

**NOTIFICATION TO COUNTY MAYOR OF COMMITTEE MEETING BY MEMBERS OF MAURY COUNTY COMMISSION**

The Special Called Budget Committee met on Monday, May 4, 2015 at approximately 4:30 PM in the Maury County Tom Primm County Commission Room with the following Committee Members present:

SONNY SHACKELFORD, SUE STEPHENSON, STEWART PARKER AND DONNA COOK, TALVIN BARNER, DEBBIE TURNER

OTHERS PRESENT: Gerald Adkison, Ronnie Attkisson, Davis Burkhalter, Gwynne Evans, Mike, Fulbright, Don Morrow, Terry Potts, Eric Previti, William (Tot) Roddy, Ricky Sims, Gary Stovall, Scott Sumners, Debbie Turner, Theresa Weber, Linda Whiteside, Tommy Welaver and Media.

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**MINUTES OF MEETING**

**I. CALL TO ORDER:**

Chairman Sonny Shackelford called the meeting to order. Chairman Shackelford filled in for Chairman Harris.

**II. OPENING PRAYER:**

Commissioner Shackelford gave the opening prayer.

**III. REVIEW AND APPROVAL OF MEETING AGENDA:**

Chairman Shackelford asked Commissioner Barner to fill the seat of Chairman Harris and Commissioner Turner to fill the vacant seat of Commissioner Kuzawinski.

Commissioner Turner made a motion to approve the agenda. Seconded by Commissioner Stephenson. There were no lights. All in favor. Motion Approved.

**X. DANA GIBSON**

- A. HR Director Dana Gibson stated she is requesting consideration of pay raises for the employees. Director Gibson stated she is requesting a 2% pay increase and an estimated total for the 2% pay increase would be \$320,759.00. Commissioner Shackelford asked HR Director Gibson if she could give a history of what was done over the last four years. HR Director Gibson stated last year 2014/2015 the employees did receive a 3% raise. In the year 2013/2014 the employees did receive a 3% pay raise. In the year 2012/2013 they did not receive a raise and 2011/2012 the employees received a 2% raise. In the year 2010/2011 there was not a pay raise. In the year 2009/2010 there was not a pay raise and that was the year the new pay scale was implemented. HR Director Gibson stated the study was performed in 2008 and it was implemented in 2009. Commissioner Sumners asked if the County used a merit based system. HR Director Gibson stated the Department Heads do annual evaluations and the department head determines that and if it is a cost of living increase all employees would receive that. HR Director Gibson stated the last five years all of the raises were cost of living except for one and the one was where the Department Heads decided to give a raise based on the employee's work performance. Vice Chairman Shackelford

stated what the cost of the insurance increase was \$117,000.00 by leaving the benefits the same. Commissioner Previti asked if the \$117,000.00 was for a partial year on the insurance. HR Director Gibson stated the insurance renewal is April 1 and that was for the remainder of this year. Commissioner Roddy asked what a 3% pay raise would be. HR Director Gibson stated that a 3% increase would be \$480,832.00. Commissioner Stephenson asked if the \$117,000.00 amount was good on the insurance from the period of April 1 to July 1. HR Director Gibson stated that amount is good until next April. Commissioner Stephenson asked which year was merit based. HR Director Gibson stated she believes it was 2011/2012. Commissioner Stephenson asked if there were employees that were denied that raise. Director Gibson replied yes. Commissioner Stephenson asked HR Director Gibson if she knew how many employees were denied the raise. Director Gibson stated she would have to go back and pull that information. Vice Chairman Shackelford asked if the raise is not cost of living there are some employees who are topped out and how does that impact them. Director Gibson stated if it is not a cost of living raise then if the employee is topped out then they would not receive an increase. Commissioner Burkhalter asked if the 2% would be only for the employees that weren't topped out. HR Director Gibson stated that was correct unless the Commission gives a cost of living increase. Commissioner Burkhalter asked does the 2% also include the elected officials. Director Gibson replied no. Commissioner Burkhalter asked does it include department heads that are not elected. Director Gibson stated yes. Commissioner Turner asked how much a 1% increase would be. Director Gibson stated that a 1% increase would be approximately \$161,200.00. Commissioner Turner asked would there be any point in time were these lower paid employees would exceed the higher paid employees. Director Gibson stated the lower paid should not exceed the higher paid. Commissioner Roddy asked for Director Gibson to explain topped out. Director Gibson stated that a job is only worth so much money and there is a range for each grade. If an employee is at the maximum they are red lined and they are not eligible for performance increases. If an employee stays there they will remain at that level and that employee could apply for a different position and at a higher grade if they wanted a promotion. There were no lights. Vice-Chairman Shackelford asked Director Weber if she had any information as far as payroll. Director Weber stated to the committee she has new budget books as of today. Director Weber stated there are budget committee recommendation sheets and everything was put under advisement and the 189 fund has not been put under advisement. There was a quick summary and she put the proposed budget from the Department Heads and shows how many pennies as the County as a whole would need and she put in last year's audit summaries. The revenue for the 2015/2016 are her projections for the departments. The 101 expenditures Director Weber stated she was requested to give the 3 year average. The 2014/2015 budget with no budget amendments and the actuals. The Department Head request, the 3% decrease, the 5% decrease and what the budget committee recommended. Director Weber stated she did have the fund balances but these numbers are only as of March she did not have time to adjust them through to April. The capital worksheet is at the end of the book. Vice-Chairman Shackelford stated the 189 fund needs to be on the agenda for Wednesdays meeting. Director Weber stated she would put that on the agenda. Vice-Chairman

