

## **BUDGET WORKSHOP OF THE CITY COUNCIL OF THE CITY OF EAST RIDGE**

**June 5, 2020  
3:00 pm**

The East Ridge City Council met pursuant to notice on June 5, 2020, 3:00 pm at East Ridge City Hall for the purpose of holding a budget workshop.

City Manager Dorsey stated because of the COVID 19 virus, we are unable to have citizens in attendance.

Mayor Williams called the meeting to order.

**Present were:** Mayor Williams, Vice Mayor Helton, Councilmember Cagle, Councilmember Chauncey, Councilmember Witt, City Manager Dorsey, and City Recorder Middleton. City Attorney Litchford was not present.

Also present were staff members Assistant City Manager Custer, Finance Director Qualls, Human Resources Manager Perry, Police Chief Allen, Sanitation Supervisor Parker, and Parks and Recreation Director Wilson.

City Manager Dorsey stated we have a new format for budget this year, which is more citizen friendly. The budget includes information about issues and trends in various departments. He explained how the budget is laid out. He stated the 2019 actual numbers are for comparison only; they are unaudited numbers.

Our general fund budget is \$15,755,978 for 2021. The 2019 budget was at \$13,882,746. The difference could be because of grants and budget amendments. Mr. Dorsey stated there are summaries of expenditures, broken down by different departments, such as general government, public safety, etc.

He read the budget overview pages, which project a flat year of revenue. He stated this does not include border region dollars, as they are pass through funds. A use of fund balance of \$646,000 are carry overs from last year - \$500,000 for Pioneer playground and splash pad and \$146,000 for the multi modal project. Property taxes are the City's main revenue with local sales tax and state shared taxes after that. There is a 3% increase in health insurance premiums. There will be no cost of living increase for employees, but if revenues rebound after the 1<sup>st</sup> and 2<sup>nd</sup> quarters, it might be possible to give an increase. There will be no property tax increase. He stated we are optimistic about the City's financial future.

At this time, City Manager Dorsey went through the budget, starting with a summary of each section, explaining various aspects as follows:

### **Revenues**

Our revenues are projected to be 15,755,978. Most of increase is due to border region pass through funds for eligible businesses. Property taxes decreased slightly, but local sales tax has remained steady.

Mayor Williams asked how much we pay for recycling. Mr. Dorsey stated almost the same as for garbage which is \$32 - \$35 per ton. Sanitation Supervisor Parker stated we take about 4 loads on recycle day to the recycle center.

- **Property Taxes** – current year is slightly over \$5 million. Forecast is \$4.704 mil.
- **Local sales tax** - \$2.792 mil. This could change if we have 2<sup>nd</sup> round of COVID 19.
- **Incremental sales tax (Border Region)** - \$2,540,000 - We receive in September. Has to come into and go out of general fund.
- **Franchise fee** – Decreased.
- **State sales tax** – Budget was \$2 million, but we are forecasting \$1.9 mil.
- **Ridgeside fire and police** – increase 4%
- **Sports** - Will hopefully be back online in the fall. We have issued refunds in Recreation Soccer, but we kept \$15 for insurance paid to Tennessee State Soccer. We are going to absorb the jersey fee. Indoor numbers are down this year.
- **Arena rentals** – Down because of COVID 19.
- **Court fines and cost** – forecast is \$278,000.

