

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

The Budget Committee met on Tuesday, April 14, 2015 at 4:30 p.m., in the Maury County Tom Primm County Commission Room with the following Committee Members present:

CRAIG HARRIS, STEWART PARKER, SONNY SHACKELFORD, SUE STEPHENSON, COMMISSIONER PREVITI AND DONNA COOK

OTHERS PRESENT: Gerald Adkison, Talvin Barner, Davis Burkhalter, Gwynne Evans, Michael Fulbright, Terry Potts, William (Tot) Roddy, Ricky Sims, Gary Stovall, Scott Sumners, Debbie Turner, Linda Whiteside, Tommy Wolaver, Mayor Norman, Theresa Weber, Daniel Murphy, and Media.

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**MINUTES OF MEETING**

- I. CALL TO ORDER:**

Chairman Harris called the meeting to order and took roll call with all Budget Committee members present. Commissioner Previti is sitting in Commissioner Kuzawinski vacated spot and Commissioner Cook is running late and Commissioner Burkhalter will sit in for Commissioner Cook until she arrives.
- II. OPENING PRAYER:**

Commissioner Previti offered the opening prayer.
- III. REVIEW & APPROVAL OF MEETING AGENDA:**

Commissioner Previti made a motion to approve the agenda. Seconded by Commissioner Shackelford. There were no lights. All in favor. Motion Approved. Chairman Harris stated he would like to note on the agenda that Resolution 04-15-33 should actually be Resolution 04-15-34. Resolution 04-15-34 should be Resolution 04-15-33. They will be presented in order.
- IV. REVIEW & APPROVAL OF MINUTES FROM PREVIOUS MEETING(S):**

Regular called Budget Committee Meeting March 10, 2015. Commissioner Burkhalter made a motion to approve. Seconded by Commissioner Stephenson. There were no lights. All in favor. Motion Approved.
- V. COUNTY MAYOR REPORT:**

Mayor Norman stated he did not have a report.
- VI. FINANCIAL REPORTS:**
  - A.** Investment Report- Budget Director Weber submitted the Investment Report and asked if there were any questions. (See Attached) Director Weber stated the Investment Report starts on Page 15 of the Packet. Director Weber stated this is the breakdown of where the County gets their interest, year to date and the month and year to date. Director

Weber stated the money does match the number at the top of the page. There were no lights.

- B.** Sales Tax Report-Budget Director Weber submitted the Sales Tax Report (See Attached) Director Weber stated the Sales Tax Report begins on page 16 of the packet. Director Weber pointed out in February and March that each of those months there was approximately \$8,000 deducted for SITUS. She reported next month it should go back up to \$25,000.00. There were no lights.
- C.** 2014-2015 Revenue & Expense Report- Budget Director Weber submitted the Revenue & Expense Report. (See Attached) Director Weber stated it begins on page 19 of the packet on the 101 fund. Director Weber stated she had gone through that and the Business Tax 40270 account the County should be receiving those funds in May. Account 42490, Data Entry Fees for Juvenile Clerk, did look low to Director Weber and she is going to get with them and see why that number appears low. Account 42990, Other Fines, Forfeitures and Penalties, the reason that number appears high is because the \$15,687.00 IRS refund check is in that particular line item. On page 20 of the packet, under the 46990, that account should include the Tobacco Settlement and Director Weber will be doing an adjustment this month to clear that to the proper account and it is the Budget Amendment part that Director Weber will correct. Account 47235 that is the \$1,400, 000.00 for the EOSS building and Director Weber is still working with OEM Director Mark Blackwood to get all the numbers together. Account 47715, Director Weber pointed out \$99,000.00 will be a resolution later requesting those funds from the Investment pool to go back into the 151 fund. Chairman Harris asked Director Weber if that was addressed earlier in the year with monies that are held at the State. Director Weber stated the County did have the \$403,000.00 that was kept in the 101 fund. Director Weber stated this is to request the money to go back into the 151 fund, since it is an interest rebate from QSCB. Director Weber stated this is done twice a year. Account 48990, Director Weber stated that is the Kiwanis Club money. Commissioner Burkhalter stated he noticed the property taxes are up from where they were last year and does that mean that a larger percentage was collected. Trustee Steve Konz stated that 92% of the taxes had come in by February. Director Weber stated this it is a larger percentage that was collected. There were no lights. On page 21, on the expenditures for the 101 fund Director Weber stated she went through it and did some calculations on approximately how much has been spent so far. They should have spent approximately 73% of the total budget at this point. Director Weber stated she did not see anything that looked out of the ordinary. Director Weber stated on account 53600 the District Attorney General shows that it is \$120,000.00 but in reality that is not true because there is an open PO. Director Weber stated everything she looked at percentage wise looked like the County is doing well. Director Weber believes the County will spend less than 100% in the 101 fund. Commissioner Burkhalter asked when PO's would be cut off for this year. Purchasing Agent Buddy Harlan stated it would be mid-month of June when they are cut completely off. Purchasing Agent Buddy Harlan stated he would send out a memo in Mid-May letting everyone know PO's would be cut off in Mid-June. Commissioner Sumners asked Director Weber about line item 51900, Other General Administration that is around 99%. Director Weber stated this is the one that was paid

