

FINANCIAL MANAGEMENT COMMITTEE

December 7, 2011

8:30 am

PRESENT: Jo Ann Blankenship, Tom Bowers, Dr. Shirley Ellis, Pat Hicks, Mayor Leon Humphrey, Russell Kyte, and Jack Perkins.

The meeting was called to order by Jo Ann Blankenship.

Quorum present.

Motion was made by Pat Hicks, second by Tom Bowers, to approve the agenda. All ayes motion carried.

Motion was made by Mayor Leon Humphrey, second by Russell Kyte to approve the October 5, 2011 minutes. All ayes motion carried.

Unfinished Business

- **Audit:** Committee reviewed audit findings. Discussed finding 11.03 that the County did not properly report expenditure to the Tennessee Department of Education for certain federal grants. Jo Ann Blankenship stated the number of findings has substantially decreased since the 2003 audit and noted the audit findings will be addressed with the Audit Committee.
- **Checking System Update:** Trustee Randal Lewis gave an update on the new system. The system is complete and working well. He'd like to thank the Finance and Trustee staff for their efforts.
- **Time Management Systems Update:** The committee discussed the possibility of purchasing a time management system. Randal Lewis, Mary Gouge, Melissa Moreland, and Jody Bristol stated they are happy with the current method of time keeping. Dr. Shirley Ellis said she did not feel the County School System was financially able to purchase such a system as their fund balance is already at a critical level. Mayor Leon Humphrey stated that the committee does not know the cost of such a system yet. He also noted that as elected officials it is their duty to be good stewards of tax payers' money and he feels a time management system will save the county money in the long run.

Jo Ann Blankenship stated it was not the goal of this committee to decide today if the county is to purchase a time management system or an accounting system but rather to plan for the future so that necessary purchases can be included in next year's budget. Tom Bowers said in his discussions with officials he found they did not think the system would pay for itself in 18 months as a preliminary estimate suggested. Ingrid Deloach noted that a new accounting system is a critical need for the finance office and asked that this issue not be put off any longer than necessary. John Lewis said he felt a time management system would provide accountability for all employees. Pat Hicks asked that we consider asking for a savings guarantee from the software provider to ensure the county does see some savings from a new accounting system and time management system.

Motion by Mayor Leon Humphrey to authorize request for proposals for a complete package with a breakdown of the cost of an accounting system and time management system, second by Russell Kyte.

Roll call vote as follows:

Dr. Shirley Ellis: Aye

Pat Hicks: Aye

Tom Bowers: No

Russell Kyte: Aye

Leon Humphrey: Aye

Jack Perkins: Aye

Jo Ann Blankenship: Aye

Motion carried.

- **Policy and Procedure Manual Updates:** Debt policy has been updated to meet state requirements .

Motion made by Mayor Leon Humphrey to adopt the debt management policy, second by Pat Hicks. All ayes motion carried.

Other additions to the Carter County Financial Policies and Procedures Manual included: Internal Controls and School Board Budget Amendment Policy.

Motion made by Tom Bowers to adopt additions of Internal Controls and School Board Budget Amendment Policy in the policy and procedure manual , second by Russell Kyte. All ayes motion carried.

Travel and Fixed Asset Policy will be moved to next month's meeting as Sheriff Chris Mathes is not present to discuss his concerns with these policies.

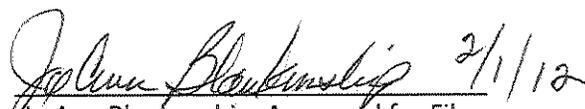
New Business

- **Recent Bids:** a list of bids from October 5, 2011 through present was reviewed.
- **County General Update:** No update
- **County Highway Department Update:** No update
- **County Schools Department Update:** Eight schools are targeted mostly due to a gap in math proficiency in economically disadvantaged students and non- economically disadvantaged students. However they are seeing progress in achievement scores at these schools. Little Milligan has been placed on the reward list for progress.
- **Tom Bowers:** No report
- **Pat Hicks:** Noted he appreciates office holders' input.
- **Russell Kyte:** No report
- **Public Comments:**
Various members of the public had discussion with the Committee.

Motion by Tom Bowers, second Pat Hicks, to adjourn. Motion carried.

Respectfully submitted,

Ingrid Deloach


Jo Ann Blankenship, Approved for File

FILED

Feb 2, 2012

MARY GOUGE
COUNTY CLERK

BY D.C.

APPROVED