Shackelford asked was there anything in the book about moving from 35 to 40 hours. Director Weber stated under the TLW she has gone through the payroll and those offices that were not at 40 hours she has included 40 hours. Director Weber stated it is built into the TLW budget numbers. Commissioner Parker asked if the net amount was for going from 35 to 40 hours was \$373,385.55 does that include eliminating part time and overtime or is that a gross number or a net number. Director Weber stated in her TLW suggestions she plugged in the worksheets 40 hours. Director Weber stated she did not eliminate part time and overtime. Commissioner Parker asked what the net hours that were needed were. Director Weber stated she had some information and she would send that information out tomorrow. Chairman Shackelford asked Circuit Court Clerk Sandi McLain if her proposal was to move her entire staff to 40 hours. Chairman Shackelford asked Ms. McLain if she has 3 part time employees. Ms. McLain stated she has 16 full time employees and 3 part time employees. Chairman Shackelford asked Ms. McLain if she wanted to eliminate her part time. Ms. McLain replied no that she does not want to eliminate her part time employees. Chairman Shackelford stated he wanted to make sure to that Ms. McLain's request was to leave those part time at 28 hours. Ms. McLain stated she would go back to all the 35 hours employees to be made 40 hours and she wants to keep all three of her part time employees. Director Weber stated she would like to get with the Department Heads and see the Department's that are not 40 hours and to ask if they want to go to 40 hours or 37 ½ hours or if they are brought up any are they willing to give up anything. Director Weber stated she would like time to ask these questions. Commissioner Parker stated they are talking about two different issues and the question is what the net cost to the county is if they took everybody to 40 hours and they still had the same amount of hours being covered by employees. Commissioner Turner stated she would like to see it with what the hours are now and at this point the county is not even sure they can go to the 40 hours. Vice Chairman Shackelford wanted to make a point that increasing the grand jury foreman from \$4,450.00 to \$7,200.00 and Chairman Shackelford does not think as a committee that it was dealt with. Director Weber stated there was a resolution that had already passed to that effect. Director Weber stated it was included in this next budget. Chairman Shackelford called Mr. Roe to come to the podium. Mr. Roe stated when he spoke at the meeting last week he had asked to take everything off the board in terms of his initial request and to go with the raise from 35 to 40 hours and to help with the issue on the current employee who has 240 hours of comp. time. Mr. Roe stated the money he already had budgeted for this past year to use it now since the last commission had passed that and do a budget amendment at the end and to see where his office is at in terms of money spent since there are two months left and Mr. Roe had gone back after his initial budget presentation and often times his budget is over in office supplies and he would do a budget amendment at the end of the year to solve the comp. time problem. Mr. Roe stated with eliminating that employees comp. time and moving the employees from 35 to 40 hours would come close to eliminating the possibility of that employees having to have any comp. time or overtime. It would allow Mr. Roe to make the proposal last week of taking the \$10,000.00 that Director Weber had put in for the budget proposal and to take out the 10% statutory request for the Department Head and any sort of Comp. Time cash out would that would come

