

KATHY RAY, MAYOR
KIM FOSTER, CITY MANAGER
JAMES SMITH, CITY ATTORNEY



VICKEY ROBERTS, VICE MAYOR
JACKIE JONES, COMMISSIONER
SAM THARPE, COMMISSIONER
JOHN ETHERIDGE, COMMISSIONER

**BOARD OF COMMISSIONERS MEETING MINUTES
CITY OF PARIS, TENNESSEE
February 2, 2023
5:00 P.M.**

Board of Commissioners of the City of Paris, Tennessee held a Regular Meeting at 5:00 p.m. on Thursday, February 2, 2023, in the Paris City Hall Courtroom.

The meeting was called to order by Mayor Kathy Ray with the following roll call:

Present: Mayor Kathy Ray
Commissioner Jackie Jones
Commissioner Sam Tharpe
Commissioner John Etheridge

Also Present: Community Development Director Jennifer Morris
Administrative Assistant Jessica Crouch
Finance Director Traci Shannon
City Attorney James Smith

Absent: Vice Mayor Vickey Roberts

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

Commissioner John Etheridge led the meeting with the Pledge of Allegiance followed by a prayer led by Commissioner Sam Tharpe.

APPROVAL OF MINUTES: Regular Meeting – January 5, 2023

DISCUSSION: None

ACTION: Commissioner John Etheridge made a motion, seconded by Commissioner Jackie Jones to approve the minutes as presented.

VOTE: Unanimous

COMMENTS FROM CITIZENS: None

COMMENTS FROM THE COMMISSION: Commissioner John Etheridge and Commissioner Jackie Jones commended the Paris Public Works Department during the previous ice storm for keeping City of Paris streets safe and clean.

SERVICE RESOLUTIONS AND PROCLAMATIONS: None

OLD BUSINESS

NONE

NEW BUSINESS:

NEW BUSINESS

AGENDA ITEM NO.1

Financial Update

Narrative to December 2022 Operating Statement

Our retail sales tax revenue continues to increase. The month of November was up 7.25% compared to last November and we are ahead 7.7% for our fiscal year-to-date.

Expenditures exceeded revenues for the month of December, however we are still ahead fiscal year-to-date. A few of the larger expenses included \$43K for the skate park project, \$67K for two patrol cars, \$20K for material for street repair, and \$23K for tree trimming. Also, the month of December was a three pay-period month which occurs twice yearly.

Other Business:

New employees (16): Sixteen seasonal part-time (PHCBL)

We issued three business licenses in December:

New business (1): Shamrock Dirt and Forestry

Ownership change (2): Lura Lee's, Beltone Hearing Aid Service

DISCUSSION: Commissioner Jackie Jones questioned the expense for tree trimming. City Manager, Kim Foster, explained that this service is bid out yearly and a onetime expense. Commissioner Sam Tharpe questioned the change in taking property taxes at City Hall this year and asked how the process was going. Finance Director, Traci Shannon, explained that payment is received the 10th of each month and the process of taxes was going well between Henry County Trustee office, City of Paris, and within the community.

CITY OF PARIS, TENNESSEE						
RETAIL SALES TAX REVENUE						
	FY2019	FY2020	FY2021	FY2022	FY2023	% Incr(Decr)
JULY	\$787,901	\$802,267	\$898,979	\$951,793	\$1,046,570	9.96%
AUGUST	\$790,533	\$799,378	\$843,541	\$895,516	\$931,433	4.01%
SEPTEMBER	\$774,425	\$797,992	\$888,921	\$965,256	\$1,067,740	10.62%
OCTOBER	\$761,812	\$761,453	\$873,733	\$974,047	\$1,036,880	6.45%
NOVEMBER	\$809,116	\$807,105	\$874,641	\$988,199	\$1,059,818	7.25%
DECEMBER	\$960,027	\$957,286	\$1,097,412	\$1,210,615		
JANUARY	\$665,013	\$713,906	\$844,826	\$839,389		
FEBRUARY	\$704,313	\$727,380	\$719,938	\$859,647		
MARCH	\$877,659	\$840,175	\$1,101,592	\$1,102,651		
APRIL	\$849,875	\$865,360	\$1,040,359	\$1,060,677		
MAY	\$863,697	\$949,140	\$1,005,346	\$1,105,515		
JUNE	\$873,145	\$966,861	\$1,013,926	\$1,125,455		
TOTAL	\$9,717,515	\$9,988,303	\$11,203,215	\$12,078,759	\$5,142,441	
Previous YTD % Increase/Decrease	1.24%	2.79%	12.16%	7.82%	7.70%	

