

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

**June 8, 2023
6:00 pm**

1. Call to Order
2. Invocation
3. A. Roll Call
- B. Employee Milestone Awards for May 2023
- C. Special Recognition of First Responders
4. Approval of Minutes May 25, 2023 Council Meeting
5. Communication from Citizens
6. Communication from Councilmembers
7. Communication from City Manager
8. Old Business:

None
9. New Business:
 - A. **ORDINANCE NO. 1185** – AN ORDINANCE OF THE EAST RIDGE CITY COUNCIL SETTING THE PROPERTY TAX RATE FOR THE YEAR 2023 AT THE RATE OF \$1.2500 FOR EVERY ONE HUNDRED DOLLARS OF ASSESSED REAL PROPERTY IN THE CITY OF EAST RIDGE (1st reading)
 - B. **ORDINANCE NO. 1186** - AN ORDINANCE 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, 2023, AND ENDING JUNE 30, 2024 (1st reading)
 - C. **ORDINANCE NO. 1187** – AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF EAST RIDGE, TENNESSEE, TO AMEND THE FISCAL YEAR 2023 OPERATING BUDGET, ORDINANCE NO. 1155, BY CHANGING THE REVENUES AND EXPENDITURES OF VARIOUS FUNDS (1st reading)
 - D. **RESOLUTION NO. 3397** – A RESOLUTION OF THE EAST RIDGE CITY COUNCIL APPROVING THE ACCEPTANCE OF THE TENNESSEE AMERICAN WATER 2023 ENVIRONMENTAL GRANT

- E. **RESOLUTION NO. 3398** – A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF EAST RIDGE, TENNESSEE, TO AMEND RESOLUTION NO. 2722 TO CHANGE THE MINIMUM FUND BALANCE FOR THE UNASSIGNED FUND BALANCE IN THE GENERAL FUND TO FIVE MILLION DOLLARS (\$5,000,000)
- F. **RESOLUTION NO. 3399** – A RESOLUTION OF THE EAST RIDGE CITY COUNCIL AUTHORIZING THE MAYOR TO EXECUTE A SETTLEMENT AGREEMENT ON BEHALF OF THE CITY REGARDING DEMOLITION AND RESTORATION OF PROPERTY AT 1500 KEEBLE STREET WITH OWNER CHETAN PATEL
- G. Discussion of Tentative Agenda Items for the **June 22, 2023** Council Meeting (see Attachment A)

10. Adjourn

ATTACHMENT A
TENTATIVE AGENDA
June 22, 2023

8. Old Business:

- A. **ORDINANCE NO. 1185** – AN ORDINANCE OF THE EAST RIDGE CITY COUNCIL SETTING THE PROPERTY TAX RATE FOR THE YEAR 2023 AT THE RATE OF \$1.2500 FOR EVERY ONE HUNDRED DOLLARS OF ASSESSED REAL PROPERTY IN THE CITY OF EAST RIDGE (2nd and final reading)
- B. **PUBLIC HEARING FOR ORDINANCE NO. 1186** – AN ORDINANCE 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, 2023, AND ENDING JUNE 30, 2024
- C. **ORDINANCE NO. 1186** - AN ORDINANCE 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, 2023, AND ENDING JUNE 30, 2024 (2nd and final reading)
- D. **ORDINANCE NO. 1187** – AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF EAST RIDGE, TENNESSEE, TO AMEND THE FISCAL YEAR 2023 OPERATING BUDGET, ORDINANCE NO. 1155, BY CHANGING THE REVENUES AND EXPENDITURES OF VARIOUS FUNDS (2nd and final reading)

9. New Business:

- A. **RESOLUTION NO. ____** - Approval to pay Thompson Engineering the CEI fee for McBrien Road resurfacing
- B. **MBI Companies, Inc.** – Presentation of on-site plan and elevations for new Animal Shelter facility

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

**May 25, 2023
6:00 pm**

The East Ridge City Council met pursuant to notice on May 25, 2023, 6:00 pm at East Ridge City Hall. Mayor Williams called the meeting to order.

Pastor Will Gann, with Fearless Church, gave the invocation. All joined in the Pledge of Allegiance to the Flag.

Present: Mayor Williams, Vice Mayor Haynes, Councilmember Cagle, Councilmember Tyler, Councilmember Witt, City Manager Miller, City Attorney Litchford, and City Recorder Middleton.

Attendance: 7

Consent Agenda:

- A. Approval of Minutes May 11, 2023 Council Meeting
- B. Approval of April 2023 Financial Report

Councilmember Witt made a motion, seconded by Councilmember Tyler, to approve the Consent Agenda. The vote was unanimous. Motion approved. City Manager Miller stated that, as of April, the Parks and Recreation Department has collected 98% of the amount budgeted for this fiscal year. He commended them for bringing in more revenue without increasing fees.

Communication from Citizens: None

Communication from Councilmembers:

Councilmember Tyler, Councilmember Witt, and Vice Mayor Haynes had nothing at this time.

Councilmember Cagle stated the new pier at Dickert Pond looks great, and he believes it will be completed for the fishing rodeo.