out. Mr. Roe stated that his number would be for the six employees and to have right around \$13,000.00 to \$14,000.00 in terms of the dollar cost if you took their current hourly wages. Commissioner Stephenson asked Mr. Roe if he had eliminated the overtime request and eliminated the additional \$7,000.00 for himself, and if he was present when Director Gibson presented the 2% increase across the board and Commissioner Stephenson asked was he asking for an additional 5% for his employees. Mr. Roe stated if the cost of living raise or the merit based raises whichever the committee feels is appropriate that along with the change from 35 to 40 hours would resolve all the budget issues that were presented in his proposal. Commissioner Stephenson asked Mr. Roe of the different options that he has proposed Mr. Roe is only looking at eliminating the 5% increase for his employees if the 2% increase goes through and if his employees goes from 35 to 40 hours. Mr. Roe stated that was accurate and if the committee would consider the request to cash out that comp. time position so he could have a zero comp. balance for the chief deputy position who is at 240 comp. time hours. Mr. Roe stated that would eliminate the \$10,000.00 line item that was requested in the initial budget presentation for the cash out in the comp. time. Mr. Roe stated he had combined the \$10,000.00 for the cash out and the comp. time and he had \$3,000.00 for the overtime. Commissioner Sumners asked Mr. Roe is his request based on work load or more money for Mr. Roe's employees. Mr. Roe stated the work load especially as it relates to the tax law suits. Mr. Roe stated typically two years ago they had four suits which was Maury County, both real and personal property taxes and the City of Columbia, both real and personal property taxes. Mr. Roe stated two years ago. Spring Hill filed taxes were three years delinquent they started filing with Maury County along with Williamson County and that brought on some extra work with the tax lawsuit. Last year Mt. Pleasant decided to go ahead and file and that had been 30 years since they had filed any sort of tax lawsuit. They filed 10 years' worth and they did not file any personal property taxes. There has also been a large increase in probate cases which is what their office exclusively handles. They have gone from 202 cases per year to 299 last year. This year they have had this year so far Mr. Roe stated they had 117 cases and that puts him on track to about 360 cases. Mr. Roe stated that each probate case averages between 7 to 12 hours to fully process. Mr. Roe stated they have had a large increase in adoptions. Mr. Roe stated Chancery Court wasn't necessarily high volume but it is high demand and the cases are more complicated and time involved. The circuit judges have used Mr. Roe as a special master under rule 53 to hear cases and help move cases along and Mr. Roe stated he was basically serving as a magistrate judge. Mr. Roe stated he averages 40 to 60 times per year that he will do that and so he is dependent on his Chief Deputy to help run the office when he is in that role. Commissioner Sumners asked Director Weber or Vice-Chairman Shackelford if there had ever been any precedents for cashing out an employee because they have reached the maximum number of comp.time. Commissioner Sumners stated comp. time is not banked to be paid for them. You bank them to use them if you need to use them. Commissioner Burkhalter asked Mr. Roe if the commission was to increase his office from 35 to 40 hours would revenues also be increased. Mr. Roe stated that he would hope so. Commissioner Burkhalter stated if the departments did not ask for 40 hours he would

not be in favor of giving departments 40 hours. Commissioner Cook asked Mr. Roe if he was pursuing outside collection agencies to help his office with collections. Mr. Roe stated yes on both fronts inside and outside. Mr. Roe stated July 1 he will be looking at that. There were no lights. Commissioner Parker stated he does not have enough information to make a recommendation at this point. Commissioner Summers stated he thinks that since nobody else but these three departments asked for 40 hours the physical responsible thing to do is to move those three departments up to 40 hours but they should look at the numbers first and try to eliminate part time where the commission can and definitely overtime.

