

**FRIDAY, FEBRUARY 10, 2023, 11:30 AM
MANCHESTER-COFFEE COUNTY CONFERENCE CENTER**

ATTENDEES

Members

Zach Lowry
Jake Shelton
Ken Huddleston
Tiffany Hillsman
Megan Jackson

Office

Chairman
Secretary/Treasurer

Guests

Rebecca French
Oslin Gulick

5 members / 3 guests

CALL TO ORDER

The February 10, 2023, regular meeting of the Public Building Authority of the City of Manchester, Tennessee was called to order at 11:41 AM by Zach Lowry, Chairman, presiding. Minutes were recorded by Oslin Gulick.

APPROVAL OF THE MINUTES OF THE PREVIOUS MEETING

- **Tiffany Hillsman moved to approve the January 2023 meeting minutes as presented.** Ken Huddleston seconded the motion. With no further discussion, the minutes were approved.

REPORTS

Treasurer's Report: Jake Shelton

- A summary of the accounts' statuses was provided. The status of accounts is more normal than the previous month. Melody Davis did an audit of the depreciation account and returned all borrowed funds as payments from December events came in.
- Total cash on hand at \$73,000.
- Chairman Lowry asked Mr. Shelton if there is a banking product available if there is a cash flow issue that arises. He responded that there would potentially be products available, but it may come down to the City's policy. They had prevented setting up a line of credit previously.
- Mr. Shelton reviews the accounts frequently.

Conference Center Report: R. French

- January 2023 P&L is attached to Minutes. Combined P&L and then operational and fixed separated P&L copies of the budget were provided.
- Sales exceeded projections while the cost of goods stayed under projections. Labor was higher but followed the trend of the sales being higher.
- Dues and subscriptions and insurance bills from December had not come in by the time the books were closed so they were entered into January.
- Utilities are trending with the budget amendment.
- Supply orders for future event needs March, April & May are included.

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- The budget breakdowns show that the operational side of MCCCC is profitable. The fixed cost/departmental cost is reflected in the PBA budget.
 - GM Presentation is attached to the minutes.
 - 24 events for the month. 378 hotel rooms.
 - Hotel motel tax for Manchester tells a story that aligns with MCCCC becoming full service. MCCCC is being referred to as the number one driver of tourism in Manchester right now.
 - Chairman Lowry encouraged to find the breakout of how the hotel motel tax is being used currently and what percentage of that tax collection comes from MCCCC impact/performance. When asking for dedicated funding, that will only further build the case for that funding arrangement.
 - It is standard for centers like MCCCC to receive dedicating fundings after reviewing many comparisons.
 - The last grant check from Bonnaroo Works Foundation was received. There is approximately \$5000 left. It is in the depreciation account. It will be needed to relocate the electrical access for the panels when the new freezer and cooler get installed.
 - Chairman Lowry asked to reach back out to see if we can reapply for the grant to get the remaining solar panels to complete the full project.

AUDIT REPORT: Seth Crabtree with Bean, Rhoton & Kelley, PLLC, Audit Firm

- A copy of the audit report is on file at MCCCC.
- Mr. Crabtree has worked on MCCCC's audit for the last seven years. He reviewed the audit report for the PBA.
- The Audit Report has changed format with the opinion included at the top of the report.
- The opinion of the FY 2022 audit was unmodified—the best opinion you can receive.
- Management discussion and analysis was provided by Mrs. French in response to questions from the findings.
- Financial reports cover both the business type activities—MCCCC daily operations—and the governmental type activities—PBA. It is a balance sheet totaling the net position.
- Statement of activities breaks down revenue and expenditures by business type and governmental type.
- MCCCC activities shows the operating loss before appropriations from the City are included. Non-operating income is included separately from business revenue.
- Mrs. French asked if the way that MCCCC was funded by the City changed to direct funding from a percentage of the hotel motel tax, it would be included in operational revenue and would remove the audit finding on reimbursement. Mr. Crabtree responded that that was correct.
- Account policies are highlighted that are active at MCCCC.
- Mrs. French asked about the depreciation rate. Has it remained \$6,100? Currently, the depreciation amount is still \$2,448.00. Mr. Crabtree said he would verify the depreciation rate.
- The PPE Loan that was forgiven is included and will not show up in the next report.
- Internal Controls and Audit Findings:
 - Fund Deficit
 - Closing of Accounting Records
 - Significant Adjustments to the Year End Trial Balance
 - Net Operating Loss

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- Any pending litigation is included in the audit report as a contingency for money that may be paid out due to a suit. PBA/MCCCC attorney has recommended \$100,000 for that value. It shows as an accrued loss.
 - Corrective Action Plan was submitted by Mrs. French and is included in the report.