Mayor Williams discussed the following:

- The Mayor wished Councilmember Tyler a Happy Birthday.
- Library:
 - Summer reading kicked off with a foam party yesterday, with snowcones, bubbles, etc. They had 80 to 100 people attending.
- Parks and Recreation:
 - Animal Camp – Parks and Rec and Wilderwood are partnering to teach about animals and play games from 9 am-2 pm.

- Clean up day June 24th, 7 am–12:30 pm – The City and the East Ridge Council of the Chattanooga Chamber are partnering to clean up trash and do minor repairs. Online registration is on the website. Deadline to register is June 2nd.
- Sanitation schedule – If your pickup is on Monday, Memorial Day, your trash will be picked up on Tuesday.
- Memorial day event at 1 pm in front of Pioneer frontier – The Mayor stated we have this event annually at Pioneer Frontier along with the American Legion. Councilmember Cagle will be speaking in absence of the Mayor. He asked everyone to remember the service members who lost their lives.

Communication from City Manager:

- The last call for carryout alcohol expires July 1, 2023. The law that allowed carryout during COVID will not be extended.
- The City Manager, Mayor, and Councilmembers attended a recognition ceremony at Erlanger for first responders for an incident on Poindexter Avenue two weeks ago. Police and Fire first responders performed life-saving measures prior to the patient being transported to the hospital. The trauma surgeon stated without the quick response of our personnel, the patient would not have made it. We will recognize these first responders in June at a Council meeting.
- A Ringgold Road progress meeting was today with representatives from Talley Construction, Chattanooga Gas and their sub-contractors, and TDOT. Talley is installing storm drains between Dover and Belvoir on the north side, as well as conduit and wire for streetlights. Streetlights are not part of the contract but we will look at this further when the project is completed. The gas sub-contractor is working on the gas mains on the north side in the area of Dover and McBrien. Hopefully, this will be completed at McBrien and Ringgold within the next two weeks. The project is moving along because of the good weather.

Old Business: None

New Business:

Bridgett Raper, Communications Strategist, Small Cities Coalition of Hamilton County – Update on bills passed during the Legislative Session - Ms. Raper gave highlights of the following bills.

- Annexation – allows owners of agricultural property previously annexed to petition the municipality to be de-annexed if property lies within one mile of municipal boundary. Signed by the Governor.
- SB75 – Deletes requirement for urban growth plan. Deferred to 2024.
- Codes – lowers the population threshold from 25,000 to 20,000 allowing cities to share one building inspector. Developers could also have their own inspectors. Deferred to 2024.
- Firearms and Ammunition – Firearms bills were shut down after the mass shooting in Nashville. Deferred to 2024.
- Firefighters – Post Traumatic Stress Disorder can be incurred in the line of duty by responding to one or more incidents. Signed by the Governor.
- Holidays/Special Observance Days – Recognizes Juneteenth as a legal holiday.

- Open Meetings – Requires that agendas and supplemental documents be available to the public 48 hours in advance of the meeting. There was pushback from cities, so it was amended to state that only agendas be available 48 hours in advance.
- Political parties – Officer of elections must post a sign at polling places that it is a misdemeanor to vote in a primary without being a member of or affiliated with that political party. Signed by Governor.
- Purchasing procurement – Raises the threshold from \$10,000 to \$25,000 to require sealed bids.
- Sexual Offenses – Requires law enforcement agencies to assemble an adult sexual assault team.
- State Government – Requires governmental entities to provide a period of public comment at public meetings and allows entities to place reasonable restrictions on the public comment period.
- Taxes – Business tax – Bill introduced to eliminate all business tax. Increased threshold to \$100,000. This will impact East Ridge. Deferred to 2024.
- Real Property – Sets the income limit for persons 65 years of age and older at \$60,000.
- Sales tax – Restricts the types of costs of projects within the Border Region and other revisions. City Attorney Litchford stated this passed in the Senate but not the House. It could affect the City. Taken off Notice
- TML bill – State shared sales tax – This will come back next year. Taken off Notice.
- Sales tax holidays – Extends until June 2024 the sales tax holiday for retail sale of gun safes and gun safety devices. Taken off Notice.
- Traffic safety – Authorizes the Legislative body to increase fine for speeding to \$200.00.
- Zoning – Permit applications will be judged on the law in effect at the time of application.
- June 14 and 15 Alicia Hodge will hold a 3 hour online to go over the new laws.

RESOLUTION NO. 3395 – A RESOLUTION OF THE EAST RIDGE CITY COUNCIL AUTHORIZING THE MAYOR TO EXECUTE THE ATTACHED CONTRACT WITH THE STATE OF TENNESSEE DEPARTMENT OF TRANSPORTATION (“TDOT”), FOR THE CITY OF EAST RIDGE TO PROVIDE MOWING SERVICES AT THE I-75, EXIT 1 INTERCHANGE, FOR FY 2023-2024, ON A REIMBURSEMENT BASIS - City Attorney Litchford read on caption. City Recorder Middleton explained that this is an annual contract with TDOT where the City mows the right-of-way at the I-75, Exit 1 Interchange, and is reimbursed \$9,800 from TDOT for six mowings. Councilmember Witt made a motion, seconded by Councilmember Tyler, to approve Resolution No. 3395. The vote was unanimous. Motion approved.