**B. School System Budget** Ms. Patty Vargo presented the School Systems Budget Mr. Parkhurst will come up and explain his budget for food service. Mr. Parkhurst stated his revenues for this next fiscal year are \$6,914,580.00 with an increased revenue of \$486,000.34. This covers all funds from cash and federal that food service will receive in. On the expense side the total expenses will be \$6,912,119.00 with an increase in expenses of \$90,170.93. A total difference of \$2,461.00 total which would go in to excess funds. Vice- Chairman Shackelford asked how many of the schools are free lunch. There are 10 sights. They serve 3 in Mt. Pleasant, Howell, Highland, Baker, Brown, Cox Middle, Riverside and McDowell. Chair Shackelford stated this is a pass through budget. It is all federal money except for the students who pays for their lunch. Vice- Chairman Shackelford stated the committee is going through this as a bit of an education because the commission has 11 new commissioners. Chairman Shackelford stated typically the schools budget comes through the Administration Committee first. Vice-Chairman Shackelford stated the schools budget would go to Administration later this week and then it will be pushed on to the Budget Committee. Chairman Shackelford asked what CEP stood for and Mr. Parkhurst stated Community Eligibility Provision. Mr. Parkhurst moved on to the personnel portion of the food service budget. Mr. Parkhurst stated they have five new positions mainly because of the CEP schools with additions at Central High, Whitthorne Middle and they added a person in Mt. Pleasant. Mr. Parkhurst did add in 5 full time subs and that's why the increase was there and also the 2% board of education is asking for. Operating Expenditures is next and that is the food cost and the non-food supplies that have to be purchased. Mr. Parkhurst stated that line item is \$124,984.00 and it increased in that area. The next one is Capital Outlay which is large equipment, ovens, stoves etc. anything that breaks down and needs to be replaced due to the fact of age. Mr. Parkhurst stated he left \$160,000.00 in that line. The last one is the Transfer Out and this is for the maintenance person which is \$41,850.00 which covers all his pay and benefits. Commissioner Burkhalter asked Mr. Parkhurst on his fund balance is there any requirement from the State on what has to be kept in the fund balance. Mr. Parkhurst stated he can only keep a maximum of three months operating expenses and once he has exceeded three months he is required to find ways to either spend the money on equipment, labor, food and he has to actually put it back into the program. Commissioner Burkhalter asked Mr. Parkhurst if he knew how much the percentage of his money is coming from the Federal Government versus Revenue coming from the actual sale of the lunches. Mr. Parkhurst stated that 60% comes from the Federal

Government. Commissioner Burkhalter stated the newspaper had reported the schools had approved a 2% increase in salaries and would that be for food service employees also. Mr. Parkhurst replied yes. Commissioner Stephenson asked how many total food service employees are there. Mr. Parkhurst stated there are currently 155. Commissioner Cook asked Mr. Parkhurst how much federal money is covering for the children that are on reduced lunches. Mr. Parkhurst stated that roughly 60% of their funds that comes in are used for reduced lunches. Mr. Parkhurst stated that food service serves around 8,000 of the 12,000 children and through CEP those students are free. Mr. Parkhurst stated they are serving about 70% of the school population. Mr. Parkhurst stated that 70 to 80% run in the range of need. There were no lights. Vice-Chairman Shackelford moved on to the General Purpose Fund Budget. Ms. Vargo stated they had about \$828,000.00 in reductions and they had \$716,580.00 increase with step raises for licensed and classified employees and there was a 5% increase in health care which was \$494,583.00 and a 2% raise was proposed for \$1,200,000.00 and for payroll that is an increase of \$2,400,000.00 and they are asking for \$329,000.00 for a 3% increase in insurance, liability insurance and increase in the trustee commission of \$24,600.00 and a worker's comp. insurance increase of \$13,172.00 and that is a 3% increase over last year and an increase for internet, phones with upgrades in the amount of \$19,105.00 and AimsWeb for RTI contract they are asking for \$36,000.00. Ms. Vargo stated they had increased their budget by \$2,078,016.00. Commissioner Shackelford stated the raise that was put into the BEP payment didn't hardly cover the cost of the step raises the state's insurance and Vice-Chairman Shackelford wanted the commission to have a understanding the board and their decision tried to make an offer to the teachers of 2% because the Governor was telling the teachers they would be receiving 4%. The state did not give them enough money to cover the 4%. Vice-Chairman stated he wanted to say something about Debt Service. Vice-Chairman Shackelford stated the Debt Service payment was a result of what the commission had requested out of the school board to make. Ms. Vargo stated the schools would be making the bond payment. Commissioner Parker asked Ms. Vargo how long it has been since the teachers have had a raise. Ms. Vargo stated that in 2014/2015 the teachers did not get a raise and 2013/2014 the teachers got a onetime bonus of \$347.00 and 2012/2013 they got a 2.5% raise. Commissioner Parker asked Ms. Vargo could she tell him about 2011/2012. They got 1.6% raise and that was the last time any money came from the County to give the schools a raise and there was no raise in 2010/2011 or 2009/2010, 2008/2009 and then in 2007/2008 the State gave 3% and the County gave 3%. Commissioner Parker stated they are behind in paying their teachers. Commissioner Turner asked if they would ever see just the teachers get the raise and not the people at the Central Office or other administrators. Ms. Vargo stated a board member might have to answer that question. Commissioner Previti asked on the technology the E-Rate issue and the schools are going to spend \$16,000.00 to consult this out and in the past it was done by the manager of technology and that staff so Commissioner Previti asked are they going to give that back out of their salary since they are not doing that any longer. Mr. Breeden stated they will take it out of the budget and replace it with the savings that the schools expect to get. Commissioner Sumners asked about merit raises does it go into account for teachers