### Expenditures

- **Administration** – includes information on how many checks are cut, payroll amounts, business licenses issued, and beer permits issued. Personnel costs went up due to Assistant City Manager Custer's position being moved from Building and Codes to Administration.
- **Mayor and Council** – budget went from \$76,000 to \$128,000. We put elections in this line item, which is \$69,000 for next year. Mayor Williams asked if travel will be less since the annual TML conference will be in Chattanooga. Finance Director Qualls stated travel costs should be less. He included \$25,000 in special events for the city's centennial. We have reserved Camp Jordan for April 10, 2021. Councilmember Witt has volunteered to help, and two people have volunteered to help her. Assistant City Manager Custer stated in the past we could not get sponsorships, but now we have businesses coming into the City that could do sponsorships and help bring in entertainment. Mayor Williams stated this line item went up but not due to any salary increases.
- **Judicial** – stayed mainly flat from \$319,000 to \$331,000. The Court Clerk has a vacant position that could transition into Deputy Court Clerk, so salaries increased slightly.
- **City Attorney** – Left at \$122,000.
- **General Government** – city wide costs, retiree's health insurance, etc.
- **City Hall Complex** – flat.
- **Library** – \$205,000 – We cannot cut funding to Library due to state law.
- **History Museum** – \$14,400 down to \$400 - The Starnes estate gift from 2 years ago was taken out. Finance Director Qualls stated that one of the Starnes gifts was to the Library for \$10,000, which has been spent, and one to the History Center for \$10,000, which has not been spent.
- **Building and Codes** – Assistant City Manager Custer stated his salary was taken out of Building and Codes and added to Administration. Operations are down by about \$25,000. Total request for 2021 is \$517,788. He stated we are not under the state fire marshal's office any longer. We do our own plans reviews and also have third party plans review, which increases efficiency.
- **Animal Services** – Up slightly to \$247,180.

- **Economic and Community Development** – This includes community development programs such as the CARTA Cares program and other economic development programs. Total amount budgeted \$2,084,361.
- **Police** - Budgeted amount is \$4,513,000. Police includes Patrol, CID, Administration and Traffic. They answered 92,000 calls this year. Councilmember Cagle asked if all bullet proof vests are up to date. Chief Allen stated we have some that are going out of date this year, but we can apply for a grant for more vests. Mr. Cagle also asked where the SRO position was moved to. The Chief stated he was moved to Police administration. Mr. Cagle asked if we could put one back in the school. Mr. Dorsey stated no that we have had more problems after school than during school. This officer can patrol the City Hall/playground areas after school to cut down on these problems. He also stated the County has an SRO already in place at the High School which could cover the Middle School until the School Board acts on this. CID budget is basically flat. We raised the overtime some because we are no longer doing comp time. Patrol is lower because the SRO was moved to Administration. Traffic was up slightly. The Mayor stated we have no capital expenditures and Mr. Dorsey added that we do not have the cars that we ordered last October.
- **Drug Fund** – Finance Director Qualls stated this amount was kept the same, but it can fluctuate. We can only spend for law enforcement items, not everyday items. Grants for bullet proof vests go into drug fund.
- **Fire** - Budget went down slightly to \$2,188,000. Assistant City Manager Custer stated that one position was vacated but we created three captains' positions. The cost is \$26,000 - \$27,000 which came from the vacated position. This will provide more promotional opportunities.
- **Parks and Recreation**
  - Budgeted amount is down to \$1,509,000. Mr. Dorsey discussed RV sites. Mr. Cagle stated that Council voted to close most of the sites because of water leaks. Director Wilson stated that currently only eight of them have water.
  - General Recreation – This includes park maintenance. The Budget went up slightly. Councilmember Cagle discussed the number of employees at the park. Mr. Wilson stated several of his employees are part-time that work nights and weekends, but no more than 29 hours per week.
  - Arena - Mr. Wilson stated that overtime dropped when the new supervisor came on board, the employees started flexing their time. This is not the same as comp time, it is more of a schedule adjustment.
  - Community Center – We have saved money on health insurance, since the part time employees that were working 38 hours left.
  - ER high school sports complex – This is at zero since we turned this complex back over to the county.
  - McBrien Complex – Budgeted amount dropped because of electrical cost.
  - Soccer/Recreation – Budgeted amount went down slightly. This is for umpire cost, insurance costs, etc.
  - Soccer/Indoor – Decreased because participation is down slightly this year.
  - Baseball/Softball – Decreased slightly because of equipment cost for renovation last year.
  - Football/cheerleading – Participation has gone down. Mr. Wilson stated this has been the trend over the last seven years. He may offer a flag league in the future.
  - Basketball – Stayed flat.
  - Adult softball – Mr. Wilson stated we have 16 teams, with ages 15 and above.