OLD BUSINESS

- Chairman Lowry asked if there would be an interest for an Executive Session with Attorney Brent Keeton to review the pending litigation process and progress. Several agreed, so it will be scheduled.
- Mrs. French ask on behalf of Mr. Keeton if the PBA would approve to reach out to a third-party CPA to review the eligibility for the ERC credit? There were no objections for him to do so.

NEW BUSINESS

Absenteeism: Chairman Lowry

- **Jake Shelton moved to approve the absences of David Bradley and Holly Jones.** Tiffany Hillsman seconded the motion. With no further discussion, the motion passed.

Bids for New Ovens

- Bid for Oven Included in attachments. Filed at MCCCC.
- All bids included freight.
- Supplies on the Fly/SYSCO
 - Vulcan Model No. VC55GD \$11,334.87
 - Duke Model No. SRCO-2 \$8,382.74
- Douglas Equipment Restaurant & Food Store Equipment
 - Vulcan Model No. VC44GD \$10,576.61. 12 weeks for delivery.
 - Southbend Model No. BGS/22SC \$8,450.11. 4 weeks for delivery.
- Webstaurant
 - Vulcan VC44GD \$10,909.00
- US Foods
 - Sierra Convection Oven \$7,240.92. Ship 3-5 days from order.
- **Ken Huddleston moved to approve the bid from US Foods for the Sierra Convection Oven for \$7,240.92.** Jake Shelton seconded the motion. With no further discussion, the motion passed.
- **Tiffany Hillsman moved to pay for the oven out depreciation.** Ken Huddleston seconded the motion. With no further discussion, the motion was approved.

Ovens Removal from Inventory

- **Jake Shelton moved to remove the ovens from inventory.** Tiffany Hillsman seconded the motion. With no further discussion, the motion was approved.

Bids for Walk-In Freezer & Cooler

- Public requests for bids were submitted to the newspaper two different times. A communication log for the project is on file at MCCCC.
- Only two bids were received. Only one of the bids included the entire project.
- Supplies On the Fly/SYSCO submitted a bid for the cooler and freezer panels/kits; no installation included.
- Boyce Ballard Construction submitted a bid for the cooler and freezer panels/kits, installation, cutting and installing the new doors, new electrical ran, removing and leveling the concrete area so that no water issues occurred. Panels are 21 weeks out for delivery.

-
- The electrical for the solar panels will have to be moved because of the solar location. The quote for that project is \$7,000.
 - The bid exceeds the current budgeted amount for the project. Discussion for funding considered reaching out to tourism, the county, and splitting it over two budget cycles.
 - Chairman Lowry asked for a breakdown of the \$100,000 project for the coolers.
 - The bids were tabled for later discussion and funds planning.

GM Review

- Tabled until next meeting.

Employee Raise Based on City of Manchester Vote

- City of Manchester approved a 10% raise for all employees. Mrs. French plans to implement this decision to MCCCC employees. It is a \$50,000 increase to labor for the fiscal year. Currently, MCCCC is performing at \$47,000 to the positive.

ADJOURN

- Chairman Lowry adjourned the meeting at 12:51 pm.

Signed, Zach Lowry, Chairman

Minutes completed and typed by Oslin Gulick March 8, 2023.

Minutes of the February 10, 2023, Meeting of the PBA
(continued)

2:57 PM

02/06/23

Accrual Basis

Public Building Authority of the City Of Manchester Tenness

Profit & Loss Budget vs. Actual (combined budgets)

