

FINANCIAL MANAGEMENT COMMITTEE

May 3, 2017

8:30 am

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

The meeting was called to order by Danny Ward.

Quorum present.

Adopt Agenda: Motion was made by Mayor Leon Humphrey, second by Bobbie Gouge-Dietz to approve the agenda. Motion Carried

Approval of Minutes: Motion was made by Mayor Leon Humphrey, second by Bobbie Gouge-Dietz to approve the April 5, 2017 minutes. Motion Carried

Public Comments: Mr. Roy Livingston brought an open records request before the committee for Finance Director, Christa Byrd to review and complete. After reviewing the request, Mrs. Byrd stated that she will need to contact Mr. Livingston after the meeting to verify what information he needs.

Old Business: None to be discussed

New Business:

- **Outside Agency Policy Discussion:** Mr. Danny Ward mentioned that Financial Management Chairman, Ray Lyons, will not be attending the meeting due to medical issues. Mr. Ward stated that the outside agency policy was brought before committee for a second time because Ray Lyons wanted to bring a possible alternative solution to the committee for review and approval. County Attorney, Josh Hardin, stated that Mr. Lyon's alternative solution was to put a cap on the current policy requiring an audit for county donations to outside agencies. Mr. Hardin stated that he does not see any legal issue with capping the requirement to have an audit because both solutions presented will be compliant with the current law. Mr. Hardin stated that he believes putting a cap on the requirements of outside agencies makes more sense to him than just having a subjective merit scale on who must present an audit and who must present a letter signed by the CEO.

Mayor Leon Humphrey stated that the current outside agency issue came to fruition because of one outside agency, The Shepherds Inn. According to Mayor Humphrey, The Shepherds Inn CEO, Mr. Gabinet, stated to the Mayor that he does in fact believe he could get an audit for less than the originally thought \$7,000. The Mayor also stated that Mr. Gabinet mentioned that he saw the need for an audit. Mayor Humphrey stated that he has a problem deviating from the current policy for one outside agency.

According to Finance Director, Christa Byrd, Mr. Lyons wants to suggest that the committee amend the current outside agency policy requiring an audit from all funded outside agencies to permit an agency that is requesting funding under \$50,000 to be allowed to present a letter of revenue and expenditure sheets signed by the CEO of the agency. Mrs. Byrd stated that if we amend the current policy she would recommend the cap be set at \$100,000 to cover some of the other agencies like the Carter County Fire Departments from having to bring an audit to the table. Mrs. Byrd made comment that we have not been in compliance with our policies when it comes to Fire Departments for years now. Mrs. Byrd stated now that she has is aware of the noncompliance she will be forced to make all outside agencies including The Shepherds Inn and the Fire Departments to provide an audit unless the current policy is amended. Mayor Leon Humphrey stated that he was not aware that all agencies were not in compliance with the current policy; therefore he would like to make a motion to correct the oversight going forward.

Motion was made by Mayor Leon Humphrey, second by Bobbie Gouge-Dietz to set a cap of \$100,000 before an outside agency will be required to provide an audit for County Donations. Anything under \$100,000 will be allowed to provide the County with a signed list of expenditures and Revenues by the agencies CEO.

Danny Ward	Aye	Dr. Kevin Ward	Aye
Bobbie Gouge Dietz	Aye	Roger Colbaugh	Aye
Charles VonCannon	No	Leon Humphrey	Aye
Sonja Culler	Aye		

6 Ayes, Motion Carried

- **Recent Bids:** Director of Finance, Christa Byrd, reviewed a list of recent bids.
- **County General Update:** Mayor Humphrey stated that the County is hearing a lot of news about what is fair and not fair in regards to City/County contributions toward joint ventures. Mr. Humphrey stated that in the end we are all Carter County residents. Mayor agreed that over time some of the contribution splits toward joint ventures have become slightly unfair towards either the City or the County. He stated that one venture that has not been brought up in the news yet is the Carter County Health Department. Mayor Leon Humphrey passed out a document regarding the contributions used to fund the Carter County Health Department. According to this document Elizabethton City only contributes approximately \$30,000 while the County pays approximately \$170,000.

The Mayor mentioned that there has been a lot of questions and speculation regarding the Elizabethton/ Carter County Animal Shelter funding. According to Mr. Humphrey, there should be no questions about where the funding will come from because the City and County have a contract to split the expenses of the animal shelter. According to the Mayor, this contract auto renewed on September 19, 2016 for another 5 years. County

Attorney agreed that the City and County do have a signed contract that will auto renew if the shelter is still in existence. Mr. Hardin's opinion is that the contract did auto renew in September of 2016.

- **County Highway Department Update:** Road Superintendent, Roger Colbaugh, commented that the Highway department is currently paving Stateline Road as part of the State Aid Projects and will hopefully be finished with this project by the end of the week weather permitting. Mr. Colbaugh also stated that the Highway Department ordered 6 new tractors for mowing that will begin next week.
- **County School Department Update:** Director of Schools, Dr. Kevin Ward, stated that the School Department has presented a balanced budget for the last 5 years. Dr. Ward also stated that after the School Board heard and discussed the salary study results in regards to Carter County paraprofessionals that the School Board will be requesting approximately a 1% raise for their paraprofessionals from the County which will cost about \$60,000. Dr. Ward stated that the Carter County paraprofessionals are the most underpaid positions in the County. Dr. Kevin Ward discussed the options that will be placed before committee regarding covering all Carter County Schools with a School Resource Officer. Dr. Ward also explained the extent of the budget that will be presented to the Budget Committee for their 17-18 budget. According to Dr. Ward, Wayne Sams has been able to collect approximately \$10,000 from bus advertisements to be used to add cameras to the School buses.
- **Bobbie Gouge-Dietz:** Mrs. Gouge-Dietz stated that she believes both the Highway and School Department budget presentations were very reasonable requests.
- **Ray Lyons:** Not Present
- **Charles VonCannon:** Mr. VonCannon commented on how nice the new Rittertown Bridge turned out. He also stated that the presentation for the bridge was a nice event. Mr. VonCannon stated that he is astonished with the lack of education regarding the DeLawder Estate funding toward the Animal Shelter.
- **Danny Ward:** Mr. Ward made a comment as to some changes he noticed that should be placed in last month's committee minutes. Mr. Ward questioned Roger Colbaugh regarding the property the County tried to buy to extend the road going to the Landfill. According to Mr. Colbaugh, this property is getting a second appraisal paid for by the current owner of the property because she was unhappy with the County paid appraisal value. Mr. Colbaugh agreed to check with the current property owner to get a current update. Mr. Ward also stated that the elevator project at Workforce Development will be completed in the next 3 weeks. Mr. Ward notified the committee that the Education and Landfill Committee will be held at Unaka High School Thursday at 6 PM. He also notified the committee that the School Department will be accepting student friendly

books for a new initiative they are starting this summer that will provide reading material and lunches to Carter County students.

- **Adjourn:** Motion made by Danny Ward, second by Bobbie Gouge-Dietz.

Respectfully submitted,

Michael Kennedy

Ray Lyons, Approved for File