

Budget Committee
Minutes
City of Jackson
02-11-2021

I. Call to order and welcome

Chairman Paul Taylor called the meeting to order. In attendance for the Go-To-Meeting were committee members Andrew Long, Paul Taylor, Ron Tharpe, Johnny Dodd, Doug Roth, and Ross Priddy; absent was Mark Johnstone. Also present was Lori Nunnery, with VisitJacksonTN. In attendance from the City were Bobby Arnold, Tawanika McKinney, Mayor Conger, Alex Reed, and Sandy Maxwell, recorder of the minutes. The full video of the meeting can found at <http://www.youtube.com/CityofJacksonTN731>.

II. Approval of Minutes: December 10, 2020, December 30, 2020, Special Call Meeting, and January 21, 2021, were approved as presented.

III. Information

a. FY21 Revenue Report (*Bobby Arnold*)

Report: Mr. Arnold said January numbers look favorable, looking at the three main revenue accounts. Local tax is at 73% compared to the budget of 58%; putting us up 6.6% overall. State tax is at 66%, and Hotel-Motel tax is up 100% since an increase was not budgeted. Ms. Lori Nunnery from VisitJacksonTN added that the November numbers were reported late, which inflated the December number. The actual numbers are flat. Overall, Hotel-Motel is down 15% compared to 2020. She added that April 2020 was down 60% from the previous year; it was the hardest hit month because the economy was shut-down.

b. Updated Financial Indicators from FY20 Audit (00:00 – 1:40)

Chairman Taylor spoke about the worksheet titled Financial Health Indicators FY 20. He stated these are the metrics that the Budget Committee has followed for the last two years. Mr. Taylor also said that there is an increase in positive indicators based on the metrics. He noted a few items have moved from critical or cautionary to a positive from FY – 19 to FY – 20, which shows that we are moving in the right direction.

IV. Business

a. FY22 Budget Calendar

i. Review of FY22 updated 5-year capital plan (1:45 – 10:26)

Chairman Taylor stated that he sent out the FY 22 budget calendar with a revised five-year capital plan. Mr. Taylor asked the committee to review the document in its entirety but highlighted a few categories. He reminded everyone that our first chance to review the operating budget would be in March. Mr. Arnold said it is a tight schedule to get the books closed before our next meeting but doable. Mr. Taylor added that this schedule would allow the budget committee to review the overall budget in March and April.

Chairman Taylor referenced the spreadsheet that Mr. Arnold emailed to everyone and asked him to report on the City of Jackson Capital Budget Summary.

Report: Mr. Arnold said that numbers are still in need of being reviewed. He said that the report is grouped by departments and is self-explanatory. Items are identified as new or a replacement item; next is the FY – 22 column giving a total of \$5.6 million. The following four columns are the remaining year of the five-year Capital Outlay Plan. Referencing the alternative financing accounts, Metro Narcotics, and Solid Waste funds, he is hopeful that their capital requests will be funded through those funds' operations budget. He also mentioned two large projections, Dr. F. E. Wright Road and South By-Pass, that are paid through grants but reminded everyone that Dr. F. E. Wright has a 20% match. As the work continues, so will the request on these two projects. Project numbers are not included in these numbers but will be in our next report. The street resurfacing project is in these numbers for next year; funds are coming from the state's grant for \$1.5 million for street resurfacing.

Chairman Taylor asked if some of the \$5.6 million will be offset by the state's proposed grant. Mr. Arnold said yes and looking at our own funding that might be included for the street resurfacing projects next year. The Mayor's office and the Engineer Department are trying to finalize this year's street resurfacing plan for this year's grant money. Mr. Arnold reminded everyone that these have not gone through a final review. The Mayor added that he does have a few questions about these numbers but will get with Mr. Arnold to review them. Mr. Taylor recapped by saying these numbers, along with grant money and potential financing, we will continue to track these moving numbers and projects.

d. Recommendation regarding Jackson Police Department request to purchase vehicles (22:05 – 59:58)

Chairman Taylor asked Chief Julian Wiser to give the Budget Committee a review of the needs for the JPD regarding the purchase of vehicles, the status of the existing fleet, and your proposal.

Report: Chief Wiser said there are 31 vehicles in the patrol fleet, and about 70% of those vehicles are over mileage by the end of the year; they are year models 2021 – 2014 and will have over 200,000 miles which creates a safety issue for officers and citizens. We propose to pay for the newly leased vehicles out of our existing budget without increasing it. He turned it over to Captain Jackie Benton to review the potential lease-purchase through Murfreesboro Ford. She said the current interest would be 3.5% (was initially 4.75%) on a five-year plan, and the vehicles are a turn-key package with a staggered 8 to 12-week delivery window.

Chairman Taylor explained that this item was brought before the city council, who decided to table the decision until the budget committee could review the information and then send a recommendation back to the council. He also explained that the state bid process, which Murfreesboro is the winner of the bid. The vehicle costs \$33,531, equipment (computer, camera, barrier, etc.) cost is \$23,919, which is \$57,450 per vehicle. Mr. Taylor presented a spreadsheet with financing options. He broke down the information from the initial and revised proposals and the new proposal from Tennessee Municipal Bond Funding, speaking about the interest rates, payment terms, etc. (28:00 – 32:53). After several minutes of questions and discussion amongst the board members (32:56 – 58:32), chairman Taylor made a motion to proceed with the Tennessee Municipal Bond Fund Capital Outlay Note, seconded by Mr. Ron Tharpe; all board members voted yes.

e. Regular meeting time – 2nd Thursday of the Month @ 11:00 AM (1:00:01 – 1:02:04)

i. March 11, 2021

V. Adjourn (1:02:06)