

HARTSVILLE/TROUSDALE COUNTY METROPOLITAN GOVERNMENT

BUDGET AND FINANCE COMMITTEE

MAY 23, 2022 | 6:00PM | TC COURTHOUSE

2023 BUDGET HEARING - MINUTES

Members Present: 11/12

Beverly Atwood
Ken Buckmaster
Shane Burton
Gary Claridy
Bill Fergusson

Jerry Ford
T. Bubba Gregory
Richard Harsh
Rachel Jones
Gary Walsh

Dwight Jewell, *Comm Chair*
Mayor Stephen Chambers
Amy Thomas, CCFO

Absent: Landon Gulley

The meeting was called to order at 6:00 pm by Chairman Dwight Jewell. Quorum was determined with 10 members present. [Rachel Jones came in after the meeting had started]

Tonight's meeting was called to review the 2023 Budget Appropriations and Tax Levies. Included in this topic is the review of the Election Commission, the Water & Sewer Department, School's, and Payroll.

FUND 101 – GENERAL SERVICES

Election Commission 51500 – Steve Paxton presented the budget with changes to a few of the line items in anticipation of the August elections. No major concerns were raised.

Gary Walsh motioned to approve the Election Commission budget as presented; second by Richard Harsh.

MOTION APPROVED
voice vote w/o opposition

WATER & SEWER DEPARTMENT

Tommy McFarland noted that the Water & Sewer Board would not meet until May 24th at 5pm. Any changes will not be available until after that meeting. Chairman Jewell reiterated that the main concerns were the payroll amounts and the bonuses.

Water Board Chair Heather Bay spoke to the Committee concerning the Water Board's meeting timeline. She does plan on reviewing the proposed Budget at the May 24th meeting. The concern regarding the Department's office parties was addressed as those expenses are not funded by the Department but by individuals. The bonuses will be revisited by the Board. Ms. Bay requested the budget template from Ms. Thomas so they could submit numbers in the format the Committee is used to seeing.

Gary Claridy asked for clarification on proposed pay increases. His understanding was that it was a 7% increase. Mayor Chambers explained that it was not a straight increase. By putting the employees on the pay scale, you were adjusting positions to match the market rate. Some positions were above market rate, and more were below market rate. Not everyone received the same percentage increase. Claridy then restated what the Committee was looking to do which is only go by the original assignments given by the Study without any step increases or cost of living/labor adjustments. Mayor answered that the Water Board had passed their budget before that decision was made and have not been able to revisit since then.

Chairman Jewell stated that his perspective was for the Water Department to mimic what the Commission will do with the General payroll. Ms. Bay again stated that the Board will revisit the budget at the May 24th meeting with consideration of the feedback from the Committee. She also expressed her gratitude for the Committee and Commission in their due diligence on the budget.

Water Board Vice Chair Mark White also spoke to the Committee. He wishes more respect was shown to the Board and to the employees of the Water & Sewer Department. He asks the Commission to trust the Board to do their job and respect the decisions made by the Board. On the topic of pay, the number one asset of the County are the employees. Current employees have been through training and education to get them to a level of expertise. It would cost more to train a new employee than to retain a current employee and continue their education. The employees of this County deserve respect, and most would like to see that translated into a dollar amount. We are all facing the current impact of the economy. It is now time to catch up our employee pay to where it should be.

Gary Claridy asked how many employees have state licenses. McFarland answered that most every employee has a one or two licenses. Claridy also asked on explanations on job titles and descriptions. McFarland was able to clarify the different levels to each position and what the difference between titles entailed. Claridy noted that a new employee was brought in at a higher rate than an established employee. McFarland answered that the new employee has over 18 years' experience in the field plus construction experience. That employee was hired for his knowledge and the pay was based on his experience.