or administrators. Scott Gaines stated as of right now the school board has a different kind of pay plan. Mr. Gaines stated the pay committee meets every year and they want to look at an alternative salary schedule. Presently they have steps for experience and they want to look at the steps as a matter of performance. Mr. Gaines stated in the future they would be evaluated by their principal. Mr. Gaines stated that in the future it would be what the principal does and how their kids perform. Commissioner Stephenson asked how frequently the evaluations are done. Mr. Gaines stated the evaluations are done annually. Commissioner Stephenson asked was the raises in the past years all teachers or everybody. Ms. Vargo stated in 2007/2008 she would have to research that and 2011/2012 the 1.6% raise was for all of the staff and in 2012/2013 the teachers got a 2.5% raise and the classified got a 1.7% increase. Commissioner Burkhalter asked Ms. Vargo on the transportation line item that he he noticed they had reduced the diesel fuel number to \$3.00 and what was it this year. Ms. Vargo stated the number was around \$3.56 and Commissioner Burkhalter asked Ms. Vargo if she was comfortable with the \$3.00 number. Commissioner Burkhalter asked was the 220,000 gallons the same amount or an increase. Mr. Vargo stated it is an increase of about 10,000 gallons. Ms. Vargo stated they added some routes to school. Commissioner Burkhalter asked why they added routes. Mr. Anderson stated they had Northfield Academy and they had to service them with transportation and that's part of it and there were a couple of routes that went from 2 to 3 routes to help with the overcrowding on the buses and that dealt with E.A Cox and Spring Hill. Commissioner Burkhalter asked Mr. Anderson if he was comfortable with the \$3.00 per gallon figure. Mr. Anderson replied yes. Commissioner Burkhalter stated he does not have any problem with giving a teacher a 2% or 2 ½% raise or an educational assistant, or a cafeteria worker a raise. Commissioner Burkhalter stated where he does have a problem is giving an \$80,000.00 or \$85,000.00 person or a director at the central office. Commissioner Previti asked how many hours does the classified employees work. Mr. Breeden stated they work 37 ½ hours. Commissioner Previti asked if the employees got comp. time or overtime, if they go over those hours. Ms. Vargo stated they do not have comp. time or overtime. Commissioner Stovall asked if the bus drivers were included in this raise. Ms. Vargo replied yes. Commissioner Cook stated teachers should not be spending money out of their pocket on school supplies. Commissioner Cook stated the central office administrative cost in salary expense is a major problem and the teachers need help. Commissioner Cook stated she is not sure why a raise across the board should include administrative. Commissioner Cook asked Mr. Anderson if they are currently busing students up to Central High or students from Central High School to Spring Hill and increasing transportation. Mr. Anderson stated they do not bus out of zone. They only transport within the zone unless it is special ed. Mr. Anderson stated by federal mandate the out of zone does not apply to special ed. Mr. Anderson stated the school board determines the zones. Commissioner Barner stated he had questions for Mr. Gaines and Mr. Anderson. Commissioner Barner asked Mr. Gaines when the last time was rezoning was done inside the Maury County School System. Mr. Gaines replied it was in 2011 and Commissioner Barner asked what did the rezoning entail towards the alignment of school zones. Mr. Gaines stated they moved some students from Whitthorne and they shifted the Whitthorne zone and put

