

JOINT MEETING OF  
HEALTH & EDUCATION COMMITTEE  
BUDGET COMMITTEE and SCHOOL BOARD

May 24, 2016

5:30 p.m.

Board of Education

MINUTES:

MEMBERS PRESENT:

Commissioner Carol Cook  
Commissioner Phil Dodd  
Commissioner Joe Gourley  
Commissioner Will Jordan  
Commissioner Jeff Phillips  
Commissioner Pettus Read  
Commissioner Rhonda Allen, Chm  
  
Commissioner Charlie Baum  
Commissioner Shawn Kaplan  
Commissioner Joe F. Jernigan  
Commissioner Robert Peay  
Commissioner Doug Shafer

OTHERS PRESENT:

Ernest Burgess  
Don Odom  
Terry Hodge  
Wayne Blair  
Jim Estes  
Aaron Holladay  
Richard Zago  
James Evans  
Jeff Davidson  
Becky Shelton  
  
Lisa Nolen  
Jeff Sandvig  
Joyce Michaels  
Jeff Jordan  
Coy Young  
Lisa Moore  
Paula Barnes  
Lynn Pater  
Angel McCloud

Chairman Allen presided and called the joint meeting of the Health & Education Committee, Budget Committee and School Board to order at 5:30 p.m. to include presentation of the 16/17 School Board budget.

MINUTES:

"Commissioner Jordan moved, seconded by Commissioner Read, to approve the minutes of the last meeting as mailed. This motion passed unanimously by acclamation."

HEALTH DEPARTMENT REPORT:

No report was presented at this time.

COMMUNITY CARE REPORT:

No report was presented at this time.

SPECIAL PROJECTS REPORT:

No report was presented at this time.

SCHOOL BOARD BUDGET REVIEW AND AMENDMENTS:

Superintendent Odom first presented proposed GPS 2015/16 budget amendments including (1) an amendment to budget \$733,983 in other revenues and take \$11,175 in 2014/15 donations from unassigned fund balance to cover \$745,158 in related expenditures. The main revenues being \$444,269 in special ed funds for high cost students which must be budgeted in 71200 or 72220, \$120,939 in various donations, \$67,539 in State drivers' ed funds, \$45,000 in adult education grant, \$20,000 in vocational teacher staff development and \$36,236 in miscellaneous revenues; (2) an amendment to increase state BEP funds by \$1,586,000 and use these funds for \$1,100,000 in textbooks, \$406,000 for special ed related legal fees and \$80,000 for the self-insured portion of the liability insurance. The amendment also increases net local revenues by \$4,709,322 and uses \$120,000 for trustee's commission, \$200,000 for the self insured portion of the liability insurance and increases unassigned fund balance by \$4,389,322 and (3) an amendment to reclassify two staff members due to a state change and a coding error, covering changes in level and experience for two staff members and addresses \$2,500 in overtime. Following discussion,

"Commissioner Read moved, seconded by Commissioner Jordan, to (1) amend the 2015/16 General Purpose School Budget by \$733,983 in

additional revenues and to reduce unassigned fund balance by \$11,175 for 2014/15 donations, and to increase the related expenditures by \$745,158 as presented; (2) amend the 2015/16 General Purpose School budget by increasing state BEP funds by \$1,586,000 with \$1,100,000 for textbook expenditures, \$406,000 for special ed related legal fee expenditures, \$80,000 for the self insured portion of the liability insurance and to amend local revenues by a net increase of \$4,709,322 with \$120,000 for trustee's commission, \$200,000 for the self insured portion of the liability insurance and an increase in unassigned fund balance by \$4,389,322 as presented; and (3) amend the 2015/16 General Purpose School budget by \$103,857 in pay and \$17,567 in related benefits for a total of \$121,424 as presented. This motion passed unanimously by roll call vote."

Mr. Odom next advised the initial 2016/17 Centralized Cafeteria Fund Budget has \$17,937,000 in revenues, \$18,914,554 in expenditures and uses \$977,554 from fund balance. This is in line with the 2015/16 budget. In this fund, the unassigned balance is to not exceed three months of projected expenditures. Following discussion,

"Commissioner Jordan moved, seconded by Commissioner Cook, to approve the initial 2016/17 Centralized Cafeteria Fund Budget with \$17,937,000 in revenues and \$18,914,554 in expenditures as presented. This motion passed unanimously by roll call vote."