January 2023

	Jan 23	Budget	\$ Over Budget	% of Budget
Ordinary Income/Expense				
Income	✓ 52,306.57	28,000.00	24,306.57	186.8%
Cost of Goods Sold	✓ 13,706.19	5,400.00	8,306.19	253.8%
Gross Profit	38,600.38	22,600.00	16,000.38	170.8%
Expense				
Fuel Surcharge	58.85			
505 · Labor (variable)	✓ 17,324.71	11,000.00	6,324.71	157.5%
580 · Payroll Administrative (fixed)	✓ 26,253.34	30,337.00	-4,083.66	86.5%
585 · Contract Labor	✓ 2,299.47	700.00	1,599.47	328.5%
602 · Advertising	74.57	1,000.00	-925.43	7.5%
610 · Bank Service Charges	0.00	0.00	0.00	0.0%
611 · Cash Short/Over	0.00	0.00	0.00	0.0%
612 · Credit Card Fees	66.87	0.00	66.87	100.0%
617 · Computer Expenses	148.15	0.00	148.15	100.0%
630 · Dues and Subscriptions	0.00	1,000.00	-1,000.00	0.0%
635 · Equipment Rental	0.00	0.00	0.00	0.0%
640 · Insurance Expense	0.00	1,600.00	-1,600.00	0.0%
644 · Interest Expense	0.00	0.00	0.00	0.0%
649 · Office Supplies	0.00	120.00	-120.00	0.0%
650 · Licenses and Permits	0.00	0.00	0.00	0.0%
655 · Miscellaneous	141.41	100.00	41.41	141.4%
66000 · Payroll Expenses	1,984.76			
665 · Postage and Delivery	60.00	54.00	6.00	111.1%
66900 · Reconciliation Discrepancies	0.00	1,100.00	-1,100.00	0.0%
675 · Professional Fees	1,292.10	1,450.00	-157.90	89.1%
685 · Repairs and Maintenance	3,031.39	2,500.00	531.39	121.3%
695 · Travel & Entertainment	569.61	400.00	169.61	142.4%
700 · Utilities	✓ 5,731.84	5,800.00	-68.16	98.8%
720 · Supplies	124.47	900.00	-775.53	13.8%
720.5 · Durable Supplies	2,428.63	800.00	1,628.63	303.6%
725 · Laundry & Linen	0.00	80.00	-80.00	0.0%
775 · Alarms & Monitoring	0.00	150.00	-150.00	0.0%
Total Expense	61,590.17	59,091.00	2,499.17	104.2%
Net Ordinary Income	-22,989.79	-36,491.00	13,501.21	63.0%
Other Income/Expense				
Other Income				
475.5 · In-Kind Sponsor	-335.00	0.00	-335.00	100.0%
900 · Interest Income	0.00	0.00	0.00	0.0%
90000 · Unknown Deposit	8,462.20			
910 · Reimb Approp Funds City/Manches	0.00	0.00	0.00	0.0%
Total Other Income	8,127.20	0.00	8,127.20	100.0%
Other Expense				
803 · In-Kind Sponsor Expense	0.00	0.00	0.00	0.0%
929 · Building Maint-Special Projects	1,039.00			
930 · Equipment Depreciation Expense	0.00	3,652.00	-3,652.00	0.0%
931 · Building Depreciation Expense	0.00	2,448.00	-2,448.00	0.0%
Total Other Expense	1,039.00	6,100.00	-5,061.00	17.0%
Net Other Income	7,088.20	-6,100.00	13,188.20	-116.2%
Net Income	-15,901.59	-42,591.00	26,689.41	37.3%

will carry to Feb.

March
April
May
purchases

double checking this

2:56 PM
02/06/23
Accrual Basis

Public Building Authority of the City Of Manchester Tenness
Profit & Loss
January 2023

	Jan 23
Ordinary Income/Expense	
Income	52,306.57
Cost of Goods Sold	13,706.19
Gross Profit	38,600.38
Expense	
Fuel Surcharge	58.85
505 · Labor (variable)	17,324.71
580 · Payroll Administrative (fixed)	26,253.34
585 · Contract Labor	2,299.47
602 · Advertising	74.57
612 · Credit Card Fees	66.87
617 · Computer Expenses	148.15
655 · Miscellaneous	141.41
66000 · Payroll Expenses	1,984.76
665 · Postage and Delivery	60.00
675 · Professional Fees	1,292.10
685 · Repairs and Maintenance	3,031.39
695 · Travel & Entertainment	569.61
700 · Utilities	5,731.84
720 · Supplies	124.47
720.5 · Durable Supplies	2,428.63
Total Expense	61,590.17
Net Ordinary Income	-22,989.79
Other Income/Expense	
Other Income	
475.5 · In-Kind Sponsor	-335.00
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Other Expense	
929 · Building Maint-Special Projects	1,039.00
Total Other Expense	1,039.00
Net Other Income	7,088.20
Net Income	<u>-15,901.59</u>

2:58 PM
02/06/23
Accrual Basis

**PBA Fixed
Profit & Loss Budget vs. Actual
February 2023**

Fixed Budget.