out for Kronos Fees and a lot of their maintenance. Director Weber stated as far as she was concerned in those line items we're pretty much done. Commissioner Sumners asked if Kronos was extra. Director Weber stated there were funds in that line item. Commissioner Potts asked if 56700, Parks and Fair Boards, if that was the Kid's Kingdom addition. Director Weber stated yes. There were no lights. Chairman Harris moved to 122, Drug Control. Director Weber stated it was on page 22 of the budget packet. Director Weber stated she had looked at it and they are sitting at about 78.4% right now which is pretty good considering they have over \$11,000.00 in open PO's. There were no lights. Chairman Harris moved on to the 125 fund. Director Weber stated the 125 fund is on page 23 of the packet. Director Weber stated they are at around 83% of their expenditures and Director Weber stated part of that has to do with the increase for the \$800,000.00 for the Highway. Chairman Harris asked Director Weber since it is so eye catching for the revenue does she think the County may hit a \$1,000,000.00 for the year. Director Weber stated she is crossing her fingers and hopefully maybe the budget revenue numbers could be readjusted. Chairman Harris stated at last year at this time the County was at \$439,000.00 and the County is looking at \$826,000.00. Director Weber moved on to the Highway Department 131 fund, Director Weber stated it is on page 24 of the packet. Director Weber stated on the revenue side stated it looks alright. On the expenditures side everything is below the 73%. Director Weber stated the Highway Department is doing very well. There were no lights. Chairman Harris moved on to the 151 fund, Director Weber stated it is on page 25. Director Weber stated in the month of March the County made its principal payment and the County made the interest payment. Director Weber stated all that has to be made is the interest payment for QSCB. Director Weber stated on the 40240 Wheel Tax for the Jail and the Highway at one point it was \$1,350,000.00 that number appears high but if you minus out the account number 99100 that is the portion that was the Highway portion of the Wheel Tax that was transferred over to the 176 fund. Currently when the revenues from the Wheel Tax come in now the money goes straight to the 151 fund for the Jail Wheel Tax and straight to the 176 fund for the Highway Department Wheel Tax. Chairman Harris asked if the 425 fund was transferred out to the Highway Department. Director Weber stated yes when they were paid off. Director Weber stated overall the Highway Department is at 90% and where they should be. Chairman Harris moved on to the 189 fund. Director Weber stated that 5 cents was carried over to Solid Waste last year so the revenues would be smaller. Director Weber stated as far as the expenditures the school buses are in the budget under the March 15 actual. The Sheriff's Department vehicles were just ordered and actually the PO was opened on April 1, and it does not reflect in this budget packet. There were no lights. Chairman Harris moved on to the 207 Solid Waste fund. Director Weber stated this on page 27 of the budget packet. Director Weber stated everything under Solid Waste seemed to be going pretty well. Solid Waste overall expenditures is about 80% but they have PO's open for \$379,311.00. Commissioner Sumners asked Director Weber about the tipping fees line item and that it looks like it is going to be about \$40,000.00 for the year. Director Weber stated on the extra pages in the back of the packet she started looking at it and the way the tipping fees went last year compared to the way they are going this year Director Weber thinks that Solid Waste may hit the budgeted number. Chairman Harris would like to recognize that Commissioner Cook is now sitting in her position and thanked Commissioner Burkhalter for filling that spot.

There were no lights. Chairman Harris moved to the 261 fund, Central Maintenance. Director Weber stated this starts on page 28 of the packet. Director Weber reported revenue was down a little from last year. Their expenditures are at \$69,000.00. Director Weber stated she thinks they are doing okay. Commissioner Shackelford stated the committee reviewed Mr. Bolton's budget last night and his biggest expenditure is fuel. Director Weber stated that is one of the items that was discussed at the special called meeting about Central Maintenance, which is Other Contracted Services. He has had to go up because he had two employees that were out on back surgery. Director Weber stated that all in all Central Maintenance's expenditures are normal. There were no lights.

