

**BUDGET COMMITTEE
CARTER COUNTY, TN
July 11, 2022
6:00 P.M.**

PRESENT: Willie Campbell, Julie Guinn, Travis Hill, Brad Johnson, Robin McKamey

ABSENT: Aaron Frazier, Ross Garland

SUBSTITUTE: Ginger Holdren for Ross Garland

CALL TO ORDER: Julie Guinn

ROLL CALL: Quorum Present

APPROVAL OF AGENDA: The meeting agenda was updated to include consideration of one additional item related to Employee Bonuses and to hear from the new Director of Schools, Dr. Brandon Carpenter. Ginger Holdren motioned to approve the revised agenda, seconded by Willie Campbell. By a voice roll call vote, motion carried.

APPROVAL OF MINUTES: Brad Johnson made a motion to approve the minutes of the June 8, 2022, Special Called meeting seconded by Robin McKamey. By a roll call vote, motion carried.

The minutes of the June 13, 2022 Regular meeting were reviewed. Travis Hill made a motion to approve the minutes as presented. Robin McKamey was second with all approving. Motion carried.

PUBLIC COMMENTS: Dr. Brandon Carpenter spoke to the committee briefly. He outlined two new initiatives through the Career Connect program at the School District to develop and implement a program to provide training and credentials to graduating students in the fields of law enforcement and veterinary technicians, which will help provide qualified candidates to the County. He stated that the School District will have representatives at these meetings and that he looks forward to working cooperatively with the County so that that District is viewed as an asset. He asked for folks to please call upon him at any time if there are questions or concerns.

There was no other public comment.

OLD BUSINESS: Julie Guinn discussed the next item on the agenda, which is to consider the request by the former Carter County Honor Guard and the funds reserved for them in last year's budget. Brad Johnson asked if the Finance Department has received all the proper documentation, and it was confirmed by Ms. Watson that the organization has submitted satisfactory paperwork confirming that the American Veterans Chapter 39 will be the groups fiscal sponsor. Willie Campbell made a motion to appropriate \$10,000 for the Honor Guard, which was previously reserved in the Fiscal Year of 2021-22. Ginger Holdren was second, with all approving.

NEW BUSINESS: The committee then reviewed the request by the Building & Grounds Committee to fund the demolition of two County buildings, with \$87,292.00 to come from 101 Q34585 001. \$84,792.00 is to be appropriated to 101 51800 799 Capital Projects and \$2,500.00 to 101 51800 308 Consultants. Brad Johnson made the motion as described. Ginger Holdren was second with all approving.

The Building & Grounds Committee also requested that the items being sold by the Maintenance Department be appropriated to the Maintenance budget for Fiscal Year 202-23. Robin McKamey made a motion to appropriate the sale of such items to 101 51800 335 in the months the proceeds are received. Willie Campbell was second with all approving.

Next a resolution regarding the TN Water Infrastructure Investment Program was presented which will allocate the 10% required match from ARP funds for the TDEC funded projects selected and recommended by First TN Development District. The recommendation was reviewed by the Financial Management Committee as well. The resolution is for \$606,046.00 to come from ARPA funds. Ginger Holdren made a motion to appropriate the \$606,046.00. Robin McKamey was second and all approved.

The Committee then considered the matter of Employee Bonuses, with funding to come from ARPA funds. The Financial Management Committee has approved this same day an amount of \$4,000.00 per eligible employee plus an allowance to cover social security taxes. The report was distributed to each committee member detailing the total cost for 236 employees and 8 retirees, which totals \$1,183,888.00. Carolyn Watson noted that these figures have changed frequently due to employees leaving their jobs.

Willie Campbell expressed his support of the bonus, which was noted passed the Financial Management Committee by a vote of 6 Ayes, 1 Nay.