	Feb 23	Budget	\$ Over Budget	% of Budget
Ordinary Income/Expense				
Expense				
580 · Payroll Administrative (fixed)	9,920.54	32,337.00	-22,416.46	30.7%
640 · Insurance Expense	0.00	1,600.00	-1,600.00	0.0%
675 · Professional Fees	0.00	1,950.00	-1,950.00	0.0%
685 · Repairs and Maintenance	284.08	1,800.00	-1,515.92	15.8%
700 · Utilities	901.59	4,800.00	-3,898.41	18.8%
775 · Alarms & Monitoring	0.00	0.00	0.00	0.0%
Total Expense	11,106.21	42,487.00	-31,380.79	26.1%
Net Ordinary Income	-11,106.21	-42,487.00	31,380.79	26.1%
Net Income	-11,106.21	-42,487.00	31,380.79	26.1%

Public Building Authority of the City of Manchester Tennessee
mccccProfit & Loss Budget vs. Actual
January 2023

Operational budget

	Jan 23	Budget	\$ Over Budget	% of Budget
Ordinary Income/Expense				
Income	52,306.57	28,000.00	24,306.57	186.8%
Cost of Goods Sold	13,706.19	5,400.00	8,306.19	253.8%
Gross Profit	38,600.38	22,600.00	16,000.38	170.8%
Expense				
Fuel Surcharge	58.85			
505 - Labor (Variable)	17,324.71	11,000.00	6,324.71	157.5%
580 - Payroll Administrative (fixed)	5,649.44	0.00	5,649.44	100.0%
585 - Contract Labor	2,299.47	700.00	1,599.47	328.5%
602 - Advertising	74.57	1,000.00	-925.43	7.5%
610 - Bank Service Charges	0.00	0.00	0.00	0.0%
611 - Cash Short/Over	0.00	0.00	0.00	0.0%
612 - Credit Card Fees	66.87	0.00	66.87	100.0%
617 - Computer Expenses	148.15	0.00	148.15	100.0%
630 - Dues and Subscriptions	0.00	1,000.00	-1,000.00	0.0%
635 - Equipment Rental	0.00	0.00	0.00	0.0%
644 - Interest Expense	0.00	0.00	0.00	0.0%
649 - Office Supplies	0.00	120.00	-120.00	0.0%
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695 - Travel & Entertainment	569.61	400.00	169.61	142.4%
720 - Supplies	124.47	900.00	-775.53	13.8%
720.5 - Durable Supplies	2,428.63	800.00	1,628.63	303.6%
725 - Laundry & Linen	0.00	80.00	-80.00	0.0%
775 - Alarms & Monitoring	0.00	150.00	-150.00	0.0%
Total Expense	28,946.18	17,404.00	11,542.18	166.3%
Net Ordinary Income	9,654.20	5,196.00	4,458.20	185.8%
Other Income/Expense				
Other Income				
475.5 - In-Kind Sponsor	-335.00	0.00	-335.00	100.0%
900 - Interest Income	0.00	0.00	0.00	0.0%
90000 - Unknown Deposit	8,462.20	0.00	8,462.20	0.0%
910 - Reimb Approp Funds City/Manches	0.00	0.00	0.00	0.0%
Total Other Income	8,127.20	0.00	8,127.20	100.0%

