

**Minutes of the
City Council Work Session
Eagleville City Hall, Eagleville, TN
Thursday, April 11, 2024– 7:00 PM**

1) MAYORS WELCOME and CALL TO ORDER

Mayor Chad Leeman called the meeting to order at 7:02 p.m.

2) ROLL CALL

The roll was called by City Recorder Christina Rivas.

PRESENT:

Mayor Chad Leeman
Vice Mayor Bill Tollett
Councilman Craig Campbell
Councilman Ryan Edwards
Councilman Brandon Emamalie
Councilman Chris Hendrix arrived at 7:04 p.m.

ABSENT:

Councilman Jason Blair

STAFF:

| | |
|-------------------------------|----------------------------------|
| City Manager Hellyn Riggins | Financial Consultant Mike Walker |
| City Recorder Christina Rivas | Fire Chief Jonathan Armstrong |

3) DISCUSSION

a. Ordinance 2024-001 Ordinance Amending Ordinance 2023-001 (Annual Budget) with Supporting Documentation from Mike Walker

Financial Consultant Mike Walker stated that this proposed ordinance is to amend the current fiscal year's budget ordinance (2023-001). He informed Council that he projects that the current fiscal year's budget could close with a surplus of approximately \$273,000. He noted that of that amount, \$242,000 would be transferred to various funds from the 2023-2024 Budget; leaving a balance of revenues over expenditures of \$31,000. Mr. Walker referred to his spreadsheet as he reviewed the following recommendations that would be funded as a result of this amendment:

- Transfer \$67,000 to the Capital Projects Fund for the purchase of a vehicle for the Police Department in Fiscal Year 2025-2026.
- Kudos to the Police and Fire Chiefs for their efforts to furnish the new Public Safety Center.
 - The original budget for furnishings was \$25,000.
 - An additional \$5,000 will be needed.
- \$50,000 has been budgeted for demolition of the current Public Safety building.
 - An additional \$20,000 should be added for demolition costs and paving expenses to create a parking lot for Main Street.
- Transfer an additional \$80,000 to the Debt Service Fund for FY 2023-2024.
 - The total transferred to the Debt Service Fund this year would be \$232,000.
 - The fund will not have any large debts next year.
 - Debt payments for the Public Safety Center will not begin until 2026.

- Prepare a minimum of one year's worth of payments in the Debt Service Fund for the onset of payments for the Safety Center.
- \$50,000 was allotted for road projects for the current fiscal year.
 - Add an additional \$70,000 for a total of \$120,000.
 - A total of \$185,000 would be designated for roads in Fiscal Year 2024-25.
- Recommended a funding plan for the Debt Service Fund.
 - \$272,000 per year has been estimated for payments.

City Manager Hellyn Riggins stated that Mr. Walker worked with the United States Department of Agriculture (USDA) to allow the City to close the loan for \$4.5M and reduce the interest rate from 4.83% to 2.125%.

Mr. Walker noted that this would save the City \$14,000 per month and that the goal is to close on the loan July 2024.

Mr. Walker noted that \$152,000 was transferred to the Debt Service Fund from the General Fund this current fiscal year.

Mr. Walker stated the following regarding Debt Service:

- A funding plan was created to pay the debt over the next few years.
- Next year \$184,000 is allotted to be transferred from the General Fund to the Debt Service Fund.
 - The plan is to increase the transferred amount by \$30,000 per year.
- Emergency Communication Radios will be paid in full in 2030 for a savings of \$16,000 per year.
- Retain the Funding Plan to use as a model for next year.
- The actual rate of inflation is 3% per year.
 - The City will gain more sales tax with inflation over time.
- The debt has a low fixed rate for 40 years.

