

**CARLTON GERRELL, MAYOR
KIM FOSTER, CITY MANAGER
FRED MCLEAN, ATTORNEY**



**JACKIE JONES, VICE MAYOR
JOHN ETHERIDGE, COMMISSIONER
GAYLE GRIFFITH, COMMISSIONER
SAM THARPE, COMMISSIONER**

**BOARD OF COMMISSIONERS MEETING MINUTES
CITY OF PARIS, TENNESSEE
SPECIAL CALLED MEETING
June 24, 2021
5:00 P.M.**

The Public Hearing was called to order at 5:00 P.M. by Mayor Carlton Gerrell. The Public Hearing was held for the following:

1. 2021 Property Tax Rate Ordinance

Discussion: Stephen Fall stated his respect for the City Commission regarding the decisions being made for the best interest of the City of Paris. Stephen Fall also stated he felt in his own personal opinion was that the \$.80 property tax increase was "a bit hasty."

2. FY 2022 Proposed Budget Ordinance

Discussion: There were no comments and the Public Hearing was duly closed.

The Board of Commissioners of the City of Paris, Tennessee held a Special Called Meeting at 5:00 p.m. on Thursday, June 24, 2021 in the City Hall Courtroom. The Meeting was called to order by Mayor Carlton Gerrell with the following roll call:

Present: Mayor Carlton Gerrell
Vice Mayor Jackie Jones
Commissioner Gayle Griffith
Commissioner John Etheridge
Commissioner Sam Tharpe

Also Present: City Manager Kim Foster
City Attorney Fred McLean
Finance Director Traci Shannon
Administrative Assistant Jessica Crouch

Community Development Director Jennifer Morris
Building Inspector / Codes Lowell Schrader

Media: Ken Walker, Paris Post Intelligencer
Shannon McFarlin, WENK/WTPR

Mayor Carlton Gerrell led the meeting in the Pledge of Allegiance followed by a prayer led by Commissioner Sam Tharpe.

COMMENTS FROM CITIZENS: None

COMMENTS FROM THE COMMISSION: None

OLD BUSINESS

AGENDA ITEM NO. 1:

2021 Property Tax Rate Ordinance (Second Reading)

DISCUSSION: Vice Mayor Jackie Jones stated her reasoning regarding why she wanted to increase property taxes to \$0.77. She stated that she would like to see improvements to the City of Paris roads, streets, and for drainage issues.

Commissioner John Etheridge stated his reasoning regarding why he wanted to increase property tax to \$0.80. Commissioner Etheridge stated that he took into consideration the addition of recurring expenses (8% healthcare premium increase, 3% COLA to employees, School Resource Officer, and infrastructure needs).

Mayor Gerrell stated that he is for the \$0.80 increase in property tax in order to repave the roads and for future grant matching purposes.

City Manager, Kim Foster made comments regarding the general fund balance. Ms. Foster stated that 25% of the fund balance should be saved for emergencies as is recommended general accounting practice. Ms. Foster also stated that the Commission should take into consideration future grant matches, drainage studies, and drainage projects.

Commissioner Sam Tharpe was adamant regarding no increase to property tax. Mr. Tharpe stated that if a plan of action regarding the use of money from tax payers was justifiable then he would agree to an increase in property tax. Mayor Carlton Gerrell responded to the request of plan of action with the answer of; additional repavement of City

Streets and Roads. Commissioner John Etheridge also pointed out that a budget is a plan of action.

Vice Mayor Jackie Jones stated that the City is finally able to enjoy the benefits regarding non-recurring funds. Vice Mayor Jones stated that she would love to see more grants in the future.

ACTION: A motion was made by Commissioner Sam Tharpe for no increase to property tax rate, but failed to receive a second.

ACTION: A motion was made by Vice Mayor Jackie Jones, seconded by Commissioner Sam Tharpe to increase the property tax rate to \$0.77.

VOTE: Mayor Carlton Gerrell, Commissioner Gayle Griffith, and Commissioner John Etheridge each voted Nay with Vice Mayor Jackie Jones voting Aye and Commissioner Sam Tharpe abstaining from the vote.

ACTION: A motion was made by Commissioner Gayle Griffith, seconded by Commissioner John Etheridge to increase the property tax rate to \$0.80.

VOTE: Commissioner Sam Tharpe voted Nay with Mayor Carlton Gerrell, Vice Mayor Jackie Jones, Commissioner John Etheridge, and Commissioner Gayle Griffith voting Aye.

ORDINANCE NO. 1269

AN ORDINANCE Fixing the Property Tax Rate and
Providing for the Date and Condition of Payment for the Year
2021.

BE IT ORDAINED by the Board of Commissioners of the City of Paris, Tennessee, that the following shall be the property tax rate and conditions by which they may be paid for the year 2021.

SECTION 1. A tax of \$.80 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 2021.