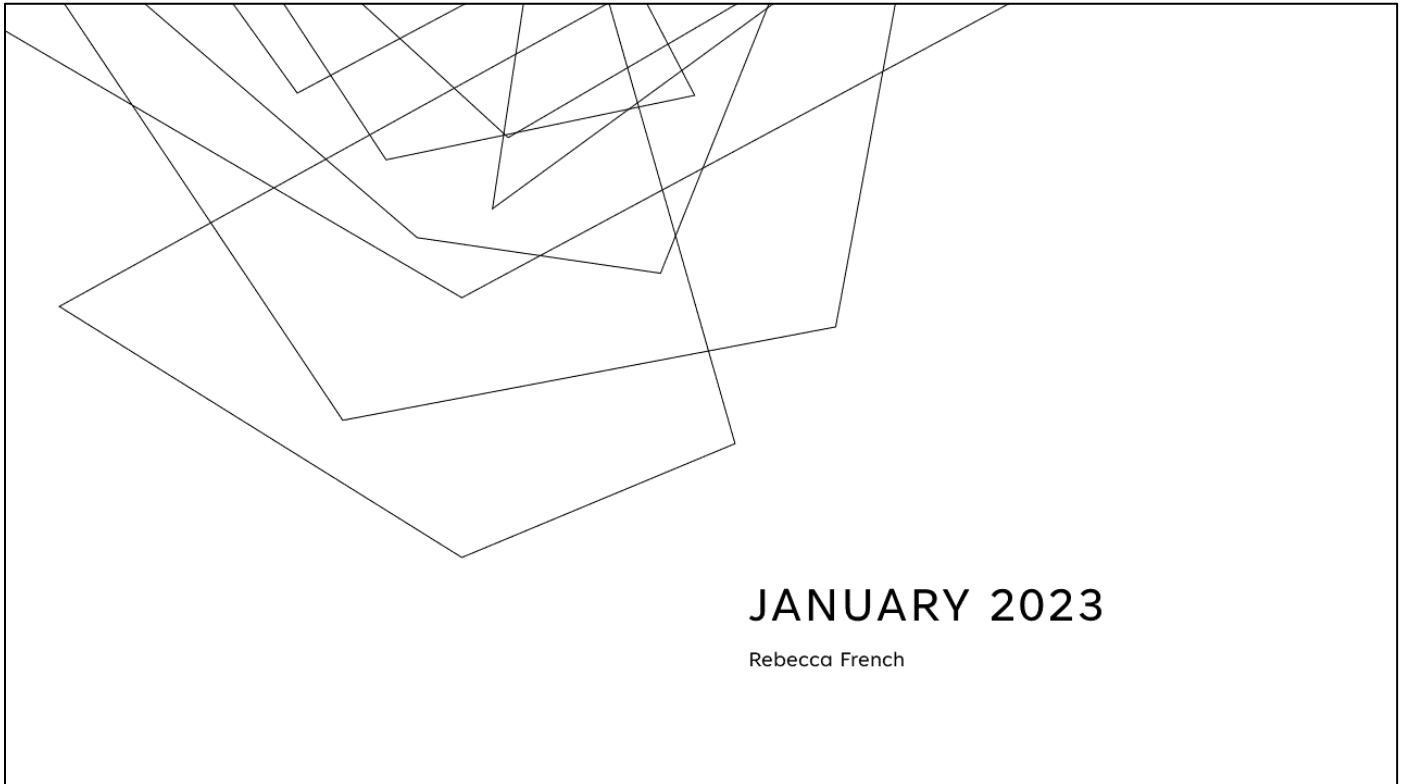
operations are profitable.

Public Building Authority of the City of Manchester Tennessee
mccccProfit & Loss Budget vs. Actual
January 2023

2:58 PM
02/06/23
Accrual Basis

	Jan 23	Budget	\$ Over Budget	% of Budget
Other Expense	0.00	0.00	0.00	0.0%
803 · In-Kind Sponsor Expense	0.00	0.00	0.00	0.0%
929 · Building Maint-Special Projects	1,039.00	0.00	0.00	0.0%
930 · Equipment Depreciation Expense	0.00	3,652.00	-3,652.00	0.0%
931 · Building Depreciation Expense	0.00	2,448.00	-2,448.00	0.0%
Total Other Expense	1,039.00	6,100.00	-5,061.00	17.0%
Net Other Income	7,088.20	-6,100.00	13,188.20	-116.2%
Net Income	16,742.40	-904.00	17,646.40	-1,852.0%

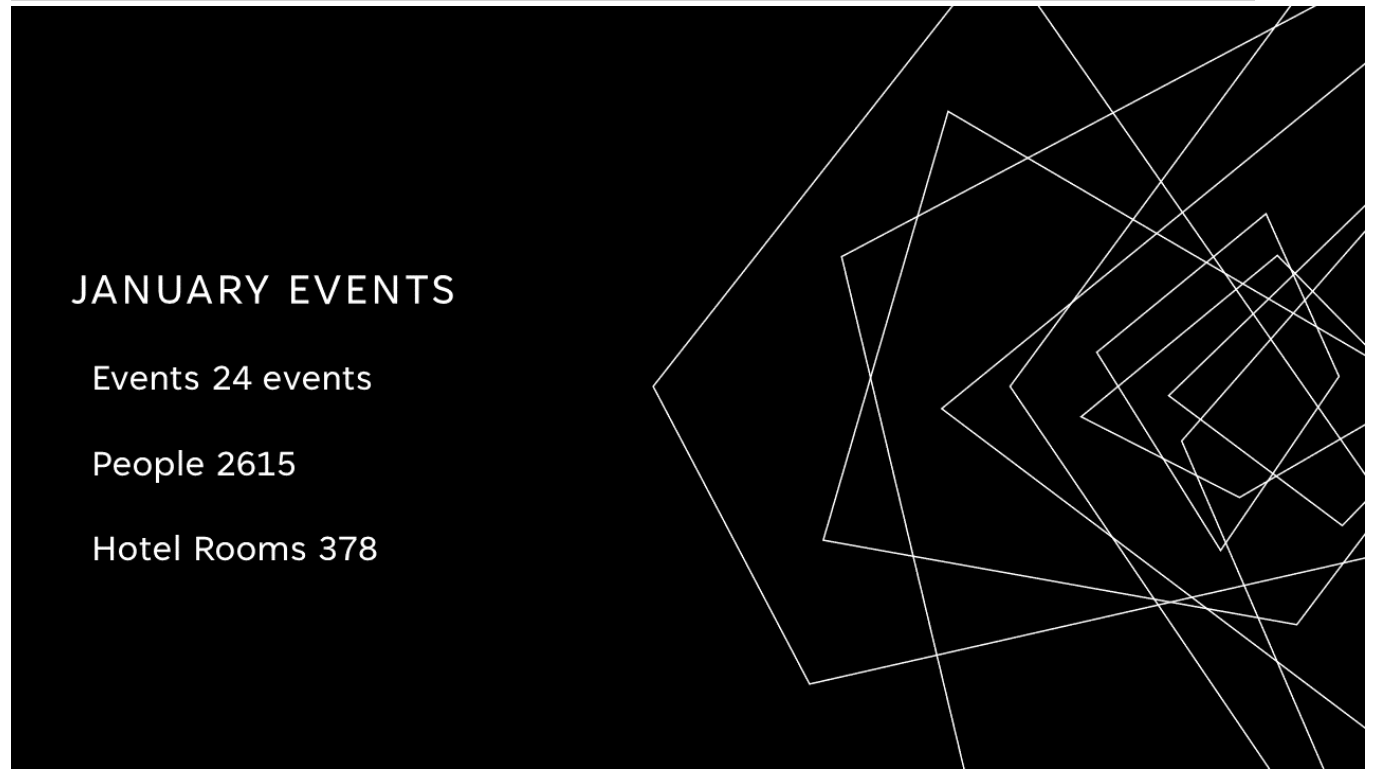
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JANUARY 2023

