

**CARTER COUNTY COMMISSION MEETING
MONDAY, NOVEMBER 21, 2011 – 10:00 A.M.**

Chairman, Tom Bowers called the meeting to order.

Roll Call: Buford Peters, Gebe Ritchie, Nancy Brown, Joel Street, Richard Winters, Ronnie Trivett, Harry Sisk, Charles VonCannon, L.C. Tester, Steve Lowrance, Tom Bowers, JoAnn Blankenship, Charlie Bayless, Dickie Renfro, Ken Arney, Steve Chambers, John Lewis, Sonja Culler, Russell Kyte, Bill Armstrong, Pat Hicks, and Robert Gobble.

Absent: Lawrence Hodge and Scott Sams.

Quorum Present.

Opening Prayer – L.C. Tester

Pledge of Allegiance – Gebe Ritchie

Motion was made by John Lewis, seconded by Charles VonCannon to change the seating at the bench allowing Mayor Leon Humphrey to sit beside Keith Bowers, Jr. County Attorney during commission meetings.

Roll Call Vote as follows:

Ayes: Nancy Brown, Joel Street, Ronnie Trivett, Charles VonCannon, John Lewis, and Robert Gobble. (6 Ayes)

Nays: Buford Peters, Gebe Ritchie, Richard Winters, Harry Sisk, L.C. Tester, Steve Lowrance, Tom Bowers, JoAnn Blankenship, Charlie Bayless, Dickie Renfro, Ken Arney, Steve Chambers, Sonja Culler, Russell Kyte, and Bill Armstrong. (15 Nays)

Passing: Pat Hicks (1 Passing)

Absent: Lawrence Hodge and Scott Sams (2 Absent)

Motion failed.

Motion was made by Gebe Ritchie, seconded by John Lewis to accept the minutes of the October 17, 2011 commission meeting as printed.

By majority voice vote motion carried.

Motion was made by JoAnn Blankenship, seconded by Dickie Renfro to correct the Resolution concerning Tax Relief on page 342 of the September 19, 2011 Commission Minutes noting that the correct number should read Resolution No. 554.

By majority voice vote motion carried.

Mayor Leon Humphrey at this time requested that the Public Comments be moved from before Commission Comments and be placed between TDOT Presentation and Mayor's Report changing the agenda.

Motion was made by Nancy Brown, seconded by John Lewis on above request from Mayor Humphrey concerning the agenda change.

Motion was made by Gebe Ritchie, seconded by Ken Arney to Table the forgoing motion requesting change in the agenda.

Roll Call Vote as follows:

Ayes: Buford Peters, Gebe Ritchie, Joel Street, Richard Winters, Harry Sisk, L.C. Tester, Steve Lowrance, Tom Bowers, JoAnn Blankenship, Charlie Bayless, Dickie Renfro, Ken Arney, Steve Chambers, Sonja Culler, Russell Kyte, Bill Armstrong, and Pat Hicks. (17 Ayes)

Nays: Nancy Brown, Ronnie Trivett, Charles VonCannon, John Lewis, and Robert Gobble. (5 Nays)

Absent: Lawrence Hodge and Scott Sams. (2 Absent)

By roll call vote motion to table carried.

Motion made by John Lewis, seconded by Sonja Culler to approve the following notaries and bonds:

Notaries and Bonds approved 11-21-2011

Seidena Woods	Paul Estep
Patty M. Estep	Shane Odom
Earl Grindstaff	Laura Tester
Sequa Sheilds	Kathy Thomason
Chrystie Kyte	Patricia Clawson
Shirley A. Miller	Kimberly Cooley
Emilee Tucker	Cindy Harris
Nicole Brunson	Crystal Hensley
Vivian Shankles	Erica Hodge
John Edward Knight	Melinda Daugherty
Amanda Lee Birchfield	J.Nicole Stout Cable
John Henson (Constable Bond)	

By voice vote. All ayes. Motion Carried.

Recognition of Elected and , Appointed Officials and Guest was noted by Chairman Bowers at this time and thanked for their service.

John Huber was presented a Citizenship Award plaque by Tom Anderson, Carter County Tomorrow and Commissioner Steve Lowrance. Mr. Lowrance noted that Mr. Huber was someone who loves people and takes pride in his community. He stated three words that best describe Mr. Hubert were, "friend, giver and inspiration". The presentation was followed by a standing ovation for Mr. John Huber.

TDOT Presentation given by Matt Colbaugh. County Attorney, Keith Bowers, Jr. noted that several TDOT projects were still in the planning stages. Mr. Colbaugh spoke concerning the "Gap Creek Road Project" and the "Little Doe River Project for Carter County. The plan would entail planting of shrubs, trees and other vegetation along the riverbank. It was noted that the county would be responsible for the maintaining these areas in a natural state.

Following much discussion, Planning Director, Chris Schuettler requested that action be delayed to later on in the meeting concerning a vote on the matter until he was able to contact representative from FEMA and TEMA concerning the areas in question due to the fact that these areas were bought out using federal and state monies. Mr. Schuettler said the project could endanger the county in a lost of \$ 2.1 million in grant monies pay back.

Chairman Bowers and the commission agreed.

Motion was made by John Lewis, seconded by Nancy Brown to go ahead and sign the agreement proceeding with the Gap Creek Road and Little Doe River projects.

Following discussion, it was agreed to allow Mr. Schuettler and County Attorney, Keith Bowers, Jr. to contact FEMA concerning this matter. Vote to be taken later in meeting.

Mayor's Report was presented at this time.

Mary Ann Patton took the podium and presented a listing of privately owned land for possible Industrial Development. Copy of this report is noted on page 369-375.

Emergency Management Agency Performance Grant. This is a 50/50 grant that will be used for emergency training and equipment. County Commission must authorize the County Mayor each year to submit a letter requesting grant funds. Amount of grant was noted to be in the amount of between \$ 37,500.00 and \$ 39,000.00.

Motion was made by John Lewis, seconded by JoAnn Blankenship to authorize the County Mayor Leon Humphrey to issued a letter making request for the Emergency Management Agency Performance Grant.

Roll Call Vote as follows:

Ayes: Buford Peters, Gebe Ritchie, Nancy Brown, Joel Street, Richard Winters, Ronnie Trivett, Harry Sisk, Charles VonCannon, L.C. Tester, Steve Lowrance, Tom Bowers, JoAnn Blankenship, Charlie Bayless, Dickie Renfro, Ken Arney, Steve Chambers, John Lewis, Sonja Culler, Russell Kyte, Bill Armstrong, Pat Hicks, and Robert Gobble.(22 Ayes)

Absent: Lawrence Hodge, and Scott Sams (2 Absent)

Being all ayes, motion carried.

Motion of Confirmation made by Steve Lowrance, seconded by JoAnn Blankenship recognizing Mayor Humphreys appointment of Mike Shouse to serve on the 911 Board of Directors.

By majority voice vote, motion carried.

Motion of Confirmation made by Steve Lowrance, seconded by Pat Hicks recognizing Mayor Humphreys appointment of Benny Lyons and Joel Street to the Solid Waste Board.

By majority voice vote, motion carried.

Motion of Confirmation made by John Lewis, seconded by Robert Gobble recognizing Mayor Humphreys appointment of Sheriff Chris Mathes, Dave Wortman, Charles VonCannon, Scott Sams and Nancy Brown to serve as the Ethics Committee.

Sheriff Mathes noted that if a situation happened causing criminal action he would have to excuse himself from serving on the committee.

By majority voice vote motion carried.

Annual Financial Report for the year ended June 30, 2011 was presented by Mayor Humphrey. Copy of report on pages 376 - 385.

TDOT Project was discussed again at this time. Planning Director Chris Schuettler noted that several phone calls had been made concerning the TDOT Project, Gap Creek Road Project and Little Doe River Project. Mr. Schuettler again stated that grant money could be lost if certain FEMA/TEAMA regulations were broken.

Pat Hicks made a motion seconded by Sonja Culler to amend the previous motion made by John Lewis by adding that we proceed with the Gap Creek Road Project and Little Doe River Project with the stipulation being a pending agreement with FEMA/TEAMA is received before work on project begins. Mr. John Lewis accepted the amendment as presented.

By majority voice vote motion carried.

Chairman Tom Bowers announced that a Closed Door Session would be entered into at this time by the commission.

Following the closed session Chairman Bowers called the Commission Meeting back to order.

Motion was made by Joel Street, seconded by Harry Sisk to allow the County Mayor Leon Humphrey, County Attorney Keith Bowers, Jr., Sheriff Chris Mathes, Chief Deputy Ron Street and Carter County Commission Chairman Tom Bowers, to enter into negotiations concerning problems with the flooring at the new Carter County Jail Complex.

By majority voice vote motion carried.

Committee Reports

Motion made by Harry Sisk on behalf of the Budget Committee and seconded by Dickie Renfro to allocate \$ 6,000.00 from fund balance to supplement the deficiencies in the Youth Service Officer budget.

Roll Call Vote as follows:

Ayes: Buford Peters, Gebe Ritchie, Nancy Brown, Joel Street, Richard Winters, Ronnie Trivett, Harry Sisk, Charles VonCannon, L.C. Tester, Steve Lowrance, Tom Bowers, JoAnn Blankenship, Charlie Bayless, Dickie Renfro, Ken Arney, Steve Chambers, John Lewis, Sonja Culler, Russell Kyte, Bill Armstrong, Pat Hicks and Robert Gobble. (22 Ayes)

Nays: None (0 Nays)

Absent: Lawrence Hodge and Scott Sams (2 Absent)

Motion carried.

Motion made by Harry Sisk on behalf of the Budget Committee, seconded by L.C. Tester to move \$ 15,000.00 from the account set aside for industrial construction and place into the County Clerk's budget for a part-time employee.

Roll Call vote as follows:

Ayes: Buford Peters, Gebe Ritchie, Joel Street, Richard Winters, Ronnie Trivett Harry Sisk, L.C. Tester, Steve Lowrance, Tom Bowers, JoAnn Blankenship, Charlie Bayless, Dickie Renfro, Ken Arney, Steve Chambers, Sonja Culler, Russell Kyte, Bill Armstrong, Pat Hicks, and Robert Gobble.(19 Ayes)

Nays: Nancy Brown, Charles VonCannon, and John Lewis (3 Nays)

Absent: Lawrence Hodge and Scott Sams(2 Absent)

By majority roll call vote motion carried.