RESOLUTION NO. 3396 – A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF EAST RIDGE, TENNESSEE, AUTHORIZING THE PURCHASE OF A GENERATOR FOR THE COMPUTER SERVER ROOM FROM STOWERS/CAT THROUGH THE SOURCEWELL COOPERATIVE PURCHASING ALLIANCE - City Attorney Litchford read on caption. Human Resources Manager Sinigaglio stated the servers needed to be moved to a stable location, which is temperature controlled. The generator will ensure operation of the servers during power outages. Councilmember Tyler made a motion, seconded by Councilmember Witt, to approve Resolution No. 3396. The vote was unanimous. Motion approved.

Discussion of Tentative Agenda Items for the June 8, 2023 Council Meeting:

- Employee Milestone Awards for May 2023 – Mayor Williams stated we will have one milestone award for the June 8th meeting.
- Old Business: None
- New Business:

ORDINANCE NO. ____ - FY 2023 – 2024 Budget Ordinance (1st reading) – City Manager Miller stated the first reading of the budget ordinance and the tax rate ordinance will be June 8th and the second reading will be June 22nd. Mr. Miller is not proposing a tax increase and we will have the same level of services.

ORDINANCE NO. ____ - FY 2023 – 2024 Tax Rate Ordinance (1st reading) – No further discussion.

ORDINANCE NO. ____ - Budget Amendment (1st reading) – Finance Director Qualls stated the amendment is for the initial payments on the new fire engine and the new sanitation truck. She also stated that in 2019, Council approved an interfund loan from the General Fund to the Grant Fund. As of today, the Grant Fund has paid the General Fund back over \$1 million.

RESOLUTION NO. ____ - Acceptance of the Tennessee American Water 2023 Environmental Grant - Development Administrator McAllister stated this is a grant from Tennessee American Water for the Tennessee River Rescue in the amount of \$1,000. There will be a check presentation at the June 8th meeting.

RESOLUTION NO. ____ - Approval of bids for McBrien resurfacing – Mr. McAllister stated resurfacing will be from Ringgold Road to Anderson Avenue. Bids open on May 30th.

FY 2023 – 2024 Budget Work Session – City Manager Miller stated he would not go through the budget message again; he would like to take questions from the Council. He stated that revenues look healthy and we will hire new personnel. There will be no tax increase and we will keep the same level of services.

Councilmember Cagle stated he would like to raise the minimum amount required in the fund balance from \$4 million to \$6 or \$7 million. City Manager Miller stated at the end of FY 21-22, we had a fund balance of \$8.9 million. This will be added to the agenda for June 8th.

Councilmember Cagle discussed the retirement bridge plan for Police and Fire. He asked if the plan stops at age 65 when people go on social security. City Manager Miller stated the plan starts at age 55 and stops at age 62. Mandatory retirement is age 60, except for the Chiefs and some other administrative personnel. The City would pay 3.5% per year into the bridge plan with TCRS.

There was no other discussion regarding the budget.

Mayor Williams wished everyone a nice Memorial Day and asked everyone to remember the military service members.

Being no further business, the meeting was adjourned.

ORDINANCE NO. 1185

**AGENDA MEMORANDUM
ORDINANCE TO SET
THE TAX RATE FOR 2023
JUNE 8, 2023**

Submitted by:

Diane Qualls

Diane Qualls, Finance Director

SUBJECT:

Pursuant to TCA 67-5-101 et sec., a tax rate for both real and personal taxable property must be set each year. This rate is based on the assessed valuation of \$100 and will be in effect as of January 1, 2023, for the year 2023. The tax rate will be \$1.2500. This is the main funding mechanism for the General Fund.

ORDINANCE NO. 1185

AN ORDINANCE OF THE EAST RIDGE CITY COUNCIL SETTING THE PROPERTY TAX RATE FOR THE YEAR 2023 AT THE RATE OF \$1.2500 FOR EVERY ONE HUNDRED DOLLARS OF ASSESSED REAL PROPERTY IN THE CITY OF EAST RIDGE

WHEREAS, the property tax rate for the year 2023 must be set by the East Ridge City Council; and

WHEREAS, the East Ridge City Council has complied with all applicable requirements prior to the setting of the tax rate for 2023.

NOW, THEREFORE, BE IT ORDAINED by the City Council of the City of East Ridge, Tennessee that the property tax rate for the City of East Ridge for the year 2023 shall be \$1.2500 for every one hundred dollars of assessed real property in the City of East Ridge, Tennessee, which are not exempt from taxation by the constitution and laws of this State situated within the corporate limits of the City of East Ridge.

