

CITY OF PADUCAH KENTUCKY



**ANNUAL BUDGET
FISCAL YEAR 2004 - 2005**

MANAGER'S BUDGET LETTER

July 1, 2004

Paducah Citizens and the Community Members:

Finance Director Jonathan Perkins and I are pleased to present the adopted budget and financial plan for the City of Paducah for fiscal year 2005.

1. INTRODUCTION

A. EDITORIAL COMMENTS ABOUT CITY BUDGETS

Your City budget performs several important functions:

The budget is a legal document through which the Commission carries out its legislative responsibility to control the City's finances.

The Budget is a public education document designed to help Paducah's taxpayers understand the finances of their local government.

The Budget is a management tool, which each City Department uses to plan, administer, and improve its operations and customer services.

The Budget is an instrument for implementing the goals that the Commission sets for the City.

The Budget is a decision making aid designed to help the Commission make difficult public policy choices.

B. SUMMARY OF FY 2005 BUDGET

The FY 2005 budget covers the City's operating costs for the coming year with no tax increase.

The recommended Base Operating Budget includes:

- 3.0% COLA for all full time employees
- Increased cost of amortizing Old Police and Fire Pension System unfunded liability
- 3.27% COLA for Old Police and Fire Pension System retirees and dependents

- 2.2% increase in \$7,038/employee allocation for Health Insurance effective January 1
- \$50,000 increase in economic development allocation to GPEDC
- Continued appropriations to DES, Main Street and Paducah Symphony
- \$25,000 increase appropriation to PATS
- Debt service payments
- Continued funding of City Fleet Plan

The budget also includes Commission and Administrative Contingency appropriations totaling \$350,000. This appropriation is set aside primarily for unanticipated emergencies and economic development incentives.

C. REVIEW OF FY2004 ACCOMPLISHMENTS

The last fiscal year has been busy and exciting. The City has made progress on each of the goals in its Strategic Plan:

Goal 1: Strong local economy – Regional Center for Four States

- Coca-Cola expansion located in Industrial Park West Speculative Building
- Infiniti Media recruited to Industrial Park West
- Ulrich Medical located in Information Age Park
- AAA Fabricators located on Coleman Road
- Runway expansion and taxiway construction and Barkley Regional Airport
Buckner Bridges constructed and ROW acquired as first phase of Pecan-Buckner
entrance to Mall area

Goal 2: Efficient City Government – Quality Services for Citizens

- Collective bargaining contracts signed with the City's three unions
- Public Works Director Earnie Via recruited and hired
- Delinquent tax and code violation lien foreclosure process streamlined
- Pay and Classification plan adopted
- Staff Changes and Code Enforcement Board have increased the efficiency of our code
enforcement operations
Police Department Achieved State Accreditation

Goal 3: Vital Neighborhoods – Place for People and Businesses

- Annexation Incentive Policy adopted and The Grove subdivision brought into the City.
- Lowertown Redevelopment and Artist Relocation Program recognized with American Planning Association national award.
- First phase of Parks Master Plan implemented with opening of Noble Park Shelter, Blackburn Park Sprayground, and Kolb Park Playground.
Housing Authority began construction of 14 new homes at Heritage Place

Goal 4: Restored Historic Downtown – A Community Focal Point

- Luther Carson Four Rivers Center opened and fund-raising goal exceeded
- Four Rivers Behavioral Health purchased and renovated old Penneys Building
- River Heritage Museum Exhibits Open
Old Union Planter Bank Building opened as Commerce Center, new home of the Chamber of Commerce and GPEDC

2. OVERVIEW OF CITY FINANCES

A. FUNDS

In compliance with professional accounting standards, the City of Paducah operates its finances through 23 different funds. Revenues and expenditures are budgeted in each of these funds. The Flow of Funds Chart on the page after this section shows the City's funds and diagrams their interrelations. Finances for most of Paducah's service delivery activities are managed through just a few of the funds in this confusing array:

General Fund:

All City Departments that do not operate with an earmarked source of revenue are budgeted in the General Fund. Among others the Police, Fire, and Public Works Departments are operated through the General Fund.

Municipal Aid Program (MAP):

State law requires us to account for state shared gas tax money in a separate fund. We add a transfer from the general fund to the MAP fund and account for the City's annual paving program through it.

Grant Funds:

Special Revenue Funds are used to account for grants awarded to the City from agencies of the Federal Government and the Commonwealth of Kentucky. We have several individual funds for large grants and a small grant fund to serve as a "catch-all" for all other grants.

Solid Waste Fund:

The City operates its garbage collection service as a business and accounts for its operations using accounting rules, which are modeled on business accounting instead of governmental fund accounting. The Solid Waste Fund receives the revenue from the garbage service fees. The fund contains the budgets for our residential and commercial collection services and our compost operation.

Internal Service Funds:

Internal Service Funds also follow business accounting rules. The budget includes the Fleet Maintenance, Fleet Lease Trust, General Insurance, Health Insurance, Rental Properties, and Radio Depreciation internal service funds.

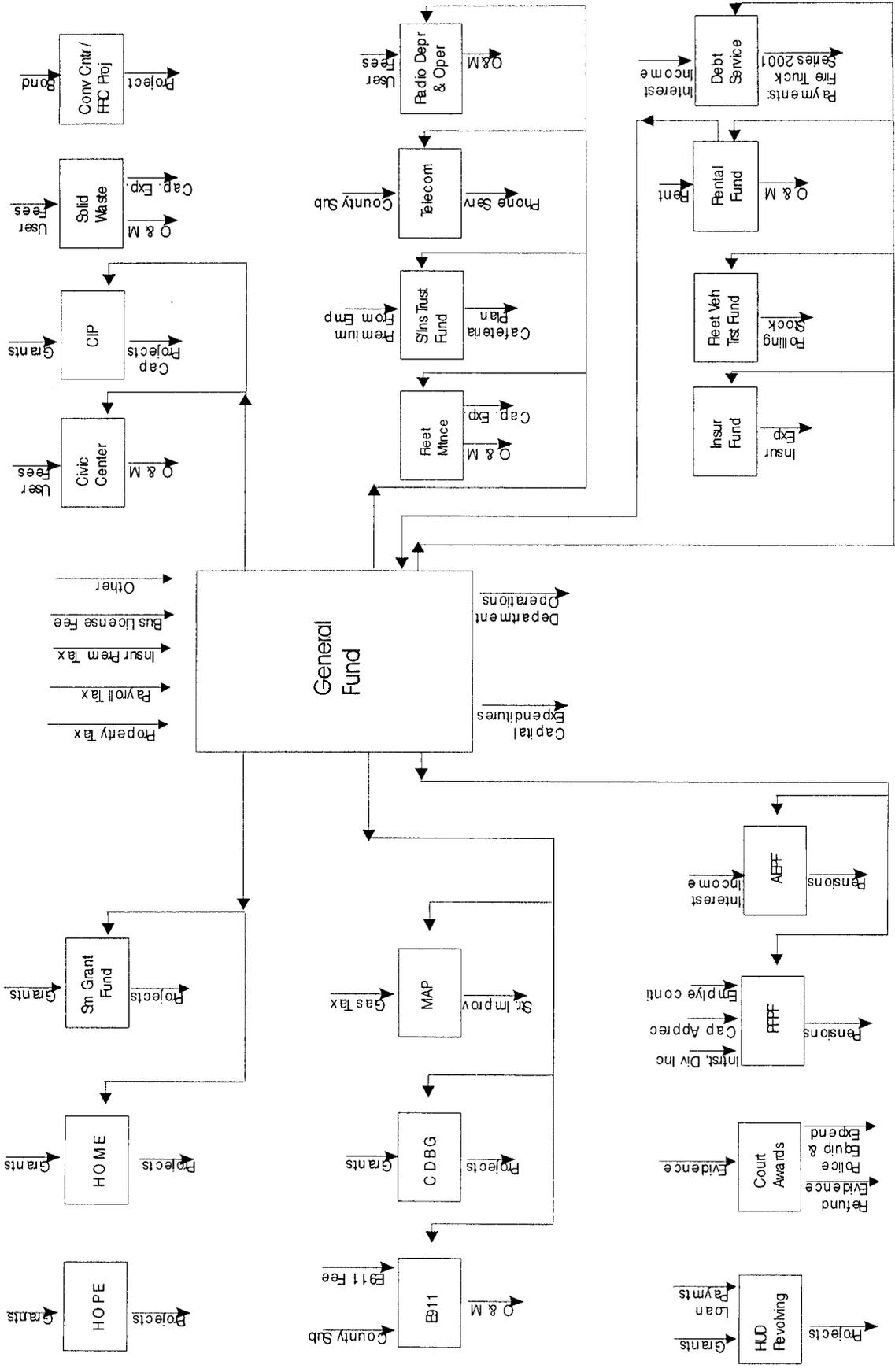
Bond Funds:

With the sale of \$5 million in General Obligation Bonds in June 2004 for the construction of the Infinity building project in the Industrial Park West the City set up a separate capital improvements fund. This fund accounts for bond proceeds and the costs associated with the construction of bond-funded facilities. In June 2003 we borrowed \$3.5 million through the Kentucky League of Cities bond pool to fund street and parking improvements around the Four Rivers Center, Park system improvements, and heat and air system repair. Debt associated with bond-funded projects is handled through the Debt Service Fund.

Debt Service Fund:

The Debt Service Fund is used to account for the accumulation of resources for and the payments of principal, interest and related cost of debt or bond issues.

Paducah Flow of Funds



B. HOW BIG IS THE BUDGET?

The multitude of funds makes it hard to answer the simple questions: "How big is the City Budget? Just adding the budgets of all the funds together does not answer the question accurately because transfers of monies between funds cause the same dollar to be counted two or more times. The following table adds the budgets of all our funds and then makes adjustments for the transfers to subtract out the double counts. Counting net expenditures in all funds, the FY2005 Budget totals \$35,728,680.

COMBINED BUDGETS - ALL FUNDS

	Total Expenditures & Fund Transfers	Inter Fund Transfers	Budget
General	\$27,213,545	\$2,017,985	\$25,195,560
Small Grants	0		0
MAP	429,400		429,400
CDBG	25,000		25,000
HOPE	0		0
HOME	130,600		130,600
HUD Revolving	0		0
Court Awards	49,600		49,600
HUD Police	29,125		29,125
Debt Service	1,284,260		1,284,260
General CIP	431,500	216,500	215,000
Special CIP	2,000,000		2,000,000
Solid Waste	4,010,600		4,010,600
Civic Center	35,945		35,945
Rental Property	135,075	87,545	47,530
Radio Depr & Opr	18,710		18,710
Fleet Maintenance	488,000	380,000	108,000
Fleet Lease Trust	704,450	487,850	216,600
General Insurance	1,051,830	1,051,830	0
Health Insurance Trst	3,542,615	3,542,615	0
AEPF	84,750		84,750
PFPF	1,848,000		1,848,000
Totals	\$43,513,005	\$7,784,325	\$35,728,680

C. EXPLANATION OF FUND BALANCES

The multitude of funds can make it difficult to understand what financial resources the City has and what flexibility we have in using those resources. Although any balance remaining in some funds at the end of the fiscal year is closed out (transferred) to the General Fund, other funds maintain a fund balance. Enterprise funds, like our Solid Waste Fund, do not have a fund balance because of their business-style accounting rules. They do have unencumbered liquid assets, which are an equivalent of a governmental accounting fund's fund balance.

The following table shows the fund balance (or equivalent) that we expected to have June 30, 2004 in each significant fund and explains why the money is retained in that fund's account.

ESTIMATED FUND BALANCE

	Est. Fund Balance	Notes
General	\$4,500,000	12½% Operating Reserve \$3,400,000
Small Grants	-0-	
MAP	\$400,000	Appropriated for Projects
CDBG	-0-	
HOPE	\$130,000	Appropriated for Grant-Related Projects
HOME	-0-	
HUD Revolving	\$210,000	Restricted to CDBG purposes
Court Awards	\$50,000	Restricted to Police Drug Activities
HUD Police	-0-	
Debt Service	\$30,000	Reserved for debt service payments
General CIP	\$208,000	Appropriated for Projects
Special CIP	\$1,470,000	Restricted for Projects
Solid Waste	\$1,910,000	Undesignated cash = Fund Balance Equivalent Accumulated to delay future garbage rate increases. 12 ½% Operating Reserve: \$501,000
Civic Center	\$22,000	Undesignated cash = Fund Balance Equivalent Earmarked for operating shortfall
Rental Property	-0-	
Radio Depr & Opr	\$260,000	Reserved for Radio Projects
Fleet Maintenance	-0-	Undesignated cash = Fund Balance Equivalent
Fleet Trust	\$1,600,000	Future purchase of replacement vehicles
Insurance	-0-	Reserved for Insurance Deductible Payments

Health Insur Trust	\$400,000	Reserved for Health Insurance Claims
AEPF	\$320,000	Reserved to pay pensions
PFPPF	\$9,300,000	Reserved to pay police and fire pensions
Totals	\$20,810,000	

D. GENERAL FUND

1. *Why is the General Fund Budget so “tight”?*

a) *Because we were “In the Red” last year*

The first reason that the general fund budget is tight this year is that it was “in the red” last year. The FY2004 budget adopted by the Commission had \$500,000 more expenditures than revenue.

We covered the shortfall with an appropriation of \$500,000 from fund balance. In accord with Commission policy, we still retained an operating reserve equal to 12-½% of the General Fund balance after the \$500,000 appropriation.

The “one time” money from fund balance was used to pay “one time” capital and economic development expenditures. For example, we made the following capital expenditures last year out of the \$500,000 and the \$1.2 million we added to it after we closed the FY2003 books:

Lowertown Infrastructure Local Match	\$94,000
Ulrich Economic Development Incentive	\$30,000
Coca-Cola Economic Development Incentive	\$147,000
Buckner/Pecan Lane ROW & Bridge Projects	\$376,000
Pump Truck Replacement	\$98,000
East Mall Access Settlement Payment	\$154,000
Innovative Center Office	\$5,000
Dennis Wholley Enterprises to Market Paducah Nationally	\$30,000
Lowertown Project – property acquisitions	\$150,000
Main Street Program Supplemental Appropriation	\$45,000
Paducah Symphony	\$15,000
Floodwall Pump Emergency Repair	\$68,000
Streetscape – Electric Services Relocated	\$37,000
Railroad Museum Door & Roof	\$30,000
Heritage Place 7 th Street Expansion	\$77,000
Infinity Media Economic Development Incentive	\$295,000

AAA Fabricators Economic Development Incentive	\$75,000
Total	\$1,726,000

b) Because some revenue was taken from us and some costs we do not control increased.

The following examples have a combined impact of over \$674,000 on the City's FY 2005 budget.

- Base Court Revenue Cut \$99,000.

Kentucky municipalities used to have City Courts. The Cities collected Court fines and fees and used them to pay for the City Court and to pay part of the costs of City Police Departments. When the State Legislature did away with City Courts and replaced them with State Courts, they promised to hold the Cities harmless and return part of the money collected by the State Courts back to the Cities. Since the amount each City got was based on what their City Court was generating before the change, this money was called "Base Court Revenue."

