

**Carter County
Financial Management Committee
Mayor's Conference Room
June 3, 2015
8:30 a.m.**

Agenda

- Call to order.
- Review and approve agenda.
- Review and approve May 6, 2015 minutes.
- Public Comments
- Old Business
- New Business
 1. Budget Process Update.
 2. Recent Bids.
 3. County General Update-Mayor Leon Humphrey.
 4. County Highway Department Update-Superintendent of Roads Roger Colbaugh.
 5. County School Department Update-Director of Schools Dr. Kevin Ward.
 6. Bobbie Gouge-Dietz, County Commissioner.
 7. Ray Lyons, County Commissioner.
 8. Charles VonCannon, County Commissioner.
 9. Danny Ward, County Commissioner.
- Adjourn

FINANCIAL MANAGEMENT COMMITTEE

May 6, 2015

8:30 am

PRESENT: Roger Colbaugh, Bobbie Gouge-Dietz, Mayor Leon Humphrey, Ray Lyons, Charles VonCannon, Danny Ward and Dr. Kevin Ward.

The meeting was called to order by Ray Lyons.

Quorum present.

Chairman Ray Lyons asked to add Finance Director's role clarification to the agenda after approval of the minutes.

Motion was made by Mayor Humphrey, second by Bobbie Gouge-Dietz to approve the amended agenda. Motion carried.

Motion was made by Mayor Humphrey with a second by Charles VonCannon to approve the April 1, 2015 minutes. Motion carried.

Finance Director's Role Clarification: Ray Lyons said he wants the committee to clearly understand the Financial Management Act of 1981, the Financial Management Policies and Procedures Manual as well as the Finance Director's role as it pertains to other departments. Mr. Lyons intentionally requested this topic be discussed before public comments in the hopes all questions can be addressed today. Ingrid Deloach said a detailed job description can be found in the Financial Management Policies and Procedures Manual. The policy states the director is to assist the county government and other agencies. Mrs. Deloach noted her position includes assisting all county departments including Solid Waste, Sheriff's Department, Highway Department and School Department.

The committee was provided copies of the Finance Department charge backs detailing the funding received from other departments. The School Department contributes \$139,430, Highway Department contributes \$34,400, and Food Service contributes \$20,082 annually. These contributions are not for the costs of any specific employees, but rather to go towards overall Finance Department expenses. Mrs. Deloach stated the departments that contribute toward the Finance Department are those outside the General Fund with their own sources of revenue. The contributions were set in 2005 by considering the number of employees that came from each department at the time of consolidation. Mrs. Deloach said she feels the percentages of allocations are still an accurate representation of workload. She advised the committee that several positions have been merged since the creation of a consolidated Finance Department. Mrs. Deloach said she and the Deputy Director both work with County funds and Schools funds so there will be an overall knowledge of all county finances.

Public Comments: Roy Livingston said he had never heard about the other departments contributing to the cost of the Finance Department. He asked how this got implemented without anyone knowing anything about it. He also asked where the money comes from that is paid back to the General Fund. Mrs. Deloach said each of the three departments have a line item in the budget for their contributions towards the Finance Department. She also stated the agreements for the contributions are signed each time there is a new representative such as Financial Management Chairman or Director of Schools. Mr. Lyons said the agreement for the Finance Department charge backs would have been approved by the Financial Management Committee in 2005. Mayor Humphrey asked Finance Director Ingrid Deloach to explain how finances were handled prior to consolidation. Mrs. Deloach noted she was not in her current position at that time but would try to answer the Mayor's question to the best of her ability. She stated prior to consolidation the County Executive was in charge of all county finances and had three finance employees. The School Department had a Director of Budgets and three finance employees. Food Service and the Highway Department each had one finance employee. Mrs. Deloach said adoption of the 81 Act created a consolidated Finance Department and gave the county lots of rules and regulations for the handling of finances.