more children in Cox Middle School. Commissioner Barner asked Mr. Anderson what is the longest bus ride that any one student has once they get on the bus either going to school or coming home. Mr. Anderson stated that state law requires an hour and 30 minutes and that is from house to school and from school back to their home Mr. Anderson stated most of their routes were around an hour and 10 min. Commissioner Turner stated she wished the raises could go straight to the teachers. Vice-Chairman Shackelford stated to everyone to remember they vote the budget up or down as a whole. Commissioner Cook asked how many administrative positions are at the Central office. Commissioner Stephenson was asking about the BEP allocation. Ms. Vargo stated the state went to a new program keeping track of the students and the schools keep trying to make sure the schools match the State. Ms. Vargo stated they are trying to get this corrected and making sure their numbers are matching. Commissioner Burkhalter wanted to know on Debt Service and Trane if that money that was guaranteed to save. Ms. Vargo stated they were not supposed to start saving any money until they are finished with the project and they are not finished yet. Mr. Breeden stated the project was to be an 18 month project and it will actually not be completed until next year. Mr. Breeden stated they are starting to receive savings already because they are putting in some of the equipment that is generating the savings. Commissioner Sumners asked Mr. Gaines does the administrators get evaluated as well. Mr. Gaines stated yes. Ms. Vargo stated that the BEP allocation was \$51,159,000.00 this year. Ms. Vargo stated according to the BEP data the schools have on average 11,676 students. Vice-Chairman Shackelford asked when they lock down the BEP money. Ms. Vargo stated they usually lock that money down in June or July. Ms. Vargo moved on to the General Purpose budget. Ms. Vargo stated the local funding they are increasing by \$774,967.00 and the State of Tennessee has increased by \$943,056.00. They do have an increase of revenues of \$1,718,022.00 and they are asking for 2.04% increase over last year so the revenues would be \$85,746,580.00 and their expenditures are at \$2,078,016.00 and they have a deficit budget because they are going to take \$359,994.00 out of fund balance to help pay for the bond payment. Ms. Vargo stated normally you can only take money out of the fund balance for capital outlay. You are not supposed to take money out of your fund balance for recurring items. Ms. Vargo stated this is a recurring item however she talked to the auditors and they said because the schools were doing it for this year only it was okay. Ms. Vargo stated they are going to have a fund balance of \$5,503,671.00 and the 3% test of their expenditures they would have \$2,843,899.00 at the end of the year to be able to spend out of their fund balance. In 2015/2016 because they are going to have a deficit they will have probably around \$2,560,480.00 left to spend. It increases their expenditures by 2.47%. Vice-Chairman Shackelford stated they are still using the same penny rate. Commissioner Cook asked when the Trane project will be completed. Mr. Breeden stated it is an 18 month project and it began in October 2014 and he thinks it will be completed in May 2016. Commissioner Burkhalter asked Ms. Vargo on the revenue number on the local taxes \$774,967.00 how much of that is the increase in the penny rate. Commissioner Burkhalter thinks he is comfortable with the numbers they have put out. Commissioner Stephenson asked Ms. Vargo on the 3% you have to maintain that is only at a particular time of the fiscal year. Chairman

