



## **BOARD OF MAYOR AND ALDERMEN WORK SESSION MINUTES**

**Thursday, May 11, 2023 at 2:00 PM**

**City Hall, 415 Broad Street, Montgomery - Watterson Boardroom**

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### **Board of Mayor and Aldermen**

Mayor Patrick W. Shull, Presiding  
Vice Mayor Colette George  
Alderman Betsy Cooper  
Alderman Darrell Duncan

Alderman Paul W. Montgomery (*joined by phone*)  
Alderman Tommy Olterman  
Alderman James Phillips

**I. CALL TO ORDER** 2:00 p.m. by Mayor Patrick W. Shull.

**II. ROLL CALL** by City Recorder/Treasurer Lisa Winkle.

### **III. DISCUSSION ITEMS**

#### **1. FY24 Budget**

Finance Director David Frye gave a presentation on the proposed budget for Kingsport City Schools. Discussion ensued throughout the presentation as he answered questions. He provided details on state revenue from the Tennessee Investment in Student Achievement, stating this is a student-based formula where funding is based upon characteristics of that student. Mr. Frye then talked about the four components of the funding being direct, outcomes, base and weighted. He also provided details on the local contribution required as compared to the state's and how the three school systems in Sullivan County are divided up. He explained the difference between the local contribution and the maintenance of effort. He confirmed for the Vice-Mayor that shopping local and ordering items to be delivered to your home benefits the schools the most. He discussed county funding, noting there had been an estimated 1% increase and pointing out the schools will exceed that estimate.

Mr. Frye then provided information on the fund balance appropriation, noting the need to purchase three additional school buses, equipment and eight additional school resource officers. He pointed out the money requested from the City for operations is the same as last year and noted the increase for debt service was a result of the DB Dome project. The total increase of revenue from last year is over 13 million dollars.

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The next portion of the presentation was regarding expenditures. Mr. Frye stated both certified and classified employees will receive their annual step increase as well as a five percent cost of living adjustment. There are also needs for several additional positions throughout the school system as well as other personnel increases such as insurance, retirement and stipends. Other expenditure increases include exam fees, technology, maintenance, utilities, contract services and special education expenses. He confirmed the state is paying the city \$75,000 per school to cover the cost of a school resource officer at that location. Mr. Frye commented on the capital improvement line item, stating this year it will increase from 500,000 dollars. He briefly remarked on the nutrition services budget, noting it continues to be self-supporting. Finally, Mr. Frye listed the many federal and special projects within the budget.

In response to the Mayor, School Superintendent Dr. Chris Hampton commented on the changes that have resulted throughout the school system since the pandemic, noting this pertains to test scores, attendance and an increase in special needs. He pointed out these trends are uniform across the state and the efforts to recover from these issues. He commented that the 2023 graduating class will break school records regarding scholarships and awards. Dr. Hampton confirmed for Alderman Phillips there is a possibility of adding another ECLC program within the five year capital plan. Mr. Frye remarked that the biggest issue is space.

*NOTE: At 3:10 p.m. there was a ten minute recess.*

At 3:20 p.m. the City Manager recapped the city's budget presented Monday and asked if the board had any further comments or concerns, reminding them of the budget approval timeline. He stated the next step is advertising the budget on May 20 and proceed with the first reading and public hearing at the June 6 Board meeting and the second reading and final approval on June 20. Some discussion followed regarding projects and costs associated with them changing over time. Alderman Phillips reminded the board as they are looking at the contributions to community partners to keep in mind that city departments are getting anything extra due to the revenue shortfall so be mindful of giving increases to organizations outside the city.

### IV. ADJOURN

Seeing no other matters presented for discussion, Mayor Shull adjourned the meeting at 3:35 p.m.

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ANGELA MARSHALL  
Deputy City Recorder

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PATRICK W. SHULL  
Mayor