Since the time our City Court was abolished Paducah has received \$168,752/year Base Court Revenue. In 2003, the legislature did away with Base Court Revenue. They took half our annual allocation in 2003 and the balance the next year. In 2004, the legislature authorized a new surcharge for cities on local traffic tickets, which will produce an estimated \$70,000/year so that our net loss is \$99,000/year.

- Increased CERS Charge \$405,000

The downturn in the stock market has reduced the assets of the Kentucky State Retirement System. To keep the system actuarially sound, the State has increased the State Retirement percentage we have to send them for each dollar we pay our employees. For FY2005 this increase will total \$405,000.

- Old Police & Fire pension unfunded liability payment

The same stock market impact that caused the State to increase our CERS payments has impacted our old Police and Fire Pension Fund. The fund will have an unfunded liability of about \$5.9 million as of June 30 2004. Our actuaries have set up a 28-year plan for us to reduce the unfunded liability to \$0 by 2032. In FY2004, we transferred \$518,000 to the Pension Fund to decrease the unfunded liability. To keep on our schedule, our actuaries told us in FY2005 we needed to make a \$429,000 payment, but later revised their estimate to \$518,000 due to an unanticipated drop in Pension Fund asset values in the second calendar quarter.

- Increased cost for old Police & Fire Pension COLA \$143,000.

Each year the Police and Fire Pension Board votes to have the City provide a COLA (Cost of Living Adjustment) to all retirees and dependents in the plan. To keep the COLA from increasing the Plan's unfunded liability, we have to appropriate enough funds to amortize the cost of each year's COLA through the remaining life of every employee and dependent in the plan. In FY2004, we appropriated \$293,000 anticipating a 3.0% COLA. Our actuaries tell us that to amortize an anticipated 3.27% COLA we will have to increase our transfer to the Pension Fund in FY2005 by \$143,000 to \$436,000.

- Increased Health Insurance Contribution \$27,000.

The City allocates \$7,038 for each employee's health insurance costs. Employees who do not insure their families can apply the excess funds to a flexible spending account. We have offered in our collective bargaining negotiations to increase the \$7,038/employee allocation in January by an amount equal to the increase in the CPI. We estimate that the cost of this increase of a half year will be \$27,000.

2. *Expenditure Decisions*

During their budget workshop the Commission approved the following expenditures as par of the FY2005 budget:

- a) *Reduce Graduated Wage time from 4 to 2 years* \$25,000

The City's "Graduated Wage" system started all employees represented by the AFSCME bargaining unit at 80% of the established wage for their job when they are hired. Each the end of their first year they go to 85%, at the end of their second year they go to 90% and after four full years on the job they are paid the 100% wage. The new AFSCME contract reduced the four-year time frame to two years with raises every 6 months. As part of the transition from a 4-year system to a 2-year system, all current employees who have been here less than 4 years get a raise.

- b) *Retirement Payout Reserve* \$97,000

The Fire Department has three retirements scheduled early next year and Inspections has one. The retiring employees have significant vacation and sick leave reserves for which they will receive "mustering out" pay. The Fire payments will cost \$80,000 and the Inspections Department payment will be about \$17,000. Since we do not anticipate any significant salary

slippage in either Department next year, the FY2005 budget includes funds for the payouts in the budgets of the two Departments.

c) ***Commission Contingency*** \$300,000

The FY 2005 Budget Ordinance provides that: "Funds designated as Commission contingency shall be obligated only upon approval by the City Commission by municipal order."

d) ***Administrative Contingency*** \$50,000

The FY 2005 Budget Ordinance provides that: "Funds designated as Administrative contingency shall be obligated at the discretion of the City Manager, however, the Commission shall be notified seven working days prior to approval of expenditure. If any individual member of the Board of Commissioners requests Commission review of a proposed expenditure, the City Manager must bring the expenditure before the commission for approval by municipal order."

e) ***PATS Funding Increase*** \$25,000

The services our Community receives from PATS continue to grow. Last year PATS passenger count increased from 234,277 to 244,399 passengers. Their Dial-a-Ride program has improved the quality and reduced the cost of taxi service for our citizens and visitors. The total PATS budget is \$5,141,584. To take full advantage of available Federal funding PATS must have local match funds. For the last two years the City has contributed \$175,000 to PATS. The FY2005 budget increases the contribution by \$25,000 to \$200,000.

f) ***City/County Comprehensive Plan*** \$100,000

Talbert & Associates prepared the last complete rework of the City's Comprehensive Plan in 1988. Staff and the Planning Commission have updated the Plan every five years but it needs to be completely redone. The City and the County are attempting to work together to fund a new plan for a City-County wide Comprehensive plan. The County has \$50,000 budgeted.

g) ***Downtown Economic Analysis, Marketing, and Hotel Plan*** \$35,000

As a prelude to the Comprehensive Plan, staff recommends we hire a consultant to prepare a Downtown Marketing study. The study will provide an economic analysis of our downtown as it operates now and propose a marketing strategy to build on our current successes

h) ***Artist Relocation Program Marketing & Incentives*** \$58,000

Our Artist Relocation Program has helped put Paducah on the map nationally. We are recognized across the country for this creative use of the Arts as an economic engine of change to recreate and revitalize neighborhoods. The FY2005 budget provides \$43,000 for marketing and \$15,000 for incentives.

i) ***GPEDC Funding*** \$250,000

Our funding last year for GPEDC was \$200,000. With the success GPEDC has enjoyed under Wayne Sterling's leadership has come additional expense. Total GPEDC budget is \$1.2 million. Purchase Partnership is planning a new private sector fund raising campaign this coming year.

j) ***Phase II Public Works Lot Improvements*** \$45,000

The Public Works Complex currently has a gravel surface on most of the traveled areas between our buildings and the open sheds. The constant travel in the complex creates a lot of dust, which accumulates in our building and on our neighbor's property. This paving and drainage project will reduce the amount of dust produced.

The proposal is to use concrete to surface the gravel areas of the lot. Public Works staff will do most of the work in-house. In addition to \$45,000 in the General Fund, there is \$20,000 budgeted in the Solid Waste fund to give a total of \$65,000 for the project. Preliminary site preparations were completed in FY2004. We plan to concrete half of the lot in FY2005 for \$65,000 and half of the lot in FY2006 for another \$65,000.

k) ***Cable Franchise Negotiations Consultant*** \$50,000

The City Cable ordinance earmarks 2 percentage points of the 5% Cable TV Franchise Fee to the Cable Authority. This formula should generate \$112,990 next year. Their budget allocates \$60,000 to the Community College for televising City meetings and community service programming. The remaining \$50,000 is earmarked for consultant fees to help with our franchise renewal negotiations. Our franchise with Comcast expires in January 2006.

- l) ***Storm water Phase II Project*** \$11,000

The City is under an EPA mandate to prepare and implement a storm water management plan. The City Engineer and Public Works Director have been working on this project in their spare time. Request funds will be used to employ an Engineering Intern to plot storm water outfalls into our GIS system.

- m) ***Inspections Tablet PCs*** \$8,800

The Inspection Department has ordered one tablet PC to test how it can be of benefit in streamlining field inspection reports. If the test shows a significant time savings and improvement in inspector efficiency, we will order 4 Tablet PCs for staff members who work in the field. We will also try a laser tape tool that should save quite a bit of time when an inspector is calculating occupant load or number of required exits for an existing building.

- n) ***Neighborhood Development: Property Repair and Purchase*** \$200,000

Based on our Lower town success, the Planning Department is appropriated additional funds to complete the Lower town area and to begin the revitalization of the next neighborhood.