- **Public Works** - Assistant City Manager Custer stated the budgeted amount has gone down slightly to \$1,066,377. Public works includes himself, Building Maintenance, Street Department, and Traffic Control.
  - Building maintenance – Slight reduction.
  - Streets – Slight reduction – Mr. Dorsey stated we moved all of the debt service to see true operational costs.
  - Garage/transfer station – Slight increase.
  - Traffic Control – Slight reduction – Signal repairs can come from State Street Aid.
  - Total number of employees did not change.
- **Operating Transfers** – Finance Director Qualls stated Police transfer amount is \$134,000. Grant Fund matches are \$17,000. Transfers for Pioneer Playground and multimodal are \$646,000.
- **State Street Aid** – We have been waiting for WWTa to finish work before paving McBrien and John Ross Road. These are grant funded. Mr. Custer has been looking at a company called Roadtronics who could create an inventory of all the streets and where we need to do paving.
- **Grant Fund** – Ms. Qualls moved some of these funds into capital improvement. We can amend budget if necessary, for others that may come up. Mr. Dorsey stated if grants are for projects that last over a year, they need to be moved to the capital improvement plan.
- **Solid Waste** – Mr. Custer stated sanitation is a public works function, but they have their own fund. They receive a lot of praise from some and criticism from others, but not for lack of effort. He is thankful for them. He stated we had a lot of brush from the Easter tornado, but we obtained the equipment that we needed to get the job done. Councilmember Cagle asked if we still have back door pickup for disabled. Mr. Custer stated that we do, and a letter went out to update all the information on the forms. Mr. Dorsey stated we are doing an audit to verify all the information.
- **Debt Service Fund** – Ms. Qualls stated that by ordinance, hotel/motel taxes go into this fund. She discussed the following debt paid out of debt service:
  - Camp Jordan Parkway improvements - Paid with Border Region funds
  - Camp Jordan Park Phase I - paid with hotel/motel taxes
  - Fire Hall and original Camp Jordan improvements are paid from hotel/motel taxes.
  - GOB 2015 loan paid from border region funds.
  - Exit 1, I-75 is paid from border region funds.
  - Radio Equipment, police cars, Motorola lease for body cameras in the amount of \$134,611
  - Public works for street sweeper \$35,162.
 Mr. Dorsey stated that hotel/motel money should have its own fund, and not go to debt service. He may bring an ordinance before the Council to consider changing it.
- **Capital projects** – Ms. Qualls stated we moved grant projects that are over one year old. The Multimodal, the Splashpad/playground and façade grants are in this line item.

Mr. Dorsey stated the pages in back are just informational. First reading will be at the next council meeting. The public hearing and second reading will be at the second June council meeting and should be approved at that meeting barring any unforeseen circumstances.

The meeting was adjourned.

**REGULAR MEETING OF THE CITY COUNCIL  
OF THE CITY OF EAST RIDGE**

**June 11, 2020  
6:00 pm**

The East Ridge City Council met pursuant to notice on June 11, 2020, 6:00 pm at East Ridge City Hall.

Mayor Williams stated we are still conducting meetings via electronic means due to Governor Lee's Executive Order #16. An extension to hold meetings electronically until June 30<sup>th</sup> was issued on May 6, 2020 under Executive Order #34.

City Attorney Litchford stated we are continuing to observe these executive orders. He stated the Governor issued Executive Order #16, now extended by Order #34, and Mayor Williams and City Manager Dorsey issued a state of emergency. As a result, a determination has been made in order to protect the health, safety, and welfare of the citizens, because of the COVID 19 pandemic, we are conducting this meeting by electronic means.