Ms. Riggins explained that the loan would not close prior to the start of the new fiscal year – July 1, 2024. She stated that the USDA provides a yearlong grace period which:

- The City does not make a payment on the loan during the first year
- Enables the City to build a year's worth of cash reserve to begin the debt payments
- Aids the City's cash flow.

b. Ordinance 2024-002 Ordinance for FY 2024-2025 Annual Budget with Supporting Documentation from Mike Walker

Financial Consultant Mike Walker presented an overview of the proposed budget, noting that the General Fund balance was in a strong financial position at \$2.186M by June 30, 2025. He stated that this was well above projected expenditures of \$1.8M. He further noted the following:

- No property tax increase.
- Sales tax is 60% of revenue.
- Investments in the Local Government Investment Pool (LGIP) and Certificates of Deposit (CD's) are growing.
- 50% of the budget is personnel, which is typical.
 - 5% wage increases are factored into the proposed budget.
 - Retirement match will increase to 7.28.
 - 10% increase for health insurance benefits is projected for January 2025.

- Capital Projects:
 - Working with contractor to complete the Public Safety Center, sooner.
 - The percentage rate for the Long Term Financing for the center is 2.125%.
 - The second loan of \$2.126M has a percentage rate of 3.625%.
 - Payments to USDA will begin in Fiscal Year 2025-2026.
 - Fire truck refurbishment to be completed in July for \$190,000.
 - \$1M+ grant for repair of sidewalks.
 - Requires 10% match.
 - Must commence repairs next fiscal year.
 - Park improvements - \$34,000 had been allotted for this year.
 - Funds are available for next year's budget.
 - Street resurfacing - \$184,400
 - Ms. Riggins will assess the condition of the City's streets.
 - This will aid in setting speed limits.
 - Sewer System Improvements Grant requires an Asset Management Plan.

City Manager Hellyn Riggins noted that the projected ending cash balance for June 30, 2024 is \$3.8M for all funds.

Mr. Walker continued with an overview of the City's funds: General, State Street Aid and Capital Projects.

Mr. Walker noted that the Sewer Fund operated differently. He stated that a balanced budget must be maintained or the City would have to appear before the Wastewater Advisory Board.

Ms. Riggins explained that the Board could place the City on probation, while the Comptroller of the Treasury of Tennessee could impose rate increases if a profit is not reflected.

Councilman Edwards inquired if this was an issue that Council should address. Mr. Walker stated that, currently, the Operating Income was \$44,000 over expenses. He noted that this was not a large cushion, but it was strong.

Ms. Riggins stated that more residences utilizing the sewer system would be needed for the solvency required to become more independent.

Mr. Walker noted that the State allows municipalities to conduct a Special Census between now and 2030. He explained that:

- The City could conduct a Special Census and potentially gain 50% in revenue.
- Every house must be counted.
- Consider the possibility as new houses develop.
- The 2030 census will aid revenues greatly.

Councilman Edwards stated that the projections for growth, as stated by Rutherford County, were alarming. He cited that the projections reflected an additional 50,000 residents over the next 3 years.

Mr. Walker referenced the Summary of Revenues and Expenditures; noting that the estimates for Fiscal Year 2024-2025 were conservative.

Ms. Riggins noted that the budget was \$1.8M with a fund balance of \$2.2M. She emphasized the significance of these numbers meant that it would not be necessary to draw from reserves in order to balance the budget.

Mr. Walker noted the City's General Fund revenue sources:

- Sales Tax \$1.65M (the budget is \$1.8M).
- Property Tax \$191,000
- Intergovernmental Revenue \$97,500

Mr. Walker stated that beer and liquor revenues were reduced due to the loss of a restaurant.

He also noted that the General Budget had increased \$6,000 over the current fiscal year.

- This had taken into account wage increases.
- The Police Department's budget was \$6,000 less than last year due to turnover in officer positions.

c. Update on Proposed Charter Change

City Manager Hellyn Riggins stated that she went before the General Assembly to pursue the proposed change to the charter. She noted that Representative Stevens supported the endeavor, while Senator Rudd did not.

She concluded that the Charter amendment was voted down without a Roll Call vote and was not sure at this time, when the amendment could be brought before the Assembly again.

d. Update on Beer Permit Renewals

City Manager Hellyn Riggins stated that establishments with Beer Permits are required to prove annually that their beer does not comprise more than 30% of their gross sales. She stated that if establishments do not comply, they will be sent before the Beer Board as they are not in compliance.

e. Pump House Located on City Owned Property, Oak Street

City Manager Hellyn Riggins informed Council that the Pump House was in poor condition. She stated it had been part of Eagleville Water Utility, however she did not see any historic value to the building and recommended tearing it down.