- D.** 2014/2015 Supplemental Expenditure Report (See Attached) Director Weber asked if anyone had any questions. Chairman Harris reminded everyone this report has been added back several months ago and it shows what is in line and what has been spent year to date as far as percentage. Chairman Harris stated he liked the report and it helps pinpoint the areas of concerns. There were no lights.
- E.** Cash Report-Budget Director Weber submitted the Cash report. (See Attached) Director Weber stated the Cash report begins on page 38 of the budget packet. Director Weber stated it looks normal in and out like a checking account. Director Weber asked if there were any questions. There were no lights.
- F.** Payroll-Overtime, Holiday, Excess Pay and Comp Time Report. Budget Director Weber submitted the reports. (See Attached). Director Weber stated she had not got to this report to review it. Director Weber asked if there were any questions. Commissioner Shackelford stated last night during the special called budget meeting the Budget Committee heard from Sheriff Bucky Rowland and the Sheriff is under his budgeted overtime line item and the budget that Sheriff Rowland presented was greatly reduced as well. Commissioner Shackelford stated he wanted to commend Sheriff Rowland on his leadership of getting the overtime under control. There were no lights. Director Weber stated the Comp Time is on page 40 of the budget packet. Director Weber asked if there were any questions. Doug Lukonen reported all the comp. time was broken out by fund and you can see the amount of hours they had at the beginning of the month in comp time and the amount of hours they had at the end of the month. Mr. Lukonen stated you can see the Sheriff's Department reduced their hours of comp. time by 467 hours, which in turn reduces \$9,700.00 and a change in liability. Mr. Lukonen stated this is good since the Sheriff's Department is the biggest comp. time advocate. Mr. Lukonen stated overall across all funds the departments actually used more comp. time than they earned this month and the liability went down by \$8,000.00. Mr. Lukonen stated the County is down from \$392,000.00 to \$383,000.00. There were no lights. Director Weber stated one of the pages she put in the budget packet was that she gave the commission fund balance. It is on page 94 of the budget packet. The 101 fund shows when it says change current year change in the fund balance, whether the County is sitting at a surplus or a deficit, such as the 101 fund which shows a \$4,000,000.00 surplus right now and the County still has three months of a revenue. There were no lights.

## **VII. PURCHASING:**

- A.** Completed Bids- (See Attachment) Purchasing Agent Buddy Harlan stated the Bid Schedule is on page 41 of the budget packet. Purchasing Agent Buddy Harlan stated he would be glad to answer any questions. There were no lights.
- B.** Schedule Bid Opening-Purchasing (See Attachment) Purchasing Agent Buddy Harlan stated the Bid Schedule is on page 42 and it showed two items that are under review. Purchasing Agent Harlan stated he would like to draw the attention to the Waste Disposal Item. Purchasing Agent Harlan stated that Waste Management was the apparent low bidder and Waste Management and the County are in the process of getting their contract for the commission to consider for next month. Purchasing Agent Buddy Harlan stated if it is okay with the budget committee, this does not require any action but Mr. Harlan's process is to send a letter to the apparent low bidder and in this particular case requesting that contract saying that Maury County has accepted their proposal pending approval of the County Commission. Chairman Harris asked what the increase was. Purchasing Agent Harlan stated it was an increase of about 20% over the previous bid. Director Mike Sweeney stated there was about a \$280,000.00 base increase. There were no lights.
- C.** Gov-Deals (See Attachment). Purchasing Agent Buddy Harlan stated they had sold two items they had received payment for. The money was deposited back into the 189 fund. Commissioner Stephenson stated about the 2002 Chevy Blazer and that it was a 15 year old vehicle and the County got \$2,600.00. There were no lights.
- D.** Capital Expenditures Report (See Attachment) Purchasing Agent Harlan stated this was the Capital Expenditures Report for things that have been ordered. Purchasing Agent Harlan stated they are just waiting for the bills to come in. Purchasing Agent Harlan stated he would answer any questions if anyone had any. Commissioner Previti stated he noticed a tractor on fire on Nashville Highway which was Maury County's and how soon would Purchasing Agent have to deal with that. Purchasing Agent Buddy Harlan stated he would probably have to wait for the insurance to pay off on it and see what the County gets out of it before it can be replaced. Purchasing Agent Buddy Harlan stated the paperwork has been sent to the Highway Department. Commissioner Previti asked how old it was and Purchasing Agent Harlan stated it was pretty old. Commissioner Stephenson asked how many school buses were ordered. Purchasing Agent Harlan stated it was around 8 buses. Commissioner Cook asked if the leachate tank was a repair. Purchasing Agent Harlan stated that it was actually a replacement. Commissioner Shackelford asked on the Sheriff's Department vehicles what is going on with them. Purchasing Agent Buddy Harlan stated there was a combination ordered with one Dodge coming in and the rest of the vehicles are Fords. The Dodge was ordered first and the Ford's will probably come in before the Dodge. It will probably take three months to get the cars. There were no lights.

