

**BUDGET COMMITTEE
CARTER COUNTY, TN
May 9, 2022
6:00 P.M.**

PRESENT: Willie Campbell, Aaron Frazier, Ross Garland, Julie Guinn, Travis Hill, Austin, Brad Johnson, Robin McKamey

ABSENT: Austin Jaynes

SUBSTITUTE: Isaiah Grindstaff

CALL TO ORDER: Aaron Frazier

ROLL CALL: Quorum Present

APPROVAL OF AGENDA: The meeting agenda was updated to include consideration of Outside Agencies funding as #5 Item c and Animal Shelter matter to be considered as #5 Item d. Sales Tax Resolution will be considered as #6 item a. Budget Amendment Item #101 11a will be considered as #7 Item a-1. Robin McKamey motioned to approve the revised agenda, seconded by Julie Guinn. By a voice roll call vote, motion carried.

APPROVAL OF MINUTES: Brad Johnson made a motion to approve the minutes of the April 11, 2022, regular meeting seconded by Robin McKamey. By a roll call vote, motion carried, with Isaiah Grindstaff abstaining.

PUBLIC COMMENTS: There were no public comments.

OLD BUSINESS: Carolyn Watson gave an update of the status of ARP Project Funding Requests. The update was based on the Health and Welfare meeting May 5th. Overall, seventeen projects totaling \$13,925,83.30 were considered. Of these items, three items were removed from consideration. The Committee will need further information on three more items. The revised total of current projects is \$9,598,309.

Because two of the projects need to adhere to strict deadlines, Ross Garland made a motion to approve funds for 1st Utility District of up to \$15,000 for Danner Bridge and up to \$60,000 for Blevins Hollow Bridge for water line replacements. Funds are to come from ARP. Motion was seconded by Willie Campbell.

The committee then discussed the TDEC projects which are Peters Hollow \$200,000; Big Springs Water, City of Elizabethton \$2,617,570; Laurels Water \$540,000; and Carder View Utility \$400,000.

Finance Department and HVAC Renovations update-The original estimate for the renovations has increased to \$440,000. Much of the increase is due to the HVAC system cost. Shaw Architecture is doing some further research about the cost and availability of HVAC. Abbey Frye stated that the additional costs could be covered by unused funds that are reverting to the Unassigned Fund Balance. There was some discussion about the logistics of the project and the placement of the Finance Department during

this time. A budget amendment is included in those proposed in #101 BA11 to fund the difference in the original estimate and the current estimate.

Outside Agencies- During the Budget Hearing April 28th, committee members agreed to a list of agencies to receive funding. There was no further discussion on the topic. Motion was made from the floor by Ross Garland and seconded by Julie Guinn to approve total funding for Outside Agencies in the amount of \$1,423,999. Those voting in favor were Willie Campbell, Ross Garland, Julie Guinn, Travis Hill, Brad Johnson, and Isaiah Grindstaff. Robin McKamey abstained. Motion carried.

There was some question about how excess funds for the Animal Shelter is supposed to be used. Josh Hardin stated that the bylaws of a proposed agreement between the city and county contained a provision for setting aside excess funds to be used to establish the Animal Shelter as a 501(c)(3) so there was no vote by the County Commission to establish these funds. After some discussion, Isaiah Grindstaff made a motion seconded by Julie Guinn to allow set aside excess revenues and unexpended funds from the Animal Shelter into a reserve account in anticipation that the Animal Shelter will become a 501 (c)(3), with the reserve account to be capped at \$250,000. These funds will be placed in a reserve account for this fiscal year. Then a separate fund will be created to account for the Animal Shelter. Requests for funds from this account would come before the budget committee for approval. Those voting in favor were Willie Campbell, Aaron Frazier, Ross Garland, Julie Guinn, Travis Hill, Isaiah Grindstaff, Brad Johnson, and Robin McKamey. There were no dissenting votes. Motion carried.

