

FINANCIAL MANAGEMENT COMMITTEE

February 5, 2014

8:30 am

APPROVED
4-2-14

PRESENT: Jo Ann Blankenship, Tom Bowers, Jack Perkins, Pat Hicks, Russell Kyte, Mayor Humphrey and Dr. Kevin Ward.

The meeting was called to order by Jo Ann Blankenship.

Quorum present.

Motion was made by Mayor Humphrey with a second by Pat Hicks to approve the agenda. Motion carried.

Motion was made by Mayor Humphrey with a second by Tom Bowers to approve the January 8, 2014 minutes. Motion carried.

New Business

- **Credit Card Reward Policy:** Finance Director Ingrid Deloach said it was recommended during the audit process that the County do something with reward points earned on credit card purchases. Mrs. Deloach said to the best of her knowledge reward points have never been used. Currently, the reward points accumulate and expire without ever being used. Mrs. Deloach contacted Cardmember Services who informed her the County can use reward points to get a credit applied to the monthly statement. "Any reward points acquired during the statement period will be redeemed as a credit to the statement once received, and payment will be reduced accordingly" has been added to the Department Credit Card Application & Procedure. The procedure has also been amended to state "Purchase orders in the name of Cardmember Services/ (actual vendor) must be secured before use of card". Mrs. Deloach noted "Please sign this page, page 1 of the application under Applicant's Signature and page 4 of the Credit Card Agreement above Applicant Member Signature" has been deleted from the procedure as these documents are no longer used.

Jo Ann Blankenship asked that "It is the department head's responsibility to verify that the statement is accurate and returned to the finance department in time to prevent late fees (at least one week before due date)" be changed to state "at least seven calendar days before due date" to eliminate any confusion. Ms. Blankenship also asked for "The card is to be used primarily for reservations and travel" to be bold. Ms. Blankenship suggested " I have read the above policy statement and agree to obtain a credit card in the name of Carter County and myself for business purposes only" be amended to read "for County business purposes only".

Motion was made by Mayor Humphrey, second by Russell Kyte to accept the Department Credit Card Application & Procedure as amended. Motion carried.

John Lewis asked if the reward points will be received as cash. Ingrid Deloach stated the reward points will be applied as a credit to the credit card statement. John Lewis asked if the credit would be applied to the General Fund. Mrs. Deloach said the credit will be applied to whatever fund the purchases were made from.

- **June 30, 2013 Audit Review:** Jo Ann Blankenship stated the audit findings were included in the committee packet. She said the biggest finding was the recurring finding from Circuit and General Sessions Court. Ms. Blankenship has asked the employees of Circuit and General Sessions Court to notify the Finance Director if they have any questions or concerns about problems with software or financial issues. Mayor Humphrey said the Audit Committee has met and gone over the findings in detail. Finance Director Ingrid Deloach said she has talked with Chairman Bowers about scheduling the June Commission Meeting late in the month to allow for budget amendments. Jo Ann Blankenship said the audit stated Carter County did not qualify as a low-risk auditee. She asked if anyone was aware what level of risk the County is determined to be. Mrs. Deloach said she will find out what level of risk the County is considered to be.
- **Policy of Privacy Practices under the Federal Law for Protected Health Information:** Jo Ann Blankenship said she believes the Committee should go ahead and cover any issues that could be brought up in the future regarding privacy of health information. She asked the committee to read over the proposed policy and give feedback. Ms. Blankenship stated this policy should be included in future printings of the Carter County Employee Handbook after it is approved by the Committee and the County Attorney. Pat Hicks asked what the model was for the draft presented. Finance Director Ingrid Deloach said she looked at several different policies from similar entities and incorporated input from Ms. Blankenship to create the proposed policy.

Motion was made by Tom Bowers, second by Russell Kyte to forward the proposed Policy of Privacy Practices under the Federal Law for Protected Health Information to the County Attorney for review. Motion carried.

- **Debt Service Requirement:** Motion was made by Jo Ann Blankenship, second by Jack Perkins to add Debt Service Requirement to the defined terms within the Financial Management Policy and Procedure Manual. Debt Service Requirement has been defined as being met by County Technical Assistance Service Attorneys as being met as long as the obligations of the County are satisfied. Motion Carried.
- **Recent Bids:** Finance Director Ingrid Deloach said there were no recent bids to report.
- **County General Update:** Mayor Humphrey stated the environmental phase has been approved for the High Priority Project Local. This will be \$400,000 coming into the county for paving on State Line Road and Cedar Grove Road. Mayor Humphrey said he has submitted an application to the Historical Commission for a Historical Preservation Grant for the purchase of windows. The current estimate to replace all the windows on the original portion of the Courthouse is approximately \$100,000. The Planning Commission has required that the windows on the third floor of the Courthouse be restored not replaced. Mayor Humphrey said no work will be done until a response is received about the Historical Preservation Grant. He stated the window project may have to be done in phases. Mayor Humphrey said the Courthouse also has a problem with HVAC. He obtained an estimate of \$290,000 to provide air conditioning to vaults. Mayor Humphrey said to restore the front of the Courthouse the window air conditioning units need to be removed and have the appropriate size windows installed.

Jo Ann Blankenship asked if there has been any water damage to the 9-1-1 building. Mayor Humphrey said there was not any significant damage. He said the Election Commission did have

some files damaged but nothing permanent. Russell Kyte asked how the Annex roofing project is going. Mayor Humphrey said the project is going well. He said recently there was an issue with rain coming into the old jail and one leak that went into the first floor of the building. Mayor Humphrey said there may be some damage to the fire suppression system. If it is determined that the damage was caused by the leak, the invoice will be submitted to the roofing contractor for payment.

- **County Highway Department Update:** Jack Perkins said the Highway Department is going to have to purchase more salt and small rock. He said the weather has been bad the past few weeks. Jo Ann Blankenship said the Highway Department staff needs to be commended for their effort. Jack Perkins said the lower end of the County was the worst in the most recent snow.
- **County Schools Department Update:** Dr. Kevin Ward noted it has been a rough January for school attendance. He stated the schools have used all their snow days and will be going to school President's Day, two professional development days, and three days of spring break to make up for days missed due to weather. Dr. Ward said there are three additional days that could be changed to school days if need be. Once all other days are exhausted, they will have to start adding on to the end of the school year. He said the School Department is trying to make up snow days before year end testing instead of adding on days after testing has been completed. Jo Ann Blankenship asked if graduation for the high schools has been set. Dr. Ward said graduation dates have been set. He prefers not to change graduation dates so not to interfere with plans already made by out of area family. A citizen asked how many days the schools missed in January. Dr. Ward said the students went to school four days in January but did not have any snow days in December. Jack Perkins asked if a bus runs on Dennis Cove Road. Dr. Ward said he thinks a SUV is used to pick up the children from Dennis Cove, but he will have to check to be sure.
- **Tom Bowers:** Chairman Bowers said the June Commission Meeting will be changed to a later date in June to allow for budget amendments immediately before the fiscal year end.
- **Pat Hicks:** No report.
- **Russell Kyte:** No report.
- **Jo Ann Blankenship:** Ms. Blankenship noted that the School Department is letting the City Schools use some buses due to vandalism of the City buses. Ms. Blankenship said the issue of lagging payroll was brought up again. She asked the committee members to be thinking about lagging payroll for the next meeting.
- **Public Comments:** No public comments were made.

Respectfully submitted,

Christa Byrd

APPROVED


Jo Ann Blankenship, Approved for File