Motion made by Harry Sisk on behalf of the Budget Committee upon request from Sheriff Mathes and seconded by Joel Street to allocate \$220,000 from fund balance to replace the SRO funding that was taken from the patrol accounts.

Roll Call vote as follows:

Ayes: Buford Peters, Gebe Ritchie, Nancy Brown, Joel Street, Richard Winters, Ronnie Trivett, Harry Sisk, Charles VonCannon, *L.C. Tester, Steve Torrance, Tom Bowers, Joann Blankenship, Charlie Bay less, Dickie Refro, Ken Arney, Steve Chambers, John Lewis, Sonja Culler, Russell Kyte, Bill Armstrong, Pat Hicks, and Robert Gobble. (22 Ayes)
(* Indicates that Disclaimer for Employees of Carter County Tennessee was read before voting.)

Nays: None (0)

Absent: Lawrence Hodge and Scott Sams (2 Absent)

By majority roll call vote motion carried.

Motion by Harry Sisk on behalf of the Budget Committee, upon request from the Education Committee and seconded by Steve Chambers to approve transfer of \$550.00 from fund balance to cover the cost of ten (10) GED tests.

Roll Call vote as follows:

Ayes: Buford Peters, Gebe Ritchie, Nancy Brown, Joel Street, Richard Winters, Ronnie Trivett, Harry Sisk, Charles VonCannon, L.C. Tester, Steve Lowrance, Tom Bowers, JoAnn Blankenship, Charlie Bayless, Dickie Renfro, Ken Arney, Steve Chambers, John Lewis, Sonja Culler, Russell Kyte, Bill Armstrong, Pat Hicks, and Robert Gobble (22 Ayes)

Nays: None (0 Nays)

Absent: Lawrence Hodge and Scott Sams (2 Absent)

By majority roll call vote motion carried.

Motion made by Ken Arney, seconded by Ronnie Trivett to take funds from the Courthouse/Jail Maintenance Line Item # 112 to replace the outside door hinges that have removable pins and replace with non-removable ball bearing hinges not to exceed \$ 1,500.00.

Roll Call vote as follows:

Ayes: Buford Peters, Gebe Ritchie, Joel Street, Richard Winters, Ronnie Trivett, Harry Sisk, L.C. Tester, Steve Lowrance, Tom Bowers, JoAnn Blankenship, Charlie Bayless, Dickie Renfro, Ken Arney, Steve Chambers, Sonja Culler, Russell Kyte, Bill Armstrong, Pat Hicks and Robert Gobble. (19 Ayes)

Nays: Nancy Brown, Charles VonCannon, and John Lewis (3 Nays)

Absent: Lawrence Hodge, and Scott Sams (2 Absent)

By majority roll call vote motion carried.

Motion made by Harry Sisk on behalf of the Budget Committee and seconded by John Lewis to approve General Fund 101 Budget Amendment # 4 with 18 items totaling \$ 90,237.41 with nothing coming from fund balance as recorded on page # ~~386~~ 387

Roll Call vote as follows:

Ayes: Buford Peters, Gebe Ritchie, Nancy Brown, Joel Street, Richard Winters, Ronnie Trivett, Harry Sisk, Charles VonCannon, L.C. Tester, Steve Lowrance, Tom Bowers, JoAnn Blankenship, Charlie Bayless, Dickie Renfro, Ken Arney, Steve Chambers, John Lewis, Sonja Culler, Russell Kyte, Pat Hicks and Robert Gobble. (21 Ayes)

Nays: None (0)

Absent: Lawrence Hodge, Scott Sams and Bill Armstong.

By majority roll call vote motion carried.

Motion made by Harry Sisk on behalf of the Budget Committee, seconded by Sonja Culler and upon request from Chief Deputy Ron Street, to place \$ 18,123.21 from funds from a surplus auction be placed in a reserve account for the purchase of bullet proof vests.

Roll Call vote as follows:

Ayes: Buford Peters, Gebe Ritchie, Nancy Brown, Joel Street, Richard Winters, Ronnie Trivett, Harry Sisk, Charles VonCannon, *L. C. Tester, Steve Lowrance, Tom Bowers, JoAnn Blankenship, Charlie Bayless, Dickie Renfro, Ken Arney, Steve Chambers, John Lewis, Sonja Culler, Russell Kyte, Pat Hicks, and Robert Gobble. (21 Ayes) (Indicates that Disclaimer for Employees of Carter County Tennessee was read before voting.)

Nays: None (0)

Absent: Lawrence Hodge, and Scott Sams. (2 Absent)

Passing: Bill Armstrong (1 Passing)

By majority roll call vote motion carried.

Motion was made by Harry Sisk on behalf of the Budget Committee and seconded by John Lewis, to approve General Purpose School Fund 141 Budget Amendment # 4 with 2 items totaling \$ 494,144.00 with nothing coming from fund balance. This is to recognize two grants received by the Board of Education to fund after school programs and is recorded on page 388.

Roll Call vote as follows:

Ayes: Buford Peters, Gebe Ritchie, Nancy Brown, *Joel Street, Richard Winters, Ronnie Trivett, Harry Sisk, Charles VonCannon, L. C. Tester, Steve Lowrance, Tom Bowers, JoAnn Blankenship, *Charlie Bayless, *Dickie Renfro, *Ken Arney, *Steve Chambers, John Lewis, *Sonja Culler, Russell Kyte, Bill Armstrong, *Pat Hicks, and Robert Gobble. (22 Ayes) (*Indicates that Disclaimer for Employees of Carter County Tennessee was read before voting.)

Nays: None (0 Nays)

Absent: Lawrence Hodge and Scott Sams (2 Absent)

By majority roll call vote motion carried.

Motion made by Harry Sisk on behalf of the Budget Committee, seconded by Steve Chambers to approve General Purpose School Fund 141 Budget Amendment # 6 with 3 items for a total of \$ 118,782.17. Item # 1 allows for a reallocation of funds for Kindergarten and 1st grade testing. Item # 2 is to budget allocations received for high cost of special education students and is recorded on page 388.

Roll Call vote as follows:

Ayes: Buford Peters, Gebe Ritchie, Nancy Brown, *Joel Street, Richard Winters, Ronnie Trivett, Harry Sisk, Charles VonCannon, L.C. Tester, Steve Lowrance, Tom Bowers, JoAnn Blankenship, *Charlie Bayless, * Dickie Renfro, *Ken Arney, *Steve Chambers, John Lewis, *Sonja Culler, Russell Kyte, Bill Armstrong, *Pat Hicks and Robert Gobble. (22 Ayes)

Nays: None (0 Nays)

Absent: Lawrence Hodge, and Scott Sams (2 Absent)

By majority roll call vote motion carried.

Motion made by Harry Sisk on behalf of the Budget Committee and seconded by Pat Hicks to approve Federal Project Fund 142 Budget Amendment # 2 with 1 item for a total of \$ 14,941.00 and is recorded on page 368.

Roll Call vote as follows:

Ayes: Buford Peters, Gebe Ritchie, Nancy Brown, Joel Street, Richard Winters, Ronnie Trivett, Harry Sisk, Charles VonCannon, L.C. Tester, Steve Lowrance, Tom Bowers, JoAnn Blankenship, Charlie Bayless, Dickie Renfro, Ken Arney, Steve Chambers, John Lewis, Sonja Culler, Russell Kyte, Bill Armstrong, Pat Hicks and Robert Gobble. (22 Ayes)

Nays: None (0 Nays)

Absent: Lawrence Hodge and Scott Sams (2 Absent)

By majority roll call vote motion carried.

Motion by Harry Sisk on behalf of the Budget Committee, seconded by John Lewis to approve Courthouse and Jail Maintenance Fund 112 Budget Amendment # 1 with 1 item for a total of \$21,945.36 with the entire amount coming from that fund balance to cover the costs of courtroom seating.

Roll Call vote as follows:

Ayes: Buford Peters, Gebe Ritchie, Nancy Brown, Joel Street, Richard Winters, Ronnie Trivett, Harry Sisk Charles VonCannon, Steve Lowrance, Tom Bowers, JoAnn Blankenship, Charlie Bayless, Dickie Renfro, Ken Arney, John Lewis, Sonja Culler, Russell Kyte, Bill Armstrong, Pat Hicks and Robert Gobble. (2 Ayes)

Nays: L.C. Tester and Steve Chambers (2 Nays)

Absent: Lawrence Hodge and Scott Sams (2 Absent)

By majority roll call vote motion carried.

Motion by Harry Sisk on behalf of the Nominating Committee to approve the committees as presented seconded by John Lewis. Copy on page 389- 391

By majority voice vote being all ayes motion carried.

Chairman Bowers requested from the commission permission to allow Mr. Dave Wortman, Audit committee to give report at this time due to the fact he needed to be at another appointment.

Being that all of the commission was in agreement, request was granted.

Dave Wortman Chairman of the Audit Committee gave a report concerning audit issues.

Mr. Randall Lewis, County Trustee reported that his office has address audit issues and was in compliance with the State of Tennessee.

Mr Josh Stanley, Accountant/Bookkeeper for John Paul Mathis Circuit Court Clerk. Mr. Stanley reported that changes were in effect to correct bookkeeping problems.

Landfill report was presented by Joel Street and Charles VonCannon concerning recycling and the landfill. Mr. Street thanked Mr. VonCannon and everyone involved in the Recycle Day recently for their services.

Motion was made by Joel Street, seconded by Sonja Culler to purchase up to 80 dumpsters.

It was noted that monies was previously approved for 32 dumpsters and cost for additional dumpsters was still well under budgeted amount of \$85,000.00.

Roll Call vote as follows:

Ayes: Buford Peters, Gebe Ritchie, Nancy Brown, Joel Street, Richard Winters, Ronnie Trivett, Harry Sisk, Charles VonCannon, L.C. Tester, Steve Lowrance, Tom Bowers, JoAnn Blankenship, Dickie Renfro, Ken Arney, Steve Chambers, John Lewis, Sonja Culler, Russell Kyte, Bill Armstrong, Pat Hicks, and Robert Gobble.
(21 Ayes)

Nays: None (0)

Absent: Lawrence Hodge, Charlie Bayless, and Scott Sams (3 Absent)

By majority roll call vote motion carried.

Education Committee report was present by Steve Lowrance. Copy on file.