BE IT FURTHER ORDAINED that any person failing to pay their taxes by the deadline set forth by applicable law shall be subject to the maximum penalties thereon allowed by law to be collected on delinquent taxes. All delinquent taxes shall bear interest at the highest per annum interest rate allowed by law to be collected on delinquent taxes and shall bear interest from the date of delinquency until fully paid.

BE IT FURTHER ORDAINED that the Hamilton County Tax Assessor is hereby authorized to assess and collect the taxes of the City of East Ridge, Tennessee employing the above tax rate.

BE IT FURTHER ORDAINED that the City Finance Director for the City of East Ridge shall keep accurate and complete records of all monies collected under this Ordinance and the purposes for which the same are expended.

BE IT FURTHER ORDAINED that this Ordinance take effect immediately, the public welfare of the City requiring it.

Approved on first reading _____

Approved on second reading _____

Brian W. Williams, Mayor

ATTEST:

J. Scott Miller, City Manager

APPROVED AS TO FORM:

Mark W. Litchford, City Attorney

ORDINANCE NO. 1186

**AGENDA MEMORANDUM
FISCAL YEAR 2023-2024 BUDGET**

June 8, 2023

Submitted By:


J. Scott Miller, City Manager

SUBJECT:

The proposed budget for fiscal year 2023-2024 (July 1, 2023 to June 30, 2024) was presented to the City Council at the regular business meeting of May 11, 2023 with a projected General Fund budget totaling \$26,091,960 (forecasted revenue matching anticipated expenditures). The tax rate remains the same as FY 2022-2023 at 1.25. There have been no revisions or amendments to the financial document since its presentation on May 11th.

Several highlights of the annual budget for FY 2023-2024 are as follows:

- The budget proposes no rate or fee/license increases.
- The budget does not draw upon the fund balance.
- Maintains a healthy fund balance projected at \$11,500,000.
- The budget proposes a 4% cost of living adjustment for all employees and a 0 increase in medical insurance premiums.
- The budget proposes an addition of 8 full-time positions (6 Firefighters, 1 Police Training Officer, and 1 Recreation Athletic Coordinator). One clerk position in the Municipal Court has been eliminated.
- A raise in pay for all sworn Police Officers in the amount of \$3,000 so to raise their salaries to be commensurate with and competitive with other Hamilton County Cities.
- The budget proposes vehicle and equipment replacements in the General Fund Capital Outlay totaling \$540,350.

The ordinance before the City Council at this meeting is the consideration for adoption of the annual budget and the tax rate for the fiscal year beginning July 1, 2023 and ending June 30, 2024 on first reading. The consideration for adoption of the ordinance adopting the budget and tax rate on second and final reading is scheduled for Thursday, June 22, 2023.

Attachment

JSM/

ORDINANCE NO. 1186

**AN ORDINANCE 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, 2023, AND ENDING
JUNE 30, 2024**

BE IT ORDAINED BY THE CITY OF EAST RIDGE, TENNESSEE, AS FOLLOWS:

SECTION 1. Along with the noted amounts for FY 2022 and FY 2023 shown in accordance with TCA 6-56-203, the following appropriations for the fiscal year beginning July 1, 2023, and ending June 30, 2024, are hereby made for the use of the several departments to the City of East Ridge, Tennessee, in the amounts, to wit:

	<u>FY 2022</u> <u>ACTUAL</u>	<u>FY 2023</u> <u>FORECAST</u>	<u>FY 2024</u> <u>REQUEST</u>
<u>GENERAL FUND</u>			
<u>REVENUES</u>			
Local Taxes	16,261,807	17,488,596	20,712,398
Licenses and Permits	516,348	810,877	740,350
Intergovernmental Revenue	6,413,034	11,586,444	3,142,683
Other Revenue	2,265,166	1,729,899	1,496,529
Contribution From Fund Balance	<u>0</u>	<u>0</u>	<u>0</u>
TOTAL REVENUES	25,456,355	31,615,816	26,091,960
<u>EXPENDITURES</u>			
General Government:			
Administration	933,320	1,124,045	1,051,215
Mayor and Council	96,016	98,097	99,490
Judicial	405,295	378,443	395,640
City Attorney	129,355	121,113	137,075
General Government	1,038,053	1,183,653	1,195,825
City Hall Complex	42,751	56,071	51,975
Library	242,961	253,640	296,906
History Museum	240	643	625
Grants	17,000	0	0
Codes/Planning	537,560	513,530	642,506
Animal Services	<u>280,696</u>	<u>326,974</u>	<u>339,617</u>
TOTAL	3,723,246	4,056,209	4,210,874

Economic/Community Development			
Community Dev. Programs	8,250	10,915	10,000
Economic Development	<u>2,603,678</u>	<u>9,295,537</u>	<u>6,678,998</u>
TOTAL	2,611,928	9,306,452	6,688,998

Public Safety:			
Police Department			
Administration	2,300,162	2,177,848	2,515,428
Criminal Investigations (CID)	736,291	798,857	879,088
Patrol	2,637,931	2,459,538	2,500,004
Traffic	<u>140,762</u>	<u>317,426</u>	<u>343,290</u>
TOTAL	5,815,145	5,753,669	6,237,810