New Business

- **Finance Department Budget:** Ray Lyons said a five year plan was previously implemented to raise the Finance Director's salary to that of the County Trustee with a \$2,500 increase annually. Mr. Lyons said he feels Mrs. Deloach is doing an excellent job, but this is something handed down from a previous Commission. Charles VonCannon asked if the salary of the Trustee is mandated and if so is it mandated that the Finance Director's salary be the same. Mrs. Deloach said the Trustee's salary is set by the State but the Finance Director's is not. Mr. VonCannon asked what the Trustee's current salary is. The Trustee's salary for fiscal year 2014-2015 is \$76,313. Mrs. Deloach said this is a very uncomfortable topic for her to discuss, and she doesn't feel it is fair for her to get an increase while other employees do not. She said the five year plan was approved in 2007, but no action was taken on the plan until after the resignation of the previous Finance Director. Charles VonCannon said the increase is merited based on the hours worked by the director. Ray Lyons said previous minutes were provided to document why the salary increase was requested. Commissioner John Lewis said this is something approved by the previous Commission. He suggested the director's salary increase be voted on yearly as opposed to a five year plan. Danny Ward said the committee saw a need to increase director's salary and came up with a plan to get it there. Ingrid Deloach informed the committee County Commission approves any increases to the director's salary.

Motion was made by Mayor Leon Humphrey, second by Bobbie Gouge-Dietz to approve the Finance Department's 2015-2016 budget request as presented. A voice roll call was as follows:

Roger Colbaugh	Aye	Charles VonCannon	Aye
Bobbie Gouge-Dietz	Aye	Danny Ward	Aye
Leon Humphrey	Aye	Dr. Kevin Ward	Aye
Ray Lyons	Aye		

Motion carried.

- **Recent Bids:** Finance Director Ingrid Deloach reviewed a list of recent bids. John Lewis asked how long it takes to get a product after an item is bid out. Mrs. Deloach said it depends on the type of product being bid. Charles VonCannon asked about using inmate labor for mowing at the schools. Mrs. Deloach said inmates are not allowed to be on the property while children are present. With afterschool activities, there is not adequate time for inmates to provide mowing services on a weekly schedule. Dr. Ward mentioned it would take a very large work crew to mow each of the schools on a weekly basis. The School Department went to contract mowing from in house mowing as a cost savings measure. Mr. VonCannon asked why lights are often on at night in the school gymnasiums. Dr. Ward said there is most likely someone playing basketball in the gym.
- **County General Update:** Mayor Humphrey said the new jail parking lot has been completed less the sidewalk work, which will be done by inmate labor. Mayor Humphrey hopes to have the majority of renovations completed on the old 911 building by June 30th. Estimates for the renovation and redesign of the Health Department have come back at \$870,000. EOC work is estimated at \$250,000. Mayor Humphrey is looking for sources of revenue to fund these improvements. John Lewis asked about the renovations to the Health Department and the possibility of letting the public rent out the Annex space.

Mayor Humphrey suggested obtaining a copy of the current rules on usage of the Annex to have Buildings and Grounds reconsider those regulations.

- **County Highway Department Update:** Roger Colbaugh said the Highway Department is focusing on summer work including paving, mowing and bridge work. The state is working on approving plans for the Rittertown Bridge. Mr. Colbaugh said he will begin the design process soon for the other four bridges and hopes to have an agreement with the state so the County will not have to pay the design costs upfront. The bridge projects are funded by the state with a 2% local match. Mr. Colbaugh said he is concerned about the amount of his budget that is funded through fund balance. The Highway Department's 2015-2016 budget request has \$909,000 coming from fund balance. Mr. Colbaugh said if the trend of taking large amounts from fund balance continues he will have to lay off employees and sale equipment. Charles VonCannon asked if the Highway Department has maintenance of effort that has to be met. Ingrid Deloach said the Highway Department has a five year average. She explained the County has to maintain the same level of local funding on the five year average. Charles VonCannon pulled the percent of total budget since 1981. He said the Highway Department is the only one who has roughly the same percent of funding. Mr. VonCannon feels there is no way to maintain infrastructure with the level of funding provided to the Highway Department.
- **County Schools Department Update:** Dr. Ward said graduations will be May 15th at 7:00 PM and May 16th at 10:00 AM. The School Department is preparing for next year's online assessment, TN Ready. Dr. Ward stated there will be a five day training during the summer on content for the assessment. The School Department is looking at the possibility of creating in-room libraries to promote literacy. John Lewis asked about the last day of school. Dr. Ward advised that the last day will be May 21.
- **Bobbie Gouge-Dietz:** No report.
- **Ray Lyons:** No report.
- **Charles VonCannon:** Mr. VonCannon thanked Roger Colbaugh for eliminating wasteful man hours such as employees driving around looking for downed street signs.
- **Danny Ward:** No report.