Steve Chambers on behalf of the Planning Commission announced that the December 20, 2011 meeting would be held at 3:00 p.m. in the Courthouse Courtroom.

County Attorney, Keith Bowers, Jr. spoke concerning several issues including the traffic study on Highway 19E information will be forthcoming at a later date. Attorney Bowers also spoke concerning the 911 Lease Agreement.

Motion made by Ronnie Trivett, seconded by Ken Arney to accept the Lease Agreement as presented with the Carter County Emergency Communications District (911). Copy recorded on page 392-395.

By majority voice vote being all ayes motion carried.

Motion was made by Ken Arney, seconded by Steve Lowrance to accept the By-Law of the Joint Carter County-Elizabethton Animal Shelter with the exception of Section V: Animal Shelter Manager, Paragraph 1 in deleting the words, "The Carter County Mayor shall be the sole decision maker as to the hiring and firing of the Manager of the Animal Shelter," and replace with the words "The Animal

Shelter Advisory Board shall be the sole decision maker as to the hiring and firing of the Manager of the Animal Shelter.”

Roll Call vote as follows:

Ayes: Buford Peters, Gebe Ritchie, Richard Winters, Steve Lowrance, Tom Bowers, Ken Arney, and Steve Chambers.(7 Ayes)

Nays: Nancy Brown, Ronnie Trivett, Harry Sisk, Charles VonCannon, Dickie Renfro, John Lewis, Sonja Culler, Russell Kyte, Pat Hicks , Bill Armstrong, and Robert Gobble. (11 Nays)

Passing: JoAnn Blankenship (1 Passing)

Absent: Lawrence Hodge, Joel Street, L.C. Tester, Charlie Bayless, and Russell Kyte. (5 Absent)

Motion Failed.

Motion made by Robert Gobble, seconded by John Lewis to accept the By-Laws of the Joint Carter County-Elizabethton Animal Shelter as presented. Copy on pages 396 - 400.

By majority voice vote motion carried. A “no” vote is so noted by Ken Arney.

Carter County Tomorrow report was presented by Steve Lowrance on behalf of Tom Anderson. See attached page 401.

Motion made by John Lewis seconded by Sonja Culler to accept the 2012 Carter County Commission Meeting Schedule with change of time of day meetings being made to 9:00 a.m. Time of night meetings remains at 6:00 p.m. Copy on page 402.

By majority voice vote motion carried.

Public Comments: The following approached the Commission to discuss their viewpoint on various issues:

Paul Tolley: Recycling, Selling of Beer.

Bill Peter: Recycling, Budget Changes, Buildings, Jobs, Education.

Roy Livingston: Access to records, Disclaimer for Carter Co. Employees.

James Hughes: Commission Meetings, Mayor Humphrey.

Commissioner Comments: The following commissioners spoke at this time concerning various issues.

John Lewis: TCSA 2012 Legislative Platform, copy of which was placed in packets.

Charles VonCannon: Upcoming Spring Concerts and events.

Gebe Ritchie: Concerning Mr. Lawrence Hodge recovering from Heart Surgery.

Chairman Tom Bowers at this time recognized Chris Schuettler, Planning Director. Mr Schuettler stated that he had spoke with FEMA concerning the Gap Creek Project and the Little Doe River Project and that this project as presented does not conform to required regulations this being in a flood way area and urged that the contract as presented not be signed or confirmed by the commission as currently presented.

Mr. Schuettler stated that this Project would be addressed by the Planning Commission and a recommendation will be sent back to the Commission for approval as quickly as possible.

Motion ajourn was made by Steve Chambers, seconded by Ken Arney.

By majority voice vote, meeting adjourned at 2:15 p.m.

Carter County Government
Courthouse and Jail Maintenance Fund 112
Budget Amendment #1

Item # 1	39000 Undesignated Fund Balance		\$ 21,945.36	Decrease
	51800-335 Maintenance and Repair-Buildings	\$ 21,945.36		Increase

To allocate funds for the purchase and installation of courtroom seating.

Total	\$ 21,945.36	\$ 21,945.36
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Carter County Schools
Federal Projects Fund 142
Budget Amendment #2

Item # 1	47143-901 IDEA-Part B	\$ 14,941.00		Decrease
	71200-429-901 Instructional Supplies & Materials		\$ 10,000.00	Decrease
	71200-725-901 Special Education Equipment		\$ 4,941.00	Decrease

To budget decrease in federal allocation for IDEA-Part B.

Total	\$ 14,941.00	\$ 14,941.00
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Privately owned land for possible Industrial Development

Grindstaff Rd	035 141.00	47.76 acres	Deed book 50 page 403	Land lays well, not all infrastructures are in place for industrial development
Ben Allen Rd	035 141.01	28.73 acres	Deed book 58 page 927	
Grindstaff Rd	043 001.04	77.68 acres	Deed book 14 page 819	
Grindstaff Rd	042 190.02	9.79 acres	Deed book 488 page 766	
Airport Rd	035 070.00	229.80 acres	Deed book 244 page 169	Large tract of land located near the airport
Highway 91	035 077.01	5.40 acres	Deed book 463 page 400	Land lays well, not all infrastructures are in place for industrial development
Highway 91	035 078.00	4.60 acres	Deed book 462 page 445	
Willow Springs Rd	035 113.00	42.91 acres	Deed book 413 page 277	Land lays well, not all infrastructures are in place for industrial development
Willow Springs Rd	036 093.01	30.65 acres	Deed book 440 page 197	
Willow Springs Rd	036 093.05	25.18 acres	Deed book 490 page 97	
Highway 321	055 005.00	104.97 acres	Deed book 228 page 19	Large tract of land coming into Elizabethton
Okolona Rd	063 058.00	47.50 acres	Deed book 499 page 132	Land lays well, not all infrastructures are in place for industrial development
Okolona Rd	063 058.02	81.90 acres	Deed book 499 page 132	
Okolona Rd	063 059.00	34.00 acres	Deed book 499 page 132	
Bill Garland Rd	063 120.02	13.04 acres	Deed book 498 page 740	Land lays well, not all infrastructures are in place for industrial development
Martin Bowers Rd	035 099.00	224.05 acres	Deed book 433 page 331	Land lays well, not all infrastructures are in place for industrial development
Lincoln Dr	035 107.00	33.00 acres	Deed book 156 page 43	
Lincoln Dr	035 106.00	25.60 acres	Deed book 14 page 822	
Martin Bowers Rd	035 081.00	29.56 acres	Deed book 390 page 26	
Sycamore Shoals Dr	040 053.00	33.00 acres	Deed book 249 page 495	Could be a great site for hotel/resort
Highway 91	034 156.00	9.60 acres	Deed book 468 page 853	Great site for a hotel
W Elk Ave	040E A 009.04	20.16 acres	Deed book 506 page 318	Many parcels along the river were identified. Large topo maps were drawn up and given to Tom Anderson for river front development strategic planning meeting

County owned properties that have a dedicated use

Carter Co	020 013.00	N of Indian Creek Rd	This was the original dump; it is now used by the Sheriff's Dept as a shooting range
Carter County	020 014.00	N of Indian Creek Rd	This is a wet weather spring located next to the shooting range
Carter County	034 125.00	Minton Hollow	Carter County Landfill
Carter County	034 137.00	E of Minton Hollow	Carter County Landfill
Carter County & City of Eliz	034 137.01	E of Minton Hollow	Carter County Landfill
Carter County & City of Eliz	034 138.00	E of Minton Hollow	Carter County Landfill
Carter County & Elizabethton City	035 005.00	Campbell Hollow Rd	Carter County Landfill
Carter County Rescue Squad	035 065.00	State Hwy 91	Rescue Squad Building
Carter County	035 067.00	State Hwy #91	Great Lakes Work Force Development
Carter County Hwy Dept	041C E 026.00	2nd St	Paved parking area across from courthouse
Carter County	041C E 027.00	S Main St	Courthouse
Carter County	041C E 028.00	824 East Second St	Planning & Zoning Dept
Carter County	041C E 029.00	836 E Second Street	Probation & Parole Office
Carter Co Health Dept	041F E 001.00	Holston St	911 BLD
Carter County	041F E 030.01	Holston Ave	Health Dept
Carter County Jail	041F L 017.00	900 E Elk Ave	Jail
Carter County	041FL 010.00	809 Fourth St	This property is parking for the jail
Carter County Tenn	041N D 027.00	State Line St	Carter County Hwy Dept
Carter County of	048C 033.00	Monument Ave	There is a monument on this property
Carter County Tennessee	053 130.00	Hwy 159	Currently being developed as new location for Elk Mills Convenience Center
Park County of Carter	055G A 016.00	Park Ct	Recreational area in a residential subdivision off of Milligan Hwy
Carter County Rescue Squad	066C H 001.01	St Hwy 67	Rescue Squad Hampton
Carter County Emergency Rescue Squad Inc	100 005.04	Hwy 19E	Rescue Squad
Carter County	110 036.02	Hwy 143 Burbank	Substation 2 fire department

County owned properties for consideration of liquidation

The properties below appear to have no use to the county. It is suggested they be sold. However, the commission should further evaluate these parcels incase there is something we failed to take into consideration.