Fire Department			
Fire	<u>2,911,030</u>	<u>2,681,562</u>	<u>3,292,814</u>
TOTAL	2,911,030	2,681,562	3,292,814

Public Service:			
Parks & Recreation			
General Recreation	840,617	1,062,263	1,076,350
Arena	240,652	302,360	278,454
Community Center	185,441	283,873	253,290
McBrien Complex	8,416	1,240	1,400
Soccer- Recreation	49,647	70,786	69,400
Soccer- Indoor	62,708	101,468	72,700
Baseball/Softball	55,389	90,343	65,700
Football/Cheerleading	11,035	13,470	15,050
Adult Softball	35,150	49,102	34,200
Basketball	16,563	18,627	18,000
Adult Basketball	<u>6,312</u>	<u>0</u>	<u>0</u>
TOTAL	1,511,930	1,993,532	1,884,544

Other General Government:			
Public Works			
Building Maintenance	289,505	331,545	362,274
Streets	570,246	593,228	640,288
Garage & Transfer Station	9,776	10,742	9,600
Traffic Control	<u>310,236</u>	<u>326,391</u>	<u>389,132</u>
TOTAL	1,179,763	1,261,906	1,401,294

Transfer Out Debt Service	685,490	497,305	96,013
---------------------------	---------	---------	--------

Transfer Out Capital Projects Fund	0	375,000	2,279,613
Transfer Out ARPA Fund	<u>0</u>	3,142,192	0
TOTAL EXPENDITURES	18,438,531	29,067,828	26,091,960
TOTAL REVENUES	25,456,355	31,615,816	26,091,960
VARIANCE	7,017,824	2,547,988	0
<u>SPECIAL REVENUE FUNDS</u>			
State Street Aid Fund			
Revenue	776,205	829,891	2,919,949
Expenditure	<u>345,161</u>	<u>829,891</u>	<u>2,919,949</u>
VARIANCE	431,044	0	0
Grant Fund			
Revenue	379,250	53,536	210,000
Expenditure	<u>374,912</u>	<u>53,536</u>	<u>210,000</u>
VARIANCE	4,338	0	0
Drug Fund			
Revenue	98,053	125,655	67,000
Expenditure	<u>70,186</u>	<u>44,296</u>	<u>67,000</u>
VARIANCE	27,867	81,359	0
Economic Development Fund			
Revenue	2,523,489	4,420,035	6,628,998
Expenditure	<u>2,469,396</u>	<u>4,420,008</u>	<u>6,628,998</u>
VARIANCE	54,093	27	0
Solid Waste Fund			
<u>REVENUE BUDGET</u>			
Sanitation Charges	1,502,147	1,619,619	1,629,279
Other	<u>336,460</u>	<u>11,753</u>	<u>11,700</u>
TOTAL REVENUES	1,838,607	1,631,372	1,640,979
<u>EXPENDITURE BUDGET</u>			
Solid Waste Expenses	<u>1,480,621</u>	<u>1,624,066</u>	<u>1,640,979</u>
TOTAL EXPENDITURES	1,480,621	1,624,066	1,640,979
VARIANCE	357,986	7,306	0

Debt Service Fund			
Revenue	1,563,865	1,495,284	2,115,774
Expenditure	<u>1,334,368</u>	<u>1,487,021</u>	<u>2,115,774</u>
<i>VARIANCE</i>	229,497	8,263	0
Capital Projects Fund			
Revenue	2,752,235	4,604,921	13,279,613
Expenditure	<u>2,732,235</u>	<u>4,604,921</u>	<u>13,279,613</u>
<i>VARIANCE</i>	20,000	0	0
ARPA Fund			
Revenue	3,142,192	3,142,192	4,142,192
Expenditure	<u>0</u>	<u>2,142,192</u>	<u>4,142,192</u>
<i>VARIANCE</i>	3,142,192	1,000,000	0

SECTION 2. The Governing Body recognizes that the municipality has bonded, and other indebtedness as follows:

Bonded or Other Indebtedness	Debt Redemption	Interest Requirements	Debt Authorized and Unissued	Condition of Sinking Fund
Bonds	\$1,178,000	\$739,527	N/A	N/A
Notes	\$97,000	\$9,917	N/A	N/A
Capital Leases	\$91,330	\$ -	N/A	N/A
Other Debt	\$ -	\$ -	N/A	N/A

SECTION 3. During the coming fiscal year the Governing Body has planned capital projects and proposed funding as follows:

Proposed Capital Projects	Proposed Amount Financed by Appropriations	Proposed Amount Financed by Debt
Capital Projects Fund 311	\$13,279,613	\$7,000,000

SECTION 4. The City Manager is hereby authorized to transfer funds between line items within the department budget as he may deem necessary provided that the amount transferred is not needed in the categories for which they were originally appropriate. Any transfer of appropriations between Departments shall be made only upon the authorization by ordinance of the City Council.

SECTION 5. At the end of the fiscal year, which is fixed as June 30, the Director of Finance is hereby authorized to transfer funds as necessary in order that budgeted appropriations not be exceeded in each Department and that the transfer of funds shall not result in an increase in the total Fiscal Year 2024 budget.