Motion to adjourn was made by Mayor Leon Humphrey, second by Dr. Kevin Ward. Motion carried.

Respectfully submitted,

Christa Byrd

Ray Lyons, Approved for File

School System	Library Management System	Friday, July 25, 2014	Rebid. Proposals were not within budget.	
School System	Library Management System	Wednesday, August 06, 2014	Book Systems	\$ 16,299.39
School System	Chain Link Fencing	Friday, August 15, 2014	J & S Fence=\$39,784 for UHS & CHS Lyons Fence=\$19,520 for HVHS & HHS	
Sheriff's Office	Tactical Vest	Tuesday, August 19, 2014	KDH Defense Systems	\$ 1,425.00
Highway Dept	172 Ton Pick Up Truck	Wednesday, September 03, 2014	Erwin Motors	\$ 34,171.50
County	Vehicle Fuel Bid	Tuesday, September 30, 2014	Petroleum Traders	Gas=Rack+\$0.0294 Diesel=Rack + \$0.0966
School System	Food Items for Afterschool Programs	Wednesday, October 01, 2014	Milk=Borden Dairy @ \$17/case. Other items rebid.	\$ 119,800.00 CAT 924K
Highway Dept	Small Wheel Loader	Wednesday, October 15, 2014	Stowers Machinery	\$ 1,395.24
School System	Food Items for Afterschool Programs	Wednesday, November 05, 2014	No bids received.	\$24,980.46
School System	Stool Cafeteria Tables	Friday, December 05, 2014	Wilkins Fitness	\$ 10,600.00
Sheriff's Office	Gym & Exercise Equipment	Tuesday, December 29, 2014	USDR, LLC	\$ 16,979.00
Solid Waste	Long Block Motor	Monday, December 29, 2014	Truckers Lighthouse	\$ 1,299.00
Sheriff's Office	Surveillance Camera & Data Storage	Friday, January 09, 2015	RUCMO	\$0.50/gallon
Sheriff's Office	In-Car Video Systems	Friday, January 09, 2015	Heritage Propane	\$1,446/gallon
School System	Spent Oil Collection	Monday, January 12, 2015	Nowell	\$20,965.00
School System	Propane	Tuesday, January 13, 2015	High County Communic \$12,194,14=4 sets	
School System	Cooling Tower Repairs	Tuesday, January 20, 2015	District Solutions	55% CCBOE 45% DS
School System	Mobile Radios & Vehicular Reparaters	Wednesday, February 04, 2015	Roll Call Pro	\$ 16,000.00
County	Bus Advertising	Tuesday, February 24, 2015	Cline Holder Electric	\$ 17,177.24
County	Wireless Voding System	Monday, March 02, 2015	Mark III Brokerage	
County	High Bay Fluorescent Fixtures	Friday, March 27, 2015	Bakers Waste Equipment	\$7,850=40 yd \$761=8 yd
County	Health Insurance Broker Services	Friday, March 27, 2015	Under review.	
Solid Waste	Recycle Equipment	Tuesday, April 06, 2015	Mid-South Bus	\$ 104,865.00
Sheriff's Office	Communication Equipment	Tuesday, April 07, 2015	Under review.	
School System	Type C School Bus	Tuesday, April 07, 2015	Mullins Company	\$ 45,250.00
Sheriff's Office	Server System Upgrade	Wednesday, April 22, 2015	Rebid	
School System	Maintenance Pickup Trucks	Thursday, May 07, 2015	Worldwide Equipment	\$125,856.86
School System	Drop Ceiling & Installation	Thursday, May 07, 2015	Under review.	
School System	Bus Camera & Recording System	Monday, May 11, 2015	Tn Boiler Repair Svc	\$ 27,562.00
Highway Dept	Tandem Dump Truck	Friday, May 15, 2015	Mid South Bus Center	\$ 44,478.00 35 systems
School System	Food Service Equipment	Tuesday, May 26, 2015	Keith Hughes Constructio	\$ 16,500.00 Tall Oak Circle Property
School System	Steam Boiler	Friday, May 29, 2015	No bids.	
School System	Bus Camera System			
County	Demo & Clean Up of Litter Property			
County	Window Restoration			