MONTHLY OPERATING STATEMENT
December 2022

REVENUES	<u>Annual Budget</u>	<u>Current Month</u>	<u>Yr to Date</u>	<u>Percent Realized</u>
Property Taxes	1,727,000	192,949	281,337	16.29%
Local Option Sales Tax	6,086,700	510,319	3,110,048	51.10%
Wholesale Liquor / Beer	875,000	82,609	485,868	55.53%
Business Tax	400,000	2,079	38,176	9.54%
Fees & Licenses	168,500	4,804	85,604	50.80%
In Lieu Payments	904,250	63,184	438,731	48.52%
Grants	1,036,430	111,513	573,856	55.37%
State Shared taxes	1,791,800	137,154	839,110	46.83%
All Other	1,615,948	132,071	1,432,807	88.67%
Federal ARPA Grant	1,491,875	0	1,491,875	100.00%
ARPA/TDEC-WII	500,000	0	0	0.00%
Total General Fund Revenue	16,597,503	1,236,681	8,777,414	52.88%
Solid Waste Collection - BPU	1,250,000	105,763	643,411	51.47%
Solid Waste Disposal - Transfer	400,000	34,657	240,631	60.16%
Other Revenue	25,400	1	25,303	99.62%
Total Sanitation	1,675,400	140,421	909,346	54.28%
Gate Receipts - Brush & Debris	140,000	8,202	71,871	51.34%
County Share Operating Exp	30,000	0	0	0.00%
Gate Receipts - Tires	10,000	59	9,096	90.96%
Other Revenue	91,450	115	36,102	39.48%
Total Landfill	271,450	8,375	117,069	43.13%
Total Drug Fund	42,050	5,110	53,162	126.43%
TOTAL REVENUES	18,586,403	1,390,587	9,856,990	53.03%

EXPENDITURES	<u>Annual Budget</u>	<u>Current Month</u>	<u>Yr to Date</u>	<u>Percent Realized</u>
Grants & Donations	229,961	392	86,175	37.47%
General Administration	423,856	36,350	200,582	47.32%
Economic Development	178,474	20,177	89,155	49.95%
Elections	4,500	0	0	0.00%
Financial Administration	331,384	26,881	186,047	56.14%
City Hall Building	104,397	10,851	60,938	58.37%
Police Department	2,369,010	307,373	1,314,234	55.48%
Emergency Communications	748,932	94,644	384,742	51.37%
Fire Department	1,923,446	197,027	978,881	50.89%
Building Inspection	178,037	16,683	85,149	47.83%
Street Maintenance	1,772,747	194,208	1,051,826	59.33%
State Street Aid	1,683,000	4,781	1,454,059	86.40%
Storm Water Management	72,140	7,543	28,326	39.27%
Street Lighting	116,000	4,166	46,274	39.89%
City Garage	310,298	29,576	153,378	49.43%
Cemetery Maintenance	73,324	1,522	34,862	47.55%
Health & Animal Control	199,228	18,433	95,387	47.88%
Civic Center	692,100	70,556	343,200	49.59%
Parks & Recreation	1,111,601	103,370	662,199	59.57%
Library	183,430	0	91,715	50.00%
Community Development	1,376,700	108,897	828,267	60.16%
ARPA-SLFRF	1,000,000	0	352,454	35.25%
ARPA/TDEC-WII	500,000	0	30,875	6.18%
Debt Service	683,917	3,291	149,409	21.85%
General Fund Expenditures	16,266,482	1,256,723	8,708,136	53.53%
Sanitation Collection	1,566,797	82,760	692,470	44.20%
Contractual Services	661,500	57,273	371,609	56.18%
Total Sanitation	2,228,297	140,033	1,064,080	47.75%
Total Landfill	215,404	12,415	121,841	56.56%
Total Drug Fund	75,300	298	35,126	46.65%
TOTAL EXPENDITURES	18,785,483	1,409,469	9,929,182	52.86%