Shackelford asked if she had to have 3% in there year round. Ms. Vargo replied no. Commissioner Stephenson asked if you wanted to use some of that money if you would have to make a request to the state. Mr. Breeden stated yes. Ms. Vargo stated she moved on to the line items and Ms. Vargo stated she had a two year comparison with an explanation. The next budget is the Capital Outlay Budget. Ms. Vargo stated they are asking for \$781,464.00 for buses and they are requesting 4 regular buses, 90 passenger in the amount of \$365,600.00 and four special ed. buses in the amount of \$415,864.00. They are also asking for capital outlay of \$2,533,825.00 for a total of \$3,315,289.00. Chairman Shackelford stated that typically the buses are paid out of the Capital Outlay the 189 account that is funded through the pennies. Chairman Shackelford stated last year they just did one special ed. bus. Mr. Breeden stated the schools is on a replacement schedule for 15 years with the buses and that is the schedule the school board has approved. This is replacing the 8 buses that are scheduled to come off this year. This is not adding any additional buses. Mr. Breeden stated the reason the Special Ed. buses are higher is because they require special equipment. Chairman Shackelford stated this is an increase of around \$100,000.00. Mr. Breeden stated that last year there were actually 6 buses that were replaced. There were 4 regular and 2 special ed. buses. Mr. Breeden stated the schools Capital request consist of two things and the replacement of capital equipment buses, repairs and the Capital Outlay for facilities which is mostly major maintenance request for improvements. Mr. Breeden stated they presented a prioritized list the school board has approved at \$5,000,000.00 and they have been listed out what those were. Mr. Breeden stated last year the County allowed the school board to take \$2,000,000.00 out of the fund balance for repairs and the improvements that were made. Mr. Breeden stated a lot of the improvements were security improvements and all of the schools now have a security vestibule that you have to enter and go through the school office to get into the school. They are also updating their security camera systems. Vice-Chairman Shackelford stated if you don't stay ahead you will not catch up anytime soon. Chairman Shackelford stated you cannot delay and Vice-Chairman Shackelford thinks you have to give the schools some latitude as the commission is looking forward to their budget. Chairman Shackelford stated they are looking at a system wide examining of each school and seeing what each schools needs are and that hasn't been done since 2003. Chairman Shackelford stated that not only are the properties maintained but the reporting process is effective so it does not get out of hand. Commissioner Potts stated he does support the Capital projects but he does think later down the road it should come out of the fund balance. Commissioner Parker asked when the school Marvin Wright Elementary built was. Mr. Breeden stated the school is about 7 or 8 years old. Mr. Breeden stated the company that built Marvin Wright Elementary was R.G. Anderson and they are not the same company that is building the new high school. Commissioner Stephenson asked Mr. Breeden if the schools were asking for \$2,500,000.00 from the County Commission. Mr. Breeden stated that would be to plan capital improvements for the upcoming school year for 2015/2016. Commissioner Stephenson asked about the \$2,000,000.00 that was in the documents and asked was that fund the schools fund balance. Mr. Breeden replied that was from fund balance last year 2013/2014. Commissioner Stephenson asked about the

\$2,200,000.00 plus the \$1,600,000.00 that is the \$3,800,000.00 that is from the \$2,500,000.00 came from the fund balance and \$1,300,000.00 came from the County Commission for capital projects. The figure for 2014/2015 is \$8,900,000.00 is the Trane projects. The \$4,300,000.00 is funded just for the work at Whitthorne Middle School and that was funded by the Commission through a bond issue. The \$4,600,000.00 was funded by a bond issue and that is what the schools is paying back and Trane is guaranteeing the payback over 15 years because of the energy improvements they are making. Commissioner Previti asked if the buses were bid out or if they were a state contract. Mr. Breeden stated it is bid out. Commissioner Previti asked if law enforcement could tap into the system if there is an incident and get a situation awareness of what is going on. The systems that the schools have are accessible through the internet. There are applications where they can be looked at on line and currently they are accessible by the SRO's. Commissioner Previti asked about the parking lot improvements and is that bid out or does he go to Van Boshers and get tar from him. Mr. Breeden stated they actually have just put out the bid and received the bids back and this has not been shown to the school board yet to be approved and typically that was bid out. Mr. Breeden stated it has been a long time since they have done any parking lot improvements in the schools. Mr. Breeden stated they defer to the school board. Commissioner Cook asked Mr. Breeden how long he has been assistant director for operations. Mr. Breeden stated he has been the Assistant Director for Operations since January 1, 2014. Commissioner Cook stated she is looking forward to working with the school board to hopefully take care of the maintenance issues with the schools. Commissioner Burkhalter stated if he gave the schools \$3,315,289.00 and that is a 20 cent increase in the property tax add that to the 8 cents for Central that is 28 cents and there is only \$912,000.00 in the capital outlay. Commissioner Burkhalter asked Mr. Breeden how they can do that. Mr. Breeden stated that is not his area of expertise. There were no lights. Ms. Vargo moved on to the next part of the budget Other Data. Ms. Vargo stated the first document was Maintenance of Effort. Ms. Vargo stated that in 2011/2012 the Maintenance of Effort was \$30,495,351.00 and there was actual revenues of over \$962,571.00 and Maintenance of Effort includes all of your local taxes, current property tax, trustee collections that are turned over to the Clerk and Master, bankruptcy, Clerk and Master collections etc. In 2013/2014 Maintenance of Effort was \$31,753,311.00 and the schools received \$675,998.00 revenues over the amount that was budgeted for. The increase of the Maintenance of Effort was \$1,257,960.00. In 2013/2014 Maintenance of Effort was \$32,120,824.00 and the schools received \$1,497,640.00 over that amount in revenue's and the increase that year was \$367,513.00. In 2013/2014 the County approved property taxes of \$19,882,233.00 but Mr. Bobo the past budget director budgeted for \$19,540,765.00 which was a difference of \$341,468.00. The increase was only \$367,000.00 but it should have been \$708,981.00. In 2014/2015 the Maintenance of Effort was \$32,937,995.00 and that leaves an increase of \$817,171.00 but Ms. Vargo stated it would really be only \$475,703.00 if the money had been done correctly to begin with. Ms. Vargo estimated in 2014/2015 the revenues that will be collected over the Maintenance of Effort that the County let the schools budget for was \$1,336,001.00. This year the Maintenance of Effort is an increase of \$719,967.00.