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, 2022. In the event that payment is not made before March 1, 2022, 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 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, 2021.

Passed and adopted June 3, 2021.

Passed and adopted June 24, 2021.

/s Carlton Gerrell
Mayor

/s Traci Shannon
Finance Director

OLD BUSINESS

AGENDA ITEM NO. 2:

FY 2022 Proposed Budget Ordinance (Second Reading)

DISCUSSION: Commissioner John Etheridge questioned if the City had the personnel and equipment to comply with the paving budget and the timeline of repaving in 3-4 months. City Manager, Kim Foster stated that yearly paving is bid out during the spring months with Delta receiving the bid for paving this year.

City Manager, Kim Foster took to the commissioners an issue on Harding Road regarding the condition of the street. The project at the High School Football Field has required heavy loads in dump trucks that have in return damaged the road. Mayor Carlton Gerrell questioned why the City would have to fix Harding Road. Commissioner John Etheridge stated that the roads are public roads. City Attorney, Fred McClean stated that residential streets are not rated for the 60,000-70,000 pound vehicles. However, there is nothing specific in our ordinance to control this issue. Mr. McClean also stated that with the good working relationship that the City, County, and School System share, he is hopeful we can come to an agreeable solution in the repair of Harding Road.

City Manager, Kim Foster also presented to the Commissioners a paving list that Phillip Jessie, Public Works Director prepared. This was an itemized list of roads and streets that are slated for re paving in the City in the upcoming fiscal year. The grand total on this list is \$811,000.00. Mr. Jessie also calculated the dollar per mile for these streets and roads which resulted in \$157,154.00 per mile.

Commissioner John Etheridge stated that he could see a definite plan in how the money would be used from taxpayers and how it would be an investment and service to the community.

Commissioner Sam Tharpe commended Phillip Jessie and his plan in utilizing the proposed paving budget to increase the longevity and the re pavement of City roads and streets.

Vice Mayor Jackie Jones questioned regarding the percentage of the budget that was utilized for paving Dunlap and Winding Way. City Manager, Kim Foster stated that approximately \$120,000.00 was added to the FY '21 budget for this project. Ms. Foster also stated that the \$500,000.00 dollars in the paving budget for FY '21 had already been utilized.

The following proposed FY 2022 Budget Ordinance was submitted in consideration for approval. The Items of interest include:

- A 3% COLA for all employees.
- An 8% increase in the cost of healthcare premiums.
- An increase of another \$100,000 to the paving budget to bring it to \$700,000.
- \$1,344,800 in capital purchases city-wide; the most significant purchases being 29 new air packs (SCBAs) for the Fire Dept. in the amount of \$186,700; a new tractor and trailer for hauling large equipment for the Street Dept. in the amount of \$171,000; a \$175,000 new rear packer for sanitation; and a well overdue track loader for the landfill priced at \$304,600. This cost will be split with the County.
- An additional Police Officer to fill in for one of our officers who will be transitioned to the position of School Resource Officer at Inman Middle School.
- Four different grant projects including sidewalks in the HCHS & Rhea area, new signalization in downtown (2 grants) and

replacement of the Rison Street bridge. Total matching dollars for these grants are \$329,000.

- Property Tax revenue to reflect a \$0.80 tax rate.

ACTION: Motion made by Commissioner Sam Tharpe, seconded by Commissioner John Etheridge to approve the FY 2022 Proposed Budget Ordinance as presented.

VOTE: Unanimous

ORDINANCE NO. 1270

AN ORDINANCE OF THE CITY OF PARIS, TENNESSEE ADOPTING THE ANNUAL BUDGET FOR THE FISCAL YEAR BEGINNING JULY 1, 2021 AND ENDING JUNE 30, 2022

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 2022:

	<u>2020 Actual</u>	<u>2021 Budgeted</u>	<u>2022 Proposed</u>
Property Taxes	\$1,491,035	\$1,469,000	\$1,702,000
Sales Tax (State & Local)	\$5,819,330	\$5,400,000	\$6,125,950

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

Fund	General			Sanitation		
	FY 2020 Audited	FY 2021 Budget	FY 2022 Proposed	FY 2020 Audited	FY 2021 Budget	FY 2022 Proposed
Revenues						
Local Taxes	\$8,514,688	\$8,054,250	\$8,912,200			
State of TN	1,919,062	1,440,000	1,512,000			
Federal Government	345,792	323,500	949,000			
Other Sources	2,762,011	6,434,139	3,144,450	1,618,066	1,575,400	1,575,400
Total Revenues	\$13,541,553	\$16,251,889	\$14,517,650	\$1,618,066	\$1,575,400	\$1,575,400
Expenditures						
Salaries	\$5,056,112	\$5,281,564	\$5,557,258	\$430,909	\$445,161	\$469,722
Other	7,415,696	11,388,583	9,298,166	1,033,511	1,058,510	1,516,984
Total Expenditures	\$12,471,808	\$16,670,147	\$14,855,424	\$1,464,419	\$1,503,671	\$1,986,705
Beginning Fund Balance	\$3,741,403	\$4,811,148	\$4,392,890	\$3,207,107	\$3,360,753	\$3,432,482
Ending Fund Balance	\$4,811,148	\$4,392,890	\$4,055,116	\$3,360,753	\$3,432,482	\$3,021,177
No. of FTE Employees	113	113	113	9	10	10

