

**City of Rome**  
**FINANCE COMMITTEE MEETING**  
**May 26, 2021**

**PRESENT:**

Committee Chairman, Sundai Stevenson  
City Commissioner Mark Cochran  
City Commissioner Randy Quick  
City Manager Sammy Rich  
Finance Director Toni Rhinehart  
Assistant Finance Director Kraig Ingalsbe  
Guests:           Commissioner Bill Collins  
                      Commissioner Wendy Davis (zoom)

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Lou Byars-Rome City Schools Superintendent  
Dawn Williams-Rome City Schools Associate Superintendent  
Star Smith-Finance Director  
Faith Collins-Chair, Rome Board of Education  
Elaina Beeman-Rome Board of Education  
Jill Fisher-Rome Board of Education  
Alvin Jackson-Rome Board of Education  
John Uldrick-Rome Board of Education  
Guest Citizen-Don Sierzant  
Porter Law-City of Rome Intern

Chairman Stevenson called the meeting to order and welcomed everyone to the meeting and allowed everyone at the meeting to introduce themselves and their position within their entity.

**Presentation of Proposed 2021-2022 Rome Board of Education Budget:**

Superintendent Byars was given the floor for the presentation of the 2021-2022 Rome City Schools Budget. Everyone was presented a copy of the draft budget to review.

Mr. Byars began by pointing out the summary of the proposed budget located at the beginning of the draft budget document. Mr. Byars then noted the increase in revenues of \$2,747,110 restored by the state to the City School's budget. These were austerity cuts from last year. Local revenues are projected to be an increase of 2,992,383 from FY21 but there is no projected increase in millage rate for 2021. The millage would remain at 17.45 mills. The employer portion of the Teacher Retirement System will increase from its current 19.06% for FY21 to the new rate of 19.81%. This increase will increase expenditures by approximately \$280,000. During FY21, the Rome City Schools budget reflected a reduction of three days' pay. The FY22 budget does not reduce any days and therefore is an increase in expenditures of \$689,000. Other areas creating an increase in projected expenditures when compared to FY21:

- |  |             |
|--|-------------|
| • Additional 28 teachers throughout the district | \$2,215,000 |
| • Added Custodians and One Maintenance Person    | \$ 225,000  |
| • Added Bus Drivers in Transportation            | \$ 275,000  |
| • One-Time Cost with moving learning cottages    | \$ 275,000  |

The FY22 budget reflects an increase in salaries of over \$500,000 due to step increases, advanced degrees, and salary schedule changes. The FY22 RCS Budget is a balanced budget with budgeted revenues exceeding budgeted expenditures by \$2,354.

The annual austerity reduction summary was discussed next noting that the school system is still down \$1.5 million in funding this year due to those state cuts. Over the years the school system has lost over \$33M in funding.

Mr. Byars then went through one Budget summary at a time – categories for Instruction, Pupil Services, Improvement of Instruction, Staff Development, Media Services, Administration, Central Support Services, Maintenance and Transportation. He explained that the FY 22 Chart of expenditures displays the categories of expenditures showing 70% going to direct instruction. The next page breaks out the revenues by Local, State and Federal Revenue. He discussed the City Appropriation History of tax funding. We have been at 17.45 mills for 12 years with no changes. The last page is the Teacher salary schedule FY22.

Mr. Byars then went on to discuss his handouts with a summary of expenditures with the following details:

**General Overall Changes**

- Teacher retirement from 19.06% to 19.81% \$280,000
- Added three days back into the budget \$689,000

**Instruction**

- Added 28 Teaching Positions throughout district \$2,215,000
- Increase School Supply Allotments \$100,000
- Reduced Sub Costs (\$50,000)

**Pupil Services**

- Added Gifted Director back after removing position last year. Also, increasing days for ELL Director and Interpreter and changed some percentages of salary Between Federal Funds and General Funds. \$175,000
- Budgeted Increase in Nursing Contract (not reflected last year) \$41,000
- Changed Supplement Schedules \$229,000

**Staff Development**

- Moved savings from reduced sub costs to Tuition Assistance for employees. \$50,000

**Media Services**

- Increased purchased services communication development \$100,000

**Systemwide Administration**

- Return an Administrative Assistant to Assistant Superintendent \$70,000
- Insurance Increase due primarily to added Cyber Insurance \$53,000
- Anticipated Dues and Fees increase with several organizations \$20,000

**School Administration**

- Changes due to step increases, advanced degrees, salary schedule changes, etc. \$225,000

**Maintenance and Operations**

- Increase the number of Custodians and added one person to yard Maintenance \$225,000
- Additional one-time cost to move learning cottages and building work \$275,000
- Additional Utility Cost anticipated with CCA and rising costs \$130,000
- Purchase Truck for Transportation Maintenance Personnel \$49,000

**Pupil Transportation**

- Add clerical person, additional drivers etc. \$226,000
- Additional Insurance Cost for additional buses \$26,000