**VIII. DELEGATIONS:** Mr. Steve Anderson from Williamsport spoke as a delegate. Mr. Anderson stated he was not here opposing the school. Mr. Anderson stated he went to

Columbia school. Mr. Anderson stated he had nothing bad to say about Columbia or the schools. Mr. Anderson stated the interest rate of 2% interest is never going to get any better and acting on this quickly saves ½% which saves a lot of money. As far as funding it the fairest tax is the wheel tax. Mr. Anderson asked the commission should not have tunnel vision and that all the commission can ever see is property taxes. Mr. Anderson stated the wheel tax is the fairest tax there is. Mr. Anderson stated he is not against building the new schools but there are more people that can help instead of property owners. Chairman Harris stated the wheel tax issue will be brought up again and the commission will look for other ways to fund things more efficiently. Chairman Harris stated the wheel tax is not going away, but it is a timing issue.

Doug McCaig is from 2981 Evans Lane in District 9 and Mr. McCaig stated about the proposed closing of the Wellness and Aquatics Center and Mr. McCaig stated it is a tragic thing to allow that to happen. Mr. McCaig stated maybe there are some other ways to keep it going such as other fund sources. He stated that possibly it may have to come back to the County Commission. He stated it makes Maury County a better place to live. There are no plans at this time but there is an Ad Hoc group and they just wanted to put it out there for the Commissions support.

## **IX. RESOLUTIONS:**

- A. Resolution No. 04-15-20** Resolution Authorizing Submission of An Application For A Litter and Trash Collection Grant for 2014-2015 From the Tennessee Dept. Of Transportation and Authorizing the Acceptance of Said Grant. Commissioner Shackelford made a motion to approve. Seconded by Commissioner Cook. Commissioner Shackelford asked if there was a money match. County Attorney Murphy stated there is no money match. There were no lights. All in favor. Motion Approved.
- B. Resolution No. 04-15-21** Resolution Approving the Purchase of Recycling Containers. Commissioner Previti made a motion to approve. Seconded by Commissioner Parker. There were no lights. All in favor. Motion Approved.
- C. Resolution No. 04-15-22** Resolution Increasing Solid Wastes Department Gate Rate Fees. Commissioner Parker made a motion to approve. Seconded by Commissioner Cook. There were no lights. All in favor. Motion Approved.
- D. Resolution No. 04-15-23** Resolution Amending General Fund Account for Guardrail Installation on Iron Bridge Road. Commissioner Stephenson made a motion to approve. Seconded by Commissioner Previti. Commissioner Potts stated he appreciated the support on this resolution. There were no lights. All in favor. Motion Approved.
- E. Resolution No. 04-15-24** Resolution Approving Construction Permit for Maury County Roads or Right-Of-Ways. Commissioner Stephenson made a motion to approve. Seconded by Commissioner Cook. Commissioner Shackelford asked County Attorney Murphy if there was a charge for this. County Attorney Murphy stated he did not believe they were going to charge a fee. Commissioner Shackelford asked did Maury County

have to provide any engineering. County Attorney Murphy stated he believed the main thing they do is go out and inspect once the cut is done and then inspect it once the pavement is put down. Commissioner Stephenson made a motion to approve. Seconded by Commissioner Cook. There were no lights. All in favor. Motion Approved.

**F. Resolution No. 04-15-25** Resolution Adding Names to the Maury County War Dead Monument at the Maury County Courthouse. Commissioner Shackelford made a motion to approve. Seconded by Commissioner Previti. There were no lights. All in favor. Motion Approved.

**G. Resolution No. 04-15-26** Resolution in Support Funding Renovations and Improvements To Columbia Central High School. Chairman Harris asked was this the resolution for the approval of the dollar amount and there is resolution 04-15-34 that will be addressing the funding or the bond issuance. County Attorney Murphy stated that is correct. Chairman Harris asked if this was the resolution to commit to the funding of the school. County Attorney Murphy answered yes. Chairman Harris asked does it not coincide with the approving of the resolution. County Attorney Murphy stated if this resolution passes the County Commission on April 20, the commission is basically approving the school board to enter into their contracts to start construction or renovations on Central High School and then it will be up to this body to determine how it will be funded. This will be committing to fund it one way or the other. The commission is either going to do a bond issue or pay cash or short term notes. This is committing to the school board's request. Chairman Harris asked County Attorney Murphy if this would be contingent upon the budget being approved. County Attorney Murphy replied not at this point in time. County Attorney Murphy stated the commission is saying the commission is going to fund that amount and then it will be up to the commission through the budgeting process to say the commission is going to borrow \$46,427,341.00 and if the commission borrows the money the commission will put sufficient pennies in debt service to cover that borrowing whatever the monthly or yearly payments will be and when they come due. County Attorney Murphy stated this is a significant resolution but this is the School Board request. County Attorney Murphy stated you either accept the request and the Commission decides how you are going to fund it or the commission says no that's not what we want to do. Chairman Harris stated the vote tonight will be to pass this on to the full commission. Chairman Harris stated the Budget Committee will be hearing the presentation of the resolution talking about the funding through a bond issuance. Commissioner Previti made a motion to approve. Seconded by Commissioner Parker. Chairman Harris asked that the comments in this discussion be pertaining to the dollar amount request. The bond issue will be separate. County Attorney Murphy stated it made sense to him this resolution be moved to coincide with the bond resolution or move the bond resolution up. Commissioner Shackelford asked County Attorney Murphy if he recommended putting these back to back for the full commission meeting. County Attorney Murphy stated yes. Chairman Harris stated since the agenda was approved what authority he has to move that item back or move the two together. County Attorney Murphy stated it would take a 2/3 vote to move it back. Commissioner Previti has withdrawn his motion and Commissioner Parker has withdrawn his second. Commissioner Parker made a motion to change the budget committee agenda to set