Carter County	019 080.00	Indian Creek Rd	No apparent use for the county
Carter County	019 086.00	Indian Creek Rd	No apparent use for the county
Carter County	020 009.00	1800 W of County Rd	No apparent use for the county
Carter County	027 096.00	Keensburg Rd	No apparent use for the county
Carter County	034 144.00	Minton Hollow	No apparent use for the county
Carter County	035 054.00	River Road	No apparent use for the county
Carter County Tenn	035 055.00	River Road	No apparent use for the county
Carter County Tenn	035 056.00	River Road	No apparent use for the county
Carter County	035N C 027.01	Mayfield Dr	No apparent use for the county
Carter County Tenn	040 082.00	Swimming Pool Rd	No apparent use for the county
Carter County Rock Quarry	041E A 022.00	Bluefield Ave	No apparent use for the county
Carter County	041E A 032.00	Bluefield Blvd	No apparent use for the county
Carter County	041J F 028.00	W of Lynn Ave	No apparent use for the county
Carter County	041J K 041.00	Fairview Ct	No apparent use for the county
Carter County Tennessee	041L A 014.00	Riverview Dr	No apparent use for the county
Carter County	041L G 012.00	Pearl Street	No apparent use for the county
Carter County	041O B 036.00	N of Jackson Ave	No apparent use for the county
Carter County Tennessee	047K A 011.01	Greenlee Rd	No apparent use for the county
Carter County	048 042.04	244 Big Springs Rd	No apparent use for the county
Carter County	049 143.00	off Riverside Rd	No apparent use for the county
Carter County of	050P B 014.00	W of Riverside Dr	No apparent use for the county
Carter County	055D C 012.01	State Hwy 67	No apparent use for the county
Carter County of	055M A 020.00	Page St	No apparent use for the county
Carter County	057 217.02	Off Jekins Hollow Rd	No apparent use for the county
Carter County	063C A 029.01	South Hill	No apparent use for the county
Carter County	063D B 009.00	Joy Dr	No apparent use for the county
Carter County	073A A 022.00	Hillside Dr / Idlewylde SD	No apparent use for the county
Carter County	073A A 023.00	Hillside Dr / Idlewylde SD	No apparent use for the county
Carter County	073A A 024.00	Hillside Dr / Idlewylde SD	No apparent use for the county
Carter County	073A A 025.00	Hillside Dr / Idlewylde SD	No apparent use for the county
Carter County	082 049.00	off Byrd Hollow Rd	No apparent use for the county
Carter County	095 026.00	Mtn View Lane	No apparent use for the county
Carter County	097 008.01	off Falls Rd	No apparent use for the county
Carter County	100 094.01	Morgan Branch Rd	No apparent use for the county
Carter County	105 008.01	Hwy 143	No apparent use for the county

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Property that was acquired through the FEMA Hazard Mitigation Grant Program

No livable structure can be built on these parcels. We evaluated each parcel to determine if they could be used for another purpose.

Many of the parcels are currently being used as recreational areas. There are several parcels that could serve as potential garden spots to raise crops for the jail and possibly the schools.

Carter County	058A 025.00	Long Hollow Rd	Nice lot on the river, could serve as nice community picnic area
Carter County	058A 026.00	Long Hollow Rd	Nice lot on the river, could serve as nice community picnic area
Carter County	084 024.00	Old Hwy 19E	Property adjoins the river. This land would make a great extension of the county garden
Carter County Tenn	093 002.03	US Hwy 19E	Property adjoins the river; possible garden spot
Carter County Tenn	093 034.00	US Hwy 19E	Roan Mountain convenience center
Carter County	093 074.00	Off US Hwy 19E	Being used as DISC Golf Course
Carter County Tenn	093 074.01	Off US Hwy 19E	Being used as DISC Golf Course
Carter County	093 075.00	Off US Hwy 19E	Being used as DISC Golf Course
Carter County	093 084.00	Off US Hwy 19E	Being used as DISC Golf Course
Carter County of	093 086.02	Off US Hwy 19E	Being used as DISC Golf Course
Carter County Tenn	093 098.00	Off US Hwy 19E	No use to the county. Currently being managed by the adjoining property owner
Carter County Tenn	093 101.00	US Hwy 19E	Great garden spot
Carter County	093 107.00	Crabtree Rd	No use to the county. Very narrow & steep along the river
Carter County Tenn	093 108.00	Crabtree Rd	No use to the county. Very narrow & steep along the river
Carter County	093 116.01	Hwy 19E	No use to the county. Very narrow & steep along the river
Carter County	093 126.00	260 Crabtree Rd	Possible agricultural use
Carter County	093 127.00	388 Crabtree Rd	Possible agricultural use
Carter County	093 130.00	250 Crabtree Rd	Possible agricultural use
Carter County Tenn	093 131.00	Crabtree Rd	Good tillable land
Carter County	093 132.00	Hogum Hollow Rd	Good tillable land
Carter County Tennessee	093 135.02	US Hwy 19E	Good tillable land
Carter County	093 139.02	Crabtree Rd	Good tillable land
Carter County	093 140.01	Crabtree Rd	Good tillable land
Carter County	093M B 003.00	US Hwy 19E	This is a commercial lot
Carter County Tennessee	093M B 006.00	Main St	Being used as a skateboard park
Carter County Courthouse	093M B 006.01	Main Street	Being used as a skateboard park
Carter County Courthouse	093M B 016.00	Stuart St	Being used as a skateboard park
Carter County Tenn	093M B 017.00	Stuart St	Being used as a skateboard park
Carter County Tenn	093N A 001.00	US Hwy 19E	Roan Mountain Community Park - park / walking trail / ballfield Part of this lot is paved
Carter County Courthouse	093N A 002.00	US Hwy 19E	Small parcel; no use to the county

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Carter County Tenn	093N A 006.00	Carter St	Roan Mountain Community Park - park / walking trail / ballfield
Carter County Tenn	093N A 007.00	Carter St	Roan Mountain Community Park - park / walking trail / ballfield
Carter County Tenn	093N A 008.00	Carter St	Roan Mountain Community Park - park / walking trail / ballfield
Carter County Tenn	093N A 008.01	Carter Street	Roan Mountain Community Park - park / walking trail / ballfield
Carter County Courthouse	093N A 009.00	Carter St	Roan Mountain Community Park - park / walking trail / ballfield
Carter County Tenn	093N A 010.00	Carter St	Roan Mountain Community Park - park / walking trail / ballfield
Carter County Tenn	093N A 011.00	Carter St	Roan Mountain Community Park - park / walking trail / ballfield
Carter County Tenn	093N A 012.00	Off US Hwy 19E	Roan Mountain Community Park - park / walking trail / ballfield
Carter County Tennessee	093N A 013.00	Carter St	Roan Mountain Community Park - park / walking trail / ballfield
Carter County Courthouse	093N A 014.00	Carter St	Roan Mountain Community Park - park / walking trail / ballfield
Carter County Tenn	093N A 016.00	Carter St	Roan Mountain Community Park - park / walking trail / ballfield
Carter County Tenn	093N A 018.00	Carter St	Roan Mountain Community Park - park / walking trail / ballfield
Carter County Tenn	093N A 020.00	Off St Hwy 143	Roan Mountain Community Park - park / walking trail / ballfield
Carter County Tenn	093N A 021.00	Off St Hwy 143	Roan Mountain Community Park - park / walking trail / ballfield
Carter County Tenn	093N A 022.00	McCloud Rd	Creekside, not useable property
Carter County Tenn	093N A 033.00	Stratton St	Roan Mountain Community Park - park / walking trail / ballfield
Carter County Courthouse	093N A 037.01	Stratton Street	Roan Mountain Community Park - park / walking trail / ballfield

From Book M97 Page 481

1. The property shall be dedicated and maintained in perpetuity for uses compatible with open space, recreational, or wetlands management practices; and
2. No new structure(s) will be built on the property except as indicated below:
 - (a) A public facility that is open on all sides and functionally related to a designated open space or recreational use,
 - (b) A rest room; or
 - (c) A Structure that is compatible with open spaces, recreational, or wetlands management usage and proper floodplain management policies and practices, which the Director approves in writing before construction of the structure begins.

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Carter County School System property

School Unaka Elementary	023 058.00	State Hwy 91	Unaka Elementary School
School Unaka High	029 001.00	State Hwy #91	Unaka High School
Range Elementary School	033 189.00	Watauga Rd	Range Elementary School
School Keenburg	034B E 012.00	Wilson Ave	Keenburg Elementary School
Carter County Board of Education	035C D 009.04	Dawn Dr	Board of Education
Hunter Elementary School	035C D 010.00	Dawn Dr	Hunter Elementary School
Carter County Board of Education	041F B 005.00	D Street & Sycamore St	Board of Education
Carter County Board of Education	041L A 013.00	Riverview Dr	School Bus Garage
Carter County Board of Education	041N D 026.00	State Line Rd	Carter County School Bus garage. There is approx 7.4 useable acres here
School Siam	042 246.00	Siam Valley Forge Rd	Siam Elementary School
School Happy Valley High School	048 084.00	Miller Ln	Happy Valley High School
Carter County Board of Education	048 113.00	Hwy 67	Board of Education
School Happy Valley Elem	048 115.00	Hwy 67	Happy Valley Elementary
Carter Co Central Elem School	048A A 011.00	Taylor Town Rd	Central Elementary School
Carter County Board of Education	053 091.00	Hwy 159	Board of Education
Carter County Board of Education	053 091.00	Hwy 159	Little Milligan Elementary School
Valley Forge Elem School	058A B 025.00	River Road	Valley Forge Elementary
Hampton High School	066C D 027.00	First Ave	Hampton High School
Carter County Board of Education	066C H 002.00	US Hwy 321	Hampton Elementary School - baseball field
Hampton Elementary School	066C H 003.00	US Hwy #321	Hampton Elementary School
Carter County Board of Education	066G B 004.00	US Hwy 19E	Nice small tract of land. Could serve as a good place for some picnic tables. Located along the river
Hampton High School	066G B 005.00	US Hwy 19E	Overflow parking for Hampton High School
Hampton High School	066K A 003.00	First Ave	Baseball field for Hampton High School
Carter County Board of Education	083 093.02	State Hwy 37	Board of Education
Cloudland High School	099 066.00	Old Highway 19E	Cloudland High School
Carter County Board of Educational Commissioner	099D B 032.00	Old St Hwy 143	Old elementary school in Roan Mtn
Carter County Board of Educational Commissioner	099D C 012.00	Old US Highway 19E	Parking area across from Cloudland High School
Carter Co Board of Education	100 171.04	Hwy 19E	Cloudland Elementary School

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Industrial Properties that have been issued tax incentives

The Industrial Dev Board of Carter County	035 067.10	Judge Don Lewis Blvd	Star Building systems (Great Lakes) Leasehold agreement 12 yrs beginning 1999 ends 2010, back on tax roll for 2011
Industrial Development Board of Carter County	035 075.02	100 Biblica Way	Frank Shaffer Building; totally exempt
Industrial Development Bd of Carter County	063 121.00	US Hwy 23 & 19W	Boria Properties; Pilot program from 2008-2012; they pay taxes on personal property not on real property

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STATE OF TENNESSEE
COMPTROLLER OF THE TREASURY
DEPARTMENT OF AUDIT
DIVISION OF COUNTY AUDIT
SUITE 1500
JAMES K. POLK STATE OFFICE BUILDING
NASHVILLE, TENNESSEE 37243-1402
PHONE (615) 401-7841

November 16, 2011

LETTER OF TRANSMITTAL

To: County Mayor
Road Superintendent
Director of Schools
Finance Director

This is to transmit a PDF file of the Carter County, Tennessee, Annual Financial Report for the year ended June 30, 2011. You may provide copies of this PDF file to any interested official or citizen. Also, this report will be available for inspection at www.tn.gov/comptroller.

