

*****AUGUST 27, 2001*****

The Town Council of the Town of Signal Mountain held a special called meeting on Monday, August 27, 2001, at 7:00 p.m. in the Town Hall. Those present were:

Mayor James H. Althaus
Vice-Mayor Robert E. Steel, Jr.
Councilmember Rachel Bryant
Councilmember Stephen Ruffin

Also present were: Town Manager Hershel Dick
Town Attorney Joe Wagner
Town Recorder Diana Campbell

Mayor Althaus called the special meeting to order. The Recorder called the roll. The Mayor informed the citizens that Councilmember Billy Steele was out recovering from knee surgery.

PUBLIC HEARING BEGAN

Various citizens addressed the Council with comments and asked questions regarding the proposed ordinance to adopt an increase in property taxes. After all citizens had an opportunity to address the Council, the Mayor closed the Public Hearing.

PUBLIC HEARING CLOSED

Vice-Mayor Steel made a motion to approve the ordinance to increase taxes. The ordinance before the Council was "AN ORDINANCE TO EXCEED THE CERTIFIED TAX RATE AND TO LEVY A TAX RATE FOR THE YEAR 2001 IN EXCESS OF THE CERTIFIED RATE APPROVED BY THE STATE BOARD OF EQUALIZATION IN ORDER TO PROVIDE REVENUE FOR THE TOWN OF SIGNAL MOUNTAIN FOR THE YEAR 2001 AND TO FIX THE TAX RATE FOR THE TOWN OF SIGNAL MOUNTAIN FOR THE TAXABLE YEAR 2001". Councilmember Ruffin seconded the motion and called for a roll call vote. The Recorder called the roll and each member voted yes.

Next each Councilmember discussed various aspects of the budget process, the tax increase, the need to inform the citizens and the difficult decisions.

The Mayor noted that there were minutes from August 13, 2001, and August 20, 2001, for the Council to approve. Councilmember Ruffin made a motion to approve the minutes. Vice-Mayor Steel seconded the motion and it passed unanimously.

The next item before the Council was an ordinance amending the beer ordinance. The Mayor stated that the matter would be deferred until the September 10th regular monthly Council meeting. He explained that the changes the Council had requested had not been completed until late that same day and the Council had not had adequate time to review the ordinance.

The next item before the Council was a "RESOLUTION SETTING WATER AND SEWER RATES". It was noted that the new rates would be effective September 1, 2001, with the first bills charging the new rates issued at the end of November.

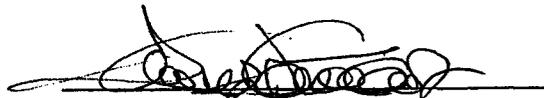
The Mayor noted that a citizen had suggested the rent contract with the Signal Mountain Golf and Country Club should be broken. He stated that the Town's legal opinion was that the contract could not be broken. He noted that the contract was in effect until 2026. He explained that the Town was in discussion with the Club because of the quadrennial property reappraisal. The Mayor informed the citizens that the Club's lease contract has an escalation clause in it that provides for the rent to be increased after each reappraisal. He explained the Town had given the Club preliminary figures for increasing their rent as

well as their water and sewer rates and was in negotiations with the Club regardless of the meetings.

The Mayor informed the citizens that the Town has its own sewer plant at the foot of the mountain but the Town has only a small number of customers totaling approximately 1,000. The Town, he explained, was in the middle of expensive sewer rehabilitation. He informed the citizens that the Town has been in discussion with the Hamilton County Water and Wastewater Treatment Authority for them to take over the Town's sewer system. Then there followed a discussion on the water and sewer rate increase with various citizens asking questions and addressing the Council with their concerns.

Mayor Althaus made a motion to approve the resolution setting the water and sewer rates. Vice-Mayor Steel seconded the motion. The resolution passed with Mayor Althaus, Vice-Mayor Steel, and Councilmember Bryant voting in favor of adopting the resolution. Councilmember Ruffin voted against adopting the resolution.

The meeting was adjourned.



Mayor



Recorder

ORDINANCE NO. 2001-4

AN ORDINANCE TO EXCEED THE CERTIFIED TAX RATE AND TO LEVY A TAX RATE FOR THE YEAR 2001 IN EXCESS OF THE CERTIFIED RATE APPROVED BY THE STATE BOARD OF EQUALIZATION IN ORDER TO PROVIDE REVENUE FOR THE TOWN OF SIGNAL MOUNTAIN FOR THE YEAR 2001 AND TO FIX THE TAX RATE FOR THE TOWN OF SIGNAL MOUNTAIN FOR THE TAXABLE YEAR 2001.

