

BUDGET HEARING

May 09, 2016

6:00 PM

PRESENT: Nancy Brown, Cody McQueen, Sonja Culler, Ross Garland, John Lewis, Dr. Robert Acuff, L.C. Tester and Ronnie Trivett.

Budget hearing was called back to order by Sonja Culler.

- **Highway Department:** Finance Director, Christa Byrd said the Highway Department revenues were reallocated because some were coming in higher than previous year's projections. The increased revenues were used to cover the decrease in sale of gasoline line item. Mrs. Byrd also stated that Highway department was able to absorb the cost of the 8.06% increase in medical insurance on their own. Director of Finance, Christa Byrd also cautioned the committee that if we do go with Blue Cross Blue Shield at 13.65%, the Highway Department will possibly need to revisit needing the counties help with funding the insurance increase. Mr. Colbaugh did not request any salary increases in his originally presented budget, but would like to participate in any raises given to county employees. There were many movements of money between line items but no overall change in expenditure request.
- **Education-County Schools:** Finance Director, Christa Byrd made comment that mixed drink tax was reclassified on the school and county lines as far as accounts used. Mrs. Byrd stated that the remainder of the schools revenues remained the same with exception to Basic Education Program and State Revenue Sharing which increased by a total of \$1,489,000. The State of Revenue Sharing increase of \$155,000 was added at the beginning of the year because it was inadvertently cut last year, therefore this is not new money. Dr. Ward explained that the School Board was able to provide the county with a balanced budget. Dr. Ward requested a 4% increase for paraprofessionals in addition to the budget presented. Ronnie Trivett asked what the approximate amount the 4% paraprofessional raise will cost the county. Mrs. Byrd stated with city/county split the cost for these raises will be approximately \$370,000, which results in Dr. Ward getting \$250,000 for the 4% raises. Ronnie Trivett asked how much the School Department's fund balance is going to be at year end. Dr. Ward said General Purpose Schools fund balance will be approximately \$3.2 million at the end of the fiscal year, which is the amount after this year's paraprofessional bonus.
- **Debt Service:** Finance Director, Christa Byrd presented the Debt Service request to the budget committee. Mrs. Byrd began with the General Government Debt Service- Jail project. This budget requested \$1,614,431.26, an increase of \$33,500. The increase in this bond is due to the debt schedule pay off rate. Mrs. Byrd also covered the Education Debt Service request which indicates a request of 384,929.65, a decrease of \$452,777.62. The reason for this decrease is because the note for Cloudland project is paid off in 2015-16 year. The total of all Debt Service request is \$1,999,360.91, a decrease of \$419,277.62. According to Mrs. Byrd, if all things are left the same the Debt service account will be \$168,862.57 to the good in Debt Service. The final remarks from Mrs. Byrd regard the increasing of any revenues that have been coming in higher than projected in past years. The total revenue request for Debt Service is \$2,168,223.48, an increase of \$7,000 for 2016-17 budget year.

Finance Director, Christa Byrd said she has a tentative hearing date set for May 19, 2016 at 6:00 PM. She asked if the committee would like to meet then and asked for guidance on what they would like for her work on for the next meeting. Many committee members said they see the need for another hearing.

Sonja Culler said the Budget Hearing will be in recess until May 19, 2016 at 6:00 PM.

Respectfully submitted,

Michael Kennedy

Sonja Culler,

Approved for File