resolution number 04-15-26, 04-15-27 and 04-15-34 at the bottom of the resolutions on the agenda. Seconded by Commissioner Previti. There were no lights. All in favor. Motion Approved to modify the agenda to approve resolutions 04-15-26, 04-15-27 and 04-15-34 in that order as the last three resolutions on the budget committee agenda.

- I. Resolution No. 04-15-28** Resolution Amending 2014-2015 Sheriff Department Budget Regarding Insurance Recovery of a Vehicle. Commissioner Cook made a motion to approve. Seconded by Commissioner Stephenson. There were no lights. All in favor. Motion Approved.
- J. Resolution 04-15-29** Resolution Amending 2014-2015 Sheriff Department Budget for Gov. Deals Sales. The amendment is to change the word decrease on the sale of equipment to the word increase. Commissioner Shackelford made a motion to approve. Seconded by Commissioner Stephenson. There were no lights. All in favor. Motion Approved.
- G. Resolution No. 04-15-30** Resolution Approving Memorandum Of Understanding With the City of Mt. Pleasant, Mt. Pleasant Power System, Mt. Pleasant Natural Gas System, and the Maury County Industrial Development Board. County Attorney Murphy stated there has been a grant of approximately \$350,000.00 from TVA towards this project. County Attorney Murphy stated Mt. Pleasant Power System has approved the MOU. The Industrial Development Board meets tomorrow and Mt. Pleasant meets the April 22 so everybody has it on their docket for this month. Commissioner Shackelford made a motion to approve. Seconded by Commissioner Previti. Commissioner Cook asked if there was any matching for this. County Attorney Murphy stated the County has already allocated the \$400,000.00 so it is basically sitting there waiting to be paid. County Attorney Murphy stated the County owns Cherry Glen and there are no mortgages so all that has to be done is this Memorandum of Understanding to provide a vehicle through which a check can be written in the bidding process. Chairman Harris asked County Attorney Murphy if the County is not asking to spend any more money. The \$400,000.00 still stands and there are additional participants and the County is agreeing to the Memorandum of Understanding. County Attorney Murphy stated the County is trying to come up with an avenue through which the building can be built and everybody pools their funds. Basically all Maury County is going to do is write a check for \$400,000.00 that is sitting there and has already been funded and approved and prepare a deed and the County is waiting on the survey to get the final bounds to say whether the actual 12 acres is located and this will be done to the Industrial Development assuming that everything approves. Commissioner Parker wanted to confirm the City of Mt. Pleasant needed to come up with \$500,000.00. County Attorney Murphy stated the City of Mt. Pleasant is contributing \$150,000.00, the Mt. Pleasant Power System is contributing \$150,000.00 Mt. Pleasant Water and the Mt. Pleasant Gas company are doing in kind contributions for providing the utilities at no cost. The infrastructure, Mt. Pleasant Power is providing the utilities at no cost and there is a \$150,000.00 grant for TVA. Commissioner Roddy stated the money from TVA will help with the construction of this building. There were no lights. All in favor. Motion Approved.

