

MINUTES
CITY COUNCIL CALLED MEETING
MAY 21, 2019

The Jackson, Tennessee, City Council met in a special public session on Tuesday, May 21, 2019, at 8:00 a.m. in the George A. Smith Meeting Room at City Hall with Mayor Jerry Gist and Councilmembers Charles “Pepper” Bray; Ernest Brooks II; Harvey Buchanan; David Cisco; Johnny Dodd; Vicky Foote; Ross Priddy; Charles Rahm; and Randy Wallace present. Also present was Anita Brooks, recorder of the minutes.

Mayor Gist gave the invocation and led the audience in the Pledge of Allegiance to the Flag.

The purpose of the meeting was to consider the 2019-2020 fiscal year operating budget ordinance and property tax rate ordinance for the City of Jackson, Tennessee.

Mayor Gist stated that City officials thought they could pass a resolution for a continuation of their budget into next year which is allowed under State statute however, the State Comptroller viewed the statute differently so the City will abide by the wishes of the Comptroller and present a budget for fiscal year 2019-2020 for the City Council to consider. Mayor Gist also stated that the proposed 2019-2020 fiscal year budget is basically the same as the current year’s fiscal year’s budget with about three differences. Mayor Gist then called upon Alan Laffoon, City Recorder, to give the City Council an overview of the proposed 2019-2020 fiscal year operating budget.

Alan Laffoon stated that Tennessee Code Annotated Section 6-56-210 does allow for a continuation budget but when the City Finance Office finally got something in writing from the Municipal Technical Advisory Service (MTAS) legal consultant, she came up with a disclaimer that said the City Attorney should contact the Comptroller’s office and appeal the decision that the Comptroller made. Mr. Laffoon further stated that City Attorney Lewis Cobb did not feel comfortable in doing that because he has not been associated with the budget.

Mr. Laffoon then stated that he called the Comptroller’s office and they explained to him that the statute was intended to be used when there are tornadoes, floods, and other acts of God; not for just handing off from one administration to another. Councilmember Brooks requested a copy of the response from the MTAS legal consultant.

Mr. Laffoon stated that there are no department heads present because they did not have time to do what they would normally do in putting together their budgets. Mr. Laffoon also stated that the proposed budget is not as accurate as it would normally be because of the lack of input from department heads but it is the best that the City Finance Office could do at the time.

Mr. Laffoon then presented the proposed budget ordinance for fiscal year 2019-2020 and answered questions. Mr. Laffoon also presented the following summary of FY19-20 budget significant factors:

FY 20 REVENUE - SIGNIFICANT IMPACT ITEMS	
LOSS OF TENNOVA PROPERTY TAX REVENUE	-\$392,000
LOSS OF WTHC LEGACY PROPERTY TAX REVENUE	-\$420,087
*TOTAL REVENUE SIGNIFICANT IMPACT ITEMS	-\$812,087

*WTHC FY20 Commitment to increase their return on asset distribution by \$500,000

FY 20 GENERAL GOVERNMENT-EXPENSE ADJUSTMENTS TO FY 19 BUDGETS	
TRANSFER TO OTHER FUNDS-SHORT STREET BUILDING PAYOFF	\$710,000
ELECTION EXPENSE	-\$35,000
REAPPRAISAL COSTS	-\$300,000
TOTAL EXPENSE REDUCTIONS FROM FY 19 GENERAL GOVERNMENT BUDGET	-\$1,045,200
FY 20 SIGNIFICANT DEPARTMENT EXPENSE INCREASE	
POLICE DEPARTMENT STEP INCREASES	\$210,000
ADA INCREASE	\$245,000
STORMWATER OPERATIONS INCREASE	\$314,000
TOTAL DEPARTMENT EXPENSE INCREASE	\$769,000

Mr. Laffoon stated that the City of Jackson does not have a written agreement with West Tennessee Healthcare to increase their return on asset distribution by \$500,000 and suggested that the new administration consider getting an agreement with the hospital as to

what the hospital is going to do. Mr. Laffoon then stated that the City Finance staff did not include a Capital Budget in the City's 2019-2020 fiscal year budget. Mr. Laffoon further stated that the new administration will need to consider adopting a resolution authorizing the City of Jackson to borrow monies for capital project either at their first meeting or at a special called meeting. Mr. Laffoon also answered questions regarding the fiscal year 2019-2020 Debt Service Principal and Interest and other factors associated with the budget. Councilmember Wallace suggested that the City Council consider adopting a resolution to borrow monies for Capital Outlay projects without any dollars associated with it for fiscal year 2019-2020 at the June 4, 2019, City Council Meeting. Mayor Gist asked Mr. Laffoon to prepare the resolution for consideration at the June 4th meeting.

Mayor Gist stated that the City Finance staff was going to present a budget with a surplus of 1.3 million dollars' revenue over expenses for the City Council to consider but later decided to put some of the city's surplus revenue into Police Department Step Increases, ADA increase and Stormwater Operations which cut some of the surplus back to approximately a half of a million dollars with respect to revenue over expenses. Mayor Gist also stated that the fiscal year 2019-2020 budget for the City of Jackson can be amended at any time by the new administration.

This being the time and place advertised for a public hearing to consider an Ordinance to establish the 2019-2020 fiscal year Operating Budget for the City of Jackson, Tennessee, Mayor Gist opened the public hearing. Mayor Gist then asked if there was anyone present who wished to speak in opposition to or in support of the passage of the ordinance. There being no one present to speak in opposition to or in support of the ordinance, Mayor Gist declared the public hearing closed. On the motion of Councilmember Brooks, seconded by Councilmember Rahm, the ordinance was approved 7-2 on first reading with Councilmembers Bray, Brooks, Buchanan, Cisco, Dodd, Rahm and Wallace voting yea and Councilmembers Foote and Priddy voting nay.

This being the time and place advertised for a public hearing to consider an Ordinance to establish the 2019-2020 fiscal year property tax rate for the City of Jackson, Tennessee, Mayor Gist opened the public hearing. Mayor Gist then asked if there was anyone present who wished to speak in opposition to or in support of the passage of the ordinance. There being no one present to speak in opposition to or in support of the ordinance, Mayor Gist declared the public hearing closed. On the motion of Councilmember Rahm, seconded by Councilmember Foote, an ordinance to maintain the City's property tax rate at \$1.96 per one hundred dollars (\$100) of assessed valuation for fiscal year 2019-2020 was unanimously approved on first reading.

There being no further business, the meeting was adjourned.

JERRY GIST, MAYOR