

FINANCIAL MANAGEMENT COMMITTEE

September 9, 2019

8:30 am



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AF

PRESENT: Roger Colbaugh, Ginger Holdren, Brad Johnson, Mayor Rusty Barnett, Danny McClain and Travis Hill.

The meeting was called to order by Brad Johnson.

Quorum present.

Adopt Agenda: Motion was made by Ginger Holdren, second by Roger Colbaugh to approve the agenda with the addition of the email request from Commissioner Mike Hill. Motion Carried.

Approval of Minutes: Motion was made by Ginger Holdren, second by Travis Hill to approve the August 5, 2019 minutes. Motion Carried.

Public Comments: None.

Old Business:

1. **Present Credit Card User Agreements:** Finance Director, Brad Burke, informed the committee that he has established a credit card user agreement for the Carter County Schools and the Carter County Government. Mr. Burke mentioned that the new agreements have additional information on bullet three regarding emergency purchases using the County credit cards.

Motion was made by Roger Colbaugh, second by Mayor Rusty Barnett to approve both credit card user agreements presented by the Carter County Finance Director.

Travis Hill	Aye	Brad Johnson	Aye
Roger Colbaugh	Aye	Ginger Holdren	Aye
Rusty Barnett	Aye		

All Ayes, Motion Carried

2. **Present Updated Travel Policy:** Carter County Finance Director, Brad Burke, presented the updated travel policy to the Financial Management Committee. Mr. Burke told the committee that section I of the Carter County Travel Policy is the updated section. Mr. Burke stated that Sheriff Dexter Lunceford requested the first two sentences be removed due to being too restrictive. Financial Management Chairman, Brad Johnson, expressed his displeasure with the round trip of 300 miles in the current policy. Mr. Johnson stated that this round trip rule causes hardships on employees whom have early morning trainings out of the area. Mr. Johnson stated that employees are being forced to wake up early in the morning to make trips instead of staying the night before a training. Mr. Brad Johnson wanted to make sure the time and distance portion of the current policy was being removed. Mr. Brad Burke informed the committee that the second page of the policy has the new language that would dismiss the round trip and time.

Motion was made by Travis Hill, second by Ginger Holdren to approve the revised travel policy that discards the round trip mileage and time of meeting restrictions.

Travis Hill	Aye	Brad Johnson	Aye
Roger Colbaugh	Aye	Ginger Holdren	Aye
Rusty Barnett	Aye	Danny McClain	Aye

All Ayes, Motion Carried

3. **Discussion of Salary Overpayments to Former County Officials:** Carter County Attorney, Josh Hardin, reviewed the issue regarding the former County Mayor, Leon Humphrey, and the former Register of Deeds, Jody Bristol, being overpaid salaries. Mr. Hardin informed the committee that if one looks at the States statutory set salary for both of these elected officials and compares it to what the Finance Department actually paid one will see an overpayment to the former Mayor, Leon Humphrey, of \$4,366.62 and an overpayment to the former Register of Deeds, Jody Bristol, of \$3,554.17.

County Attorney, Hardin, stated that as of today both parties have decided not to repay this money back to the County. Mr. Hardin informed the Committee that he can send a more official letter to both former officials requesting this money be repaid or the County can approve the overpayment. Mr. Hardin's opinion is that Carter County Officials payroll should be separate from the Carter County Employees payrolls to avoid this issue from reoccurring in the future. Carter County Mayor, Rusty Barnett, expressed his wishes that the Financial Management Committee move forward with letting the County Attorney draft an official letter to both officials requesting the overpaid salaries be repaid to the County. Mr. Travis Hill asked the Carter County Attorney his opinion on the estimated cost of suing these officials in order to recoup these funds. Mr. Hardin stated that he is unsure of the cost to sue these officials as he is not certain that he can serve either side in the event that a suit occurred. Mrs. Ginger Holdren stated that the County set a precedence during the last commission meeting by requesting that Planning Director, Chris Scheuttler, pay back the bonus money paid to him. Mr. Hardin stated that requesting repayment from a current employee is different than requesting payment from a former employee.

Motion was made by Roger Colbaugh, with no second to fund the overpayments to these former officials and move forward. **Motion Failed. For lack of a Second.**

Motion was made by Rusty Barnett, second by Roger Colbaugh to move forward with letting County Attorney, Josh Hardin, draft an official letter to both former officials requesting these overpayments be repaid.