SECTION 6. When any obligation has been incurred by order, contract, agreement to purchase, hire, receive or otherwise obtain anything of value for the use of the City by the joint action of the respective Department Directors, a liability shall be construed to have been created against the appropriation of the Department affected and the respective Department Directors in charge and other persons are prohibited from incurring liabilities in excess of the amount appropriated for each budget of each Department, the totals of which are set out herein, and of additional amounts which may hereafter be authorized by the City Council.

SECTION 7. The Municipal Budget for the fiscal year July 1, 2023, to June 30, 2024, a copy of which is attached hereto as Exhibit A., is hereby adopted, and made a part of this Ordinance as fully and completely as though specifically copied herein.

SECTION 8. This Ordinance shall take effect from and after the date of its final passage, the public welfare of the City requiring it.

SECTION 9. All Ordinances or parts of Ordinances in conflict herewith are hereby repealed.

Approved on first
reading _____

Approved on second
reading _____

Brian Williams, Mayor

ATTEST:

J. Scott Miller

APPROVED AS TO FORM:

Mark W. Litchford, City Attorney

ORDINANCE NO. 1187

**AGENDA MEMORANDUM
BUDGET AMENDMENT – FY 2023**

June 8, 2023

Submitted by:

Diane Qualls
Diane Qualls, Finance Director

SUBJECT:

I will be submitting the final budget amendment for the fiscal year ending June 30, 2023. This will reflect the Council's decision to purchase both a new fire engine and a new sanitation truck using the fund balance of the General Fund and the Solid Waste Management Fund. This will also involve any other issues that need to be corrected such as receiving more revenue than was anticipated.

ORDINANCE NO. 1187

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF EAST RIDGE, TENNESSEE, TO AMEND THE FISCAL YEAR 2023 OPERATING BUDGET, ORDINANCE NO. 1155, BY CHANGING THE REVENUES AND EXPENDITURES OF VARIOUS FUNDS

WHEREAS, Ordinance No. 1155 provided for the revenue for the City of East Ridge, Tennessee, for the fiscal year July 1, 2022 to June 30, 2023 and appropriated such revenue for the payment of expenses of the municipal government, and made certain other provisions with respect to the financial operation of the City of East Ridge, and

WHEREAS, it is necessary and appropriate that said Ordinance No. 1155 be amended by changing the revenues and expenditures of various funds; and

WHEREAS, T.C.A. §6-56-208 allows the governing body of a municipality to amend the annual budget ordinance in the same manner as any other ordinance may be amended; and

WHEREAS, the Council finds that the proposed budget amendment is for legitimate municipal purposes and consistent with applicable law; and

WHEREAS, the Council has general authority to adopt an ordinance relative to the management and control of the finances of the municipality that is for the good of the government, protection of its citizens, and necessary and proper for carrying out the power granted to the Council pursuant to applicable law.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF EAST RIDGE, TENNESSEE that pursuant to the Municipal Budget Law of 1982, as amended and codified at Tennessee Code Annotated §6-56-201 *et seq.*, Ordinance No. 1155 is and the same hereby shall be amended as follows:

General Fund	Budget	Amendment	Final
Revenues			
Incentive Sales Tax	5,185,500	1,051,867	6,27,367
Alcoholic Beverage Tax	10,000	225,000	235,000
Misc. Income	20,000	50,000	70,000
Total Budget (Amended)	28,990,589	1,326,867	30,317,456
Expenditures			
General Government	1,265,661	50,000	1,315,661
City Attorney	122,075	30,000	152,075
City Hall Complex	43,103	20,000	63,103
Police Admin	2,333,227	50,000	2,383,227
Patrol	2,488,872	94,867	2,583,739
Fire	2,822,096	500,000	3,322,096
Transfer Station/Brush Pit	9,300	5,000	14,300
Multi-Purpose Recreation	241,853	25,000	266,853
Soccer	64,750	25,000	89,750
Baseball/Softball	59,400	10,000	69,400
Football/Cheer	10,450	4,000	14,450
Basketball	14,750	3,000	17,750
Com. Dev. Programs	5,000	10,000	15,000
Economic Dev.	8,850,915	500,000	9,350,915
Total Budget (Amended)	28,990,589	1,326,867	30,317,456

Grant Fund	Budget	Amendment	Final
Revenues			
TN American Grants	0	1,000	1,000
Safety Conservation Grant	4,000	750	4,750
Use of Fund Balance	0	23,221	23,221
Total Budget (Amended)	68,500	24,971	93,471
Expenditures			
TN American Grants	0	1,000	1,000
PEP Driver Safety Grant	4,000	4,300	8,300
Safe Routes to School	0	15,861	15,861
PEP Conservation Grant	8,000	1,055	9,055
TN American Fire Grant	25,000	2,755	27,755
Total Budget (Amended)	8,500	24,971	93,471