<u>REVENUES OVER / (UNDER) EXPENDITURES</u>	<u>Current Month</u>	<u>Yr to Date</u>
General Fund	(20,042)	69,278
Sanitation	388	(154,734)
Landfill	(4,040)	(4,772)
Drug Fund	4,812	18,036

NEW BUSINESS

AGENDA ITEM NO. 2

Appointments to Boards

NONE

NEW BUSINESS

AGENDA ITEM NO. 3

Audit Presentation

DISCUSSION: Matt Wood, CPA, Alexander, Thompson, Arnold presented an audit presentation for fiscal year 2022-2023 for the City of Paris. Mr. Wood explained that the City of Paris is in "good standing" with a clean audit. Mr. Wood highlighted that the City of Paris had \$533,000 in Federal Grants this year. With that, \$295,000 of those grants were TDOT related. Mr. Wood stated that there was not a single audit necessary this year due to grant money being below the \$750,000 threshold. He stated that Paris Utility Authority (PUA) is not presented in the financial statement as a fund of the City of Paris and shows as a component unit in the findings. He highlighted the assets of each year and the net income increase. Mr. Wood then highlighted page 8 in the financial statement and compared to year 2021. Mr. Wood stated that a healthy city plans to have in reserves 25% of their operating budget but the City of Paris has 44.59% which is a great number according to Mr. Wood. He stated that this allows the City to budget better. Mr. Wood

stated that there is a 4.2 million dollar change from the 2021 fund balance. These 4.2 million dollars is a combination of 2.7 million dollar in net pension and 1.5 million dollars in ARPA money. Mr. Wood highlighted page 62 regarding the pension assets. Mr. Wood stated that it showed 3.87 million dollars with 7.7% going toward the pension plan. Mr. Wood also brought to the attention that the City of Paris was \$178,000 under budget expenditures. Mr. Wood stated that for the first time, the alternate plan that the City of Paris is enrolled in is presented inside the financial statement.

Mr. Wood stated that there were no internal control findings, and no management letter comments, and the City of Paris appears healthy from an auditor standpoint.

Commissioner Sam Tharpe gave thanks to the City Manager and the Finance Department for balancing and maintaining a healthy balance budget.

City Manager, Kim Foster, commended Finance Director, Traci Shannon, on her hard work with the audit, balancing the budget, and debt payoff. Ms. Shannon had been in negotiation with the banks for an interest rate to match the LGIP for the money that is currently in the bank. After further findings, the match was not correct, and the bank fixed the amount by distributing \$20,000 into the City of Paris bank account.

ACTION: None

VOTE: None

NEW BUSINESS

AGENDA ITEM NO. 4

Resolution to Authorize Matching Funds for the Community Development Block Grant for Fiscal Year 2023

DISCUSSION: Ms. Foster explained that the Commission approved the request to apply for the CDBG grant at the January meeting. She stated that one requirement for the grant is that the City of Paris pass a resolution to authorize the matching funds for the CDBG grant.

ACTION: Commissioner Sam Tharpe made a motion, seconded by Commissioner Jackie Jones to approve the Resolution to authorize matching funds for the Community Development Block Grant for Fiscal Year 2023.

