



CITY OF GERMANTOWN TENNESSEE

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FINANCIAL ADVISORY COMMISSION MINUTES

Tuesday, April 18, 2017, 6.00 p.m.

Economic & Community Development Blue Conference Room
1920 S. Germantown Road, Germantown, TN 38138

- Members Present:** Hal Beckham, Brian Carney, Blake Deaton, Clint Hardin, Ashley Hopper, Alderman Rocky Janda, Russell Johnson, Walter Krug, Jason Lowe, Michael McLaughlin, Christine Menzel, Chris Miller, Julius Moody, Paul Mosteller, David Rea, Alan Richmond, Donnie Rose, Harold Steinberg, Denise Stumph, Brandon Westbrook, Brian White
- Members Absent:** Frederick Miller, Richard Vosburg, Scott Wickliffe
- Staff Present:** Alderman John Barizza, Alderman Mary Anne Gibson, De'Kisha Fondon, Patrick Lawton, Sherry Rowell, Adrienne Royals, Paul Turner
- Others Present:**
- Jason Manuel, Superintendent (GMSD)
 - Kevin Jones, CFO (GMSD)

CALL TO ORDER

Chairman Moody called the April 18th, 2017 Financial Advisory Commission meeting to order.

ESTABLISHMENT OF A QUORUM

Mr. Turner then called the roll and announced that a quorum was present.

REVIEW OF THE FY18 GERMANTOWN MUNICIPAL SCHOOL DISTRICT (GMSD) FUND

❖ Revenues (FY18 = \$52.7 Million)

Superintendent Manuel stated that there are basically three fundable sources for Revenues:

- **Basic Education Program (BEP)** funding (\$26.2 Million) from the State which is based on FY17 or the previous year's enrollment of 5,887 students. The remainder of the funding is through ADA (Average Daily Attendance) which is a comparison between our school attendances weighted against attendances in other school districts within Shelby County. Our weighted full-time equivalent average for daily attendance is 4% (\$7,147).
- **County Taxes** of \$23.6 Million plus \$150,000 increase in Sales Tax Revenues.
- **Maintenance of Effort** from the City of Germantown currently is a minimum payment of \$2.2 Million.

❖ Human Resources

Step Increase for eligible employees (\$386,000); all staff get an 18 year step increase or salary schedule when they are hired (up approximately 2% every year). A **Cost of Living Adjustment (COLA)** stipend (\$186,000) is allowed for those teachers who are at the top-of-scale and beyond step 18. Some added/projected positions for FY18 include the projection of 5 new Regular Education Teachers (\$375,000), 1 Physical Education

Teacher, an Administrative Assistant, 1 Secondary Curriculum Supervisor, 1 Special Education Teacher, 1 Special Education Transition Case Manager, 1 Library Assistant, and 0.5 Financial Secretary. Superintendent Manuel advised that GMSD is continuing to fully fund their OPEB requirements (\$830,000) and also that there is a 30% decrease in life insurance premiums for the District.

❖ **Technology**

1 School Technology Support staff for each of the elementary schools has been added, 1 Administrative Assistant for the Technology Department to be shared with Finance to support fixed asset accounting and other clerical duties and teacher laptops will also be replaced (\$200,000).

❖ **Operations**

Superintendent Manuel said because the District is still growing, there is a prediction that 2 more Modular Classrooms will need to be added for Dogwood Elementary School (\$200,000). Also, Audit services have increased to cover the District's portion of the Comprehensive Annual Financial Report (CAFR) which is also shared with the City of Germantown. Superintendent Manuel further advised that the District has reduced their anticipated legal cost; a remaining amount of \$366,063 can now be put into capital outlay. In the case that it is not all used, the rest can be rolled into reserves.

As Superintendent Manuel concluded, he made it clear that items mentioned in his presentation are not all the needs of the District; he said although we have done our best to bring a valid budget before the Commission tonight there are still other things that we can use extra funding for.

****MOTION****

Mr. Hardin motioned that the FY18 Germantown Municipal School District Budget be approved and thereby recommended to the Board of Mayor and Alderman. Mr. Rea seconded and the motion passed unanimously.

APPROVAL OF THE MINUTES

****MOTION****

Mr. Westbrook moved to approve the minutes (as amended) from the April 4th, 2017 Financial Advisory Commission meeting. Mr. McLaughlin seconded and the motion passed unanimously.

OTHER BUSINESS

Mr. Lawton reminded everyone that the next Financial Advisory Commission meeting date has been changed from May 2nd to May 9th, 2017 as Mr. Turner is awaiting numbers to settle the new tax rate. The FY18 General Fund Revenues and Expenditures will be presented. Following a work session with the Aldermen, the First Reading before the Board of Mayor and Aldermen will be on May 22nd, 2017.

ADJOURNMENT

Chairman Moody then called for the meeting to be adjourned.