Charles Cochran, East Ridge Church of Christ, gave the invocation. All joined in the Pledge of Allegiance to the Flag.

**Present were:** Mayor Williams, Vice Mayor Helton (remotely), Councilmember Cagle, Councilmember Chauncey, Councilmember Witt (remotely), City Manager Dorsey, City Attorney Litchford, and City Recorder Middleton

**Consent Agenda:**

- A. Approval of Minutes May 28, 2020 Regular Council Meeting

Councilmember Chauncey made a motion, seconded by Vice Mayor Helton, to approve the Consent Agenda. The vote was unanimous. Motion approved.

**Communication from Citizens:**

Mayor Williams stated since there was no opportunity for live comments, emails could be submitted between 12:30 and 1:30 today. He received one email from Diane Stephens, 5334 Connell Street, concerning a car wash business at 5336 Connell Street, which is residential. She stated she has also called the police because of the loud noise after 11 pm coming from 5336 Connell. Assistant City Manager Custer commented he and staff spoke with the homeowners at 5336 Connell and with Ms. Stephens. He stated the business is not licensed in East Ridge. Staff is investigating further and if they determine there are code violations, they will go through the process. Chief Allen stated that when police went to 5336 Connell, they told the homeowners that if they had to come back the same night, they would give them a citation.

**Communication from Councilmembers:**

Vice Mayor Helton had nothing at this time.

Councilmember Witt reminded everyone about filling out their census. She stated census training is at the end of July and workers would start going out to the residences after that. We are now at 62.5% response.

Councilmember Cagle asked Assistant City Manager Custer if he had spoken to a gentleman on 1222 Reeves Avenue. Mr. Custer stated he left him a voice mail and sent staff to the location to do an evaluation.

Councilmember Chauncey had nothing at this time.

Mayor Williams had nothing at this time.

Communication from City Manager:

- Debris pick up is going well. Staff met with FEMA this past week to make sure we are doing everything right. FEMA will come Monday to inspect the brush pit. Assistant City Manager Custer stated we are 98% complete on pick up of brush.
- Mr. Dorsey stated Chief Allen re-scheduled a police community meeting in June, but due to the Governor's Executive Order #38, the City cannot open up the Community Center/Senior Center; therefore, the meeting will be cancelled.
- Extension of TDOT multi modal contract – The contract expires in July, and due to delays with project ROW acquisitions, we are submitting a request for a one-year extension. We will not need a resolution for this request; we just have to sign a request letter to TDOT.
- First reading of budget and revenue ordinances will be tonight with a public hearing and second reading at the June 25, 2020 meeting. We have consulted with the comptroller's office and we can use electronic means to hold a public hearing. Mr. Dorsey read the newspaper notice that will run in the newspaper regarding the public hearing. Citizens can email questions or comments regarding the budget to [budget@eastridgetn.gov](mailto:budget@eastridgetn.gov) during the 24-hour period beginning June 24 at noon until June 25 at noon. Emails will be compiled and read during the public hearing. Emails must have the name and address in order to verify residency or if they are a property owner. Mayor Williams stated he has received comments about not having enough time to email questions in for Communications from Citizens during regular meetings, so we will change to a 24-hour period for the next Council meeting.

**Old Business:** None

**New Business:**

**ORDINANCE NO. 1129 - AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF EAST RIDGE, TENNESSEE, MAKING AND FIXING THE ANNUAL APPROPRIATIONS OF SEVERAL DEPARTMENTS OF THE CITY FOR THE FISCAL YEAR, BEGINNING JULY 1, 2020 AND ENDING JUNE 30, 2021 (1<sup>st</sup> reading)** – City Attorney Litchford read on caption. City Manager Dorsey stated Council held a budget workshop last week and hopefully staff answered all their questions. Councilmember

Chauncey made a motion, seconded by Councilmember Witt, to approve Ordinance No. 1129 on first reading. The vote was unanimous. Motion approved.