If you should have questions, please contact this office.

Very truly yours,

A handwritten signature in black ink, appearing to read "James R. Arnette".

James R. Arnette, Director

JRA:sb

Media Contact:

Blake Fontenay, Director of Communications, blake.fontenay@tn.gov 615-253-2668

CARTER COUNTY, TENNESSEE
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the Year Ended June 30, 2011

PART I, SUMMARY OF AUDITOR'S RESULTS

1. Our report on the aggregate discretely presented component units is qualified. Our report on the governmental activities, each major fund, and the aggregate remaining fund information is unqualified.
2. The audit of the financial statements of Carter County disclosed significant deficiencies in internal control. One of these deficiencies was considered to be a material weakness.
3. The audit disclosed two instances of noncompliance that are material to the financial statements of Carter County.
4. The audit disclosed no significant deficiencies in internal control over major programs.
5. A qualified opinion was issued on compliance for major programs.
6. The audit revealed one finding that is required to be reported under Section 510(a) of OMB Circular A-133.
7. The Child Nutrition Cluster: School Breakfast Program and National School Lunch Program (CFDA Nos. 10.553 and 10.555); the Title I Cluster: Title I Grants to Local Educational Agencies and Title I Grants to Local Educational Agencies, Recovery Act (CFDA Nos. 84.010 and 84.389); the Special Education Cluster: Special Education – Grants to States, Special Education – Preschool Grants, Special Education Grants to States, Recovery Act, and Special Education - Preschool Grants, Recovery Act (CFDA Nos. 84.027, 84.173, 84.391, and 84.392); the State Fiscal Stabilization Cluster: State Fiscal Stabilization Fund (SFSF) - Education State Grants, Recovery Act, and State Fiscal Stabilization Fund (SFSF) - Government Services, Recovery Act (CFDA Nos. 84.394 and 84.397); State Fiscal Stabilization Fund (SFSF) – Race-to-the-Top Incentive Grants, Recovery Act (CFDA No. 84.395); and Education Jobs Fund (CFDA No. 84.410) were determined to be major programs.
8. A \$394,815 threshold was used to distinguish between Type A and Type B federal programs.
9. Carter County did not qualify as a low-risk auditee.

PART II, FINDINGS RELATING TO THE FINANCIAL STATEMENTS

Findings and recommendations, as a result of our examination, are presented below. We reviewed these findings and recommendations with management to provide an opportunity for their response. The written responses of the director of schools, director of finance, and circuit court clerk are paraphrased in this report. Other management officials did not provide responses for inclusion in this report.

CARTER COUNTY

FINDING 11.01 **CARTER COUNTY HAS A MATERIAL RECURRING AUDIT FINDING**
(Internal Control – Material Weakness Under *Government Auditing Standards*)

Carter County has a material audit finding that has been reported in its Annual Financial Reports for three or more consecutive years. This recurring material finding is listed below:

<u>Finding Numbers</u>	<u>Description</u>
11.05, 10.05, 09.05	Execution docket trial balances did not reconcile with general ledger accounts - Office of Circuit and General Sessions Courts Clerk

The recurring nature of the above-noted finding indicates that management is either unwilling or unable to address the deficiency. The Local Government Modernization Act of 2005 in Section 9-3-405, *Tennessee Code Annotated, (TCA)*, encourages local governments to consider establishing an Audit Committee in any local government that has recurring findings from the annual audit for three or more consecutive years as determined by the Comptroller to be a material weakness in internal control or material noncompliance under *Government Auditing Standards*. The responsibilities and duties of an Audit Committee are to address financial and other reporting practices, internal control, compliance with laws and regulations, and ethics. Carter County established an Audit Committee following the issuance of the audit report for fiscal year end June 30 2010. The Audit Committee provided management with guidance to correct the reported material noncompliance from the previous audits; however, the circuit and general sessions court clerk has not corrected the above-noted deficiency.

FINDING 11.02 **THE OFFICE DID NOT COMPLY WITH LOCAL PERSONNEL POLICIES FOR PAYROLL**
(Noncompliance Under *Government Auditing Standards*)

We received an allegation that a salaried employee had received compensatory time contrary to county policy. In addition, it was alleged that employee(s) had abused military leave by claiming days without military orders. We noted the following:

- A. Our examination of compensatory time paid to county employees revealed that Christopher Schuettler, Planning and Zoning Director, received \$5,903 between 2007-2010 in overtime compensation. Carter County's policy does not allow overtime to executive employees, professional employees, and certain employees in administrative positions; however, the former mayor approved these timesheets reflecting overtime earned by Mr. Schuettler.
- B. As a result of an investigation by the Tennessee Bureau of Investigation (TBI), the TBI issued Christopher Schuettler, a criminal summons for one count of theft over \$1,000 regarding several specific compensatory time claims for times he was not working. An arraignment hearing was scheduled at the Carter County General Sessions Court for July 19, 2011; however, the hearing was continued to November 2011.
- C. Our examination of military leave disclosed that several county employees have received payment for military days without attaching military orders to their timesheets for approval. Carter County's policy states that military leave shall be supported with copies of armed service orders. All paid military leave in question was later verified by each employee by presenting armed service orders.

RECOMMENDATION

Management should comply with county personnel policies regarding compensatory time and military leave.

OFFICE OF DIRECTOR OF SCHOOLS

FINDING 11.03 **CARTER COUNTY DID NOT PROPERLY REPORT EXPENDITURES TO THE TENNESSEE DEPARTMENT OF EDUCATION FOR CERTAIN FEDERAL GRANTS INCLUDING AMERICAN RECOVERY AND REINVESTMENT ACT (ARRA) GRANTS**
 (Material Noncompliance Under *Government Auditing Standards* and OMB Circular A-133)

The Tennessee Department of Education (TDOE) requires that grant expenditures be reported to TDOE on a quarterly basis using the department's electronic Federal Application Consolidated Tracking System (FACTS). TDOE allows local education agencies 45 days after the end of the quarter to report the required expenditure information; however, TDOE strongly recommends that the expenditure information be reported monthly. While performing procedures required for Section L. "Reporting" for the major programs of Carter County, we noted that quarterly expenditure information had not been filed for certain grants, and the expenditure information reported for other grants did not correspond with the information reflected on the School Department's financial statements. The major programs that we noted these deficiencies in were: Title I Cluster: Title I Grants to Local Educational Agencies and Title I Grants to Local Educational Agencies, Recovery

Act (CFDA Nos. 84.010 and 84.389); the Special Education Cluster: Special Education – Grants to States, Special Education – Preschool Grants, Special Education Grants to States, Recovery Act, and Special Education - Preschool Grants, Recovery Act (CFDA Nos. 84.027, 84.173, 84.391, and 84.392); the State Fiscal Stabilization Cluster: State Fiscal Stabilization Fund (SFSF) - Education State Grants, Recovery Act, State Fiscal Stabilization Fund (SFSF) – Incentive Grants, Recovery Act, and State Fiscal Stabilization Fund (SFSF) - Government Services, Recovery Act (CFDA Nos. 84.394, 84.395, and 84.397); and the Education Jobs Fund Program (CFDA No. 84.410). These deficiencies were partly attributable to a vacancy in the position of the director of accounts and budget for a portion of the year and a vacancy in the Carter County Finance Office after the promotion of the assistant director of accounts and budget to the director's position.

RECOMMENDATION

Management should ensure that accurate expenditure information is reported timely to TDOE. All expenditure information reported in the FACTS system should agree with the School Department's financial statements.

MANAGEMENT'S RESPONSE – DIRECTOR OF SCHOOLS AND DIRECTOR OF FINANCE

We hereby acknowledge that expenditures were not reported during the required timeframe for federal grants and ARRA grants through FACTS. This occurred as a result of the lack of competency of the newly appointed director of finance in the FACTS reporting system. To correct this deficiency, a training session is being scheduled with a local finance employee to instruct the director of finance in the proper procedures required for adequate reporting. This training will also be shared with the newly appointed deputy director of finance so that the knowledge of reporting requirements would be available should any change in management occur.

OFFICE OF TRUSTEE

FINDING 11.04 **THE TRUSTEE'S DEPOSITORY USED AN UNAUTHORIZED METHOD OF PAYING COUNTY WARRANTS** (Noncompliance Under *Government Auditing Standards*)

The office's depository deducted warrants from the office's bank account before the bank presented the warrants to the trustee for payment. Section 8-11-104(7), *Tennessee Code Annotated, (TCA)*, states that the trustee should "pay all just claims against the trustee's county as they are presented, if the trustee has a sufficient sum of money ... not otherwise appropriated." The depository's practice did not provide a method for the trustee to verify the availability of funds for paying warrants.

Section 5-8-210, *TCA*, provides an alternate method for the trustee to determine whether adequate funds are available and for the bank to charge the trustee's account directly. This section authorizes county trustees to implement a checking system instead of a warrant

system for disbursing funds. This deficiency was corrected subsequent to June 30, 2011, when the trustee implemented a checking system for disbursing funds.

OFFICE OF CIRCUIT AND GENERAL SESSIONS COURTS CLERK

FINDING 11.05 **EXECUTION DOCKET TRIAL BALANCES DID NOT RECONCILE WITH GENERAL LEDGER ACCOUNTS**
(Material Noncompliance Under *Government Auditing Standards*)

At June 30, 2011, the circuit and general sessions courts clerk had prepared trial balances of execution docket cause balances as required by Section 18-2-103, *Tennessee Code Annotated (TCA)*. However, these trial balances did not reconcile with general ledger accounts by \$61,954 and \$22,879, respectively. Therefore, we were unable to determine if the clerk had complied with provisions of the Unclaimed Property Act, Section 66-29-110, *TCA*. This statute provides that any funds held by the court for one year and unclaimed by the owner are considered abandoned. Section 66-29-113, *TCA*, further requires these funds to be reported and paid to the state Treasurer's Office.

RECOMMENDATION

The execution docket trial balances should be reconciled with general ledger accounts. Any funds held by the court for one year and unclaimed by the owner are considered abandoned and should be reported and paid to the state Treasurer's Office in compliance with state statute.