- o) ***Fire Department Minimum Manning*** \$44,300

Chief Benton and his staff have calculated that if they had an additional \$44,300 to use to pay overtime to Firefighters who were called in to cover when men are absent for training, sick leave, or vacation, they would be able to keep 20 Firefighters on duty 365 days a year.

3. Revenue

Most of our revenue growth comes from the group of revenue sources we call 'Licenses and Permits', particularly the payroll tax which is included in that group. Total General Fund revenues are expected to remain relatively flat. In FY 2003 we completed implementation of the Commission's four-year program to abolish the City inventory tax. Inventory tax revenues were \$457,000 in FY1999 and will remain at \$0 next year.

GENERAL FUND REVENUE

Actual FY2002	Actual FY2003	Estimated FY2004	Budget FY2005
\$24,529,807	\$25,286,521	\$25,198,710	\$26,058,130

The table below shows the main sources of anticipated revenue in the General Fund for FY2005.

Payroll Tax	\$11,000,000	42.2%
Property tax	\$4,984,450	19.1%
Insurance	\$3,820,000	14.7%
Business Licenses	\$3,535,000	13.6%
Other Lisc & Charge for Service	\$1,294,365	5.0%
Grants	\$881,170	3.4%
Rent, fines & interest	\$455,600	1.7%
Fund Transfers	<u>\$87,545</u>	<u>.3%</u>
Total Revenue Sources	\$26,058,130	100.0%

4. Expenditures

Although the City has done a good job of limiting growth in its general fund operating budget, part of the growth in operating costs that we have experienced has been paid by reducing our annual investments in capital improvements.

GENERAL FUND OPERATING EXPENDITURES

	Actual FY2002	Actual FY2003	Estimated FY2004	Budget FY2005
Operating	\$21,342,075	\$22,195,386	\$23,337,980	\$25,195,560
Transfers: Debt, Pensions & Others	\$927,651	\$745,390	\$1,506,900	\$1,009,935
CIP	\$1,707,752	\$1,688,122	\$1,619,000	\$558,450
Operations	\$397,864	\$245,245	\$434,830	\$449,600
TOTAL	\$24,375,342	\$24,874,143	\$26,898,710	\$27,213,545

The following tables show next year's General Fund budget broken out by Department and by

category of expenditure as compared to last year's amounts. The largest category of expenditure on the second graph is employee salaries and benefits, which consumes 66.8% of the FY2005 General Fund Budget.

	<u>FY2004</u>	<u>%</u>	<u>FY2005</u>	<u>%</u>
Police	\$6,686,565	24.8%	\$7,417,360	27.3%
PW & Eng	\$5,773,780	21.5%	\$5,961,700	21.9%
Fire	\$5,131,670	19.1%	\$5,609,925	20.6%
Interfund Transfers	\$3,560,730	13.2%	\$2,017,985	7.4%
Admin/Fin/HumResources	\$2,446,560	9.1%	\$2,517,385	9.3%
Planning/Insp/Inf Sys	\$2,040,170	7.6%	\$2,316,360	8.5%
Recreation	\$1,077,470	4.0%	\$1,155,445	4.2%
Outside Agencies	181,765	.7%	\$217,385	.8%

	<u>FY2004</u>	<u>%</u>	<u>FY2005</u>	<u>%</u>
Personal Service	\$16,667,960	62.0%	\$18,195,925	66.8%
Contractuals	\$2,240,015	8.3%	\$2,552,385	9.4%
Commodities	\$3,691,080	13.7%	\$3,775,020	13.9%
Capital	\$448,925	1.7%	\$377,230	1.4%
City Grants	\$290,000	1.1%	\$295,000	1.1%
Interfund Transfers	\$3,560,730	13.2%	\$2,017,985	7.4%

E. FUND BALANCE

In the FY2001 budget ordinance, the Commission adopted a policy of maintaining a minimum unencumbered fund balance in the General Fund equal to 12.5% of that fund's budgeted expenditures. The following table shows our projection for the current fiscal year:

FUND BALANCE IN GENERAL FUND

	Actual FY2001	Actual FY2002	Actual FY2003	Estimated FY2004
Undesignated	\$4,229,377	\$4,441,662	\$4,925,982	\$4,500,000

Fund balance figures are very difficult to estimate before all revenues are received, all expenditures are posted, and the City's books are closed for the year. The \$4.5 million figure in the table is the estimate Jon Perkins and his staff prepared for our work on the operating budget.

Based on this estimate, our fund balance for the end of this fiscal year will be 17.5% of FY2004 expenditures. The City has met its policy of maintaining a 12.5% (\$3.2 million) fund balance.

Based on this projection, the FY2005 Budget includes an appropriation of \$1.1 million from fund balance for capital and other “one time” expenditures.

F. MULTI YEAR PROJECTION

The spreadsheet on the following page summarizes the operation of the General Fund for the last 5 years and projects revenue and expenditures in the General Fund until the year 2008. The primary driver of the revenue growth shown on the spreadsheet is based on the assumption that our payroll and business license tax receipts will grow at an average rate of 3.3% a year.

Base budget personnel costs are assumed to grow at 5.5%, while operating costs for General Fund Departments are assumed to grow at a slower rate.

If our estimates are accurate, future revenues will not cover future costs and the City will have to raise taxes or cut operating expenditures. The numbers on the chart for FY2004 are budgeted, not actual numbers. Total expenditures for FY2004 will likely be less than the \$26.9 million shown on the chart.

City of Paducah
Historical & Projected Revenues & Expenditures
FY1999 through FY2008

	<u>FY99 (2)</u>	<u>FY00 (2)</u>	<u>FY01 (2)</u>	<u>FY02 (2)</u>	<u>FY03 (2)</u>	<u>FY04 (3)</u>	<u>FY05 (3)</u>	<u>FY06 (3)</u>	<u>FY07 (3)</u>	<u>FY08 (3)</u>
<u>Revenues</u>										
Property Taxes	\$ 4,770,305	\$ 4,659,198	\$ 4,736,568	\$ 5,006,538	\$ 5,022,069	\$ 4,837,890	\$ 4,984,450	\$ 5,141,835	\$ 5,359,410	\$ 5,522,089
Major Licenses	15,075,570	15,423,945	16,221,426	16,742,510	17,286,533	17,695,495	18,290,550	18,944,410	19,555,600	20,179,960
Other Licenses	509,104	547,050	483,604	556,890	614,206	589,745	592,000	593,755	604,410	632,165
Grants	900,987	1,071,407	868,752	817,931	745,654	797,625	881,170	788,260	795,600	802,940
Fines	40,810	35,391	25,429	28,631	40,835	53,000	54,000	78,725	79,515	79,805
Property Rent & Sales	383,493	449,364	318,012	335,804	302,096	313,510	379,145	374,550	380,941	388,347
Charge - Services	619,200	400,879	466,275	548,313	566,207	549,335	572,315	585,675	575,120	572,505
Interest Income	365,780	386,764	358,987	218,752	168,134	158,135	110,000	110,000	120,000	125,000
Miscellaneous - other	435,224	218,048	722,841	184,531	477,582	203,975	194,500	180,990	190,755	187,885
Total Revenues	\$ 23,100,473	\$ 23,192,046	\$ 24,201,894	\$ 24,439,900	\$ 25,223,316	\$ 25,198,710	\$ 26,058,130	\$ 26,798,200	\$ 27,661,351	\$ 28,490,696
<i>Annual Change</i>	5.2%	0.4%	4.4%	1.0%	3.2%	-0.1%	3.4%	2.8%	3.2%	3.0%
<u>Expenditures</u>										
Personal Services	\$13,880,364	\$14,553,459	\$14,814,981	\$15,545,096	\$15,780,380	\$16,570,300	\$18,195,925	\$19,022,500	\$19,890,500	\$20,577,500
Contractual Services	2,541,246	1,528,133	1,447,214	1,614,946	2,070,853	2,442,690	2,552,385	3,067,000	3,220,000	3,380,000
Commodities	2,736,454	2,465,050	2,834,417	2,932,877	3,029,404	3,753,850	3,775,020	4,117,000	4,325,000	4,540,000
Capital Outlay	451,766	390,410	294,393	588,354	310,287	464,330	377,230	225,000	225,000	225,000
Contribution	279,207	224,000	235,985	244,250	305,000	280,000	295,000	230,000	230,000	230,000
Interfund transfer	\$ 19,889,037	\$ 19,161,052	\$ 19,626,989	\$ 20,925,523	\$ 21,495,924	\$ 23,511,170	\$ 25,195,560	\$ 26,661,500	\$ 27,890,500	\$ 28,952,500
	4,308,681	4,598,426	4,276,338	3,302,092	3,243,072	3,387,540	2,017,985	2,035,000	2,075,000	2,115,000
Total Expenditures	\$ 24,197,718	\$ 23,759,478	\$ 23,903,327	\$ 24,227,615	\$ 24,738,996	\$ 26,898,710	\$ 27,213,545	\$ 28,696,500	\$ 29,965,500	\$ 31,067,500
<i>Annual Change</i>	10.3%	-1.8%	0.6%	1.4%	2.1%	8.7%	1.2%	5.4%	4.4%	3.7%
<u>Revenue In Excess of Expenditures (1):</u>										
	(\$1,097,245)	(\$567,433)	\$298,566	\$212,286	\$484,320	(\$1,700,000)	(\$1,155,415)	(\$1,898,300)	(\$2,304,149)	(\$2,576,804)