GENERAL PURPOSE SCHOOLS

Dr. Satterfield confirmed the adjustments made at the May 10th Budget and Finance Committee meeting by setting the revenues with the adjustments to Property Tax (\$1,528,677) and Sales Tax (\$973,204). The new revenue numbers were presented to the Board of Education on May 19th and a new budget was created with the confirmed revenue numbers. The new budget was sent to the Mayor and the Chairman. The adjustments in the new budget from May 19th include the nonrecurring items that was asked to be funded by the General Fund – the Elementary roof and the paving of the high school parking lot. The main focus to be the paving or resurfacing of the high school parking lot estimated at \$315,000. The Highway department will be able to provide the asphalt at a reduced and tax-free rate. Funding from the ELC grant would cover close to \$200,000. This issue is that the Schools are on a short timeline and need to repair the lot this summer. The remaining \$115,000 was still needed. In light of that, the schools adjusted their expenses by removing a teaching position from the middle school and removing the 4% increase for the non-certified employees in order to fund the remaining \$115,000 for the parking lot resurfacing. Dr. Satterfield requested for the Committee to “pony up \$115,000” so the middle school teacher and the 4% increase could be reinstated.

Chairman Jewell asked for clarification of why the Schools adjusted their budget. All of the above was included in the numbers presented on May 10th, why would the Schools change the budget? He asked for clarification on the paving project; how would the Schools lose the grant if the County did not fund the \$115,000. Dr. Satterfield answered because the grant would only cover \$200,000 so the additional amount is needed to complete the project. Could the Schools not use their fund balance to cover the remaining amount? Dr. Satterfield said that is why he moved the funding from the teaching position and the increases in order to fund the paving project. If the Commission did see fit to fund the \$115,000 then the teaching position and the increases could be reinstated. Dr. Satterfield stated he had taken several items from fund balance and felt that they could not take anymore from it. Chairman Jewell stated that the \$115,000 was listed as a side note in the presentation and that the Committee would address it at a later meeting. There was no action on the issue at that time. The May 10th budget numbers were approved at that meeting which included the middle school teacher and the 4% increases.

Gary Claridy pointed out that the only thing that was removed from the presented budget was a bus and a driver - which was taken out by the schools beforehand. The issue of the TCES roof was also discussed and not included due to pending litigation with the insurance. Everything else was passed as presented. Chairman Jewell asked Dr. Satterfield if the bus was put back into the budget. Dr. Satterfield answered that the bus was put back in plus another bus for a total of \$224,000. There was a bus that suffered damage from the December 2021 tornado that insurance only covered \$55,000 of repairs. This oversight was caught after the May 10th meeting. One bus was included in the May 10th, but now they are needing two buses. Overall, three buses are being requested, two are included in the May 19th numbers, and the extra bus was taken out.

Amy Thomas asked if copies of the May 19th numbers were passed out. Dr. Satterfield handed out copies of the May 19th budget. Mayor Chambers reviewed his notes from the previous meetings and noted that the bus and driver were taken out and that no specific action was taken on the nonrecurring expenditures. It was understood that it was included in what was allocated on May 10th. He asked Dr. Satterfield to clarify a previous statement of reinstating the teaching position and 4% increase at a later date and where would that funding come from at that time. Dr. Satterfield answered that if they could get the \$115,000 to fix the parking lot then they could move the funds from the capital outlay back into the salary line items. He went on to say that if he could get a little bit more revenue, he could fix the raises and the teacher at the middle school, but they must fix the lot at the high school, or they'll have to send \$200,000 back. Mayor Chambers stated that the \$173,204 funding was put into the Sales Tax line item and their budgeted revenues were the same as presented on May 10th. He went on to confirm that the

Committee nor the Commission can approve the spending of their funds. Dr. Satterfield restated that the May 19th numbers reflect the revenue that was set by the Budget and Finance Committee on May 10th.

Gary Claridy went over the proposed numbers from May 10th included the amounts was the 4% raise for non-certified employees \$47,454 and one teaching positions \$62,875 for a total of \$110,329. That total amount plus one teacher (\$173,204) was reflected in the sales tax line item when the revenues were set.

Chairman Jewell asked why the \$115,00 couldn't be included without taking all the other items taken out. Dr. Satterfield recommends paying the \$115,000 outside of the budget. Jewell stated that the Commission or the County does a lot to contribute to the Schools and wishes those efforts were reflected in the budget presentations so the State, the public, and even the Commissioners could realize those efforts.