**Central Support Services**

- Add one data collections person and coordinators for directors \$185,000

**GRAND TOTAL \$5,313,000**

Chairman Stevenson asked a question about PreK at East Central. Mr. Byars explained that there is no PreK at East Central because it is located next to a State funded PreK daycare. The State will not allow one this close to another. Students in the district are allowed to attend another PreK in the system as space allows. The trilogy (foreign language program introducing Spanish, French and German) is starting back at Rome Middle School. Eight teachers are being hired at Rome High School- Three at the CCA for Automotive, Manufacturing and Culinary Arts. Hired teachers to teach virtual learners for K-6 One teacher per grade. This will be held above Main Elementary. Commissioner Davis had a question about the PreK program and whether children from East Central District can attend West End PreK. Mr. Byars explained that this could not happen because there are no available spaces for outside district. He also explained the professional/flexible learning days that were in the calendar for 2021 – allowed teachers to get needed training without leaving classroom with a substitute. The money in the budget for Tuition Assistance is there to help encourage teachers to pursue higher education and certificate programs. The increase in Cyber Insurance is a standard in the current climate of today.

Commissioner Davis asked a question about the \$5.3M increase in expenditures and where those funds come from. Mr. Byars explained that this is based off of tax growth \$2.9M and the additional monies from the state \$2.7M. He went on to explain how he arrived at the tax growth of \$2.9M using estimates from Mr. Womack at the Tax Assessors office. This valuation is before tax appeals of course so this is subject to change. Ms. Rhinehart explained that there is a discrepancy in the numbers he used for TAD 1 and the actual numbers. This was an impact of over \$30M in Digest valuation. This makes a \$500,000 impact to projected tax revenues. Mr. Byars feels that even with that mistake the estimated revenues should be in line with what he has budgeted. This is making some very optimistic estimates in collections. The taxes are distributed directly to the City of Rome and then distributed to Rome City Schools. The School Board receives 1/12 of their budget each month and we send the excess of TAVT taxes as they are collected. This revenue is allocated specifically for City/School split. Other revenue lines are split by the pro-rata share of taxes (currently 63.34%) Mr. Byars discussed the true up between the City and School Board at year end. He is striving to get money as it is collected and narrow the gap between what is paid and what is due at the end of the year. Barron Stadium financials were reported. Mr. Byars added in the packet the Enterprise fund financials which includes Barron and Legion Field but also includes other expenditures such as – Teacher of the Year, Support Staff Employee of the Year and donations given to support these endeavors. Advertising, Concessions, and expenses associated with running of the stadium are also included. Organizations sometimes run the concessions for a fundraiser for their group, school and/or sport. Expenses are also included for the minor maintenance of the facilities. Commissioner Cochran asked about school lunches and the ability of students to pay. Mr. Byars explained that RCS is 100% funded for breakfast and school lunches. Commissioner Cochran wanted to clarify the current way of funding the School System. They are paid 1/12 of their budget each month. He asked if we had reserves to cover. Sammy explained that this is correct in that without those reserves, the City would be required to issue TANS (Tax Anticipation Notes) to fund them. The City has always made sure they receive that monthly payment regardless with no additional cost to the school system. We are in discussions about formalizing

the agreement between the City and the School Board going forward. There was discussion about other school districts and how they handle this allocation of funds. There are some that handle like us and others that disburse funds as they are received. Mr. Byars asked that if there were any questions, please let him know. Chairman Stevenson asked if there were any other questions. Sammy did bring up the loss of Redmond Regional our number one tax payer being purchased by a non-profit. This is a reality and must be remembered. Mr. Byars took an opportunity to throw one more number out - 381.61 – score. Rome City Schools are evaluated every 5 years on a scale of 400 on how well we are preparing students for life. The highest he has found in the state of GA is 347. We need to be really proud of this score in our community. Chairman Stevenson expressed her congratulations to the School System. This completed the presentation of the 2021-22 Rome City School Budget.

There was some discussion with the Finance Committee concerning the budget and what should be expected going forward.

### **Approval of the April 21, 2021 Finance Committee Meeting**

The April 21, 2021 Finance Committee Minutes were approved by common consent.

### **2020 Budget Revision/December Draft Statements**

Ms. Rhinehart made a draft copy of the proposed 2020 revised budgets available for review. The General Fund, along with the City's special revenue funds are required by law to adopt a legal budget. There are also State budget compliance guidelines that require these funds not be over budget overall. The City's special revenue funds include BID, Hotel/Motel Tax, TADS, Forum Parking, Planning Commission and Community Development. The DDA fund and the Parking Fund also consolidate within the General Fund so their expense has to be added within the budget revision. General Fund had some necessary budget adjustments.

Revenue budgets were adjusted to cover the additional expenses incurred in several departments: Manager's Office, Assistant City Manager, Office of Technology Services, Police Department, Street Lighting, Building and Grounds, Civic Center, Community Development, Environmental Information, Economic Development, Elections (2019 Invoice), OPEB Payment, Tourism Transfer, Downtown Parking, Golf and Tennis.

Please see the attached Highlights for the December 2020 Unaudited Financial Statements. Ms. Rhinehart went over the highlights and asked that if anyone had any questions to please feel free to call us. The 2020 Budget Revision will need to be approved at the next City Commission Meeting on June 14<sup>th</sup>.

The next meeting will be Wednesday, June 16<sup>th</sup> at 10:30 am. With no further discussion the meeting was adjourned.

Respectfully Submitted,

Toni Rhinehart