- K. Resolution No. 04-15-31** Resolution Requesting Credit Transfers For 2013 Delinquent Taxes, and 2013 Delinquent Public Utility Taxes. Commissioner Shackelford made a motion to approve. Seconded by Commissioner Cook. There were no lights. All in favor. Motion Approved.
- L. Resolution No. 04-15-32** Resolution Transferring Investment Pool Funds to the County General Fund Then to Debt Service Fund. Chairman Harris stated that basically these monies are taken down from the State to the 101 fund and then move them out to the Debt Service as it is a rebate on a dead instrument the County is allowed. Commissioner Parker made a motion to approve. Seconded by Previti. There were no lights. All in favor. Motion Approved.
- M. Resolution 04-15-33** Resolution Authorizing the Personnel Office to Purchase a Printer/Copy Machine Not to Exceed \$7,200.00. Commissioner Previti made a motion to approve. Seconded by Commissioner Cook. Commissioner Shackelford asked HR Director Dana Gibson is this up to this amount. HR Director Dana Gibson stated the amount is actually \$6,950.00 but she is not sure whether or not there are any installation fees and she got this quote back in February and she is working with the lady to be sure they do have this model available. HR Director Dana Gibson stated they called and got the best prices. Chairman Harris stated during the Special Called Budget Committee meeting Monday night that HR Director Dana Gibson had included this as a line item in the upcoming budget but the HR Department needs a copier fast so the budget committee had asked HR Director Gibson to get this resolution to the Budget Committee quickly. There were no lights. All in favor. Motion Approved.
- N. Resolution 04-15-26** Resolution Support Funding Renovations and Improvements to Columbia Central High School. Commissioner Parker made a motion to approve. Seconded by Commissioner Previti. Commissioner Burkhalter stated he would like to request the Budget Committee to send this on forward to the full commission and let the full commission have a vote on this. Commissioner Shackelford stated within this resolution he appreciated this resolution being brought forward to the committee. Commissioner Shackelford stated this is the total cost for constructing a new Central High School and Commissioner Shackelford stated he is supportive of that number. Commissioner Shackelford stated there are many steps the Commission has to take on this particular resolution and the next would be the following resolution where the County gives authority to the board to sign a contract with Hewlett Spencer, but this is the total figure for the cost of constructing a new Central High. Hewlett Spencer has given the County a guaranteed maximum price and Commissioner Shackelford feels certain they will perform in a way the residual is built into the \$42,984,296.00 on the guaranteed maximum price. Commissioner Stephenson had some questions for Mr. Hewlett. Commissioner Stephenson was wondering why the students have not been moved out into portables. Commissioner Stephenson stated she had a concern about the asbestos abatement and that exposure to students and students that have severe allergies. Mr. Hewlett stated the asbestos that is in those places is not airable. The term airable means it is not in the air where it would create a problem. It is in the products that are sealed and there is no danger from them as long as they are not

being moved. When it comes time for Hewlett Spencer to move those, there will not be anyone else in the building at that time and Mr. Hewlett stated that is the reason they need to get started as soon as the children leave the school so they can do things like that while there is no one on campus. Mr. Hewlett stated there is no danger to anybody about that. Commissioner Stephenson stated that it is important that these buildings be maintained particularly after we ask the tax payers to make this kind of investment. Commissioner Stephenson stated there are those individuals who have not had the ability to scrutinize things in their entirety as they would like. Commissioner Stephenson stated this proposed building is a 243,000 square foot structure and that comes out to \$191.00 per square foot and then there is the renovation of an additional 25,000 square feet. The capacity of this building is 1,600 to 1,800 persons and that is if you had all the areas of the school filled up. The entire project is to be done in four phases and it is to be done in 33 months, nearly 3 years. Commissioner Stephenson stated she distributed a list to the County Commissioners and some research had been done and she thinks it is important for the public to hear this because it is good information. Commissioner Stephenson stated she does not feel the commission needs to finance furnishings under long term debt. There were no lights. All in favor. Motion Approved.

- O. Resolution 04-15-27** Resolution Approving the Maximum Cost and Certain Agreements Relating to Central High School in Maury County, Tennessee. County Attorney Murphy stated if there is a savings on the project 80% will go to the schools and 20% will go to Hewlett Spencer. Commissioner Previti made a motion to approve. Seconded by Commissioner Parker. There were no lights. Chairman Harris called for the vote. Commissioner Parker aye, Commissioner Previti aye, Commissioner Cook aye, Commissioner Stephenson aye, Chairman Harris aye, Commissioner Shackelford aye. . All in favor. Motion Approved.
- P. Resolution 04-15-34** Resolution Authorizing The Issuance Of Not To Exceed Forty-Seven Million Dollars (\$47,000,000) In Aggregate Principal Amount In One Or More Series, Of General Obligation School, Bonds of Maury County, Tennessee, County Attorney Murphy stated this bond will be issued under Title 49 and there is a component to that if it is issued under Title 49. The proceeds can only be used for schools and it could not be up for public referendum. Commissioner Parker made a motion to approve. Seconded by Commissioner Shackelford. Chairman Harris asked Mr. Ashley McAnulty to come to the podium. Mr. McAnulty is with Stephens Inc. Chairman Harris stated they would be discussing pennies that need to be generated to fund this bond. Chairman Harris stated he wanted to give three different scenarios how affective 10 pennies is. A \$100,000.00 home at the current tax rate is \$2.62 and the estimated property tax rate is \$655.00 when you take that same \$100,000.00 home and increase the tax rate 10 cents to \$2.72 is comes out to an estimated property tax of \$680.00. If the tax rate increases to 15 cents the same \$100,000.00 home would be \$693.00. Mr. McAnulty stated he was charged with based on the need that was discussed to look at the proposed financing of the improvements to Central High School and how would the County best be able to do that from the Counties perspective. Mr. McAnulty gave several scenarios of what the impact