Vice-Chairman Shackelford stated that it is good to know that Maury County is doing more than the State is requiring with Maintenance of Effort. The next documents Ms. Vargo presented is the Undesignated Fund Balance. Ms. Vargo stated as of April 30, the schools ending fund balance is \$4,358,669.00. The beginning fund balance on July 1, was \$7,132,485.00 and the schools had liquidated encumbrances from the prior year and Purchase Orders that were not used and were liquidated so the money went back into fund balance of \$19,551.00 and so there were capital projects that were taken out of fund balance this year \$2,500,000.00 and there was a contribution from the Teen Safe Night and that money was not restricted last year but she had to take it out and restrict it this year because it was from the Teen Safe Night. The bond payment that was paid this year the schools took out of fund balance and which was \$276,075.00 and the accounts receivable was corrected for revenues that the schools were going to receive and the schools did not receive in the amount of \$15,966.00. The fund balance at present is \$4,358,669.00. There were no lights. The next report was the savings on the retirees. Ms. Vargo stated this year the schools had more than 20 employees retire this year. Ms. Vargo stated a lot of the retirees retired before the year was up so they have already replaced them. The total amount of this was \$159,697.00. Ms. Vargo stated the 2016 payroll she put in the average replacement amount and so the difference is the amount that the schools will take out of the budget this year to replace the retirees. Ms. Vargo moved on to the Student Count for ADM for this year and this includes Pre-K and their numbers from BEP is based on K-12 and it does not include Pre-K. The State gives the schools money for Pre-K and that is separate and with Pre-K numbers there are a total of 12,132 students. The next sheet is the projected enrollment of 2015/2016 there are 12,260 students. Ms. Vargo stated if you go on to document 14 this is the current ADM without Pre-K in it and it goes back 10 years and it has for each school. Document 15 is the school facility capacity and on this document it has each school listed and the year each school was built the projected enrollment for 2015/2016, the capacity of each school and the capacity that is currently being used and the square footage of each school. The document 16 this shows classroom additions, portables, etc. Commissioner Parker asked Ms. Vargo what does it cost to educate each student at each individual school. Ms. Vargo stated she did not have that information with her but she would get back with Commissioner Parker with that information. Commissioner Barner asked Ms. Johnson or Mr. Gaines in regard to overall capacity is there any future consideration of rezoning in the imminent future. Mr. Gaines stated they are looking at doing some zoning changes in the event that Wright Elementary is at capacity because they know as of kindergarten registration they registered 130 students which is 60 over which they normally register. They are going to the board to present an interim plan and they do have some space at Spring Hill Elementary and Randolph Howell so they may look at some shifting of the zone to accommodate that. That will be at the next zoning facilities meeting where those ideas will be presented. Vice-Chairman thanked the school staff and the school board for presenting their budget. Commissioner Cook was given a number of around 17 administrators at the administrative offices at the central office.

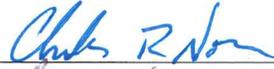
#### **X. ANNOUNCEMENTS:**

There is a special called meeting on Wednesday, May 6, 2015. Tomorrow night is a MCEA banquet and a regular Safety meeting. The Regular Administration meeting will be Thursday.

XI. **ADJOURNMENT:**

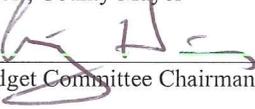
A. There was a Motion made to adjourn the meeting at approximately 9:10 PM.

APPROVED



Charlie Norman, Jr., County Mayor

SIGNED



Craig Harris, Budget Committee Chairman