**ORDINANCE NO. 1130 – AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF EAST RIDGE, TENNESSEE, TO PROVIDE FOR THE GENERAL REVENUE THEREOF FOR THE FISCAL YEAR 2020 – 2021 TO BE KNOWN AS THE GENERAL REVENUE ORDINANCE FOR SAID YEAR (1<sup>st</sup> reading)** – City Manager Dorsey stated this ordinance is for the property tax and there will be no increase this year. Councilmember Witt made a motion, seconded by Vice Mayor Helton, to approve Ordinance No. 1130 on first reading. The vote was unanimous. Motion approved.

**RESOLUTION NO. 3053 – A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF EAST RIDGE, TENNESSEE, TO WAIVE THE FEE FOR USE OF CAMP JORDAN ARENA BY THE EAST RIDGE OPTIMIST CLUB FOR A FUNDRAISER CAR SHOW** – City Attorney Litchford read on caption. City Manager Dorsey stated this is an annual event. The agenda memo states that proceeds go to the Needy Child Fund but that is an error. Councilmember Witt made a motion, seconded by Councilmember Cagle, to approve Resolution No. 3053. Councilmember Cagle stated the Optimist Club usually ask Council to waive the fee for the car show, the barbecue, lunch for first responders at the community center, and the fishing rodeo at the Camp Jordan pond. He stated the Optimists have donated to the addition at Children’s Hospital, books for East Ridge Elementary, Halloween candy, the Needy Child Fund, the East Ridge Food Pantry, Spring Creek special needs room, chili supper for the school, and for the Orange Grove Christmas dinner and gifts. He thanked the City on behalf of the Optimist Club. The vote was unanimous. Motion approved.

**RESOLUTION NO. 3054 – A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF EAST RIDGE REQUESTING INITIAL APPROVAL OF PROJECTS TO BE FUNDED BY THE GOVERNOR’S LOCAL GOVERNMENT SUPPORT GRANTS** – City Attorney Litchford read on caption. City Manager Dorsey stated that the City was allocated \$493,968 for this grant due to the COVID 19 crisis. He is recommending we use the funds for the following:

- IT upgrades - \$157,000 for new laptops for police cars
- Capital Maintenance - \$180,000 for retrofitting for ADA, security at City Hall, work at the police department
- Road Projects - \$156,968 for possible repaving of McDonald Road and Hilton Drive,

At first the grant only allowed the money to be spent on certain items, but it seems that the legislature will be changing some of the parameters, so it may be able to be spent on other items as well. Councilmember Cagle made a motion, seconded by Councilmember Chauncey, to approve Resolution No. 3054, The vote was unanimous. Motion approved.

**Discussion of Tentative Agenda Items for the June 25, 2020 Council Meeting (see Attachment A)**

**Old Business:**

- A. **ORDINANCE NO. 1128 – AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF EAST RIDGE, TENNESSEE, TO AMEND THE FISCAL YEAR 2020 OPERATING BUDGET, ORDINANCE NO. 1105, FOR VARIOUS REVENUES**

**AND EXPENDITURES AND TO DESIGNATE A PORTION OF THE FUND BALANCE TO BE USED (2<sup>nd</sup> and final reading)** – Finance Director Qualls stated she is reviewing the final number to make sure we cover what has been appropriated, especially out of solid waste. She also stated we would receive more than \$78,000 for the knuckleboom truck that burned.

