



FINANCE COMMITTEE

JULY 23, 2019

MINUTES

CALL TO ORDER

The regular monthly meeting of the City of Clarksville Finance Committee was called to order by Chairman Jeff Burkhart on Tuesday, July 23, 2019, at 3:30 p.m. in the City Hall Conference Room, 1 Public Square, Clarksville, Tennessee.

ATTENDANCE

PRESENT: Jeff Burkhart, Tim Chandler, Jeff Henley, Stacey Streetman

ABSENT: Valerie Guzman

MINUTES:

Councilman Henley made a motion to adopt the minutes of June 6 and June 25 as presented. The motion was seconded by Councilman Chandler. A voice vote was taken; the motion passed without objection.

PURCHASING

Director of Purchasing Camille Thomas presented the monthly bid summary and reported award of the following professional service contracts:

- Gas & Water: Fee increase for the design services of the Valleybrook Park Equalization Tank from Hazen & Sawyer, P.C. in the amount of \$413,620.00 for a total amount of \$1,051,988.00.
- Gas & Water: AWIA assessment services from Hazen & Sawyer, P.C. in the amount of \$139,760.00.
- Gas & Water: Design services for a Fire & Security System at the Main Complex from WBW Engineering, Inc. in the amount of \$14,000.00.

Ms. Thomas said sales of surplus property would be reported the following month.

GENERAL FUND

Chief Financial Officer Laurie Matta said FY19 would be closed by August 31st. She said although the department was waiting for the final 60-day revenue report, revenues were exceeding expenditures by \$3 million or 3.3%, or \$2 million/2.2% more than the previous year. Mayor Pitts said the 98.2% collection rate was phenomenal compared to an average of 95-96%. She said because of department spending under budget she did not anticipate any further reduction in the FY19 ending fund balance. Ms. Matta said spending was 4.9% under budget. She said local option sales tax collections totaled 8.7% more than the previous year at \$71 million with \$19 million for the City and \$57.7 million for schools. She said the FY19 ending fund balance was estimated to be \$30.3 million or 31% of budgeted expenditures. The Police Special Revenue Fund showed a negative balance and was waiting for reimbursement of grant funds. Ms. Matta reported \$27.9 million in the Local Government Investment Pool.

DEPARTMENT OF ELECTRICITY

CDE Chief Financial Officer David Johns said the Broadband Division had recently paid \$3.6 million on the interdivisional loan leaving the debt owed at \$6.6 million now scheduled to be paid in 2021 instead of 2038. Mr. Johns said the June electric power usage was similar to two years ago, but was approximately %11 less than 2018. Electric Division earnings were up \$1.5 million from the previous year. Mayor Pitts noted the building improvements currently underway were being paid for by cash.

CITY ATTORNEY

City Attorney Lance Baker reported payment of the following legal expenditures:

- Bradley Arant, Robinson v. City - \$18,784.84
- Bass Berry Sims, FEMA Flood Disaster Reimbursement - \$21,058.75
- Bass Berry Sims, FEMA Flood Disaster Reimbursement - \$1,026.00

FY20 EMPLOYEE PAY TABLE

Ms. Matta said the proposed pay table did not include an additional pay increase for Police Cadets whose pay had been increased in May. Councilman Henley made a motion to approve the FY20 Employee Pay Table. The motion was seconded by Councilman Chandler. A voice vote was taken; the motion passed without objection.

REIMBURSEMENT OF EXPENSES

RESOLUTION 11-2019-20 Declaring the City's intent to reimburse itself not to exceed \$15,620,000.00 for certain project expenditures with proceeds of general obligation bonds, notes, or other debt obligations

Ms. Matta said this resolution will allow the City to reimburse itself with debt proceeds after spending budgeted funds on approved capital projects. Councilwoman Streetman made a motion to forward this resolution to the City Council with a recommendation of approval. The motion was seconded by

Councilman Henley. A voice vote was taken; the motion passed without objection.

ORDINANCE 9-2019-20 (First Reading) Amending the FY20 General Fund Operating Budget to increase operating budgets for departments/entities for the purpose of paying for items planned in FY19 but will necessitate funding inf FY20

Chief Financial Officer Laurie Matta said these amendments were being requested to reappropriate FY19 budgeted expenditures in FY20. She said a truck ordered for Parks & Recreation would not be delivered until the current fiscal year and the Regional Airport Authority asked to move funds for a runway and hangar. Councilman Henley made a motion to forward this ordinance to the City Council for approval. The motion was seconded by Councilman Chandler. A voice vote was taken; the motion passed without objection.

CERTIFIED TAX RATE

Mayor Pitts asked the committee to support a property tax rate for FY20 (Tax Year 2019) of \$1.026 as recommended by the Montgomery County Assessor of Property. He said some consideration may be given to a ¼ cent increase for the local school system in FY21. Councilman Henley made a motion to recommend the FY20 property tax rate of \$1.026 to the City Council. The motion was seconded by Councilman Chandler. A voice vote was taken; the motion passed without objection.

APSU POLICE SERVICES

RESOLUTION 10-2019-20 Authorizing a mutual aid/interlocal agreement between the City of Clarksville and Austin Peay State University for police services

Councilman Henley said the new agreement, approved by the Public Safety Committee, was being requested only because APSU had a new police chief. He said the provisions of the current agreement would continue. Councilman Henley made a motion to forward this resolution to the City Council with a recommendation of approval. The motion was seconded by Councillady Streetman. A voice vote was taken; the motion passed without objection.

PUBLIC COMMENTS

There were no public comments.

ADJOURNMENT

The meeting was adjourned at 4:07 p.m.