(2) - From HTE on-screen subset analysis, based on actual revenues/expenditures, then reconciled to CAFR totals.

(3) - Projected, based on historical data & other considerations.

G. MUNICIPAL AID PROGRAM (MAP) FUND REVENUE

Paducah's allocation of State gas tax funds has historically averaged in the range of \$400,000 - \$425,000 a year, but appears to be declining. We anticipate only \$383,000 in FY2005. The City's Capital Improvement Program sets the goal of adding \$750,000 (\$500,000 asphalt, \$250,000 concrete) a year from the General Fund to give a total of \$1 million to \$1.25 million a year total revenue for resurfacing. We've not met this goal over the past several years.

1. MAP FUND REVENUE

	Actual FY2002	Actual FY2003	Estimated FY2004	Budget FY2005
Gas Tax	\$399,977	\$373,022	\$385,000	\$383,000
General Fund Transfer	\$500,000	\$548,000	\$93,750	\$0
TOTAL	\$899,977	\$921,021	\$478,750	\$383,000

2. EXPENDITURES

The City maintains 211 miles of streets. Depending on traffic use patterns, an asphalt street will last 10 to 12 years between resurfacings. An expenditure of \$1 million a year for street resurfacing will allow us to resurface every street in town once every 20 years. The Engineering Department starts looking seriously at resurfacing streets when their ranking is given as a 5 on a scale of 1 to 10, 10 being the best condition. Currently, the City streets ranking 5 and below is estimated at \$5 million to repair at today's construction cost.

All revenue to the MAP fund is spent on street maintenance in the year it is received or the following year. In addition to resurfacing expenditures, the CIP sets a goal of spending \$250,000 a year on curb, gutter, and sidewalk repairs. Much of this expenditure flows through the MAP fund.

The FY2005 Budget includes no appropriation for Street Resurfacing.

H. GRANT FUNDS

Most of the City's grant funds are budgeted as the grants are received. We anticipate receiving the following grants during the coming year:

Grant	Use of Funds	Amount
Home Owner 2004	Assist Low Income Home Buyers	\$900,000
AHTF 2004	Homeowner Rehab	\$80,000
Christmas in April AHTF 2004	Christmas in April Homeowner Rehab	\$84,000
Universal Hiring COPS 2004	Hire 3 Additional Officers	\$225,000
KLC Safety Grant	Purchase of Safety Equipment	\$2,100
KY DUI Grant 2004	Overtime for DUI Activities	\$26,400
KY Traffic Safety Grant	Overtime for Traffic Safety Activities	\$36,000
Methamphetamine 2004	Meth Lab Clean Up Overtime	\$5,000
FEMA Fire Safety Grant	Emergency Preparedness Equipment	\$105,000

In addition we have applied for or intend to apply for and may receive the following grants:

Grant	Use of Funds	Amount
LLEBG Grant	Equipment	\$15,000
Firefighter Grant	MDT's for all fire services	\$343,700
KY Land & Water 2004	Skate Park	\$75,000
KY Rec. Trails 2005	Greenway Trail Construction	\$50,000
KY Micro Enterprise	Chamber & MSU	\$50,000

I. SOLID WASTE FUND

1. REVENUE

Until 1993, the City's solid waste collection service required an annual subsidy of \$210,000 to \$422,000 a year from the General Fund. Since that date, revenue from service fees has covered the full cost of the service. We instituted our first fee increase since 1992 in 2003 to pass through a mandate from the legislature to pay a \$1.75/ton tipping fee to the State.

SOLID WASTE FUND REVENUE

Actual FY2002	Actual FY2003	Estimated FY2004	Budget FY2005
\$3,332,042	\$3,338,214	\$3,450,200	\$3,466,000

2. EXPENDITURES

The operating cost of the Solid Waste Department includes administration, residential collection, commercial dumpster collection, brush and leaf collection, and operation of our compost facility. Disposal costs are paid to CWI, which operates a Transfer Station. Disposal of our waste is in privately owned sanitary landfills in either Tennessee or Illinois.

SOLID WASTE FUND EXPENDITURES

	Actual FY2002	Actual FY2003	Estimated FY2004	Budget FY2005
Operating Cost	\$1,839,690	\$1,868,772	\$2,558,530	\$2,070,540
Disposal Cost	\$941,000	\$1,032,000	\$970,000	\$1,196,060
Capital	\$91,600	\$76,700	\$66,200	\$444,000
Depreciation	\$330,000	\$315,000	\$330,000	\$300,000
TOTAL	\$3,202,290	\$3,292,472	\$3,924,730	\$4,010,600

Under our contract with CWI, our disposal costs were held constant from 1995 to 1999. The contract allowed CWI to increase its tipping fee charges as shown in the following table:

Year	Increase
1999	2.7%
2000	3.0%
2001	3.0%
2002	1.1%
2003	2.04%

We can expect their charges to increase up to 3% in July 2004. Our contract with CWI expired in 2004. Under our contract, we have the option of two 5-year renewals. Bob Freudenthal and County Administrator Steve Doolittle have negotiated an extension of our contract, which is before the Commission for approval.

J. FLEET FUNDS

The City uses its Fleet Funds to charge itself for services it provides to its own departments. The Fleet Maintenance division provides services to the General Fund and Solid Waste fleet. Until FY1999, the Fleet Fund operated as a single fund, but beginning with the FY2000 budget, it was separated into two funds.