Discussion ensued, culminating in the need to ascertain the cost to demolish the structure.

f. Update on Speed Limit and Road Condition Survey

City Manager Hellyn Riggins stated that she had received a letter from the Tennessee Department of Transportation (TDOT) which cited that a study had been completed on Highway 99 between Swamp Road and Highway 41. She stated that TDOT will reduce the speed limit on that section of road from 55 miles per hour (mph) to 50 mph.

Ms. Riggins informed Council that she was developing an ordinance for speed limits.

Mayor Leeman stated that speed limits need to be based on Federal guidelines, otherwise the City would be ineligible for future funding from the Federal Government to assist with the cost for repair and maintenance of the roads.

Ms. Riggins stated that she prepared a grading system to assess the condition of the City's streets. She requested that Council review the system and the grades assigned to roads and advise her if they concur with the assessment.'

Discussion ensued noting the following:

- City Roadways within City boundaries, but not maintained by the City would not be included.
- Measurements of streets would be in miles and feet.
- City Engineer Will Owen estimated \$175,000 in street repairs for New Town.
- The rating system was rated in the manner of a school report card.

Ms. Riggins stated that the plan for Cheatham Springs Road is to continue as needed. She explained that the road is failing due to the topography.

Councilman Edwards stated that any road assessed as a "D" rating should be repaired immediately.

Mr. Walker noted that none of the roads were rated as an "F".

Ms. Riggins explained that this issue is a work in progress and due to budget constraints, choices will have to be made.

g. Update on City Hall Roof

City Manager Hellyn Riggins informed Council that the City Hall roof has had some leaks. She stated that an extensive roof leak required replacing 3,000 screws and roof panels, totaling \$7,679. She reviewed the costs of multiple leaks, with one at \$394 and another at \$452. She stated that the leak in the break room cost \$5,925 to replace 1,800 failing fasteners with neoprene fasteners. She noted that, according to the contractor, the metal was fine, though over time, screws need to be replaced.

Mayor Leeman concurred citing that an entire metal roof is not to be replaced, but rather the smaller components that shift due to changes in temperature.

h. Discussion to Enter into a Grant Contract with the State of Tennessee Department of Commerce and Insurance

City Manager Hellyn Riggins noted that kudos were due to Police Chief David Breniser for finding a grant to attract and retain officers with stipends for time spent as officers with the City. She noted that the officers could receive up to \$10,000 in total over time.

i. Discussion of Griggs & Maloney American Rescue Plan (ARP) Contract

City Manager Hellyn Riggins stated that she was in the process of preparing American Rescue Plan (ARP) grants for a Regular Meeting. She informed Council that the City could enter into a contract with Griggs and Maloney to manage ARP grants, as they were the only company to respond to the City's Request for Qualifications.

Ms. Riggins noted that a site selected by the Long Range Committee was scheduled for soil testing in May. She noted that the grant stipulated that the sewer must be available to existing homes and businesses that have septic systems that could fail. She stated that the southern portion of the City would be reviewed for a drip field. She noted that the grant allowed for:

- The design and purchase of the property.
- Trading capacity fees for the value of land.

Ms. Riggins noted that the City could eventually assume responsibility from Consolidated Utility District (CUD) for the drip field that services Eagle Crest, if approved by CUD.

j. Discussion of Proclamation

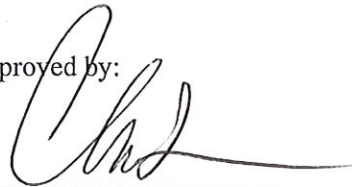
City Manager Hellyn Riggins stated that Representative Stevens contacted her regarding the creation of a proclamation for recently deceased Eagleville Planning Commission Chairman, Nick Duke. She stated that the State representatives creating this proclamation planned to attend a Council meeting scheduled for May 2024.

Ms. Riggins stated that Council could also plan their own tribute to Mr. Duke.

4) ADJOURNMENT

Mayor Leeman confirmed there was no further business and adjourned the meeting at 7:25 p.m.

Approved by:



Mayor Chad Leeman

Submitted by:



City Recorder Christina Rivas

Date minutes approved: May 30, 2024