WHEREAS, upon a general reappraisal of property this year as determined by the State Board of Equalization, the County Assessor of Property has certified to all governing bodies of the County and of each municipality within the County, the total assessed value of taxable property within the jurisdiction of each governing body pursuant to T.C.A. § 67-5-1701; and

WHEREAS, as a result of this general reappraisal, the State Board of Equalization has determined and certified a tax rate which will provide the same ad valorem tax revenue for the Town of Signal Mountain as was levied during the previous year; and

WHEREAS, no tax rate in excess of the certified rate as provided for in T.C.A. § 67-5-1701 shall be levied by the governing body of any County or of any municipality until a resolution or ordinance has been approved by the governing body; and

WHEREAS, the Town of Signal Mountain shall advertise its intent to exceed the certified tax rate in a newspaper of general circulation in the County and has the intent after a public hearing on August 27, 2001, to levy a tax rate in excess of the certified rate;

NOW, THEREFORE, BE IT ORDAINED BY THE TOWN COUNCIL OF THE TOWN OF SIGNAL MOUNTAIN, TENNESSEE

SECTION 1. That the Executive Secretary of the State Board of Equalization has provided the Town with a report that the certified rate for the Town of Signal Mountain, as defined by T.C.A. § 67-5-1701 for the year 2001 shall be One Dollar and 15/100 (\$1.15) per One Hundred Dollars (\$100.00) of assessed property valuation.

SECTION 2. BE IT FURTHER ORDAINED, That the Town of Signal Mountain's proposed fiscal year 2001 Budget, as amended, will require a tax rate in excess of the new certified rate by an additional Fifty Cents (\$.50) per One Hundred and Dollars (\$100.00) of assessed valuation.

SECTION 3. BE IT FURTHER ORDAINED, by the Town Council of the Town of Signal Mountain, that the tax rate for fiscal year 2001 shall be increased in excess of the certified tax rate to the amount of One Dollar and 65/100 (\$1.65) per One Hundred Dollars (\$100.00) of assessed valuation.

SECTION 4. BE IT FURTHER ORDAINED, That this increased tax rate above the certified tax rate for the taxable year 2001 on all property located in the corporate limits of the Town of Signal Mountain, Tennessee, be and the same is hereby adopted as the tax rate of the Town of Signal Mountain in excess of the certified tax rate pursuant to T.C.A. § 67-5-1702.

SECTION 5. BE IT FURTHER ORDAINED, that the taxes herein levied on all taxable property in the corporate limits of the Town of Signal Mountain shall be due and payable at the Office of the Town Treasurer on October 1, 2001, and shall become delinquent on March 1, 2002, after which date the unpaid taxes shall bear interest at Twelve Percent (12%) per annum and a penalty of six (6%) percent per annum shall be paid by the taxpayer.

SECTION 6. BE IT FURTHER ORDAINED, That a One Percent (1%) discount be allowed on all 2002 taxes paid October 1, 2001 through October 31, 2001.

SECTION 7. BE IT FURTHER ORDAINED, That this Ordinance shall become effective two (2) weeks from and after its passage as provided by law.

PASSED ON FIRST READING August 13, 2001

PASSED ON SECOND READING August 27, 2001



 TOWN RECORDER



 MAYOR

PAN/kac

Resolution No. R-2001-8**RESOLUTION SETTING WATER AND SEWER RATES**

Whereas, It is necessary from time to time to adjust water and sewer rates to reflect operating costs and bond interest and redemption costs;

NOW, THEREFORE, the Town Council does set the following rates for use of the Town's water and sewer services, said rates to be effective September 1, 2001.

Town of Signal Mountain Water Rates

In Town - monthly basis	\$13.92	0 - 4,000 gal.	\$3.98 per 1,000 each addl. gal.
In Town - bi-monthly basis	27.83	0 - 8,000 gal.	3.98 per 1,000 each addl. gal.
In Town - quarterly	41.75	0 - 12,000 gal.	3.98 per 1,000 each addl. gal.
Town swimming pool monthly	\$163.21	0 - 50,000 gal.	\$2.80 per 1,000 gal. next 50,000 gal. 2.39 per 1,000 gal. over 100,000 gal.
Outside the Town-monthly basis	\$17.90	0 - 4,000 gal.	\$4.95 per 1,000 each addl. gal.
Outside the Town-bi-monthly basis	35.80	0 - 8,000 gal.	4.95 per 1,000 each addl. gal.
Outside the Town-quarterly basis	53.70	0 - 12,000 gal.	4.95 per 1,000 each addl. gal.
Town Building Sprinklers	\$269.56		
Building Sprinklers	89.85		
Golf Course-Clubhouse monthly	\$174.27	0 - 50,000 gal.	\$3.97 per 1,000 each addl. gal.
Golf Course-Greens monthly	177.90	0 - 50,000 gal.	3.17 per 1,000 gal. next 25,000 gal. 2.92 per 1,000 gal. over 75,000 gal.

Town of Signal Mountain Sewer Rates

In Town - monthly basis	\$20.88	0 - 4,000 gal.	\$5.97 per 1,000 each addl. gal.
In Town - bi-monthly basis	41.75	0 - 8,000 gal.	5.97 per 1,000 each addl. gal.
In Town - quarterly	62.63	0 - 12,000 gal.	5.97 per 1,000 each addl. gal.
Outside the Town-monthly basis	\$26.85	0 - 4,000 gal.	\$7.43 per 1,000 each addl. gal.
Outside the Town-bi-monthly basis	53.70	0 - 8,000 gal.	7.43 per 1,000 each addl. gal.
Outside the Town-quarterly basis	80.55	0 - 12,000 gal.	7.43 per 1,000 each addl. gal.
Golf Course-Clubhouse monthly	\$197.16	0 - 50,000 gal.	\$5.96 per 1,000 gal. next 50,000 gal. 4.38 per 1,000 gal. over 100,000 gal.

ADOPTED this 27th day of August, 2001.

Dianna Campbell
Recorder


Mayor