MANAGEMENT'S RESPONSE – CIRCUIT AND GENERAL SESSIONS COURTS CLERK

Our office hired an outside accounting firm to help locate these findings. Due to the numerous man hours that would be involved, they were unable to reconcile the trial balances. Our bank reconciliations have remained consistently balanced for the past several months. It is our priority to ensure that they continue to be consistent in the future.

FINDING 11.06 **ABSTRACT BILLS OF COSTS WERE NOT FILED WITH THE STATE IN A TIMELY MANNER**
(Internal Control – Significant Deficiency Under *Government Auditing Standards*)

Abstract bills of costs related to criminal court cases were not filed with the State of Tennessee in a timely manner. As of August 25, 2011, the bills of costs had not been filed since November 2009. This deficiency resulted in a significant decrease in revenue for 2011 compared with 2010. Bills of costs totaling \$77,241, were prepared and filed with the state during September 2011, but as of October 5, 2011, no funds had been received from the state.

RECOMMENDATION

Abstract bills of costs should be filed with the State of Tennessee in a timely manner. Management should ensure that the office files for and receives all applicable revenue.

MANAGEMENT'S RESPONSE – CIRCUIT AND GENERAL SESSIONS COURTS CLERK

A long-term employee of our office passed away in 2010. She was in charge of sending abstract bills of cost to the state. Our office has since implemented new procedures to ensure the state billing is accurate and current. The state billing in our office is current and awaiting to receive the funds from the state.

FINDING 11.07 **THE COURT SOFTWARE DID NOT HAVE ADEQUATE APPLICATION CONTROLS**
(Internal Control – Significant Deficiency Under *Government Auditing Standards*)

Users could receipt collections to a previous or future date. Users could also assign a receipt number outside the current receipt number sequence, and this receipt would not post to the general ledger when performing end-of-day procedures. However, the receipt would post to the related court case causing the court activity reports to disagree with the general ledger activity reports. Sound business practices dictate that proper controls be implemented. Because the vendor did not design the system with proper controls and management was not reconciling these reports, inappropriate activity could occur and go undetected.

RECOMMENDATION

Management should contact their software vendor to request that the capability of issuing receipts out of date and number sequence be removed from the application. Removing this capability would help to ensure the reliability and integrity of information maintained by the system. If the capability is not removed, management should ensure general ledger activity is reconciled with court activity so that inappropriate activity would be detected.

MANAGEMENT'S RESPONSE – CIRCUIT AND GENERAL SESSIONS COURTS CLERK

Our office has switched software vendors. As a result of changing our computer system, the finding should be corrected.

OFFICE OF SHERIFF

**FINDING 11.08 THE OFFICE HAD DEFICIENCIES IN THE SALE OF
SURPLUS POLICE VEHICLES
(Noncompliance Under *Government Auditing Standards*)**

We received an allegation that two Sheriff Department vehicles were sold to Omni Source Metals, a scrap vendor, by a private individual contracted to perform work for Carter County. Custom Muffler and Brake performed routine maintenance and repairs on Sheriff Department vehicles, and the Sheriff's Department allowed patrol vehicles that were no longer in use to be stored at Custom Muffler and Brake to be available for cannibalization. Our investigation of this allegation resulted in the following:

On August 2, 2011, the Sheriff's Department allowed a Custom Muffler and Brake employee to sell two surplus patrol vehicles to Omni Source Metals for \$800.40, and on August 30, 2011, the owner of Custom Muffler and Brake remitted the \$800.40 to the county. Carter County operates under the provisions of the County Financial Management Act of 1981, Section 5-21-101, *Tennessee Code Annotated*. This act provides that it is the responsibility of the county's finance director to conduct the public sale of all surplus materials, equipment, buildings, and land. Carter County's policy states a department representative shall forward a completed *Property Disposition Form* to the Finance Department to identify the specific property declared for disposition. Furthermore, the department shall recommend a course of action (sell at auction, make available for transfer to another department, scrap, etc.) and estimate the property's value. Finally, once the *Property Disposition Form* is received and approved by the finance director, the department originating the form will be notified where and when to deliver the surplus item(s).

RECOMMENDATION

The county Finance Department should sell all of the county's surplus materials, equipment, buildings, and land as required by state statute.

PART III, FINDING AND QUESTIONED
COSTS FOR FEDERAL AWARDS

Federal Agency	Finding Number	Federal CFDA Number	Criteria	Explanation	Amount Questioned
U.S. Department of Education:					
Passed-through State Department of Education:					
Title I Cluster:	11.09		Circular A-133, Compliance Supplement	Noncompliance - See Finding 11.03 - \$	0
Title I Grants to Local Educational Agencies		84.010	Part 3.L.	Carter County did not properly report	
Title I Grants to Local Educational Agencies, Recovery Act		84.389		expenditures to the Tennessee Department of Education for certain	
Special Education Cluster:				federal grants, including American	
Special Education - Grants to States		84.027		Recovery and Reinvestment	
Special Education - Preschool Grants		84.173		Act Grants.	
Special Education - Grants to States, Recovery Act		84.391			
Special Education - Preschool Grants, Recovery Act		84.392			
State Fiscal Stabilization Cluster:					
State Fiscal Stabilization Fund (SFSF) - Education State Grants, Recovery Act		84.394			
State Fiscal Stabilization Fund (SFSF) - Government Services, Recovery Act		84.397			
State Fiscal Stabilization Fund (SFSF) - Race-to-the- Top Incentive Grants, Recovery Act		84.395			
Education Jobs Fund		84.410			

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**CARTER COUNTY, TENNESSEE
AUDITEE REPORTING RESPONSIBILITIES
For the Year Ended June 30, 2011**

There were audit findings relative to federal awards presented in the prior- and current-years' Schedules of Findings and Questioned Costs.

Director of Schools – Corrective Action Plan for Current-Year's Findings

FINDINGS 11.03 and 11.09

Contact Persons: Ingrid Deloach, Director of Finance
Dr. Shirley Ellis, Director of Schools

Corrective action planned: During the annual audit, it was discovered that expenditures had not been properly reported to the Tennessee Department of Education through the Federal Application Consolidated Tracking System (FACTS).

The director of finance will contact a local finance department employee and schedule training on the FACTS system and the reporting requirements within it. This will allow for both the director and deputy director to be aware of all mandated reports to be submitted.

Anticipated completion date: November 15, 2011

Director of Schools – Summary Schedule of Prior-Year's Findings

FINDINGS 10.02 and 10.09

Contact Persons: Ingrid Deloach, Director of Finance
Dr. Shirley Ellis, Director of Schools

Corrective action planned: After discussion with the Tennessee Department of Education finance staff, it was discovered that the transfer to Federal ARRA funds for the additional 1.35 aides above the budgeted 7.0 full-time equivalents was not appropriate because of the combination of two distinct fiscal-year budgets. Carter County School Department transferred \$3,302.96 to reimburse Federal ARRA funds for the purchase of equipment used in enrichment to correct the deficiency. The state approved budget was amended to correct expenditures in line items not included in the state approved budget.

The Division of Special Education responsible for the monitoring indicated to Carter County that all deficiencies had been corrected.

#4 2011-12 Budget Amendments
General Fund - 101
21-Nov-11

Item #1	21530 53330-358	Due to State of TN Remittance of Revenues Collected	\$ 16,077.50	Decrease \$ 16,077.50	Increase
2010-11 Drug Court Fees Collected					
Item #2	44170 58130-599	Miscellaneous Refunds Other Charges	\$ 1,257.75	Decrease \$ 1,257.75	Increase
Bond Refund on HOME Grant					
Item #3	46420 58190-399	State Aid Program Other Contracted Services	\$ 33,485.03	Increase \$ 33,485.03	Increase
Little Milligan Water Line Project					
Item #4	41590 58900-361	Other Permits Permits	\$ 5,350.00	Increase \$ 5,350.00	Increase
State Building Permits					
Item #5	46990 58900-399	Other State Revenue Other Contracted Services	\$ 11,894.33	Increase \$ 11,894.33	Increase
Railroad funds					
Item #6	44170 54110-453	Miscellaneous Refunds Tow-In Services	\$ 675.00	Increase \$ 675.00	Increase
Reimbursement for tow-in services-Sheriff's Dept					
Item #7	48610 54110-716	Donations Law Enforcement Equipment	\$ 400.00	Increase \$ 400.00	Increase
Donation from Friends of Elizabethton to purchase log splitter					
Item #8	49700 54110-338	Insurance Recovery Vehicle Maintenance/Repairs	\$ 2,404.50	Increase \$ 2,404.50	Increase
Insurance recovery on Cornett accident					
Item #9	49700 54110-338	Insurance Recovery Vehicle Maintenance/Repairs	\$ 1,990.80	Increase \$ 1,990.80	Increase
Insurance recovery on Markdand accident					
Item #10	49700 54110-336	Insurance Recovery Maintenance/Repairs-Equipment	\$ 1,603.00	Increase \$ 1,603.00	Increase
Insurance recovery to replace gate at Highway Dept					
Item #11	48610 54110-716	Donation Law Enforcement Equipment	\$ 300.00	Increase \$ 300.00	Increase

Item #12	44170	Miscellaneous Refunds	\$ 800.40	Increase	
	54110-338	Maintenance/Repairs-Vehicles		\$ 800.40	Increase
Sale of junked cars - Sheriff's Dept					
Item #13	44170	Miscellaneous Refunds	\$ 75.00	Increase	
	54210-335	Maintenance/Repairs-Building		\$ 75.00	Increase
Fund on returned items-Sheriff's Dept					
Item #14	44170	Miscellaneous Refunds	\$ 1,000.00	Increase	
	54110-716	Law Enforcement Equipment		\$ 1,000.00	Increase
Wal-Mart Grant - Sheriff's Dept-To purchase equipment of choice					
Item #15	47620	Police Service (Lake Area)	\$ 7,735.50	Increase	
	54110-106-350	Deputies		\$ 6,252.90	Increase
	54110-201-350	Social Security		\$ 419.19	Increase
	54110-204-350	State Retirement		\$ 965.38	Increase
	54110-212-350	Employer Medicare		\$ 98.03	Increase
Recognize State funds for lake patrol - Sheriff's Dept					
Item #16	43395	Sexual Offenders Register	\$ 650.00	Increase	
	54110-599	Other Charges		\$ 650.00	Increase
Fees to TBI for registering sex offenders					
Item #17	47660	FHA Grant	\$ 1,050.00	Increase	
	58130-599	Other Charges		\$ 1,050.00	Increase
Cost of personal finance workshop for HOME grant					
Item #18	49700	Insurance Recovery	\$ 3,488.60		
	54110-338	Maintenance/Repairs-Vehicles		\$ 3,488.60	
Insurance for Penny Cornett accident - Sheriff's Dept					
Total			\$ 90,237.41	\$ 90,237.41	

**General Fund 141
Budget Amendment #4**

Item # 1	47590-751 Other Federal Through State		\$ 262,500.00	Increase
	73300-105-751 Director	\$ 22,211.04		Increase
	73300-169-751 Part-Time Personnel	\$ 199,035.96		Increase
	73300-201-751 Social Security	\$ 13,717.00		Increase
	73300-204-751 Retirement	\$ 17,428.00		Increase
	73300-212-751 Medicare	\$ 3,208.00		Increase
	73300-355-751 Travel	\$ 3,000.00		Increase
	73300-524-751 Staff Development	\$ 3,000.00		Increase
	73300-599-751 Other Charges	\$ 900.00		Increase

To budget 21st Century Community Learning Centers Program Grant.