Travis Hill	Aye	Brad Johnson	Aye
Roger Colbaugh	Aye	Ginger Holdren	Aye
Rusty Barnett	Aye	Danny McClain	Aye

All Ayes, Motion Carried

New Business:

- **Recent Bids:** Deputy Director of Finance, Michael Kennedy, reviewed a list of recent bids.
- **Discussion of the Requirements for the Three Star Grant Program:** Carter County Mayor, Rusty Barnett, informed the Committee that Carter County was awarded the Three Star grant. Mr. Barnett told the committee that the amount of the awarded grant has not been disclosed to his office at the moment but the maximum potential funding is \$50,000. According to the Mayor's office, the goal of this grant is to work with the Workforce Development. Mrs. Abby Fry stated that the grant will be used to aid high school students that are dual enrolled with non-tuition cost and transportation. Finance Director, Brad Burke, stated that the Three Star Grant Program has financial requirements that must be met in order to be awarded. Mr. Burke told the committee that the first requirement is to have a Debt Management policy in place. Mr. Burke informed the committee that Carter County does have a Debt Management policy laid out in the Financial Management Policy and Procedures manual. Brad also mentioned that the County is required to do an annual cash flow forecast only if we issue debt. Mr. Burke informed the committee that we do not have to do this forecast as we are not issuing debt. The third requirement that Mr. Burke identified to the Committee is that the county is required to have internal controls in place. Mr. Burke informed the Committee that the State requires the departments to keep internal controls in place currently.

Motion was made by Roger Colbaugh, second by Ginger Holdren to accept the Three Star Grant Program debt management requirements.

Travis Hill	Aye	Brad Johnson	Aye
Roger Colbaugh	Aye	Ginger Holdren	Aye
Rusty Barnett	Aye	Danny McClain	Aye

All Ayes, Motion Carried

- **Request of Walmart Credit Card for the Animal Shelter:** Deputy Director of Finance, Michael Kennedy, informed the committee that the Carter County/ Elizabethton Animal Shelter has requested a Walmart Credit Card. Mrs. Ginger Holdren wanted to know why the Animal Shelter needed their own Walmart Card instead of using the County's Walmart Card. Mr. Kennedy stated that they are needing the card more often than usual

due to the high number of animals, which is causing a burden for the other offices that need the card for Walmart purchases. Mr. Kennedy stated that getting this department their own Walmart card will make things more efficient for the Animal Shelter and other departments. Mr. Travis Hill asked why the County does not have separate credit cards for each department. Mr. Burke stated that this could be a possibility that we will look into further.

Motion was made by Roger Colbaugh, second by Travis Hill to approve a Walmart Credit card with a \$2,000 credit limit.

Travis Hill	Aye	Brad Johnson	Aye
Roger Colbaugh	Aye	Ginger Holdren	Aye
Rusty Barnett	Aye	Danny McClain	Aye

All Ayes, Motion Carried

• **Possibilities of Wage Rate System for County Employees**

- **RFP on Wage/Position Study:** Commissioner Brad Johnson stated that the topic of a wage/position study was originally brought up on the Commission floor by Commissioner Randall Jenkins at last month's Commission meeting. Mr. Johnson expressed his opinion that doing a Request for Proposal for a wage/position study for all County, Landfill and Highway employees would be beneficial. Mr. Brad Johnson mentioned that the Carter County School System did the same study a few years back. Carter County School Representative, Danny McClain, informed the committee that he believes the wage rate study completed for the Carter County School paraprofessionals was extremely beneficial. Mr. Johnson mentioned that we already have a pool of good possible companies to do the study as CTAS (County Technical Assistance Service) has recommended three companies thus far plus the company who completed the Carter County Schools wage rate study. Mr. Johnson stated that he would like the RFP for the wage/position study to be sent out this month.

Motion was made by Mayor Rusty Barnett, second by Ginger Holdren to approve the Finance Department sending out the RFP for the wage/position study.

Travis Hill	Aye	Brad Johnson	Aye
Roger Colbaugh	Aye	Ginger Holdren	Aye
Rusty Barnett	Aye	Danny McClain	Aye

All Ayes, Motion Carried

- **Discussion regarding Public Information Request by Commissioner Mike Hill:** Mr. Brad Johnson delivered an email from Commissioner, Mike Hill, requesting information on the past 10 years that will show all bonuses paid to any County employee. Mr. Hill also questioned to see if the County has any policies in place regarding bonuses. The request also questioned the legality of using a bonus line item instead of paying bonuses out of the employee's normal payroll line item without committee approval. Deputy Director of Finance, Michael Kennedy, expressed his worry with getting information for the past 10 years. Mr. Kennedy stated that the County switched accounting/payroll systems approximately 4 years ago; therefore, the information on the old Bridge accounting system will be more difficult to pull. Mr. Brad Burke stated that there is not a current policy that directly covers bonus payments. Mr. Brad Johnson stated that he will change the request to cover just the last 4 years to make it easier to pull the requested information. Mr. Johnson also stated that he would like this discussion topic to be placed as old business in the October Financial Management meeting so that the Committee can discuss setting up a uniform bonus policy.