- B. **PUBLIC HEARING FOR ORDINANCE NO. 1129 – FY 2021 Budget Ordinance** – City Manager Dorsey stated citizens will have from noon on Wednesday, June 24<sup>th</sup> until noon on Thursday, June 25<sup>th</sup> to email in their questions or comments. Staff will also put the budget ordinance on the website tomorrow.
- C. **ORDINANCE NO. 1129 - AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF EAST RIDGE, TENNESSEE, MAKING AND FIXING THE ANNUAL APPROPRIATIONS OF THE SEVERAL DEPARTMENTS OF THE CITY FOR THE FISCAL YEAR, BEGINNING JULY 1, 2020 AND ENDING JUNE 30, 2021 (2<sup>nd</sup> and final reading)**
- D. **ORDINANCE NO. 1130 – AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF EAST RIDGE, TENNESSEE, TO PROVIDE FOR THE GENERAL REVENUE THEREOF FOR THE FISCAL YEAR 2021 TO BE KNOWN AS THE GENERAL REVENUE ORDINANCE FOR SAID YEAR (2<sup>nd</sup> and final reading)** – Mr. Dorsey stated this is for the property tax.

New Business:

- A. **RESOLUTION NO. \_\_\_\_ - Sports Photography Bids** – City Manager Dorsey stated this is an annual bid.
- B. **RESOLUTION NO. \_\_\_\_ - Extend Contracts for Fleet Maintenance** – Chief Allen stated that last year we bid out maintenance for all vehicles. East Ridge Auto Electric was awarded the bid for repairs and East Ridge Fast Lube was awarded the bid for tires and oil changes. The City would like to extend the contracts for 2 additional years and the vendors are agreeable.
- C. **RESOLUTION NO. \_\_\_\_ - Multi Modal Project Extension** - City Manager Dorsey stated we could remove this resolution since we do not need it for TDOT. We can just sign the letter requesting an extension.

City Manager Dorsey stated he left one thing out of his report. He stated because of the unfortunate events over the past two weeks, the issue of Police policies has come up. Chief Allen has been updating and revising all of the Police policies since he became chief in December. He plans to have this done by June 30<sup>th</sup> and Mr. Dorsey will be reviewing all of them as time permits.

Being no further business, the meeting was adjourned.

**REGULAR MEETING OF THE CITY COUNCIL  
OF THE CITY OF EAST RIDGE**

**June 25, 2020  
6:00 pm**

The East Ridge City Council met pursuant to notice on June 25, 2020, 6:00 pm at East Ridge City Hall. Mayor Williams called the meeting to order.

Pastor Danny Lance, Trulife Church, gave the invocation. All joined in the Pledge of Allegiance to the Flag.

Mayor Williams stated we are still conducting meetings via electronic means due to Governor Lee's Executive Order #16. An extension to hold meetings electronically until June 30<sup>th</sup> was issued on May 6, 2020 under Executive Order #34. The Mayor stated there is a possibility the order may not be extended after June 30, 2020.

City Attorney Litchford stated we are continuing to observe these executive orders. He stated the Governor issued Executive Order #16, now extended by Order #34, and Mayor Williams and City Manager Dorsey issued a state of emergency. As a result, a determination has been made in order to protect the health, safety, and welfare of the citizens, because of the COVID 19 pandemic, we are conducting this meeting by electronic means.

**Present were:** Mayor Williams, Vice Mayor Helton (remotely), Councilmember Cagle, Councilmember Chauncey, Councilmember Witt, City Manager Dorsey, City Attorney Litchford, and City Recorder Middleton

**Consent Agenda:**

- A. Approval of Minutes June 5, 2020 Budget Workshop
- B. Approval of Minutes June 11, 2020 Council Meeting
- C. Approval of April 2020 Financial Statement
- D. Approval of May 2020 Financial Statement

Councilmember Chauncey made a motion, seconded by Councilmember Witt, to approve the Consent Agenda. The vote was unanimous. Motion approved.

**Communication from Citizens:**

Mayor Williams stated citizens had an opportunity to email the Mayor at [mayor@eastridgentn.gov](mailto:mayor@eastridgentn.gov) between noon yesterday until noon today. The Mayor stated he received no emails for Communication from Citizens.

**Communication from Councilmembers:**

Councilmember Cagle thanked the Arena staff for keeping the Arena cleaned and sanitized during the recent Optimist Club event.