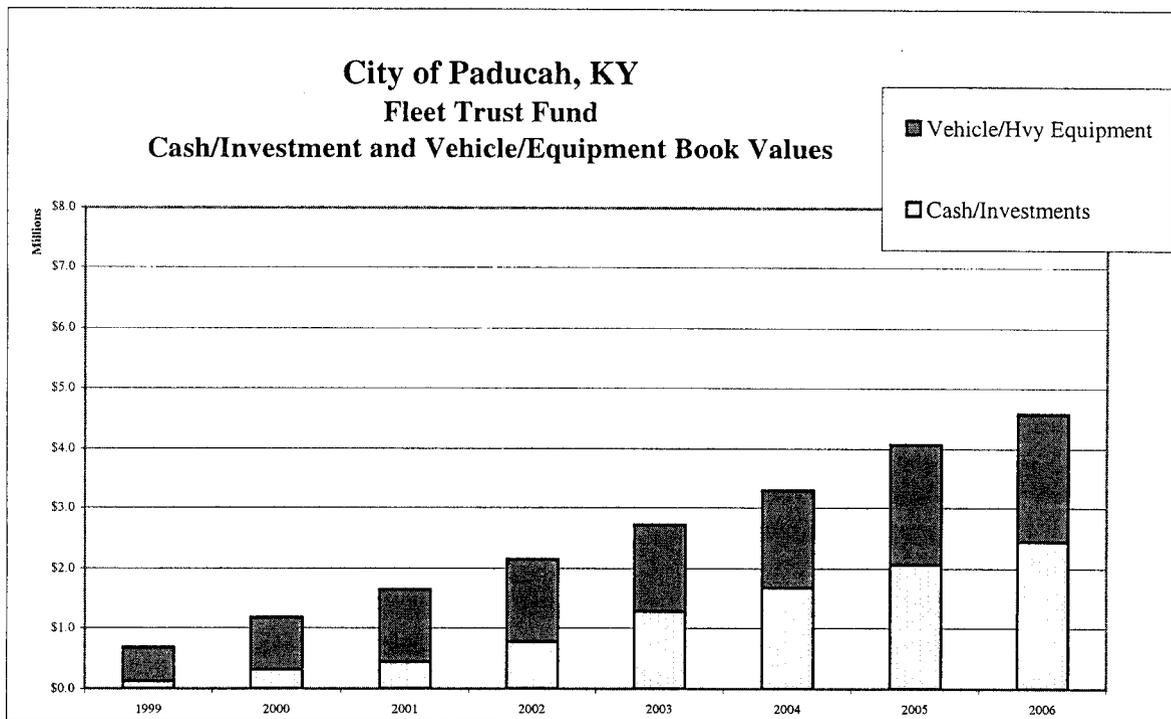
The Fleet Maintenance Fund tracks the operation of our maintenance garage. Each department has funds budgeted for the repair and maintenance of equipment and vehicles, as well as fuel. When a tire is changed on a police car, a charge is paid from the Police Department to the garage's fleet fund. Total expenditures in the fleet maintenance fund next year are expected to be \$488,000.

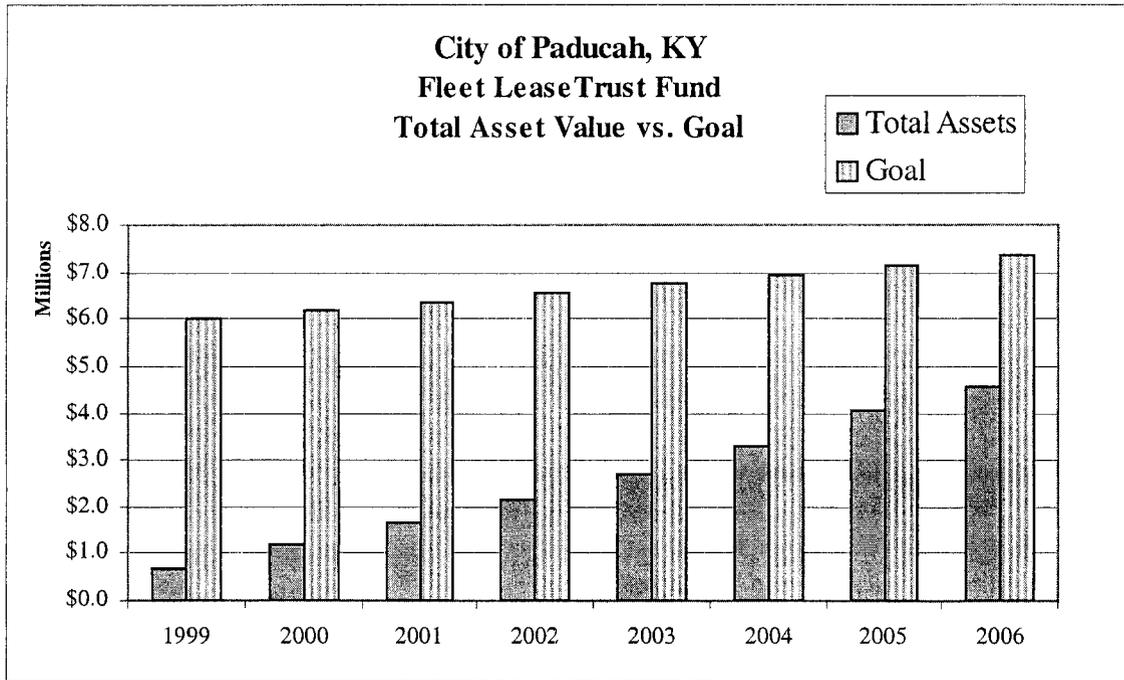
The second fund is our Fleet Lease Trust Fund. We use this fund to build up monies to replace trucks and cars owned by the General Fund. When a new vehicle is purchased, a lease amount is calculated by dividing the cost of the vehicle by its expected life. Each year the Department using the vehicle pays the lease amount into the Fleet Lease Trust Fund. When the vehicle is ready to be auctioned, the funds accumulated from the lease payments and the interest they earn will provide the money to buy a replacement vehicle. We started putting money into this vehicle replacement system in FY1999. At July 2004, we will have a balance of approximately \$1.6 million in the fund.

Two major changes are proposed for the Fleet Fund this year:

- We will be making our first expenditures from the lease payments into the funds. Eleven Police Patrol cars costing an estimated \$253,000 will be purchased with Lease Trust Fund monies to replace 11 old cars that have been fully amortized by lease payments over the last 5 years.
- We will start making lease payments to fund the replacement of our fleet of fire trucks. Last year we made our last payment on the loan that funded the purchase the City's fire trucks. We, until last year, we had been paying \$162,000/year on the loan. By paying \$170,000 into the Fleet Trust Fund this year and increasing that payment to \$200,000/year over the next few years, we will accumulate enough funds to implement a replacement schedule that will replace all 7 of our fire trucks by 2017.

The following tables display the historic evolution and projected change in our Fleet Trust Fund.





K. DEBT SERVICE FUND

The \$1,284,260 appropriated in the Debt Service Fund will cover principal and interest payments on the following financial obligations:

2004 INFINITI MEDIA BONDS

In the spring of 2004, the Commission approved an economic development incentive to bring the Infiniti Media manufacturing plant to Paducah. The City and County are building a 100,000 square foot manufacturing building in Industrial Park West to Infiniti Media's specification. The City sold taxable general obligation bonds to pay for the project. We will lease the building to the Industrial Development Authority and the Authority will lease the building to Infiniti Media. For the first three years the City and County will split paying the lease on the building. After the first three years the company will pay the lease. The lease payments will equal the principal and interest payments on the bonds. The City's portion of the first year principal and interest payment will be about \$216,500 (total debt service payment \$433,000).

2004 COUNTY NOTE

In the spring of 2004 the City signed an interlocal agreement with McCracken County promising to pay half the cost of a 5-year, \$500,000 KACo (Kentucky Association of Counties) Note.

McCracken County will borrow the money. \$240,000 will be used to construct a rail siding in Industrial Park West adjacent to the Infiniti Media Building. \$260,000 will be used to option and/or purchase additional property for industrial park and economic development purposes. The City's share of the note will be about \$54,000/year.