Motion was made by Travis Hill, second by Roger Colbaugh to approve getting the last 4 years of bonus payments made by Carter County to Commissioner Mike Hill for review.

Travis Hill	Aye	Brad Johnson	Aye
Roger Colbaugh	Aye	Ginger Holdren	Aye
Rusty Barnett	Aye	Danny McClain	Aye

All Ayes, Motion Carried

- **County General Update:** Carter County Mayor, Rusty Barnett, informed the committee that the New Economic and Community Development committee will be meeting on the 23rd of this month. Mr. Barnett also mentioned that October 17, 2019 is the tentative day set for the groundbreaking at the new resort. Mr. Barnett stated that the Landfill is still looking for a new building to hold the convenience center. Mayor Barnett questioned the Committee on the possibility of letting the County Coroner join the County's medical insurance. Deputy Director of Finance, Michael Kennedy, stated that only full time employees receive medical insurance.
- **Updates from the Finance Director:** Carter County Finance Director, Brad Burke, informed the Committee that the Finance Department did successfully close out the accounting books on time. Mr. Burke also mentioned that strides have been made to fix the payroll liability issues that were mentioned in last year's audit. Mr. Burke stated only a few liability accounts are still needing adjustments. Mr. Burke requested that the Committee approve him hiring another full time position. According to Mr. Burke, this position would be primarily responsible for purchasing for the County. Mr. Brad Johnson wanted to know how the Carter County Finance Department stacks in regards to number

of employees to other like size County's and Government structure. Mr. Burke stated that he checked with Jefferson County, who is like size and under the 81 act, according to their department they have 12 full time employees while we have 6 full time employees. Brad Burke mentioned that he has discussed and agreed upon increasing the accounting fees for the Carter County School System, Carter County School Cafeteria, and the Carter County Highway Department by a total of \$20,848 to cover a portion of the cost for this new employee. Mr. Burke mentioned that this increase will not cover the entire cost to hire a new employee; thus, funding will be needed by the commission to cover the rest of the cost. Mr. Burke has decided that a fair pay range for a new employee in this position will be \$28 to \$33 thousand dollars depending on qualifications. He did mentioned that the total cost for this new employee will range from \$37 to \$43 thousand depending on the benefits selected by the new hire. Mrs. Ginger Holdren asked the Finance Director if there was a set job description for this job. Mr. Burke stated that he has been working on this job description.

Motion was made by Roger Colbaugh, second by Ginger Holdren to approve letting the Finance Department hire a new employee to do purchasing for the County at \$28 to \$33 thousand dollars.

Travis Hill	Aye	Brad Johnson	Aye
Roger Colbaugh	Aye	Ginger Holdren	Aye
Rusty Barnett	Aye	Danny McClain	Aye

All Ayes, Motion Carried

- **County Highway Department Update:** Carter County Highway Superintendent, Roger Colbaugh, informed the Committee that a bid opening for the Riverview Drive Road repair will be opened next Monday. Roger informed the Committee that he will be bringing this bid before full commission without subcommittee review due to the time constraints.
- **Sheriff Dexter Lunceford:** Not Present.
- **County School Department Update:** No Comment.
- **Travis Hill:** Carter County Commissioner, Mr. Travis Hill, stated that he would like to see the County put a policy in place to reward and recognize employees that continue

their education and get new certificates that aid them in their job. Mr. Danny McClain stated that we could get the company who is doing the wage/position study to review this situation and recommend a good reward system depending on the certification or education achieved.

Motion was made by Roger Colbaugh, second by Travis Hill to review/investigate writing a policy for awards and recognition for County employees who receive accreditations.

Travis Hill	Aye	Brad Johnson	Aye
Roger Colbaugh	Aye	Ginger Holdren	Aye
Rusty Barnett	Aye	Danny McClain	Aye

All Ayes, Motion Carried

- **Ginger Holdren:** Carter County Commissioner, Ginger Holdren, mentioned that she got an amazing message from a constituent that is part of the Odyssey Ware program in the School system. Mrs. Holdren stated that this system has been amazing for the County's homeschooled children. Mr. Danny McClain stated that approximately 148 kids are currently actively participating in the program. Mr. McClain stated that this program is a great success for Carter County.
- **Brad Johnson:** No Comment.
- **Adjourn:** Motion made by Ginger Holdren, second by Travis Hill. **Motion Carried.**

Respectfully submitted,

Michael Kennedy

Brad Johnson, Approved for File