Mr. Odom next advised the 2016/17 Capital Projects budget is funded by 5 unshared cents of property tax. The budgeted revenues are \$3,437,731 and budgeted expenditures are \$3,906,021. \$468,290 from the account Committed for Capital Projects is being used to balance this budget. (Committed for Capital Projects will increase \$450,000 for three projects on this year's project list that have been deferred until next year and by another \$98,019 in savings on current year projects.) The 2016/17 projects from Mr. Clardy total \$3,824,300 and a second list of projects totaling \$1,286,000 was provided for the Committee. Following discussion,

"Commissioner Phillips moved, seconded by Commissioner Cook, to approve the initial 2016/17 Capital Projects Fund Budget in the amount of \$3,906,021 as presented. This motion passed unanimously by roll call vote."

Mr. Odom next advised the 2016/17 General Purpose School Budget as presented today totals \$340,035,259 in expenditures and uses \$336,156,740 in revenues and uses \$3,878,519 in unassigned fund balance to balance. The School Board recommended motion was to approve the 2016/17 General Purpose School Budget with \$340,035,259 in expenditures, \$336,156,740 in revenues and using \$3,878,519 in unassigned fund balance to balance as presented. This matter was tabled to allow the Committee time to review the line items.

Mr. Odom next provided per pupil expenditure information comparing Rutherford County to the State advising the top growth in Tennessee is in Rutherford, Williamson and Wilson counties with Rutherford County being the fifth largest county in the State.

Mr. Odom next reviewed the 2016/17 proposed budget approved by the School Board advising it includes bookkeeper positions to start handling booster clubs in addition to other duties. Mr. Odom advised he felt the smaller clubs would be unable to do independent audits on their own and would dissolve. Commissioner Gourley advised he did not feel the additional bookkeepers would stop inappropriate acts. Mr. Odom advised they were trying to ensure money is handled properly as it is donations from citizens and is a recommendation of the School Board. Commissioner Baum questioned the cost of the bookkeepers versus the amount of actual fraud. Coy Young advised the current positions would need overtime or more positions are needed. A State audit found \$98,000 in fraud at one school. Commissioner Jordan advised he had been told the bookkeepers will handle more than booster club funds.

The Committee was advised the budget includes a 2 1/2% increase in pay for bus drivers and 18 new busses. Commissioner

Gourley asked about the different tags used by busses. Mr. Odom advised the busses were inspected by the Highway Patrol.

Chairman Allen asked if the Commission needed to set money aside to improve technology like the Capital Improvements fund. Commissioner Shafer asked about the \$2,000,000 spent for computers last year and where it was in this budget. Mr. Odom advised it was in technology. Mr. Odom asked the Committee to think about longevity and investing in technology and teacher salaries as it is getting hard to find teachers. This is an investment in children and they are a most important resource. Mr. Sandvig advised he estimated an ending fund balance between \$29,000,000 and \$30,000,000. Mr. Sandvig advised they do have to meet effort of maintenance but 5¢ to 6¢ could be moved and still meet the effort of maintenance. Mr. Odom suggested leaving some to do capital improvements. Finance Director Nolen advised if some pennies could be moved it would help with the School Board building program. Commissioner Jordan advised the Commission would have more information in the next 30 days. The budget appears to be a \$20,000,000 increase with \$13,000,000 from the State. Mr. Sandvig advised it was the easiest budget year since 1998.

"Commissioner Phillips moved, seconded by Commissioner Gourley, to approve the 2016/17 School Board budget as presented. This motion passed unanimously by roll call vote."

NEXT HEALTH & EDUCATION COMMITTEE MEETING:

Chairman Allen advised the June 28, 2016 Health & Ed meeting will be cancelled and any budget amendments needed for June should go directly to the Budget Committee. The next Health & Education Committee meeting will be July 26, 2016.

There appearing to be no further business to come before the Committees, Chairman Allen declared the meeting adjourned at 7:34 p.m.

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RHONDA ALLEN, Chairman