VOTE: Unanimous

RESOLUTION NO. 1675

AUTHORIZING MATCHING FUNDS FOR THE BLOCK GRANT PROGRAM/CDBG FOR FISCAL YEAR 2023

WHEREAS, the governing body of Paris, TN, having committed itself to the improvement of the community that it represents, wishes to make application for a Community Revitalization project through the Community Development Block Grant program,


WHEREAS, having determined proper eligibility by CDBG program guidelines, said governing body wishes to make application for up to \$630,000 in grant funds to implement the aforementioned improvements, and understands that Paris will be accountable for providing a match rate of no less than 10 percent. This match rate was determined by L&D and includes a 4-point reduction for ThreeStar Communities. Said governing body will commit local funds for the match which will be provided by the City of Paris.

NOW, THEREFORE BE IT RESOLVED by the governing body of Paris, TN, meeting in session on this the 2nd day of February, 2023, that the Mayor of Paris is authorized to commit local matching funds to the proposed project, and to sign and all necessary assurances, agreements, or contracts required for recipients of CDBG funds.

This resolution shall become a part of and be spread upon the minutes of this meeting of the Board of Commissioners of the City of Paris, Tennessee.

Resolved this the 2nd day of February, 2023.


City of Paris Mayor


Finance Director

NEW BUSINESS

AGENDA ITEM NO. 5

Discussion of Early Payoff of Debt Issuances

DISCUSSION: Ms. Foster discussed the early payoff debt issuances. Finance Director, Traci Shannon, stated that she received the fees from the Tennessee Municipal Bond Fund. She stated that the interest rate for the remaining debt balances series 2012 is 4% and the series 2015 is 3%. She also explained that of the total \$902,000 that \$370,000 has to be paid in May and that the additional \$572,000 will pay the debt off. She noted that there is no penalty for early payoff. There is a requirement for a 90-day notice for early payoff but the total amount of \$902,000 can be made in full when the original principal payment is due in May. Ms. Foster stated that this will be included in the budget adjustment in May 2023.

Commissioner Sam Tharpe questioned the debt service after these two were paid. Ms. Foster stated that the remaining debt service included the Energy Conservation Bond and the Splash Pad Bond.

ACTION: Commissioner John Etheridge made a motion, seconded by Commissioner Sam Tharpe to approve the early payoff of debt issuances.

VOTE: Unanimous

	<u>Series 2012</u>	<u>Series 2015</u>	<u>Total</u>
Principal scheduled to be paid in May 2023	\$110,000	\$260,000	\$370,000
Remaining principal	\$98,000	\$434,000	\$532,000
Total Principal	\$208,000	\$694,000	\$902,000
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Estimated fees saved	\$2,500	\$10,800	\$13,300
Estimated interest saved	\$4,600	\$33,200	\$37,800
Total savings	\$7,100	\$44,000	\$51,100