Rebecca French





July

Events: 18
Hotel Rooms: 49
Guests: 1557
\$11,060 Direct Impact

August

Events: 25
Hotel Rooms: 89
Guests: 2416
\$20,088 Direct Impact

September

Events: 22
Hotel Rooms: 86
Guests: 1909
\$19,411 Direct Impact

October

Events: 28
Hotel Rooms: 240
Guests: 1546
\$54,100 Direct Impact

November

Events: 21
Hotel Rooms: 95
Guests: 2188
\$21,443 Direct Impact

December

Events: 31
Hotel Rooms: 120
Guests: 2602
\$27,082 Direct Impact

January

Events: 24
Hotel Rooms: 378
Guests: 2615
\$85,320.22 Direct Impact

IMPACT

YTD Direct Impact
\$238,504.22++DEC
Indirect Impact \$'s
not captured.

ATTENDED RESTAURANT
RESILIENCE CLASS POWERED
BY PROOF.

MANY TOPICS WERE COVERED.
THE FOLLOW-UP
PRESENTATIONS AND
DOCUMENTS WERE EXTREMELY
VALUABLE.

WINCHESTER AND WAYNE
COUNTY HAVE HIRED THIS
COMPANY WITH A GRANT.



REQUESTED
TO JUDGE
BONNAROO
WORKS
FUND
"ARTS OF
THE
AIRPORT"
FOR THE
SECOND
TIME.



LAST
BONNAROO
SOLAR
PANEL
CHECK
RECEIVED-

\$55,000
TOTAL.

TO DATE I
HAVE
ACCEPTED
\$268,000 IN
GRANT OR
FUNDING
MONEY.



MY FIRST
FEDERAL REPORT
WAS FILED
UNDER THE
STATE OF
TENNESSEE
ANNUAL REPORT
AS THE SRC
CHAIR-
I REPRESENT
BUSINESS AND
INDUSTRY,
(HOSPITALITY)
ONE OF FOUR
SEATS.

Letter from the Chair



It is my great pleasure to submit to you the 2021 annual report for the Tennessee State Rehabilitation Council (SRC). The SRC is charged with partnering with the Tennessee Division of Vocational Rehabilitation to ensure that the highest quality of services and supports are provided to individuals seeking assistance. To that end, the SRC serves essentially as the voice of the customer and provides input to TNVR in a variety of ways.

The past year the SRC adapted to help champion VR in its mission to provide timely, high-quality supports and services to Tennesseans with disabilities, despite the challenges of shifting service delivery models, departmental transformation already in progress, and administrative functions to virtual and remote environments during a worldwide pandemic.

In the next year we plan to have a renewed focus on the following areas:

- Communication within the department and it's providers.
- Modernization of systems and process including timeliness beyond the initial transformation roll out.
- Company culture with extensive emphasis on training, coaching, ownership, and support for our staff and providers in a new healthier way.
- VR's brand and message. The paths people receive VR's message:
- Diversity, Equity, and Inclusion via pathway from our DEI Committee.