2003 CAPITAL PROJECT BOND

In May 2003, the City Commission approved a bond issue for \$3.5 million to finance the following capital projects:

Four Rivers Center for Performing Arts utility relocation, streetscape improvements and parking lot construction	\$1,500,000
Park Improvements: Blackburn, Kolb, Noble Parks and Perkins Creek Nature Preserve	\$1,000,000
Police building HVAC & related construction	\$650,000
City Hall HVAC, control system, ductwork and structural improvements	\$350,000

CONVENTION CENTER/FOUR RIVERS CENTER BONDS – BOND SERIES 2001

In June of 2001 the City issued approximately \$9.29 million in general obligation bonds to provide \$6 million for construction of the 50,000 square foot additions to the Convention Center and \$3 million for construction of the Four Rivers Performing Arts Center. Our next payment on the bonds will be December 1, 2004, and our following payment will be in June 2005. Total principal and interest payment for the year will be approximately \$644,100.

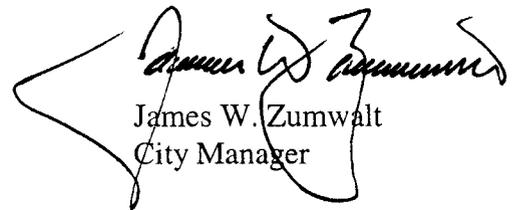
While the City issued these bonds, 50 percent of the principal amount of the bonds was issued on behalf of the County of McCracken. In accordance with an interlocal cooperative agreement between the City, County and the Tourist and Convention Bureau, principal and interest payments on the bond are being made from an additional 2% transient room tax collected by the County.

Principal & Interest Payment:	+/- \$644,000
Revenue from 2% of Hotel/Motel Bed Tax	+/- \$449,000
City Contribution	+/- \$65,000
County Contribution	+/- \$65,000
Visitor's Bureau Contribution	+/- \$65,000
TOTAL	+/- \$644,000

The City General Fund includes a \$65,000 transfer out to the Bond fund. The Bond Fund anticipates the revenue from the Bed Tax, County, and Visitor's Bureau.

3. ACKNOWLEDGMENTS

All of the City's Department Heads have cooperated with this year's budget process and have supported the preparation of this document. Although I have participated in the departmental interviews and the final assembly process, almost all of the planning, decision making and work involved in preparing the FY2005 Budget was done by Finance Director Jonathan Perkins with the able assistance of Judy Nelson, Sam Lady, LeAnne Jameson, Natalie Massa, Angela Copeland and Cathy Graham. I sincerely appreciate their excellent work and ask you to join me in commending them.



James W. Zumwalt
City Manager

BUDGET ORDINANCE

ORDINANCE NO. 2004-6-6827

AN ORDINANCE ADOPTING THE CITY OF PADUCAH, KENTUCKY, ANNUAL BUDGET FOR THE FISCAL YEAR JULY 1, 2004, THROUGH JUNE 30, 2005, BY ESTIMATING REVENUES AND RESOURCES AND APPROPRIATING FUNDS FOR THE OPERATION OF CITY GOVERNMENT.

WHEREAS, an annual budget proposal has been prepared and delivered to the City Commission; and

WHEREAS, the City Commission has reviewed such proposed budget and made the necessary modifications.

BE IT ORDAINED BY THE CITY OF PADUCAH, KENTUCKY:

SECTION I. The following estimate of revenues and resources is adopted as the City of Paducah, Kentucky Revenue Budget for Fiscal Year 2004-2005.

FY2005	GENERAL FUND (01)	SMALL GRANTS (02)	MUNICIPAL AID PROGRAM FUND (03)	CDBG FUND (06)	HOPE FUND (07)	HOME FUND (08)
SOURCES:						
CASH FROM FUND RESERVE	1,155,415					
<i>REVENUES:</i>						
PROPERTY TAXES	4,984,450					
LISC, PERMITS,	0					
OTHER TAXES	18,882,550		383,000			
GRANTS, CONTRIBUTIONS	881,170		46,000	25,000		130,600
FINES & FORFEITURES	54,000					
PROP RENTAL & SALES	291,600					
CHARGES FOR SERVICES	572,315					
INTEREST INCOME	110,000		400			
RECREATION, OTHER FEES	164,500					
MISCELLANEOUS	30,000		0			
TOTAL REVENUES	25,970,585	0	429,400	25,000	0	130,600
FUND TRANSFERS IN	87,545					
TOTAL SOURCES	27,213,545	0	429,400	25,000	0	130,600

FY2005	HUD REVOLVING FUND (09)	TELCOM (11)	E911 FUND (12)	COURT AWARDS FUND (13)	HUD POLICE GRANT FUND (14)	GENERAL DEBT SERVICE FUND (30)
SOURCES:						
CASH FROM FUND RESERVE				23,600		
<i>REVENUES:</i>						
PROPERTY TAXES						
LISC, PERMITS,						
OTHER TAXES			750,000			449,100
GRANTS, CONTRIBUTIONS			170,785		29,125	
FINES & FORFEITURES				25,000		
PROP RENTAL & SALES						
CHARGES FOR SERVICES		181,205				346,500
INTEREST INCOME			1,530	1,000		
RECREATION, OTHER FEES						
MISCELLANEOUS			1,800			
TOTAL REVENUES	0	181,205	924,115	26,000	29,125	795,600
FUND TRANSFERS IN		126,850	341,600			488,660
TOTAL SOURCES	0	308,055	1,265,715	49,600	29,125	1,284,260

FY2005	CIP FUND (40)	CIP CONV/FRC FUND (42)	SOLID WASTE FUND (50)	CIVIC CENTER FUND (62)	RENT & RADIO FUNDS (63) & (64)	FLEET SERVICE FUND (70)
<u>SOURCES:</u>						
CASH FROM FUND RESERVE	216,500	2,000,000	544,600			
<i>REVENUES:</i>						
PROPERTY TAXES LISC, PERMITS, OTHER TAXES GRANTS, CONTRIBUTIONS FINES & FORFEITURES PROP RENTAL & SALES CHARGES FOR SERVICES INTEREST INCOME RECREATION, OTHER FEES MISCELLANEOUS			1,000 3,415,000 40,000 10,000	36,000 50	135,075 101,850 2,300	380,000
TOTAL REVENUES	0	0	3,466,000	36,050	239,225	380,000
FUND TRANSFERS IN	215,000					108,000
TOTAL SOURCES	431,500	2,000,000	4,010,600	36,050	239,225	488,000

FY2005	FLEET TRUST FUND (71)	INSURANCE FUND (72)	HEALTH INS TRUST FUND (73)	MAINT TRUST FUND (74)	AEPF PENSION FUND (76)	PPFF PENSION FUND (77)
<u>SOURCES:</u>						
CASH FROM FUND RESERVE					4,450	820,125
<i>REVENUES:</i>						
PROPERTY TAXES LISC, PERMITS, OTHER TAXES GRANTS, CONTRIBUTIONS FINES & FORFEITURES PROP RENTAL & SALES CHARGES FOR SERVICES INTEREST INCOME RECREATION, OTHER FEES MISCELLANEOUS	635,205 22,000	1,068,500	3,542,615	8,000	5,300	75,000 189,300 100,800
TOTAL REVENUES	657,205	1,068,500	3,542,615	8,000	5,300	365,100
FUND TRANSFERS IN	216,600				75,000	662,775
TOTAL SOURCES	873,805	1,068,500	3,542,615	8,000	84,750	1,848,000

SECTION 2. The following sums of money are hereby appropriated for Fiscal Year 2004-2005.