STATUS OF VARIOUS PROJECTS
February 2023

	PRIMARY STAFF	TARGET COMPLETION DATE(S)	
HOME Grant	Morris/Foster	2023	All of the hurdles have been crossed on the first two houses to be rebuilt under this grant. Construction has been started on the first one and will begin shortly on the second one.
Back Alley Paris	Foster/Morris/ Ray (DPA)	June 2022	A conceptual painting depicting the second 100 years of our bicentennial should be completed by the middle of February. The project is on target for a June unveiling.
TA Grant for Sidewalks along Wilson & Patriot	Foster/Morris	Fall 2022	Still waiting for the one driveway repair. Contractor has it on his list but waiting now on the weather to cooperate.
2018 STBG Project for Signalization & Safety Upgrades at 3 Intersections Downtown	Foster/Morris	Fall 2022	Work on preliminary ROW plans continues. A qualified historian has been released to begin an assessment to determine how the project will affect the Paris Commercial Historic District.
Rison St Bridge Replacement	Foster/Morris	Summer 2023	The updated NEPA (environmental) document has been submitted to TDOT, we are awaiting their response.
2020 Multimodal Access Grant for 4 Downtown Intersections	Foster/ Morris	Fall 2022	Work on preliminary ROW plans continues. A qualified historian has been released to begin an assessment to determine how the project will affect the Paris Commercial Historic District. Coordination meeting held with TDOT regarding State Route 54 Repaving Project.
2021 Multimodal Access Grant for Tyson/M.W. Intersection Upgrades & Sidewalk	Foster/Morris	Summer 2024 (if awarded)	Work on NEPA phase documentation continues. TLM submitted LP Agency Coordination and Section 106 Assessment documents to TDOT, waiting on responses. Work continues on preliminary layout and grading on intersection. Design for preliminary grading continues.
2021 TA Grant for Sidewalk Project along Fairgrounds & Royal Oak	Foster	Winter of 2024 (if awarded)	We received our executed contract and notice to proceed to NEPA mid-January. We are currently advertising for a consultant for this project.
TDEC Water Infrastructure Improvement (WII) Grant	Foster	Spring 2023	Work on hydraulic analysis continues with development of individual drainage basins. Basin development approximately 75% complete.
Downtown Improvement Grant	Morris/Crouch/Foster	Spring 2024	Ten projects have now been completed. We have three projects left to complete; Scott building on Ruff St., Scott building on Poplar & the Iron Place.
Municipal Facilities Study	Foster	Spring 2023	TLM continuing evaluation layouts and reports creation.

Kim Foster, City Manager discussed the following updates regarding the Status of Various Projects:

- The first update regarding the Status of Various Projects was in regard to the Rison Street Bridge Replacement. The City of Paris received a response from TDOT on 2/1/2023 requesting more revisions to the document.
- The second update regarding the Status of Various Projects was in regard to 2020 Multimodal Access Grant for 4 Downtown Intersections. Due to inflation, the budget for this project has been updated to increase \$200,000.00.

Notes/Updates from the City Manager

- The MTAS Fire Chief Assessment Center has been scheduled for March 15 & 16. Thus far we have received 7 resumes from external candidates. Although no internal candidates have yet applied, I have been told by 2 or 3 that they plan to apply.
- I am planning an employee input meeting on February 22. We will have a catered lunch and then put all participating employees through an exercise similar to what we did at our Positively Paris Community Input event. I value our employees and I want to know what they think. I have four facilitators lined up to take the employees through the exercise. The Department Heads and I will not be involved so that the employees will not feel inhibited.
- The City's Helping Hand Day is February 21.
- Public Works, with the exception of the garage, has decided to change their work schedule to the 4/10 hr days schedule. The new schedule started on Monday. The only noticeable changes to the public are that sanitation crews will begin collecting residential trash at 6:00 a.m. and bulk and cardboard pickup

day will be on Thursdays. We have created social media posts addressing these small changes. There aren't any anticipated issues, but if any arise, they will be handled on a case-by-case basis.

- I want to recognize extraordinary work by Finance Director Traci Shannon. Not only has Ms. Shannon brought to our attention the possibility of saving money by early retirement of some of our debt, she also recently caught a bank error and determined our interest earnings were not being properly calculated. She immediately notified the bank who confirmed the error and deposited an additional \$20,000+ in unrecognized interest in our account. We are truly fortunate to have such a conscientious director watching over our finances!
- Included in this month's packet was a copy of the data collected as a part of our Mainstreet annual report. Much thanks to Mayor Ray and Community Development Dir. Jennifer Morris for the work they did on the report. As you can see, investment in our downtown continues prove beneficial, not only for the downtown district, but for our entire community.

Motion to Adjourn: Commissioner Sam Tharpe made a motion, seconded by Commissioner John Etheridge to adjourn at 5:39 p.m.

Mayor

Finance Director