Item # 2	46590-753 Other State Education Funds		\$ 231,644.00	Increase
	73300-105-753 Director	\$ 27,763.92		Increase
	73300-169-753 Part-Time Personnel	\$ 167,895.08		Increase
	73300-201-753 Social Security	\$ 12,131.00		Increase
	73300-204-753 Retirement	\$ 18,367.00		Increase
	73300-212-753 Medicare	\$ 2,837.00		Increase
	73300-355-753 Travel	\$ 1,400.00		Increase
	73300-599-753 Other Charges	\$ 1,250.00		Increase

To budget Lottery for Education: Afterschool Programs.

Total \$ 494,144.00 \$ 494,144.00

**Carter County Schools
General Purpose School Fund 141
Budget Amendment #6**

Item #1	76100-799 Other Capital Outlay		\$ 26,425.00	Decrease
	72130-322 Evaluation and Testing	\$ 26,425.00		Increase

To allocate funds for Kindergarten and 1st Grade testing.

Item # 2	47143 Education of the Handicapped Act-IDEA		\$ 14,688.30	Increase
	47145 Special Education Preschool Grants		\$ 14,593.87	Increase
	71200-499 Other Charges	\$ 5,282.17		Increase
	72220-355 Travel	\$ 10,000.00		Increase
	72220-524 Inservice/Staff Development	\$ 12,000.00		Increase
	72220-599 Other Charges	\$ 2,000.00		Increase

To budget funds from High-Cost allocations.

Item #3	34330 Reserved for Capital Outlay		\$ 63,075.00	Decrease
	76100-304 Architects	\$ 63,075.00		Increase

To allocate funds from Referendum Money to cover architect fees for projects.

Total \$ 118,782.17 \$ 118,782.17

CARTER COUNTY COMMISSION COMMITTEES & BOARDS

CHAIRMAN, CARTER COUNTY COMMISSION
TOM BOWERS

VICE-CHAIRMAN
Lawrence Hodge

COUNTY MAYOR
Leon Humphrey

COUNTY ATTORNEY
(Sept. 2012, Elected in April 2010)
Keith Bowers

CHAPLAIN
Lawrence Hodge

COUNTY HISTORIAN
Vacant

BUDGET; NOMINATING; LEGAL; INDUSTRY;
REAPPORTIONMENT; CAPITAL PROJECTS
Lawrence Hodge
Nancy J. Brown
Harry Sisk
Tom Bowers
Charlie Bayless
Steve Chambers
Scott Sams
William Armstrong

*Capital Projects will include
the County Mayor and the
Director of Schools*

JAIL INFORMATION/RESEARCH COMMT.
William Armstrong, Chairman
Lawrence Hodge
Joel Street
JoAnn Blankenship
Tom Bowers
Leon Humphrey, County Mayor

RULES & BY-LAWS; BUILDING & GROUNDS;
LAW ENFORCEMENT; HEALTH & WELFARE;
RECREATION; JUDICIAL
BUFORD PETERS
Richard Winters
Ronnie Trivett
L. C. Tester
Jo Ann Blankenship
Ken Arney

RESCUE SQUAD BOARD OF
DIRECTORS
Leon Humphrey County Liaison

SCOTT SAMS
Robert Gobble

CARTER COUNTY TOMORROW
DEVELOPMENT BOARD
Leon Humphrey, County Mayor (2 Members)
Steve Lowrance
Sonja Culler

UTILITIES, CABLE; EDUCATION; HIGHWAY;
SPECIAL INVESTIGATIONS; SOLID WASTE/LANDFILL
Ernest Ritchie
Joel Street
Charles Von Cannon
Steve Lowrance
Richard Renfro
John G. Lewis
Sonja Culler
Pat Hicks

CIVIL SERVICE BOARD
(3 year term) October TCA 8-30-102
Marvin Carden 2013
John D. Snyder 2014-2012
Jim Whaley 2013-2014

WORK RELEASE/GRIEVENCE

<u>Sheriff Appointment</u>	<u>Alternates</u>
Charles D. Von Cannon	
Richard Renfro	Russell Kyte Sonja Culler

COUNTY CORONER
(2 year term)
Benny Colbaugh Jan. 2012

BEER BOARD
(1 year appointment, October)

Steve Chambers
JoAnn Blankenship
Scott Sams
Lawrence Hodge
Richard Renfro
Tom Bowers

EQUALIZATION BOARD
(2 year term, elected even years)
Melvin Jack May 2012
KATY MILGREN May 2012
Jerry Bowers May 2012
Bobby Alley May 2012
James Kent (City) March 2013

JUDICIAL COMMISSIONERS
(Terms staggered, 4 year term)
Mark Little Oct. 2013
J.D. Anderson Oct. 2012
Suzanne Gaylon Oct. 2015
Mike Peters Oct. 2015

Incorporated
 1919
 Deleters
 1919

INDUSTRIAL DEVELOPMENT BOARD

(3 year term)
Carmella Price, Sec. 2014
Jim Barker 2013
Carol Chase 2010
Conway Hyder 2010
Eddie Carver 2010
Shirley McGee 2012
Thomas R. Jones 2012
Bill Cline 2014
Joe LaPorte 2013

HEALTH & EDUCATIONAL FACILITIES BOARD (October)

(2 year term. Nomination by Co. Mayor)
Conway Hyder 2013
Jack Pearman 2013
William L. Armstrong 2013
Steven Payne 2013
Nancy Jenkins 2013
Pat Holtsclaw 2013
Joe Alexander 2013

CARTER COUNTY BOARD OF EDUCATION

Donald Julian
Daniel Holder
Jerry McMahan
David Buck
Bobby Blevins, Chairman
Kelly Crain
Church, KATH
Ronnie McAmis
Dr. Shirley Ellis, Director of Education

LIBRARY BOARD

(3 year term, expires 6/30)
Harry Ford, Chairman 2014
Alta Barwick 2013
Ruth Ritchie 2013 Shirley Ellis
Connie Blevins 2012
2013
JOHN TOLETKO 2014
Regional Library
Board Member 2013
Jo Ann Blankenship
County Liaison Member 2012
NANCY GASTINEAU 2012

ELECTION COMMISSION

Paul Souder
Buddy Whitehead, Chairman
Wayne Smith, Member
Doug Buckles, Member
Millard M. Garland, Member

CARTER COUNTY BOARD OF HEALTH

Dr. Jerry Gastineau, Chairman

Dr. Andrew Stephen May
Ms. Caroline Hurt, Director, Health Dept
Mr. Leon Humphrey, County Mayor
Dr. Shirley Ellis, Director of Education
Ms. Kathryn Bowman, R.N.
Dr. Douglas Cole, DDS
Mr. Larry Profit, DPh
Dr. Patricia Eachus, Health Dept. KIRSCHE
Jo Ann Blankenship, Carter County Commission Liaison
Mr. JEROME KITCHENS

PLANNING COMMISSION

COUNTY COMMISSIONERS CHAIRMAN
TOM BOWERS
Bob Lee Townsend April 2014
Richard Winters April 2014
Bill Armstrong April 2012
Dickie Renfro April 2014
Jack Campbell April 2013
Ralph Watson April 2013
Jerry Smith April 2014
Mary Ann Patton April 2014
James Russell Kyt April 2014
Steve Chambers April 2012
Steven Pierce April 2015
April 2014

RECORDS COMMISSION

Judge Lynn Brown
Dr. Margaret Houglund (Genealogist)
Jodi Bristol - Register of Deeds
Patsy Lewis - County Clerk Desginee
Ronnie Trivett
Scott Sams

ACCIDENT REVIEW BOARD

ADA GRIEVANCE BOARD

ADA BOARD

DEBBY STREET Courthouse/Annex
Ken Arney, Commissioner
Sheriff's Dept. Representative
Highway Dept. Representative
Phillip Nave, School Dept.

Leon Humphrey, County Mayor

ANDREW HARTLEY CHAIRMAN

MUNICIPAL SOLID WASTE BD.

Bennie Lyons March 2011
Chris Schuettler March 2013

AGRICULTURE COMMITTEE

(2 yr. Term)

JOEL STREET 2013
Buddy Farmer 2013
Cathy Campbell 2013
Terry Hubbard 2013
Mike Nidiffer 2013
Sonja Culler 2013
Harry Sisk 2013

*Deleted
Incorrect
12-10-14*

CARTER COUNTY EMERGENCY 911
BOARD OF DIRECTORS, (October, 4 yr. terms)
(T.C.A. 7-86-105, Appointment by County Mayor,
Confirmation by County Commission)

2014
Kelly Geagley, City 2015
Chris Mathes, Sheriff 2015
Matt Bailey, Police Chief 2015
Bill Carter, Fire Dept. 2014
Barry Carrier, Fire Assoc. 2014
Terry Arnold, R. Squad 2014
Scott Whaley, At Large 2014
Andrew Worley, At Large 2014
Jack Perkins, Hwy. Supt. (Ex-Officio)

COUNTY RECREATIONAL BOARD

(Appointment by the County Mayor;
Confirmation by the County Commission)
Dale Colbaugh 2012 Leon Humphrey, County Mayor
J. R. Campbell 2013
Charles E. Dykes 2013
Carol White 2014
John A. Tolejko 2015
Bob Lee Townsend 2016
Ralph Watson 2012
BUFORD PETERS 2016

ANIMAL CONTROL BOARD

(5 members, 3 year term)
(County Commission Appointment) 2013
Bob White, County Appointee/Chairman
William Armstrong, County Designee
Sam Shipley, City Designee
Caroline Hurt, Health Director
Hattie Skeans, City of Watauga
Nancy Brown, County Commission

WATAUGA RIVER REGIONAL WATER AUTHORITY
Board of Directors
Private Act.

