

**CITY OF BELLE MEADE**  
**Minutes of the Annual Budget & Finance Committee Budget Presentation**  
**May 7, 2020 via Zoom online meeting platform**

The Budget & Finance Committee held a virtual meeting at 9:30 a.m. on Thursday, May 7<sup>th</sup> to review the proposed budget for fiscal year 2020/2021. Present were Vice-Mayor Louise Bryan, Commissioner Bob Weigel, Committee Members Blair Wilson (Chair), Larry Wieck, Eric Helman, and Peggy Warner as well as Finance & Human Resource Director Leigh Mills, Assistant City Manager and Building Official Lyle Patterson and City Manager Beth Reardon. No members of the public were present. The date and time of the meeting had been posted on the City website.

B. Reardon opened with the statement that this was probably the most difficult budget to prepare in her 30 year history due to the uncertain economic future brought about by COVID-19. However, the State Comptroller's office is urging all local governments to forecast as best they can, reassess frequently and amend budgets as needed. Before presenting the projected revenue and expense items for all funds, Reardon noted that capital items were included in the proposed budget but could be postponed if necessary. Capital items that are funded by outside sources/grants will be completed, including street resurfacing (funded by Metro MOU), and purchase of IT server, 20 grinder pumps and small road project - Left Turn on BMB (funded by State grant). No salary increases are budgeted and this will be reviewed at mid-year. The Sewer Fund budget includes conducting a rate study, since 20/21 will be the fifth year at the current sewer rate. The Fund also includes a capital project on Sunnyside determined by the Sewer Modeling Study by CEC. This project will be funded from the Sewer Fund's LGIP account.

The current status of the Hall Tax phase-out was reviewed. In two months (July) the City will receive the Hall tax payment for the current fiscal year 2019-2020, based on 2018 income tax returns at a 3% tax rate. FY 2020-2021 revenue will be derived from 2019 income tax returns at a 2% tax rate. Accordingly, the budget estimate is based on approximately half of the revenue received at the 4% tax rate. Vice-Mayor Bryan requested that the Hall Tax amount be shown separately from the other Intergovernmental Revenues in the proposed budget documents.

Members of the Committee concurred that FY 20/21 would not be a good year for a Belle Meade property tax increase in light of Metro Nashville's proposed tax increase. However, the Committee noted that to replace the Hall tax, our goal is to eventually reach a tax rate of .55 cents. Skipping one year in the process will not be crucial, but several years without an increase would cause significant reductions to fund balance.

E. Helman noted that the interest revenue estimate may be optimistic and suggested adjusting that number through the course of the year ahead.

There being no other matters, the Budget & Finance Committee Workshop meeting was adjourned.

Minutes prepared by City Manager Beth Reardon