I want to thank our previous Chair, Christina Clift, whose guidance has been key to a smooth transition without disruption to progress. Today, I sit in a seat elected by my peers to speak for the Council. I appreciate the SRC and its Committees for all the hard work and commitment to the total transformation which we only capture through micronaps in the annual report. This transformation has many pieces, rolling out independently and simultaneously and often times overlapping. There has been a lot of change in the last year and more change is coming. While this may feel overwhelming and rushed at times the reality is this change was long overdue and necessary to provide timely services to our customers. I appreciate the visionaries who built the strategic plan and had the impeccable detail to key pieces to ensure success when the plan begins its process. The SRC has had a direct focus on communicating and collaborating with our State agencies this year and the outcome has produced positive results and the effects of this mentality continue to foster improvements throughout.

I encourage you to review this report, particularly the FY21 Committee highlights, to learn more about the SRC Committees and their accomplishments this past year. Most of our priorities and projects are fluid and ongoing; I hope the report inspires you to consider where you can help be part of the change in this crucial time in Vocational Rehabilitation in Tennessee.

Together, let's continue to change the work culture for individuals seeking independence through successful career paths. Respectfully Submitted.

Rebecca M. Bordenet-French

Rebecca M. Bordenet-French
Chair

Celebrating Women In Leadership

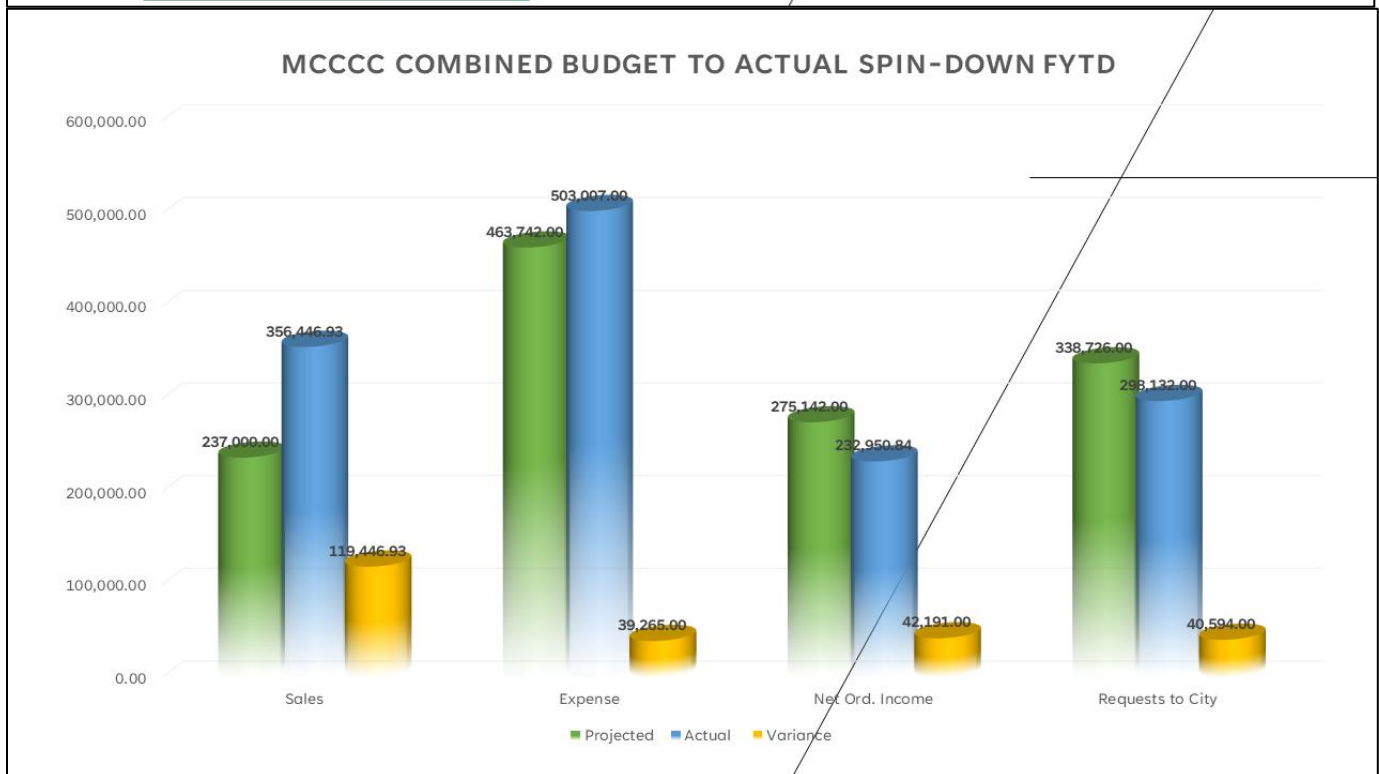
- We are mentors
- We are moms
- We are volunteers
- We are leadership
- We are hospitality
- We are coaches
- We are the welcoming faces of tourism in our region