would be. Mr. McAnulty stated a lot of the counties are financing their school facilities over a 20 year period. He stated they see some go out for 25 years. Mr. McAnulty reminded everyone that Maury County's bond rating is AA2 which is a very good bond rating and enables you to access the capital markets at a low fixed interest rate. The County's bonded debt will pay off in 2018 some of it will pay off in 2021 and that affords the County the availability to add in this additional debt service and take on the new borrowing for the school. Mr. McAnulty stated Maury County is seeking to maintain a good level of fund balances so Maury County is in a position to make your annual debt service payments and that you're not creating a difficult circumstance for the County. Mr. McAnulty stated for the County to take on new debt service this scenario was important that the County look at an additional revenue increase into that Debt service fund so when you add this additional debt you do have the responsibility to pay for it and this shows a proposed 8 cent tax rate adjustment into the debt service fund and Mr. McAnulty looked at scenarios where there was full on level debt service then you are probably looking at a 15 to 16 cent tax rate increase. Mr. McAnulty stated his goal was to minimize the tax rate increase or tax adjustment going into the debt service fund and keep it to a minimum but also maintain good physically responsible management to maintain the County's bond rating to not limit the County in the future to take care of other needs. Mr. McAnulty also included the breakdown of the revenues which would include all of the various revenues going into fund 151. Mr. McAnulty stated you can see the current debt service and this would be all of the existing debt service. Mr. McAnulty stated he would be happy to answer any questions. Chairman Harris stated he would like to point out one comment and that Commissioner Stephenson brought up a good point about furnishings and things being funded through long term debt. Chairman Harris stated he agreed with Commissioner Stephenson 100%. Mr. McAnulty stated from an IRS perspective they do not want you to do that either. They want you to finance the improvements or assets that you are purchasing over the life of the asset or less. Chairman Harris stated he would like to make a comment about the percentage. The 20 year amortization we are talking about roughly is 3% money. Chairman Harris stated that 25 years may be too long and 15 years is too short considering the County is taking advantage of the 3% money. Chairman Harris stated paying it off in 15 years may cost more if the County has to take another bond issue at 4 or 5% down the road. Chairman Harris stated he thinks the 20 years is a good target. Commissioner Stephenson stated her concerns are that she knows there are going to be bond issues in the future and when some of the large debt zeros out in 2017 and 2020 she doesn't want to be borrowing from the future and she wants to make sure the County is able to do the things that need to be done in the future. Mr. McAnulty stated when you look at the revenue considerations and plans Maury County has been very conservative and some of the growth and property taxes has been pretty sizeable from a revenue standpoint and so when Mr. McAnulty provides projections and scenarios he wants to make sure that he has some room built in to make sure they are not coming in less than what you are expecting. Mr. McAnulty stated if you do not pass a revenue increase to support this debt service then you will quickly deplete that fund balance so the County does need the revenue adjustment to provide for this. Chairman Harris stated on the

furnishings and why they cannot come out of the fund balances of the school but those funds can be maintained and they have a healthy balance and could be maintained to do the much needed repairs on other schools. Chairman Harris stated he wanted to reiterate the different scenarios of what a ½ of a percent rate environment. Chairman Harris stated the time is now to take advantage of this low interest rate and any future delay is going to be very costly. Commissioner Shackelford stated the schools are going to need their fund balance. Commissioner Shackelford stated once the County gets another prioritized list there may be some things that can impact all the schools in the system. There are various projects on that list that will impact that every district being represented. Commissioner Shackelford ask Mr. McAnulty how will this borrowing with this increase because you do have to add tax revenue, how will this impact debt management our capacity. Mr. McAnulty stated he had used conservative projections on Maury County's growth and revenues. As other bonds are paid off there will be availability from that. Commissioner Shackelford stated he wanted to continue to support the philosophy of the keeping the County's bond rating at AA2. That extends great interest rates to the County. Commissioner Shackelford asked Mr. McAnulty if the debt instruments will have to run through the state comptroller's office and has that been done. Mr. McAnulty stated that it has been submitted to the Comptroller's office and they will review it and give their opinion before the meeting Monday night. Commissioner Shackelford asked Mr. McAnulty a little about Stephens Inc. and a little bit of information of Stevens Inc. and how much new debt is Mr. McAnulty issuing for his clients every year. Mr. McAnulty stated their firm started in 1933 in the bond business and municipal bond business issuing municipal transactions for cities and counties throughout the Southeast. They are a privately owned entity. Mr. McAnulty has been with Stephens Inc. for 13 years and prior to that he was in commercial banking and he has been working in finance helping municipalities for 20 years or more. Mr. McAnulty stated he has been looking at their involvement in the Tennessee market. They worked with more counties in Tennessee than any other firm like theirs. They handle over \$300,000,000.00 just last year alone. Mr. McAnulty stated their plan would be to issue this on a competitive bid bond basis and so this would be submitted to the national market and would prepare an offering document and they would make sure the rating agency to seek their rating and then it would be made available to a national market and accept bids at the County as was done in the past and seek the lowest bidder and through that process it comes to the table submits a bid and will have the opportunity to do business with the County. Mr. McAnulty stated they would want to award to the lowest bidder. Mr. McAnulty stated their firm is located in Nashville and they are convenient to coming to the County when there are questions or needs. Chairman Harris asked if the bond process is sixty days from start to finish. Mr. McAnulty stated that it is typically and it could be somewhere in the 30 to 45 day period. Chairman Harris stated he does not feel the revenues are overstated. Commissioner Roddy asked if it would be possible during the first year if the County could get the interest rate at 2%. Mr. McAnulty stated the first year it would be at .45% going out to the last year of 3.45% to create an overall true interest cost in the current market of a 2.93%. That is actually locked in at the time of the sale.

