget Law of 1982 requires that the governing body of each municipality adopt and operate under an annual budget ordinance presenting a financial plan with the information required by that state statute and that no municipality may expend any moneys regardless of the source except in accordance with a budget ordinance and that the City Commission shall not make any appropriations in excess of estimated available funds except to provide for an actual emergency threatening the health, property or life of the inhabitants of the City of Paris; and

WHEREAS, the City Commission has published the annual operating budget in a newspaper of general circulation not less than ten (10) days prior to the meeting when the City Commission will consider final passage of the budget; and

NOW THEREFORE BE IT ORDAINED BY THE CITY OF PARIS, TENNESSEE AS FOLLOWS:

SECTION 1. The City Commission of the City of Paris does adopt the following revenue schedule for fiscal Year 2015:

| | 2013 Actual | 2014 Budgeted | 2015 Proposed |
|---|---|---|---|
| Property Taxes | $1,160,669 | $1,148,000 | $1,318,000 |
| Sales Tax (State & Local) | $4,030,530 | $4,220,000 | $4,215,000 |

SECTION 2. The City of Paris City Commission does hereby adopt the following estimate of revenues, estimated unencumbered fund balances, and expenditures:

| | General | | | Solid Waste | | |
|---|---|---|---|---|---|---|
| **Fund** | **FY 2013 Audited** | **FY 2014 Budget** | **FY 2015 Proposed** | **FY 2013 Audited** | **FY 2014 Budget** | **FY 2015 Proposed** |
| | | | | | | |
| **Revenues** | | | | | | |
| Local Taxes | $5,880,813 | $6,463,000 | $6,836,000 | | | |
| State of TN | 1,250,713 | 1,576,000 | 1,316,500 | | | |
| Federal Government | 377,004 | 339,250 | 400,000 | | | |
| Other Sources | 7,916,853 | 8,361,000 | 3,723,507 | 1,472,593 | 1,572,875 | 1,567,375 |
| **Total Revenues** | ***$15,425,383*** | ***$16,739,250*** | ***$12,276,007*** | ***$1,472,593*** | ***$1,572,875*** | ***$1,567,375*** |
| | | | | | | |
| **Expenditures** | | | | | | |
| Salaries | $4,302,880 | $4,505,964 | $4,501,759 | $375,337 | $402,525 | $398,209 |
| Other | 10,383,242 | 12,549,408 | 7,672,517 | 999,706 | 1,077,291 | 918,499 |
| **Total Expenditures** | ***$14,686,122*** | ***$17,055,372*** | ***$12,174,276*** | ***$1,375,043*** | ***$1,479,816*** | ***$1,316,708*** |
| | | | | | | |
| Beginning Fund Balance | $898,233 | $1,637,494 | $1,312,372 | $2,433,115 | $2,530,665 | $2,623,724 |
| Ending Fund Balance | 1,637,494 | 1,312,372 | 1,414,103 | 2,530,665 | 2,623,724 | 2,874,391 |
| No. of FTE Employees | 120 | 120 | 120 | 11 | 11 | 11 |

| | Drug | | | Cemetery | | |
|---|---|---|---|---|---|---|
| **Fund** | **FY 2013 Audited** | **FY 2014 Budget** | **FY 2015 Proposed** | **FY 2013 Audited** | **FY 2014 Budget** | **FY 2015 Proposed** |
| | | | | | | |
| **Revenues** | | | | | | |
| Local Taxes | | | | | | |
| State of TN | | | | | | |
| Federal Government | | | | | | |
| Other Sources | $58,281 | $60,100 | $33,500 | $442 | $400 | $400 |
| **Total Revenues** | **$58,281** | **$60,100** | **$33,500** | **$442** | **$400** | **$400** |

SECTION 3. The City Commission of the City of Paris accordingly appropriate from the estimate of revenues and unencumbered fund balances the following amounts for Fiscal Year 2015 (July 1, 2014 through June 30, 2015) the following amounts as set forth above:

| | |
|---|---|
| General Fund | $13,588,379 |
| Solid Waste Fund | 4,191,099 |
| Drug Fund | 125,265 |
| Cemetery Fund | 182,822 |
| ***Total All Funds*** | ***$18,087,565*** |

SECTION 4. As required by statute, the City of Paris City Commission does incorporate the following Board of Public Utilities Budget as formally adopted by the Board of Public Utilities governing Board.