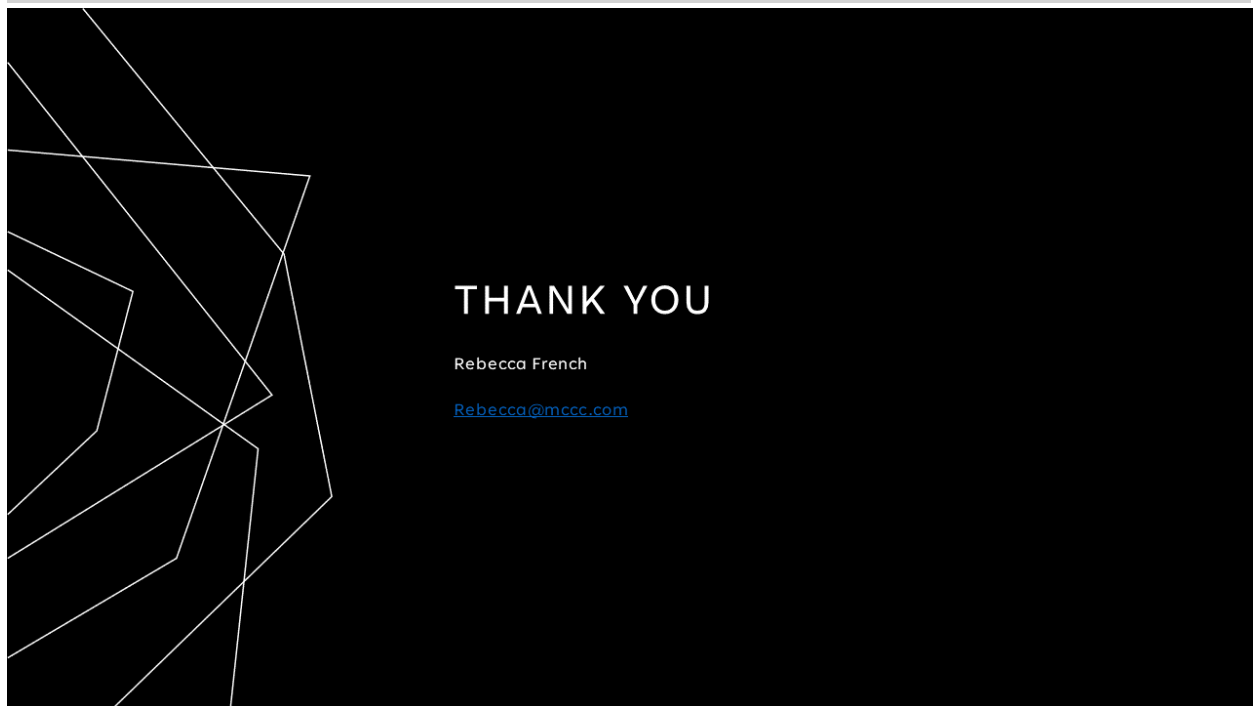
Manchester Coffee County Conference Center
MCCCC.COM | 931.723.8283

MARCH IS NATIONAL WOMEN'S MONTH.

TO CELEBRATE THE CONTRIBUTIONS WOMEN HAVE MADE TO THE UNITED STATES AND RECOGNIZE THE SPECIFIC ACHIEVEMENTS WOMEN HAVE MADE OVER THE COURSE OF AMERICAN HISTORY IN A VARIETY OF FIELDS.

WE ARE ALL WONDERWOMEN!





Ad for bid

Bid needed for 1 gas convection oven- 2 deck standard depth. 500 degree thermostat, 60 min timer, with porcelain enamel interior. Independently opening doors with 5 racks each. 5-6 inch casters with brakes.

**Sealed bids need to be mailed to
MCCCC- BID
147 Hospitality Blvd.
Manchester TN 37355**

Bids must be received by 2/7/2023 by 5 pm, and must guarantee delivery within 30 days of formal notice of bid won. Any additional questions please call: 931-723-8283 Rebecca or Justin.