Ginger Holdren spoke regarding another matter considered by the Financial Management Committee, which was to rescind resolution #688, which was passed by the Committee in January of 2018. This resolution created two policies, the first of which is that the County shall pass a balanced budget and not use Unassigned Fund Balance to balance its annual budget. The second part of this resolution creates the 50% reserve for Capital Improvements funded by unspent budget allocations returned by departments. She did not want to rescind this resolution and firmly believes that the County should not dip into the General Fund to provide employee raises in this budget. She also expressed her appreciation to Roger Colbaugh for the recommendation of a \$4,000 bonus, not \$5,000. Chairwoman Holdren then stated that she had hoped to approve all the ARPA funding at once, rather than the item by item approach being taken. She concluded by saying that the expenditure of funds must be addressed by this group and this Commission because any further delays will be then extended because of all the new Commissioners taking office in September.

Travis Hill noted that with a 2/3 vote, the Commission can bypass the Balanced Budget resolution anyway. He also noted that a \$2,000.00 raise is worth more in the long run to an employee than a \$4,000 bonus. Julie Guinn responded that the ARPA funds is for the past and the raise is for the future. The two items should be considered independent of one another. Travis Hill stated that the ARPA funds are meant to benefit the largest number of people possible, which are the 56,000 residents of Carter County. He stated he is supportive of a bonus but not at the \$4,000.00 level.

Commissioner Nancy Brown, in attendance, spoke passionately about the bonus. She asked the committee members to consider the employees and their families. It is not just the individual employee impacted. These employees worked hard and some are on food stamps to get by.

Brad Johnson said as a reminder that these funds can not be used for reoccurring costs and this a one-time opportunity to cover certain projects. Carolyn Watson then passed out other reports detailing the cost of the bonus at various \$1,000 increments. Travis Hill reported that other counties and the state had paid bonuses at a variety of levels.

The committee discussed the matter at length and also an employee raise for Fiscal Year 2022-23. Joshua Hardin reminded the committee that they can not take action on a raise, since the budget is now in the hands of the Commission. Various other concerns were discussed including possible ways to pay for an employee raise, which would include cutting the budgeted expenses, reducing the school department's allocation, or raising the tax rate by a couple of pennies. A revenue item for the Workforce Development Building rental could be adjusted to recognize the rent received, which would be until the state takes possession of the building. The committee continued to discuss the other projects budgeted to receive ARP monies, including the Landfill and the Communications Project. Brad Johnson reiterated that the objective of the funds is to reinforce and to upgrade the County's infrastructure. With various items discussed, as much as \$2.3 million in changes could be made to the ARP project list.

The Committee took a 10-minute break at 7:20 pm. The Committee reconvened at 7:30 pm.

Robin McKamey made a motion to approve a \$4,000 bonus and related payroll expenses, as detailed in the report provided for a total cost of \$1,183,888.00 and as approved by the Financial Management Committee. Funding to come from ARPA Fund 127. Brad Johnson was second. Ginger Holdren, Julie Guinn, Austin Jaynes, Brad Johnson and Robin McKamey voted Aye. Travis Hill voted Nay. Willie Campbell abstained. Motion passed.

BUDGET AMENDMENTS: Audra Gerty noted that the only budget amendment for this month is to pass the Original Budget for School Federal Project CTE Perkins Basic for Fiscal Year 2022-23, which has been approved by TDOE. Ginger Holdren made a motion seconded by Robin McKamey to approve School Federal Projects Fund #142 budget amendment #1 (item #1) for a total of \$100,605.13 with nothing coming from Unassigned Fund Balance. Motion passed unanimously.

Travis Hill made a motion seconded by Ginger Holdren to approve monetary donations to the Animal Shelter in the amount of \$1,435.00. Motion passed unanimously.

Travis Hill made a motion, seconded by Ginger Holdren to approve non-monetary donations of \$503.70 to the Animal Shelter by Walmart. Motion passed unanimously.

Respectfully submitted:

Audra B. Gerty

Approved for Entry:

Aaron Frazier, Chairman