FY2005	GENERAL FUND (01)	SMALL GRANTS (02)	MUNICIPAL AID PROGRAM FUND (03)	CDBG FUND (06)	HOPE FUND (07)	HOME FUND (08)
<u>APPROPRIATIONS:</u>						
GENERAL GOVERNMENT	1,435,380					
FINANCE	762,430					
INFORMATION SYSTEMS	268,965					
INSPECTIONS	793,425					
PLANNING	1,253,970			25,000		130,600
POLICE	7,417,360					
FIRE	5,609,925					
PUBLIC WORKS	4,966,015					
PARKS SERVICES	1,155,445					
CABLE AUTHORITY	112,990					
HUMAN RIGHTS	104,395					
HUMAN RESOURCES	319,575					
ENGINEERING	995,685		429,400			
DEBT SERVICE / E911						
SOLID WASTE OPERATION						
FLEET MAINTENANCE						
PENSIONS						
CASH CARRY FORWRD/RESRV						
FUND TRANSFERS OUT	2,017,985					
TOTAL APPROPRIATIONS	27,213,545	0	429,400	25,000	0	130,600

FY2005	HUD REVOLVING FUND (09)	TELCOM (11)	E911 FUND (12)	COURT AWARDS FUND (13)	HUD POLICE GRANT FUND (14)	GENERAL DEBT SERVICE FUND (30)
<u>APPROPRIATIONS:</u>						
GENERAL GOVERNMENT						
FINANCE						
INFORMATION SYSTEMS		275,825				
INSPECTION						
PLANNING						
POLICE				49,600	29,125	
FIRE						
PUBLIC WORKS						
RECREATION						
CABLE AUTHORITY						
HUMAN RIGHTS						
HUMAN RESOURCES						
ENGINEERING						
DEBT SERVICE / E911			1,265,715			1,284,260
SOLID WASTE OPERATION						
FLEET MAINTENANCE						
PENSIONS						
CASH CARRY FORWRD/RESRV		32,230				
FUND TRANSFERS OUT						
TOTAL APPROPRIATIONS	0	308,055	1,265,715	49,600	29,125	1,284,260

FY2005	CIP FUND (40)	CIP CONV/FRC FUND (42)	SOLID WASTE FUND (50)	CIVIC CENTER FUND (62)	RENT & RADIO FUNDS (63) & (64)	FLEET SERVICE FUND (70)
<u>APPROPRIATIONS:</u>						
GENERAL GOVERNMENT	15,000	2,000,000			66,240	
FINANCE						
INFORMATION SYSTEMS						
INSPECTION						
PLANNING	200,000					
POLICE						
FIRE						
PUBLIC WORKS						
RECREATION				35,945		
CABLE AUTHORITY						
HUMAN RIGHTS						
HUMAN RESOURCES						
ENGINEERING						
DEBT SERVICE / E911						
SOLID WASTE OPERATION			4,010,600			
FLEET MAINTENANCE						488,000
PENSIONS						
CASH CARRY FORWRD/RESRV				105	85,440	
FUND TRANSFERS OUT	216,500				87,545	
TOTAL APPROPRIATIONS	431,500	2,000,000	4,010,600	36,050	239,225	488,000

FY2005	FLEET TRUST FUND (71)	INSURANCE FUND (72)	HEALTH INS TRUST FUND (73)	MAINT TRUST FUND (74)	AEPF PENSION FUND (76)	PPFF PENSION FUND (77)
<u>APPROPRIATIONS:</u>						
GENERAL GOVERNMENT						
FINANCE		1,051,830	3,542,615	8,000		
INFORMATION SYSTEMS						
INSPECTION						
PLANNING						
POLICE						
FIRE						
PUBLIC WORKS						
RECREATION						
CABLE AUTHORITY						
HUMAN RIGHTS						
HUMAN RESOURCES						
ENGINEERING						
DEBT SERVICE / E911						
SOLID WASTE OPERATION						
FLEET MAINTENANCE	704,450					
PENSIONS					84,750	1,848,000
CASH CARRY FORWRD/RESRV	169,355	16,670				
FUND TRANSFERS OUT						
TOTAL APPROPRIATIONS	873,805	1,068,500	3,542,615	8,000	84,750	1,848,000

SECTION 3. The City Manager and Finance Director will publish a budget document which reflects the funding priorities set by the City Commission during their budget workshops and which will be used to interpret the above appropriations.

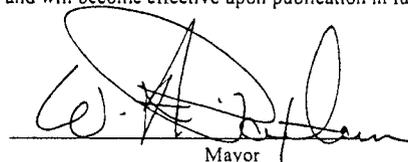
SECTION 4. The City does hereby adopt the following financial management policies:

- A. The General Fund's minimum undesignated fund balance shall be 12.5% of the General Fund's budgeted expenditures. The Solid Waste Fund's minimum unreserved cash balance shall be 12.5% of the Solid Waste's budgeted operating expenses. The Debt Service Fund's designated fund balance shall be sufficient to fully fund all outstanding debt including principal and interest.
- B. The City Manager is authorized to transfer budgeted amounts between departmental budget line items and between divisions of departments; however, any transfers of funds, appropriated in Section 2, between departments must be approved by City Commission.
- C. Funds designated as Commission contingency shall be obligated only upon approval by the City Commission by municipal order.
- D. Funds designated as Administrative contingency shall be obligated at the discretion of the City Manager, however, the Commission shall be notified seven working days prior to approval of expenditure. If any individual member of the Board of Commissioners requests Commission review of a proposed expenditure, the City Manager must bring expenditure before the Commission for approval by municipal order.
- E. City Manager shall assure that recurring revenues are greater than or equal to recurring expenditures.
- F. The City Manager has the authority to enact a budget allocation program or to transfer funds to or from any departmental line item to insurance or reserve accounts.
- G. As new vehicles are purchased the City will fully fund the Fleet Trust Fund in order to replace rolling stock owned by the General Fund as it achieves obsolescence. The Fleet Trust Fund shall be funded with monthly lease charges assigned to rolling stock. Additionally, General Fund transfers shall be made to offset the cost of initial rolling stock acquisition.
- H. The City will maintain a self insurance fund called Health Insurance Trust Fund through the use of user fees as set by administrative policy.
- I. The City will make annual progress toward the goal of achieving fully funded status for the Appointive Employees Pension Fund (AEPF) and the Police and Firemen's Pension Fund (PFPF) through sound financial management and/or annual General Fund transfers as designated in the budget document.
- J. The City will provide to all eligible employees a \$586.50 per month credit (for the months of July - December 2004) to be applied to the Comprehensive Health Insurance Benefit Plan (Cafeteria Plan) as directed by the employee. The monthly credit will be adjusted by an amount equal to the increase in the CPI (USDOL Bureau of Labor Statistics Consumer Price Index - All urban consumers) during a 12 month period ending October 2004 for the months of January - June 2005.

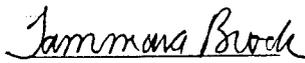
SECTION 5. Finance Director is responsible for maintaining current table of Estimated Revenues in Section 1 and Appropriation of Funds in Section 2 and to provide a copy to the City Clerk.

If during the course of the year the City Commission adopts Ordinances to anticipate new revenues or to make new appropriations, the Finance Director will update these Tables and provide a copy to the City Clerk.

SECTION 6. This ordinance shall be read on two separate days and will become effective upon publication in full pursuant to KRS Chapter 424.


Mayor

ATTEST:


Tammara Brock, City Clerk

Introduced by the Board of Commissioners, June 8, 2004
Adopted by the Board of Commissioners, June 22, 2004
Recorded by Tammara Brock, City Clerk, June 22, 2004
Published by The Paducah Sun, July 2, 2004
excell\budget ordinance 2004-2005