Fund	Landfill		
	FY 2020 Audited	FY 2021 Budget	FY 2022 Proposed
Revenues			
Local Taxes			
State of TN			
Federal Government			
Other Sources	197,595	197,450	200,500
Total Revenues	\$197,595	\$197,450	\$200,500
Expenditures			
Salaries	\$43,427	\$46,496	\$48,616
Other	133,986	128,787	152,462
Total Expenditures	\$177,413	\$175,284	\$201,078
Beginning Fund Balance	\$697,444	\$717,626	\$739,792
Ending Fund Balance	\$717,626	\$739,792	\$739,214
No. of FTE Employees	2	1	1

Fund	Drug			Cemetery		
	FY 2020 Audited	FY 2021 Budget	FY 2022 Proposed	FY 2020 Audited	FY 2021 Budget	FY 2022 Proposed
Revenues						

Local Taxes						
State of TN						
Federal Government						
Other Sources	\$51,647	\$68,050	\$60,050	\$1,785	\$1,000	\$1,000
Total Revenues	\$51,647	\$68,050	\$60,050	\$1,785	\$1,000	\$1,000
Expenditures						
Salaries						
Other	\$65,533	\$100,900	\$92,500	\$2,440	\$17,000	\$8,000
Total Expenditures	\$65,533	\$100,900	\$92,500	\$2,440	\$17,000	\$8,000
Beginning Fund Balance	\$161,478	\$147,592	\$114,742	\$351,925	\$351,271	\$335,271
Ending Fund Balance	\$147,592	\$114,742	\$82,292	\$351,271	\$335,271	\$328,271
No. of FTE Employees	0	0	0	0	0	0

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 2022 (July 1, 2021 through June 30, 2022) the following amounts as set forth above:

General Fund	\$18,910,540
Sanitation	5,007,882
Landfill	940,292
Drug Fund	174,792
Cemetery Fund	336,271
Total All Funds	\$25,209,777

SECTION 4. The City Commission acknowledges the following indebtedness on behalf of the City:

**CITY OF PARIS SCHEDULE OF OUTSTANDING DEBT
FISCAL YEAR 2022 DEBT SERVICE PAYMENT**

	Authorized & Unissued	Outstanding	Payment Fund	Principal	Interest	Total Debt Service
LOAN AGREEMENTS						
RDA Loan 2012	0	160,417	Economic	137,500	0	137,500
TOTAL LOANS	\$0	\$160,417		\$137,500	\$0	\$137,500
GO BONDS						
TML Bond Series 2012	\$0	\$316,740	General	\$108,000	\$12,640	\$120,640
TML Bond Series 2015	0	955,000	General	260,000	25,200	\$285,200

Energy Cons Bond 2017	0	2,215,000	General	130,000	10,202	\$140,202
TML Bond Series 2019	0	918,000	General	87,000	17,752	\$104,752
TOTAL BONDS	\$0	\$4,404,740		\$585,000	\$65,795	\$650,795

SECTION 5. For Fiscal Year 2022, the following capital projects as proposed:

Project	Proposed Appropriation Amount	By Debt
STBG for Signal Replacement	\$505,600	\$0
Rison St. Bridge Replacement	\$91,500	\$0
TA Grant for Sidewalks	\$1,044,700	\$0
Multi Modal Access Grant	\$780,300	\$0

SECTION 6. A detailed financial plan will be attached to this budget and become part of this budget ordinance.

SECTION 7. All encumbered balances of appropriations remaining at the end of the fiscal year shall lapse and revert to the respective fund balances.

SECTION 8. This ordinance shall take effect July 1, 2021, the public welfare requiring it.

/s/ Carlton Gerrell
Mayor

/s/ Traci Shannon
Finance Director

Updates from the City Manager:

Ms. Foster discussed the following updates with the board:

The first item of discussion was in regards to the Public Input Meeting to be held following the Special Called Meeting regarding two projects: The Signalization Project in the Downtown Footprint and TA Grant for Sidewalks along Wilson and Patriot.

The second item of discussion was in regards to new grant projects to be presented to the City Commission.

The third item of discussion was in regards to the BCBS Playground Ribbon Cutting on July 1, 2021 at 11:00 a.m.

ADJOURNMENT: Motion made by Commissioner Sam Tharpe, seconded by Vice Mayor Jackie Jones to adjourn at 5:38 p.m.

Mayor

Finance Director