Economic Development Fund	Budget	Amendment	Final
Revenues			
Direct App. State of TN	0	5,000,000	5,000,000
Total Budget (Amended)	4,389,999	5,000,000	9,389,999
Expenditures			
Direct App – IDB	0	4,950,000	4,950,000
Transfer Out	0	50,000	50,000
Total Budget (Amended)	4,389,999	5,000,000	9,389,999

Solid Waste Fund	Budget	Amendment	Final
Revenues			
Use of Fund Balance	519,000	203,000	722,000
Total Budget (Amended)	1,993,251	203,000	2,196,251
Expenditures			
Vehicle Repairs	109,662	50,000	159,662
Capital Purchase	428,533	153,000	581,533
Total Budget (Amended)	1,993,251	203,000	2,196,251

Debt Service Fund	Budget	Amendment	Final
Revenues			
Transfer in	771,475	186,174	957,649
Total Budget (Amended)	1,371,975	186,174	1,558,149
Expenditures			
Series 2022 Bond Issue	0	25,000	25,000
Total Budget (Amended)	1,533,149	25,000	1,558,149

Capital Projects Fund	Budget	Amendment	Final
Revenues			
Transfer In	375,000	1,922,127	2,297,127
Total Budget (Amended)	13,013,341	1,922,127	14,935,468
	388,341	0	388,341
Expenditures			
Resurfacing Projects	0	600,000	600,000
Park Ridge Access Road	0	10,000	10,000
Total Budget (Amended)	13,013,341	610,000	13,623,341

BE IT FURTHER ORDAINED, that to the extent required, a true and correct copy of this ordinance showing the approved budget amendments shall be filed with the applicable agency or entity as required by law.

BE IT FURTHER ORDAINED, that if any section, clause, provision, or portion of this Ordinance is held to be invalid or unconstitutional by any Court of competent jurisdiction, such holdings shall not affect any other section, clause, provision, or portion of this Ordinance.

BE IT FURTHER AND FINALLY ORDAINED, that this Ordinance take effect immediately after its passage, the public welfare of the City requiring it.

Approved on first reading _____, 2023

Approved on second reading _____, 2023

Brian W. Williams, Mayor

ATTEST:

J. Scott Miller, City Manager

APPROVED AS TO FORM:

Mark W. Litchford, City Attorney

RESOLUTION NO. 3397

AGENDA MEMORANDUM

**Tennessee American Water
2023 Environment Grant Acceptance**

June 8, 2023

Submitted by:

Cameron McAllister

Cameron McAllister, Development Administrator

SUBJECT:

The Economic & Community Development Department is asking for the approval from the Mayor and Council to accept the grant award in the amount of \$1,000.00 from Tennessee American Water for the 2023 Environmental Grant. This grant award will be utilized to benefit the City by purchasing items and equipment needed for the 2023 River Rescue held in October. The River Rescue event is held annually in efforts for watershed protection and education through East Ridge Community Creeks and Waterways Cleanup.

RESOLUTION NO. 3397

**A RESOLUTION OF THE EAST RIDGE CITY
COUNCIL APPROVING THE ACCEPTANCE OF
THE TENNESSEE AMERICAN WATER 2023
ENVIRONMENTAL GRANT**

WHEREAS, the City of East Ridge was successful in receiving grant funds from Tennessee American Water in the amount of \$1,000 for creek and waterway clean-up projects; and

WHEREAS, the City of East Ridge has partnered with the Tennessee River Rescue Volunteer Group for several years to clean-up the Chickamauga Creek and Spring Creek areas; and

WHEREAS, the funds from the grant will be used for purchasing items and equipment needed for the River Rescue event; and

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF EAST RIDGE, that the City Manager or his designee is authorized to accept the Tennessee American Water 2023 Environmental Grant in the amount of \$1,000 to purchase items and equipment for the Tennessee River Rescue event for South Chickamauga Creek and Spring Creek.

BE IT FURTHER RESOLVED that this resolution shall take effect immediately after its passage, the public welfare of the City requiring it.

Adopted this _____ day of _____, 2023

Brian W. Williams, Mayor

Attest:

J. Scott Miller, City Manager

Approved to Form:

Mark W. Litchford, City Attorney

RESOLUTION NO. 3398

**AGENDA MEMORANDUM
MINIMUM FUND BALANCE**

June 8, 2023

Submitted By:



J. Scott Miller, City Manager

SUBJECT:

Pursuant to the City's Fund Balance Policy, the City shall maintain a minimum fund balance (reserve) in the general fund to an amount equivalent to not less than four (4) months of the general fund operating expenses of the General Fund. The monthly general operating expenses computes to approximately \$1.2 million at this time; therefore, the minimum fund balance should equal \$5 million.

At the start of the fiscal year (July 1st) the City draws upon its fund balance to pay its bills since the big revenue sources (ie. property taxes) aren't received and deposited into the City's revenue account until November/December. Further, a higher fund balance would preclude the City from drawing down monies for the payment of damages incurred from a catastrophic event below the set minimum fund balance amount. In this case the \$5 million would be set amount.

