

HARTSVILLE/TROUSDALE COUNTY METROPOLITAN GOVERNMENT

FINANCE COMMITTEE

MAY 2, 2023 | 6:00PM | TC COMMUNITY CENTER

BUDGET HEARINGS – NIGHT 1

MINUTES

Members Present: 5/5

Landon Gulley, Chair

Beverly Atwood

Jerry Ford

Bubba Gregory, Vice Chair

Will Dennis

Others Present: Amy Thomas – Secretary, Mayor Jack McCall, Comm. David Nollner, Comm. Lesley Overman, Comm. David Thomas, Comm. Chris Gregory, Comm. Alan Carman, Dr. Clint Satterfield, BoE Rachel Petty, BoE Barbara Towns, BoE John Kerr, BoE Rob Atwood

The meeting was called to order at 6:00 pm by Chairman Gulley. A quorum was determined with all 5 members present.

FUND 141 – GENERAL PURPOSE SCHOOLS

First order of business was the presentation of Fund 141 – General Purpose Schools by Dr. Clint Satterfield. Dr. Satterfield apologized to the Committee for an error in the TISA 46510 line item. He gave the corrected amount of \$10,147,517.

He gave a basic overview of the TISA funding and calculation components. The TISA funding does include salary increases for all certified and non-certified personnel.

Dr. Satterfield also presented the request for the County to take on debt for the Elementary School roof at about \$900,000. Went into the history of the TCES roof. When submitting a claim for insurance recovery, TNRMT assessed that the damage was not caused by weather, but by poor installation and stated they would no longer insure the roof. The statute of limitations has expired on litigation towards the installation.

The proposed is \$750,000 for a flat roof as it exists or \$893,000 for a slightly pitched roof such as what was installed on JSMS.

Dr. Satterfield went into his plans for capital outlay projects. The first project is the restrooms at the football stadium. The plumbing is cast iron, built in 1963. Several issues arise from the outdated system and structure. The resolution is to go in, cut the floors out, and renovate the rooms. This includes making the restrooms ADA compliant.

The next project is to build a Field House out of the flood plain to house the football team. Will be able to rebuild on the existing field house footprint that lays within the flood way. The fieldhouse would include a weight room and training rooms. This building would also be available to all sports teams and not just the football.

The request is for the Schools to take on the 2.4M capital projects and ask the County to fund \$967,500.

Mr. Gulley stated that if the Commission were to agree to the TCES roof project it would be a debt to take on. Capital Projects are not included in the Maintenance of Effort calculation. Current interest rates are estimated at 5.37%. Referencing the JSMS roof note, that was a 10yr note for a little over 1.04 million at 2.77% - an annual payment would roughly be \$120,000/year.

Dennis asked about the estimated net change over the previous two years. The schools were able to bring in over \$200K both years when budgeted at a loss.

Ford asked about future additions to the Elementary School. Dr. Satterfield said those plans have changed over the years and nothing has come to fruition at this time.

Gulley also pointed out the proposed ending fund balance is now landing at 1.372M. Dr. Satterfield stated he would need to go back to the Board of Education to review the budget due to the error in TISA amount.

Gulley asked the committee for their opinion on a recommendation whether favorable or unfavorable. This decision is more of a debt piece and not a MoE contribution.

The next BoE board meeting is on May 19. Dr. Satterfield can do a special called meeting on Tuesday, May 9 in order to review the changes and reevaluate the proposed numbers. This meeting will be recorded.

BoE chairman Kerr said he is encouraged by the support of the BoE for the schools to restore and enhance their buildings and structures. It is possible that if the County doesn't agree to finance the roof project, the BoE may need to look into rearranging the capital project priorities.

Atwood is not questioning the need for renovations, but it is early in the budget discussions to be able to make a decision.

Gregory motioned for the school board to review and bring it back to the committee on May 11; second by Atwood.

MOTION CARRIED

w/o opposition

Dr. Satterfield reiterated that the elementary school roof is for ALL students.

Chris Gregory asked about the previous project to do maintenance on the TCES roof in 2021. That amount was roughly \$452,000 from the schools' funds. Dr. Satterfield answered that this project was before the tornado that came through and did more damage. David Thomas asked about the funds that were set aside for this project. Dr. Satterfield said the funds were rolled back into fund balance, structural assessment, and also went toward attorney fees.

FUND 151 – DEBT SERVICES

Committee reviewed the budget for Debt Services. Several loans have been paid off over the years.

ARPA funding was considered to pay off the CJC debt.

Gulley asked Amy Thomas to look into the gain on interest on the ARPA funding. She will also reach out to TMBF for options on refunding the variable rates.

Atwood motion to adjourn; seconded by Dennis.

Meeting adjourned at 7:38pm