| Fund | Water/Sewer | | | Electric | | |
|---|---|---|---|---|---|---|
| | FY 2013 Audited | FY 2014 Budget | FY 2015 Proposed | FY 2013 Audited | FY 2014 Budget | FY 2015 Proposed |
| | | | | | | |
| **Revenues** | | | | | | |
| Local Taxes | | | | | | |
| State of TN | | | | | | |
| Federal Government | | | | | | |
| Other Sources | 3,634,245 | 3,742,088 | 3,779,440 | 45,486,313 | 47,982,270 | 46,005,000 |
| **Total Revenues** | ***$3,634,245*** | ***$3,742,088*** | ***$3,779,440*** | ***$45,486,313*** | ***$47,982,270*** | ***$46,005,000*** |
| | | | | | | |
| **Expenditures** | | | | | | |
| Salaries | 1,103,894 | 1,045,000 | 1,114,000 | 2,684,716 | 2,770,697 | 2,800,000 |
| Other | 2,432,313 | 2,554,580 | 2,760,650 | 41,574,210 | 43,459,405 | 41,836,950 |
| **Total Expenditures** | ***$3,536,207*** | ***$3,599,580*** | ***$3,874,650*** | ***$44,258,926*** | ***$46,230,102*** | ***$44,636,950*** |
| | | | | | | |
| **Surplus/Deficit** | ***$98,038*** | ***$142,508*** | ***<$95,210>*** | ***$1,227,387*** | ***$1,752,168*** | ***$1,368,050*** |
| (Add/Subtract from | | | | | | |
| Net Assets) | 14,717,895 | 14,860,403 | 14,765,193 | 33,773,315 | 35,525,484 | 36,893,534 |

SECTION 5. The City Commission acknowledges the following indebtness on behalf of the City and the Board of Public Utilities:

**CITY OF PARIS SCHEDULE OF OUTSTANDING DEBT**
**FISCAL YEAR 2015 DEBT SERVICE PAYMENT**

| **NOTES** | | | | | | |
|---|---|---|---|---|---|---|
| | **Authorized & Unissued** | **Outstanding** | **Payment Fund** | **Principal** | **Interest** | **Total Debt Service** |
| TML Note 2003 | $0 | $94,000 | General | $46,000 | $3,160 | $49,160 |
| TML Note 1998 | 0 | 1,082,000 | General | 195,000 | 5,082 | 200,082 |
| Water CON 2011 | 0 | 839,330 | Water | 86,975 | 26,061 | 113,036 |
| Sewer CON 2011 | 0 | 1,525,670 | Sewer | 158,025 | 47,397 | 205,422 |
| Water & Waste Water CON 2013 | 0 | 845,000 | Water / Sewer | 75,000 | 21,041 | 96,041 |
| ***TOTAL NOTES*** | ***$0*** | ***$4,386,000*** | | ***$561,000*** | ***$102,741*** | ***$663,741*** |

| **LOAN AGREEMENTS** | | | | | | |
|---|---|---|---|---|---|---|
| RDA Loan 2008 | $0 | $323,714 | Economic | $92,508 | $0 | $92,508 |
| RDA Loan 2009 | 0 | 300,000 | Economic | 75,000 | 0 | 75,000 |
| RDA Loan 2012 | 0 | 1,100,000 | Economic | 114,583 | 0 | 114,583 |
| ***TOTAL LOANS*** | ***$0*** | ***$1,723,714*** | | ***$282,091*** | ***$0*** | ***$282,091*** |
| | | | | | | |
| **GO BONDS** | | | | | | |

| | | | | | | |
|---|---|---|---|---|---|---|
| TML Bond Series 2012 | 131,195 | 907,805 | General | 96,000 | 52,300 | 148,300 |
| ***TOTAL BONDS*** | ***$*** | ***$*** | | ***$*** | ***$*** | ***$*** |
| | | | | | | |
| **REVENUE BONDS** | | | | | | |
| Electric System 2013 | $0 | $7,670,000 | Electric | $295,000 | $254,916 | $549,916 |
| Electric System 2008 | 0 | 2,700,000 | Electric | 495,000 | 103,700 | 598,700 |
| Electric System 2004 | 0 | 1,900,000 | Electric | 350,000 | 69,828 | 419,828 |
| ***TOTAL REV BONDS*** | ***$0*** | ***$12,270,000*** | | ***$1,140,000*** | ***$428,444*** | ***$1,568,444*** |
| | | | | | | |
| **CAPITAL LEASES** | | | | | | |
| GE Commercial 2011 | 0 | 16,317 | General | 16,317 | 734 | 17,051 |
| ***TOTAL CAPTIAL LEASES*** | ***$0*** | ***$16,317*** | | ***$16,317*** | ***$734*** | ***$17,051*** |

SECTION 6. For Fiscal Year 2015, the following capital projects as proposed:

| **Project** | **Proposed Appropriation Amount** | **By Debt** |
|---|---|---|
| Annexation Projects | $100,000 | $100,000 |
| Street Improvement | 180,000 | 0 |
| By Pass Project | 170,000 | 0 |

SECTION 7. A detailed financial plan will be attached to this budget and become part of this budget ordinance.

SECTION 8. All encumbered balances of appropriations remaining at the end of the fiscal year shall lapse and revert to the respective fund balances.

SECTION 9. This ordinance shall take effect July 1, 2014, the public welfare requiring it.

/s/Samuel Tharpe
Mayor

/s/Kim Foster
Finance Director

There being no further business the meeting was duly adjourned at 12:15 p.m.

/s/Samuel Tharpe
Mayor

/s/Kim Foster
Finance Director