Mr. Cagle stated a citizen called him about an East Ridge team that had to go to the Rossville ballfields to play another East Ridge team and asked why. Mr. Dorsey will find out and let him know.

Councilmember Witt stated a citizen called her about a census survey they received. Ms. Witt stated the Census is sending out a Household Pulse Survey online to some homes. The survey is completely voluntary. Ms. Witt also stated East Ridge is at 63% response to the Census.

Councilmember Chauncey had nothing at this time.

Vice Mayor Helton had nothing at this time.

Mayor Williams stated he has received comments from citizens about the tunnels. City Manager Dorsey stated he has contacted TDOT about the lack of lightning and they stated they are waiting on delivery of lights for the tunnels, which could be in late July. There may also be some signalization and low clearance warnings included in this.

**Communication from City Manager:**

City Manager Dorsey thanked the Sanitation crew for the work they did cleaning up the brush from the tornado. He stated all the brush has been picked up and we are in the process of grinding it up. Sanitation will resume regular routes this week for brush.

Mr. Dorsey discussed comp time and personal time off. He is working on a plan that would separate personal time off into vacation time and sick time. Employees would earn one sick day per month, which would add 12 sick days per year, but it would reduce personal time off by four days. Any accumulated sick days could go toward the employee's retirement if they choose. He is also looking at what some other cities do.

Mr. Cagle asked if this would make all employees the same as far as insurance coverage when they retire. Assistant City Manager Custer stated that Resolution No. 2259 does not allow employees hired on or after July 1, 2012 to have coverage after they retire. He will get with Mr. Dorsey next week to discuss this matter.

**Old Business:**

**ORDINANCE NO. 1128 – AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF EAST RIDGE, TENNESSEE, TO AMEND THE FISCAL YEAR 2020 OPERATING BUDGET, ORDINANCE NO. 1105, FOR VARIOUS REVENUES AND EXPENDITURES AND TO DESIGNATE A PORTION OF THE FUND BALANCE TO BE USED (2<sup>nd</sup> and final reading)** – City Attorney Litchford read on caption. Finance Director Qualls stated we were going to use \$646,000 of the fund balance for the Multi modal and Pioneer Playground grants. We did not use the funds, so she lowered that line item to offset the changes. We will use less fund balance than budgeted. Some of the fund balance will be used for comp time paid out, repairs from wrecks, and economic development legal fees. In

the sanitation fund, we adjusted the line item for overtime, a vehicles fire, and other repairs. Councilmember Witt made a motion, seconded by Councilmember Chauncey, to approve Ordinance No. 1128 on second and final reading. The vote was unanimous. Motion approved.

**PUBLIC HEARING FOR ORDINANCE NO. 1129 – FY 2021 Budget Ordinance** – Mayor Williams opened the public hearing. City Manager Dorsey stated we are not taking questions live, that citizens had the opportunity from noon Wednesday to noon today to email any questions or comments. The Mayor received one email from Richard Cook, 607 Marlboro Avenue, East Ridge, TN. His questions were as follows:

1. The FY 2019 General Fund budget was \$13.8 million. The proposed FY 21 General Fund budget request is \$15.75 million. Please explain the \$2.2 million increase for operations. – *City Manager Dorsey stated there are pass-through funds for the Border Region. It is transferred out to the Economic Development Fund and disbursed to developers and to pay debt.*
2. During a time when citizens stress codes enforcement and growth is booming, why slash codes enforcement budget? – *Mr. Dorsey stated that reasons include Assistant City Manager Custer's salary was moved out of Codes into Administration, plus two trucks were purchased in 2019. We budgeted less for demo cleanup and engineering services were moved to this line item.*
3. Can you explain the increase in the Mayor/Council budget from \$81,115 in 2019 to \$128,222 in 2021? – *Reasons include moving the election cost to this line item, more councilmembers are on insurance, \$25,000 budgeted for the City's centennial, and moved education support (\$500 to each school) to this line item.*
4. Grant fund revenue of \$249,000 and expenditures of \$689,000 left a deficit of \$483,000. This year's request is \$43,500. Please explain. - *Some of 2019 was multimodal right-of-way purchases which have not been reimbursed by the State. We moved the multi-year projects (multi-modal and playground/splashpad) to the General Fund.*
5. Capital projects request for 2021 is \$2.26 million. What is money earmarked for? - *Multi modal and splash pad. We are also paying back the general fund for a fire truck.*
6. Community and Economic Development Fund 2019 actual fees were \$35,029. Request \$15,000. There is an item for \$26,000 under contract service. Please explain - *Legal fees paid to IDB attorney Mark Mamantov and City Attorney Litchford for economic development which are not part of his retainer. Contract services line item is for Retail Strategies.*

Mayor Williams closed the public hearing.

**ORDINANCE NO. 1129 - AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF EAST RIDGE, TENNESSEE, MAKING AND FIXING THE ANNUAL APPROPRIATIONS OF THE SEVERAL DEPARTMENTS OF THE CITY FOR THE FISCAL YEAR, BEGINNING JULY 1, 2020 AND ENDING JUNE 30, 2021 (2<sup>nd</sup> and final reading)** – City Attorney Litchford read on caption. Councilmember Chauncey made a motion, seconded by Councilmember Witt, to approve Ordinance No. 1129 on second and final reading. The vote was unanimous. Motion approved.

**ORDINANCE NO. 1130 – AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF EAST RIDGE, TENNESSEE, TO PROVIDE FOR THE GENERAL REVENUE THEREOF FOR THE FISCAL YEAR 2021 TO BE KNOWN AS THE GENERAL REVENUE ORDINANCE FOR SAID YEAR (2<sup>nd</sup> and final reading)** – City Attorney Litchford read on caption. City Manager Dorsey stated this is the property tax ordinance. There

will be no increase in the tax rate this year. It will remain at \$1.3381. Councilmember Witt made a motion, seconded by Councilmember Chauncey, to approve Ordinance No. 1130 on second and final reading. The vote was unanimous. Motion approved.

**New Business:**

**RESOLUTION NO. 3055 – A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF EAST RIDGE, TENNESSEE APPROVING PHOTOGRAPHY BIDS FOR THE 2020 – 2021 SPORTS SEASON** – City Attorney Litchford read on caption. City Manager Dorsey stated we received two bids, one from School Days with 30% return to the City and one from Lifetouch with 20% return to the City. Staff recommends School Days Photography. Councilmember Chauncey made a motion, seconded by Councilmember Witt, to approve Resolution No. 3055. The vote was unanimous. Motion approved.

**RESOLUTION NO. 3056 – A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF EAST RIDGE, TENNESSEE, AUTHORIZING THE MAYOR OR HIS DESIGNEE TO RENEW THE AGREEMENTS WITH EAST RIDGE FAST LUBE AND EAST RIDGE AUTO ELECTRIC FOR FLEET MAINTENANCE AND REPAIR SERVICES FOR THE CITY’S FLEET OF VEHICLES** – City Attorney Litchford read on caption. Assistant Chief Uselton stated last year we entered into contracts with these vendors for one year with an option for two additional years. Councilmember Witt made a motion, seconded by Vice Mayor Helton, to approve Resolution No. 3056. The vote was unanimous. Motion approved.

**Discussion of Tentative Agenda Items for the July 9, 2020 Council Meeting (see Attachment A)**

8. Old Business: None

9. New Business:

- A. **RESOLUTION NO. \_\_\_\_ - Request from River City Corvette Club to waive fees for the use of Camp Jordan Arena on Saturday, August 1, 2020 for annual car show** – Mayor Williams stated a portion of the proceeds from this event goes to the Needy Child Fund.

The meeting was adjourned