

FINANCIAL MANAGEMENT COMMITTEE

July 1, 2019

8:30 am

PRESENT: Roger Colbaugh, Ginger Holdren, Sheriff Dexter Lunceford, Dr. Kevin Ward, Brad Johnson, and Travis Hill.

The meeting was called to order by Brad Johnson.

Quorum present.

Adopt Agenda: Motion was made by Ginger Holdren, second by Sheriff Dexter Lunceford to approve the agenda. Motion Carried.

Approval of Minutes: Motion was made by Ginger Holdren, second by Roger Colbaugh to approve the May 6, 2019 minutes. Motion Carried.

Public Comments: Mr. Roy Livingston commented on the duties that the Mayor should be performing.

Old Business:

- 1. Possibilities of Wage Rate System for County Employees:** Financial Management Chairman, Brad Johnson, stated that the committee is still collecting information to bring before each office holder. Sheriff Dexter Lunceford explained his concern that the new wage scale needs to be funded by the County when implemented and that the scale does not state anything about job duties as that is the elected officials job to set duties. Carter County School Board Director, Dr. Kevin Ward, mentioned that he has issues with retention of younger employees. Both the Sheriff and Director of Schools stated the issues regarding skilled labor pay being too low to retain qualified employees. Dr. Kevin Ward informed the committee that the School Department is still implementing their salary study.

Mr. Brad Johnson requested that the committee get all raises besides cost of living raises that employees have received in previous years. Mr. Johnson also requested a list of all employee's pay from lowest to highest in the County. Mr. Johnson also brought up a concern regarding the change in TCRS to 25 years of Service.

- 2. Update on Carter County's 457 Plan:** Carter County Attorney, Josh Hardin, updated the committee on the current status of the Carter County 457 Plan options. Mr. Hardin informed the committee that he spoke with Nationwide representative, Teresa Reed, who stated that the plan requires 120 days' notice in writing before the plan can be termed. Ms. Reed also informed the County Attorney that if the plan is termed accounts with fixed holdings will have an approximate \$28,000 market value adjustment charge or the accounts will have to be taken out in 1/60th transfers until liquidated fully to avoid the MVA charge.

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Ms. Reed did state that any funds in the non-fixed accounts can be transferred at any time without a charge. County Attorney Hardin also informed the committee that this account has been with the County since 1987 with addendums completed and signed over the years.

Finance Director, Brad Burke, stated that his recommendation for the County would be to keep the Nationwide account open but walled off from new contributions. Mr. Burke recommended that all new contributions go into the new 457 or 401(k) plan set up by the State of Tennessee. Mr. Burke stated that running these accounts side by side will avoid any charges for fixed accounts and will allow employees to have another option for investing their money. Employees will be able to transfer any non-fixed accounts directly to the new State plan while fixed account employees can transfer 1/60th of their nationwide fixed accounts over to the State of Tennessee until fully liquidated if they like.

Motion was made by Travis Hill, second by Sheriff Dexter Lunceford to accept Finance Director, Brad Burkes, recommendation to keep both plans open with all new contributions only going to the new State of Tennessee plan to avoid any charges.

Travis Hill	Aye	Brad Johnson	Aye
Roger Colbaugh	Aye	Dexter Lunceford	Aye
Dr. Kevin Ward	Aye	Ginger Holdren	Aye

All Ayes, Motion Carried

New Business:

- **Recent Bids:** Deputy Director of Finance, Michael Kennedy, reviewed a list of recent bids.
- **Discussion Regarding County Credit Cards**
 - **Request for Food Service Visa Credit Card:** Finance Director, Brad Burke, requested a Visa credit card for the Carter County Food Service department with a limit of \$5,000.

Motion was made by Dr. Kevin Ward, second by Sheriff Dexter Lunceford to approve a Visa credit card for Carter County Food Service Department with a limit of \$5,000.

Travis Hill	Aye	Brad Johnson	Aye
Roger Colbaugh	Aye	Dexter Lunceford	Aye
Dr. Kevin Ward	Aye	Ginger Holdren	Aye

All Ayes, Motion Carried

- **Discussion of Policy and Procedures:** Mr. Brad Burke informed the committee that the County Finance department is having issues with credit cards being checked out and not returned in a reasonable time. Mr. Burke also told the committee that we are having issues with one department checking the card out and a different department using the card. Finance Director, Burke, told the committee that the current Financial Policies regarding credit cards needs some updating. Committee Chairman, Brad Johnson, stated the need to review current policies and bring back recommendations for any updates to the credit card policies.
- **Updates from Finance Director:** Mr. Brad Burke told the committee that progress has been made on reconciling payroll liability accounts in order to adjust the issues with audit. Mr. Burke also spoke to the committee regarding his faith that the Carter County financial books should have no issue being closed by August 31, 2019. Mr. Burke did state that an issue with payroll did occur that caused former Mayor and former Register of Deeds to be over payed before leaving the County. Mr. Burke told the committee that he will be sending letters out to both former employees regarding the issue.
- **County General Update:** Not Present.
- **County Highway Department Update:** Carter County Road Superintendent, Roger Colbaugh, spoke to the committee regarding an issue with a bridge on Swimming Pool Road. Mr. Colbaugh stated that his department will be working with the Department of Agriculture to get aid in saving the bridge. Mr. Colbaugh also informed the committee that 2 bridges have been approved for repair. Road Superintendent, Roger Colbaugh, also told the committee that his department will be grading and paving the parking lot at Little Milligan in July. The final comment Mr. Colbaugh had is that his department was supposed to be approved for a Walmart Credit Card to make purchasing easier for his department. Mr. Brad Burke told Mr. Colbaugh that he will work on this for the Highway Department.
- **Sheriff Dexter Lunceford:** Carter County Sheriff, Dexter Lunceford, would like to see the Financial Management Committee look at adjusting the current travel policies. Mr. Lunceford stated his belief that each office head should have control over travel policies. Mr. Lunceford also discussed an issue regarding employees transferring between Carter County Departments and being considered new employees in regards to TCRS. Mr. Lunceford stated that he has spoken to many employees who have transferred from one department within Carter County to another department with Carter County and then having to pay 5% of their salary to TCRS. County Attorney Hardin stated that he will look into the TCRS rules to see if there is anything that can be adjusted to mitigate the issue. Finance Director, Brad Burke, said he will look into how many employees have been affected by this issue.

- **County School Department Update:** Carter County Director of Schools, Dr. Kevin Ward, spoke to the committee regarding the completion of summer projects at the School Department. Dr. Ward said that some of these projects are specifically aimed to mitigate ADA issues. Dr. Ward also told the committee that the Schools will be looking to bid out the moving of a couple modulars at the Schools. The final comment from Dr. Ward was that the School Board is considering forming an insurance committee to bid out insurance for the Carter County School Department.
- **Ginger Holdren:** Mrs. Ginger Holdren welcomed new committee member Travis Hill.
- **Travis Hill:** Mr. Travis Hill wanted to know if the Carter County Government has contracts with employees at the Sheriff Department to recoup any money if we put them through school and they leave. Sheriff Dexter Lunceford stated that you cannot require employees to make a contract with the county. Mr. Lunceford stated that you cannot penalize employees for wanting to better themselves.
- **Brad Johnson:** Mr. Brad Johnson told the committee that a lot of kids in the Carter County School system are doing a great job especially in robotics. Mr. Johnson said that the County needs to do something to recognize the jobs being done by all these young people.
- **Adjourn:** Motion made by Brad Johnson, second by Dr. Kevin Ward. **Motion Carried.**

Respectfully submitted,

Michael Kennedy

Brad Johnson, Approved for File