NEW BUSINESS: Josh Hardin brought to the Committee's attention the 2008 Resolution for transfer of the LOST revenue collected by the County. The Resolution is in keeping with Statute, which mandates that 50% of this revenue go to the school systems based on student census, and the other 50% be retained by the County. Beginning July 1, 2021, the County kept 100% of the additional .50% increase of Local Option Sales Tax (revenue), which is not in keeping with Tennessee statute. He recommended that the County revert to the original Resolution of 2008. Travis Hill made a motion from the floor to revert to the original 2008 Resolution on Local Option Sales Tax and correct the current year and future disbursements. Motion was seconded by Robin McKamey. Those voting in favor were Willie Campbell, Aaron Frazier, Ross Garland, Julie Guinn, Travis Hill, Isaiah Grindstaff,

BUDGET AMENDMENTS:

Budget amendments were presented by Audra Gerty. She stated that there would be more than usual this month and next month due to year end. The following Budget amendments were approved:

Julie Guinn made a motion seconded by Robin McKamey to approve County Fund #101 budget amendment #11 (items #1-17) for a total of \$276,586.61, with \$72,403.01 coming from Fund Balance, and \$55,669.99 being returned to Unassigned Fund Balance. Motion passed unanimously.

Isaiah Grindstaff made a motion seconded by Travis Hill to approve County Fund #101 budget amendment #11a for a total of \$2,000 funds within the Mayor's budget. Motion passed unanimously.

Ross Garland made a motion seconded by Willie Campbell to approve Solid Waste Fund #116 budget amendment #4 for \$18,500 to transfer funds within the Solid Waste / Sanitation budget for completion of the recycle center. Motion passed unanimously.

Isaiah Grindstaff made a motion seconded by Ross Garland approve Highway Fund #131 budget amendment #6 for a total of \$802,000 with nothing coming from Fund Balance. Note account correction in Item 1 from category 68000 to 63100. Motion passed unanimously.

Ross Garland made a motion seconded by Robin McKamey to approve General Fund #141 budget amendment #11 (items #1-8) for a total of \$720,414.76, with nothing coming from Unassigned Fund Balance. Motion passed unanimously.

Willie Campbell made a motion seconded by Julie Guinn to approve School Federal Projects Fund #142 budget amendment #11 (items #1-6) for a total of \$119,632.42, with \$4,536.66 being returned to Unassigned Fund Balance. Motion passed unanimously.

Ross Garland made a motion seconded by Isaiah Grindstaff to approve Food Service Fund #143 budget amendment #2 (items #1) for a total of \$8,400, with nothing coming from Unassigned Fund Balance. Motion passed unanimously. Motion passed unanimously.

Robin McKamey made a motion seconded by Willie Campbell to approve Head Start Fund #145 budget amendment #7 (items #1-2) for a total of \$19,440.30, with nothing coming from Unassigned Fund Balance. Motion passed unanimously.

Ross Garland made a motion seconded by Julie Guinn to approve Education Capital Projects Fund #177 budget amendment #3 (item #1) for a total of \$100,000 with \$100,000 being returned to Unassigned Fund Balance. Motion passed unanimously.

Willie Campbell made a motion seconded by Ross Garland to approve monetary donations to the Animal Shelter in the amount of \$2,198.00 and to approve monetary donations to the Sheriff's department in the amount of \$1,400.00. Motion passed unanimously.

Ross Garland wanted final clarification about why the ARP funds could not be used for teacher bonuses. Several of the commissioners have been questioned about why this was not possible. Chairman Frazier stated that according to CTAS final rules, the County cannot directly give money directly to the teachers. The school board can petition the Commission for funds and distribute them, but they did not request anything during the special hearings for ARP Funds. There may have been some lack of communication between County and School board, with both parties bearing some of the responsibility.

Ross Garland made a motion seconded by Julie Guinn to adjourn meeting at 7:40 PM and go directly into Budget Hearing. Motion passed unanimously.

Respectfully submitted:

Teresa Montgomery

Approved for Entry:

Aaron Frazier, Chairman