The County could refinance that at some future date. Commissioner Burkhalter asked Chairman Harris if the budget committee would be deciding tonight on the 8 cents whether they do a property tax or a wheel tax or a combination of both. Chairman Harris stated he didn't think the committee would get into that detail. Chairman Harris stated he didn't think the committee would have enough information completed on the budget to look at the allocation. This is just to ensure the funding will be there under this scenario. Commissioner Burkhalter asked would the commission fund this with a property tax or possibly with a wheel tax. Chairman Harris stated he thinks looking at this it would be from a property tax scenario. Chairman Harris stated if they approve this issuance as presented that doesn't mean the bond issue is ordered at the time it's just to protect the County's commitment to the school if they start work to make sure the funding is there. Commissioner Shackelford stated the wheel tax is in the private act and that is something that the Commission would have to vote to change and that would also have to be sent to the legislature to approve that change. Commissioner Shackelford stated the County's only option is the property tax however that is something that needs to be revisited. Commissioner Shackelford would like some study done on it. Chairman Harris stated he felt like the wheel tax could be looked at if the commission chooses and that could elevate some of the tax burden on some other areas. Commissioner Burkhalter stated the bids are only good for 60 days. Commissioner Burkhalter stated he is hoping the school board is looking at the schools and the County is going to be needing north of the county. Chairman Harris stated he hoped with the growth in that area the County will have Adequate Facilities tax coming in and that he thinks it can be appropriated for new structures. Commissioner Cook stated to just keep in mind that Maury County is growing and Maury County has future schools to build and the Commission has got to look at all of the schools and schools that have maintenance issues. Commissioner Cook stated to not forget all the other schools in Maury County that need to be taken care of. Commissioner Sumners asked about the potential 8 cents going into debt service fund under this scenario for this school. Chairman Harris stated he has gone to 33 cents to 41 cents. Commissioner Sumners asked if there was a potential for that to increase or decrease. Chairman Harris stated if the budget came in less it could impact the overall taxation. Commissioner Sumners stated the adequate facilities tax he did not feel was a consistent enough funding source to fund a school. Chairman Harris stated if there is growth it could help elevate some of the pressures to add on to the school, not to replace the school. Commissioner Stephenson stated the County Commission levies taxes not the school board and there are commissioners who feel their back is against the wall and in fairness to see in projects like this to see if the County Commission can get this information sooner. Commissioner Stephenson stated she would hope the remaining fund balance would go towards the renovations that are needed. There were no lights. Chairman Harris stated he had a motion on the floor from Commissioner Parker and seconded by Commissioner Shackelford. Chairman Harris called for the vote. Commissioner Parker aye, Commissioner Previti aye, Commissioner Cook aye, Commissioner Stephenson aye, Chairman Harris aye, Commissioner Shackelford aye. All in favor. Motion Approved.

**X. New Business.**

**XI Old Business**

- A. Mineral Severance Tax Information** (Director Weber) Director Weber stated the Committee had asked about Mineral Severance Tax and Doug Lukonen had researched this and it is in the back of the budget packet.
  
- B. Alcoholic Beverage Tax Information** (Director Weber) Director Weber stated the Committee had asked about Alcoholic Beverage Tax Information and Doug Lukonen had researched this and it is in the back of the budget packet.
  
- C. Fund Balance. (Director Weber)** Chairman Harris stated that fund balance had already been discussed.

**XII. Announcements:**

- A.** County Commission Regular Meeting, Monday, April 20, 2015 at 9:00 A.M. Tom Primm County Commission Room, Hunter-Matthews Complex.
  
- B.** Pledge and Prayer Responsibility for the April 2015 Full Commission Meeting will be provided by District 10 Commissioner Tommy Wolaver and Commissioner William (Tot) Roddy

**XIII. Adjournment:**

Motion was made to adjourn at approximately 7:25 p.m.

APPROVED \_\_\_\_\_  
Charlie Norman, Jr., County Mayor

SIGNED \_\_\_\_\_  
Craig Harris, Budget Committee Chairman