



City Commission Meeting Highlights

Tuesday, June 12, 2018, at 5:30 p.m. at City Hall

Note: Mayor Brandi Harless was unable to attend this meeting.

City of Paducah Fiscal Year 2018-2019 Budget (vote June 26)

The Paducah Board of Commissioner introduced an ordinance to adopt the Fiscal Year 2018-2019 City of Paducah Budget, a balanced budget. The City's fiscal year runs from July 1, 2018 through June 30, 2019.

In addition to meetings among the City Manager, Department Directors, and the Finance Department, the Paducah Board of Commissioners participated in budget workshops on May 14 and May 23. Commissioner Richard Abraham said, "[Preparing the budget] takes cooperation and compromise." Mayor Pro Tem Sandra Wilson read a quote contained in the budget letter written by Interim City Manager Mark Thompson. Thompson wrote, "Key in the development of this budget is the work of city staff at all levels contributing energy and ideas." Wilson said, "We spent a lot of hours working on the budget in May at the same time we were spending a lot of time on the city manager search. We are proud of the work we have done in both areas." Jim Arndt begins his service as Paducah's next City Manager on July 1.

The majority of the operating expenses for the City of Paducah are funded through the General Fund which is outlined to have \$35,343,845 in expenditures during the upcoming fiscal year. This is a 2.5 percent increase as compared to Fiscal Year 2017-2018's General Fund expenditures of \$34,464,168. Wilson explained that the City was expecting to have increased pension costs. Wilson said, "We are thankful for the phased-in approach that was approved, but our increased pension costs for Fiscal Year 2019 add approximately \$450,000 to our budget."

Wilson took some time to explain the City's revenue sources. The General Fund has four major sources of revenue: 1) Payroll tax; 2) Property tax; 3) Insurance premium tax; and 4) Business licenses. Wilson said, "It is important for the people of this community to know that those are our four sources of revenue. The city does not receive any funds from sales tax as many people believe we do."

Wilson also briefly highlighted some elements in the Fiscal Year 2018-2019 Budget including

- Parks Master Plan update
- Neighborhood investment with enhanced funding for the Midtown Alliance of Neighbors to further expand their work throughout the City
- Increased funding for demolitions
- Funding for downtown program incentives including grants for roof replacement, facades, upper story living, business grants, the TIF and more wayfinding signage
- More investment for sidewalks, streets, curbs and gutters, and the creation of a bike plan
- Continued funding to Paducah Economic Development (\$250,000) and local arts groups (\$115,000).

Regarding employment, Wilson explained that each new position will be closely reviewed before hiring. Plus, no layoffs were necessary to prepare this fiscally tight budget. Furthermore, over the next few months, four fact-finding committees will be created with each made up of two City Commissioners and supported by city staff. These committees include Facility Use and Maintenance; Vehicle Use and Maintenance; Outside Agency Funding; and Revenue Sources. Plus, staff will be working on the development and finalizing of the Strategic Plan elements.

Wilson ended the budget discussion by saying, "There are a lot of challenges, but also a lot of great opportunities ahead of us."

The Fiscal Year 2018-2019 Budget Book will be placed on the City of Paducah website before the end of this month. To view the current year's budget and budget information dating back to 2005, visit <http://paducahky.gov/city-budget>.



Pam Spencer, Public Information Officer
City of Paducah • P.O. Box 2267 • Paducah, Kentucky 42002
270/444-8669 • Office 270/443-5058 • Fax
Website: <http://paducahky.gov> Email: pspencer@paducahky.gov

Recognition of Paducah Citizens' Academy Graduates

Prior to the City Commission meeting, a reception was held for the participants of the second class of the Paducah Citizens' Academy. During the meeting, the Paducah Board of Commissioners recognized the participants and thanked them for their interest and dedication to the City. There were 21 participants who attended eight sessions over a course of nine weeks.

The annual academy, which began in 2017, is coordinated by Assistant to the City Manager Michelle Smolen with the goal for citizens to learn about Paducah's government and operations and to have two-way, face-to-face conversations between staff and the participants. In the end of the academy survey one participant wrote, "It opened my eyes to how much our city government does for us every day and all year long. I also loved meeting the department heads and appreciate the time they each took to plan and deliver thorough programs."

Academy Graduate Brenda McElroy addressed the Board and recommended that everyone in the community sign up for the Academy and get involved with the City. McElroy said, "I was so impressed with everything our city government is doing."

Academy Graduate Mike Reed also spoke to the Commission. Reed said, "Thank you to the Paducah City government who gave us a peek inside their operations."

The Citizens' Academy will be offered again next spring. Currently, applications are being accepted for the Citizens' Police Academy, an 11 week course to learn in depth about the Paducah Police Department's operations. Details and the application can be found at <http://paducahky.gov/citizens-police-academy-and-junior-cpa>.



Community Scholarship Program Presentation

Paducah Junior College, Inc. Executive Director Lee Emmons thanked the City for its participation and funding support for the Community Scholarship Program. Annually since fiscal year 2011, the City has provided \$125,000 toward the program and has budgeted the same amount for the upcoming fiscal year. The program also receives funds from McCracken County, the Rotary Club of Paducah, Paducah Junior College, Inc., Paducah Power System, and numerous private sources. Emmons said, "Education is the most important investment we can make." Commissioner Richard Abraham said, "I applaud the City, County, and all of those players that agree that education is important."