JSM/

RESOLUTION NO. 3398

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF EAST RIDGE, TENNESSEE, TO AMEND RESOLUTION NO. 2722 TO CHANGE THE MINIMUM FUND BALANCE FOR THE UNASSIGNED FUND BALANCE IN THE GENERAL FUND TO FIVE MILLION DOLLARS (\$5,000,000)

WHEREAS, on June 9, 2011, the City Council for the City of East Ridge, Tennessee, approved Resolution No. 2209 to adopt revenue and fund balance policies; and

WHEREAS, on November 9, 2017, the City Council adopted Resolution No. 2722, which changed the minimum fund balance in the general fund to four million dollars (\$4,000,000); and

WHEREAS, the City Council now finds it appropriate to amend Resolution No. 2722 to change the minimum fund balance for the unassigned fund balance in the general fund to five million dollars (\$5,000,000).

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF EAST RIDGE, TENNESSEE, that Resolution No. 2722 is hereby amended to change the minimum fund balance for the unassigned fund balance in the general fund to five million dollars (\$5,000,000.)

BE IT FURTHER RESOLVED, that this Resolution shall take effect immediately after its passage, the public welfare of the City requiring it.

Adopted this _____ day of _____, 2023.

Brian W. Williams, Mayor

Attest:

J. Scott Miller, City Manager

Approved as to Form:

Mark W. Litchford, City Attorney

RESOLUTION NO. 3399

**AGENDA MEMORANDUM
SETTLEMENT AGREEMENT
REGARDING PROPERTY LOCATED
AT 1500 KEEBLE STREET**

JUNE 8, 2023

Submitted by:

Mark Litchford, City Attorney

SUBJECT:

Mayor and Council

Last week, we had a judicial conference with respect to the chancery court case Patel vs. City of East Ridge. This lawsuit arises out of the council's affirmation of the Housing Commission order of condemnation in August 2022, pursuant to Resolution No. 3309. The court instructed the parties to confer on a settlement that would bring the property into full compliance with all applicable building and property maintenance codes. Attached hereto is a draft settlement agreement that the attorneys have prepared that, if approved, will settle the case to the court's satisfaction.

RESOLUTION NO. 3399

**A RESOLUTION OF THE EAST RIDGE CITY COUNCIL
AUTHORIZING THE MAYOR TO EXECUTE A
SETTLEMENT AGREEMENT ON BEHALF OF THE
CITY REGARDING DEMOLITION AND RESTORATION
OF PROPERTY AT 1500 KEEBLE STREET WITH
OWNER CHETAN PATEL**

WHEREAS, on August 25, 2022, the East Ridge City Council passed Resolution No. 3309 wherein the City reaffirmed the East Ridge Housing Commission's Order of August 8, 2022 ("Demolition Order"), to demolish the structure located at 1500 Keeble Street, East Ridge, Tennessee (the "Property"); and

WHEREAS, the property owner Chetan K. Patel ("Mr. Patel") filed a Verified Petition for Writ of Certiorari and Supersedeas in the Chancery Court of Hamilton County, Tennessee, requesting the Court to overturn the Demolition Order; and

WHEREAS, Mr. Patel has agreed to undertake various remediating efforts to bring the Property into full compliance with all building and property maintenance requirements; and

WHEREAS, a proposed settlement agreement, attached hereto as **Exhibit A**, has been exchanged between Mr. Patel and the City which outlines Mr. Patel's obligations to bring the Property into full compliance; and

WHEREAS, the City deems the settlement agreement to be in the best interest of the City.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of East Ridge, Tennessee, that the City hereby authorizes the Mayor or his designee, to execute the settlement agreement in the form attached hereto as **Exhibit A**.

BE IT FURTHER RESOLVED that this Resolution shall take effect immediately after its passage, the public welfare of the City requiring it.

Adopted this _____ day of _____ 2023.

Brian W. Williams, Mayor

Attest:

J. Scott Miller, City Manager

Approved as to Form:

Mark W. Litchford, City Attorney

**SETTLEMENT AGREEMENT
FOR 1500 KEEBLE STREET
FORTHCOMING**

AGENDA MEMORANDUM

**Additional Services Addendum
CEI Construction Management
Thompson Engineering**

June 22, 2023

Submitted by:

Cameron McAllister

Cameron McAllister, Development Administrator


SUBJECT:

City Administration is asking for the approval from the Mayor and Council to accept and enter an additional services addendum for the existing contract with Thompson Engineering for CEI Construction Management on PIN 120226.00 (McBrien Road Resurfacing). Further information and detail will be provided in the agenda packet for the Council meeting on June 22, 2023.

AGENDA MEMORANDUM
ANIMAL SHELTER BUILDING

June 22, 2023

Submitted By:



J. Scott Miller, City Manager

SUBJECT:

MBI Companies Inc, the City's architects for the new animal shelter building, will deliver a presentation on this building project to the Mayor and City Council and the public; specifically, the proposed site plan, the floor plan and the elevations. Upon completion of the presentation my office is requesting approval of the plan by the City Council and authorization for MBI to move forward with the drafting of the construction plans and specifications.

JSM/