Amy Thomas asked about the timeline on the grant funding for the parking lot and if it needed to be spent before June 30th. Dr. Satterfield answered that it did not need to be spent by June 30th. Thomas then asked why funding was being taken from the employees when the Committee needed time to discuss where the funding for the \$115,000 would be found. Dr. Satterfield restated that the raises could be reinstated at any time and can be back paid if needed. Thomas asked then why change the budget? Dr. Satterfield answered again with the need to repave the parking lot but could not give a timeline of when the ELC funding needed to be spent. Currently the schools only have an estimate on the paving project. Dr. Satterfield said he could not proceed without the funding in place to do the project. Jewell clarified that the May 10th numbers were fine less the \$115,000 funding for the paving.

Jerry Ford asked about the Education Debt Service balance and using the remaining amount to pay the \$115,000. Thomas clarified that was the fund that is funded by the Wheel Tax and it was decided by resolution for the remaining balance to be put towards the JSMS roof loan, but the Commission could discuss funding both the note and the paving project. An amendment to the Resolution would need to be made and obtain approval from the Comptroller's office.

Buckmaster asked where else the \$115,000 could come from in order to keep the raises and teacher position. Thomas stated that she would need to look into other sources in order to provide options.

Claridy asked if the Highway Dept would be paving the lot or if an outside firm would be coming in to do the job. The schools have a private contractor that will do the project and the asphalt would be bought through the Highway dept. Claridy asked if a bid process hasn't been completed then how do the schools have a contractor in place. Dr. Satterfield answered that he has spoken with several contractors, and he has an estimate and there is at least one contractor that would be good for this job. Claridy asked when the bid process would begin. Satterfield answered as soon as his budget is passed. The contractor the schools will most likely used has already measured and marked the lot and has supplied a good estimate of the project. Claridy said that we need a firm amount to make this decision on.

Rachel Jones commented on the ease of the lot and the traffic directions of the lot. She then asked why the Highway Dept could not pave the lot. Scruggs and the Highway Department does not have the time to do the job. Her suggestion was for the Highway Dept to do the job in order to save some money, but that is up to Mr. Scruggs and his schedule.

Mayor Chambers asked about the ELC grant and when the funds have to be spent by. Dr. Satterfield answered that originally it was June 30, but they have allowed an extension. He would like to have the project done this summer.

Chairman Jewell asked what the will of the body was. He reiterated that a budget has already been approved [May 10th figures], but the schools have proposed a revised budget. Dr. Satterfield said that if the Committee/Commission would make a separate payment and not include the amount in the budget, he is only asking for a commitment to assist with the paving project and then he could make everything work.

Concerning the TCES roof, the Schools have hired a structural engineer to do an analysis on the installation and/or damages to the roof, and the project may come back before the Committee at a later date. However, the parking lot needs to be addressed as soon as practical.

Jewell opined that we need to stay with the budget as approved on May 10th, if needed it can be amended at a later date. Ms. Thomas will investigate what we can do with the remaining balance of the Wheel Tax funding. This would be the cleanest or simplest move to do concerning the funding. The issue will be taken up at the next regular meeting of the Budget Committee and, if recommended, the next Commission meeting. The estimated amount of the remaining balance is around \$225,000. The final payment has been made on the 2002 High School construction. Jewell would like to wait for the May receipts to come in so we have a definite amount of what is left in that fund, and we can make the decision in June. Dr. Satterfield is comfortable with this path.

Fergusson asked if the teaching positions and the non-certified increase would be considered at this time. Dr. Satterfield again stated that the May 19th numbers include 1 high school teacher, no middle school teacher, and three at the elementary school. If the Committee/Commission would commit to the \$115,000 funding, the schools could get one teacher to the middle school this year. The longer the wait, the harder it is to find teachers. In anticipation of the growth in the county, the overall idea is to add a middle school teacher each year for the next three years beginning with FY2023.

Jerry Ford asked for clarification on the non-certified raises; will the schools give that raise? Dr. Satterfield answered that it is not presently in this budget (referring the to May 19th revised budget). However, it can be reinstated once a commitment is made on the paving project. Chairman Jewell reiterated that that is strictly the School Board's decision. The Committee/Commission cannot instruct them on how to spend their funding. The revenues have been set and the budget from May 10th has been approved.

Walsh made a motion to adjourn.

Meeting adjourned at 6:44pm.

*Minutes submitted by
Amy Thomas*