The Program motivates students to graduate high school and pursue a higher education by providing each Paducah and McCracken County high school graduate with a two-year tuition scholarship to West Kentucky Community & Technical College provided that each student register for the program, maintain a minimum grade point average and attendance record, and not have major disciplinary problems.



Pam Spencer, Public Information Officer
City of Paducah • P.O. Box 2267 • Paducah, Kentucky 42002
270/444-8669 • Office 270/443-5058 • Fax
Website: <http://paducahky.gov> Email: pspencer@paducahky.gov

Approve General Obligation Bond Issues (GOB 2018A and GOB 2018B) (vote June 26 on Ordinance)

The Paducah Board of Commissioners approved a municipal order which allows the City to advertise and distribute a preliminary official statement regarding two upcoming bonds, General Obligation Bond (GOB) Series 2018A and Series 2018B. Furthermore, the Board introduced an ordinance regarding the two bonds. The sale date for these bonds is July 9, 2018.

The proceeds from GOB 2018A will be \$2.91 million which will be applied to the following projects: \$1.1 million for the riverfront project and \$1.7 million for E911 equipment. The proceeds from GOB 2018B will be used to refinance two existing bonds, KLC GOB 2015A1 and 2016A1. Both of those bonds currently have variable interest rates. By refinancing the bonds, the City of Paducah will be able to lock in a fixed rate of interest.

Professional Services Agreement with Commonwealth Economics, LLC

The Paducah Board of Commissioners approved a municipal order to enter into a Professional Services Agreement with Lexington-based Commonwealth Economics, LLC through June 30, 2019, in an amount not to exceed \$78,000 for work on the Tax Increment Financing (TIF) program and the development of a Benefit Cost Analysis report as required by the BUILD grant application. Commonwealth Economics has been working with the City on the feasibility of a TIF District in the downtown area. In conjunction with a proposed TIF District, the City is planning to apply for the BUILD grant through the Transportation Cabinet. If awarded, the funds would be used in part to further develop the riverfront including the former Executive Inn site and a steamboat excursion dock and landing area. The grant application is under development with an application deadline of July 19.

Quick Highlights

- Family Court Judge Deanna Henschel conducted the swearing-in ceremony for new Paducah Police Officer Codey Strong.
- Mayor Pro Tem Sandra Wilson conducted the swearing-in ceremony for three members of the Paducah Human Rights Commission.
- Paducah Area Transit System (PATS) Executive Director Arthur Boykin provided an overview of PATS including its area of coverage, funding sources, and funding challenges.
- Resolution approved in support of Baptist Healthcare System, Inc. to refinance bonds issued by the Kentucky Economic Development Finance Authority for the construction of hospital facilities in Paducah. The City is not obligated for any of the hospital's debt.
- Resolution approved authorizing the City Engineer & Public Works Director to be the applicant agent for KEMA and FEMA documentation. The City of Paducah is submitting documentation for federal disaster assistance related to the 2018 flood and severe weather events.
- Municipal order approved authorizing the sale of city-owned surplus property located at 2315 Powell Street to Randal and Carolyn Lofton for \$51.50 plus the deed preparation and recording fees.
- Municipal order approved authorizing the Community Development Block Grant (CDBG) application on behalf of Center Point Recovery Center requesting \$220,000 for personnel expenses. The City of Paducah is not required to match any of the funds. If awarded, a project administration fee in the amount of \$2500 will be paid to the City.
- Municipal order approved authorizing the purchase of two data switches used by the Information Technology Department in the amount of \$25,661.20 through the State contract. These switches are critical to all phone and computer operations.
- Municipal order approved authorizing the purchase of 16 reconditioned radios for the Paducah Fire Department from Sunny Communications for the total amount of \$39,709.
- Municipal order approved accepting the Household Hazardous Waste grant through the Kentucky Division of Waste Management in the amount of \$25,500 to fund the annual Spring Clean Up Day. The required match of \$6375 will be divided equally between the city and county.
- Municipal order approved authorizing the contract for services between the City of Paducah and the Paducah Convention & Visitors Bureau on behalf of the American Quilter's Society for the City to provide \$25,000 for the marketing of the 2018 AQS QuiltWeek. This annual funding has been provided since 2008.



- Ordinance approved amending the Tyler Technologies Munis Contract to add 18 additional training days for the departmental software leaders. This amendment increases the contract cost by \$22,950. This project involves the replacement of the City's Enterprise Resource Planning software, a phased project spanning more than three years.
- Ordinance introduced (vote June 26) approving the sale and transfer of an approximately 60-acre piece of property located near the intersection of Old Mayfield and Houser Roads. Paducah Water acquired the property in 2012 through the merger with Hendron Water District. Paducah Water does not need the property and held a public auction. This ordinance approves the transfer of the property to the highest bidder, Howerton Properties, LLC in the amount of \$190,732.30.

###



Pam Spencer, Public Information Officer
City of Paducah • P.O. Box 2267 • Paducah, Kentucky 42002
270/444-8669 • Office 270/443-5058 • Fax
Website: <http://paducahky.gov> Email: pspencer@paducahky.gov