Ray Lyons, South Eliz. Utility
Johnny Mills, Chairman, North Eliz. Utility
A.E. Gentry, Treasurer, Siam Utility
Leon Humphrey
Michael Hughes, Executive Director
Earl Birchfield

AUDIT COMMITTEE

TRAVIS HOLLY 2013
MARGARET MOSES 2015
MARGARET PATE 2015
DAVID WARTMAN 2013

SOIL CONSERVATION BOARD

(3 year term, April)
John Hardin 2014 State Appointed
Mike Nidiffer 2013 Elected
Larry Crumley 2014 State Appointed
Bill Birchfield 2013 Elected
Gereel Cable 2013 Elected

BOARD OF ZONING APPEALS

(Commission Election, 4 yr. Term
October) (T.C.A. 13-7-106)
Jeff Treadway 2013
Brad Johnson 2015
Curtis Cannon 2010
L.C. Tester 2015
Charlie Bayless 2012

EAST TN RAILROAD AUTHORITY

William L. Armstrong, Chairman
City Manager, Elizabethton City Manager
Leon Humphrey, County Mayor
Pat "Red" Bowers, City Appointment

JAIL TASK FORCE

Leon Humphrey, County Mayor
Paul Moten Russell Kyte
Richard Winters Bill Armstrong
Harry Sisk SEBE RITCHIE
Steve Lowrance Chief Ron Street
Jo Ann Blankenship Matt Bailey,
John Lewis City Police Chief

FINANCIAL MANAGEMENT
COMMITTEE September, 2009

Leon Humphrey, County Mayor
Dr. Shirley Ellis, Director of Schools
Jack Perkins, Highway Superintendent
RUSSELL KYTE
Tom Bowers
Jo Ann Blankenship, Member
Pat Hicks

*Incorrect
12-10-11*

COPY

Prepared by:
Keith Bowers, Jr.
County Attorney for
Carter County, Tennessee
3963 Hwy 19E
Elizabethton, TN 37643

LEASE AGREEMENT

THIS LEASE, made and entered into on this the _____ day of _____, 2011, by and between CARTER COUNTY, TENNESSEE, a political subdivision of the State of Tennessee, hereinafter referred to as LANDLORD; and CARTER COUNTY EMERGENCY COMMUNICATIONS DISTRICT, hereinafter referred to as TENANT;

WITNESSETH:

1. LEASE That for and in consideration of the rental below specified and the covenants hereinafter agreed to between the parties, the LANDLORD Leases to the TENANT and the TENANT Leases from the LANDLORD the following described parcel:

2. TERM Said term shall not exceed one (1) year and shall commence on the 1ST day of _____, 2011, and end on the 1ST day of _____, 2012, at an annual rate of one dollar (\$1.00) due and payable on or before July 1 of each year. Said rent shall be made payable to the Carter County Finance Department located at 800 East Elk Avenue, Elizabethton, TN 37643.

3. MONTH TO MONTH TENANCY At end of said lease period, the TENANT is then on a month to month tenancy with all other sections of Lease Agreement remaining in effect. Either party may terminate said agreement after the expiration of the initial lease period by tendering a written 30 days notice and serving said notice on the other party.

4. ASSIGNMENT The TENANT shall not assign this Lease, or sublet the premises, without Landlord's written permission or their execution of the sub-lease agreement by the County Mayor of Carter County, Tennessee. This provision shall apply to any future subletting; however, the current subletting to the American Red Cross is expressly permitted by the County.

5. ENVIRONMENTAL MATTERS Tenant agrees to not bring to the building, for any purpose, any material which would be a hazardous material. The term "Hazardous Material" means any hazardous or toxic substance, material, or waste regulated or listed pursuant to any federal, state, or local environmental law, including without limitation, the Clean Air Act, the Clean Water Act, the Toxic Substances Control Act, the Comprehensive Environmental Response Compensation and Liability Act, the Resource Conservation and Recovery Act, the Federal Insecticide, Fungicide, Rodenticide Act, the Safe Drinking Water Act, and the Occupational Safety and Health Act, or any other toxic substance. The tenant shall be responsible for the cost to clean up any material in which the tenant caused to be brought to the building or grounds. The tenant shall not be responsible for the removal of any material used in the actual construction of the building in question.

6. TENANT'S RESPONSIBILITIES TENANT for himself, its heirs, executors and personal representatives hereby agrees as follows:

- (a) To pay the rent herein stated promptly when due, without any deductions whatsoever, and without any obligation on the part of the LANDLORD to make any demand for the same;
- (b) To keep the premises in a clean and sanitary condition, and to comply with all laws, health and policy requirements with respect to said premises and appurtenances, and to save the LANDLORD harmless from all fines, penalties and costs for violations or noncompliance by TENANT with any of said laws, requirements, or regulations and from all liability arising out of any such violations or noncompliance.;
- (c) Not to use the premises for any hazardous purpose, including, but not limited to, any purpose deemed hazardous by insurance companies carrying insurance thereon;
- (d) That if any damage to the property shall be caused by the acts or neglect of the TENANT, its agents, the TENANT shall forthwith repair such damage at its own expense, and should the TENANT fail or refuse to make such repairs within a reasonable time after the occurrence of such damage, the LANDLORD may, at its option, make such repairs and charge the cost thereof to the TENANT, and the TENANT shall thereupon reimburse the LANDLORD for the costs of damages up to five hundred (\$500.00) dollars; any cost above five hundred (\$500.00) dollars shall be negotiated between the parties;

(e) To permit the LANDLORD or its agents to bring unlawful detainer and any other appropriate legal action in the event of a breach or threatened breach by the TENANT of any of the covenants or provision of this Lease;

(f) To make no alternation, addition or improvement in or to the premises without the prior consent of the LANDLORD in writing. This is to include erection of any signs or fences on or about the premises;

(g) All drains, are accepted by the TENANT as clear and in good working order. Any stoppage or blockage of the same is the TENANT'S obligation to repair at its own expense;

(h) To promptly pay all utility rates or charges which may become payable during the term of this lease for and including, but not limited to, all gas, electric light, and water used on the said premises.

(i) To keep and maintain in the same repair as which the TENANT took the property, including interior walls, floors, ceilings, ducts, utilities, air conditioning, heating, lighting, plate glass, plumbing, sprinkler system, electric wiring, loading dock, dock doors and dock equipment, and also including any vehicular or truck driveway or parking areas, landscaped or other areas;

(j) To refrain from injuring, overloading, or defacing or suffering to be injured, overloaded, or defaced the premises or any part thereof;

(k) To insure and guard against loss, liability, or expense up to five hundred (\$500.00) dollars, above that amount to be negotiated between the parties as to the cause of the incident, said damage that that may be incurred by reason of any accident with the machinery, elevator, gas or water or other pipes, or from any damage, neglect or misadventure arising from or in any way growing out of the use, misuse, or abuse of the water, or from or in any way growing out of the use, misuse, or abuse of the water, or from the bursting of any pipes, or in not removing snow and ice from the sidewalks or from the roof of the building;

(l) To refrain from offensive use of the premises, or any use or occupancy thereof contrary to any law of the state or any ordinance of the said city now or hereafter made, or which shall be injurious to any person or property, or which shall be liable to endanger or affect any insurance on the said building or to increase the premium thereof;

(m) Not to make any alterations or additions in or to the premises without the written consent of the LANDLORD [not to be unreasonably withheld], nor to suffer any holes to be made or drilled in the outside stone or brick work, nor to suffer any signs to be placed upon the building except such as the LANDLORD shall in writing approve [which approval shall not be unreasonably withheld];

7. DEFAULT TENANT agrees that should the TENANT fail to pay the rent or any part thereof, as the same becomes due under this Lease, or violate any other term or condition of this Lease, the LANDLORD shall then have the right, at its option to re-enter the leases premises and terminate the Lease; such re-entry shall not bar the right of recovery of rent or damages for breach of covenants, nor shall the receipt of rent after conditions broken be deemed a waiver of forfeiture. In order to entitle the LANDLORD to re-enter it shall not be necessary to give notice of rent being due and not paid, or of other conditions broken, not to make demand for rent, the execution of the Lease signed by the TENANT hereto being sufficient notice of the rent being due and demand for the same.

8. NO LANDLORD LIABILITY LANDLORD shall not be liable for damages or injuries to persons or property occurring in or about the premises, and TENANT shall identify and save LANDLORD harmless from any and all such injuries, and from all damages arising from any cause whatsoever in or about the premises. LANDLORD shall also be under no liability to TENANT due to any discontinuance of water or electricity caused by accident, breakage, strike, or otherwise, and LANDLORD shall not be liable for loss of or damage to the property of TENANT, caused by rain, snow, water or steam, that may leak into or flow from any part of the premises, through any defect in the roof or plumbing or any other source whatsoever, or from any accidents or damage caused by the handling of electric wires or lights. It is also agreed between the parties that if, during the term of the Lease, said building or the premises herein occupied and if they shall be so badly damaged that they cannot be repaired within sixty days from the happening of said injury, then the Lease shall cease and become null and void from the date of such damage or destruction, and the TENANT shall immediately surrender said premises, and all interest therein, and rent shall be paid only to the time of surrender. In the event that the premises can be repaired within sixty days from the happening of said injury, then the Lease shall remain in full force and effect, however, the TENANT shall not be responsible for any rent during any period for which it must have vacated during repair.

9. SUBROGATION Anything in this Lease to the contrary notwithstanding, LANDLORD and TENANT each hereby waives any and all rights of recovery, claim, action or cause of action, against the other, its agents, officers, or employees, for any loss or damage that may occur to the Leased Premises or the Building, or any improvements thereto, or any personal property of such party therein, by reason of fire, the elements, or any other cause which loss is insured against under the terms of standard fire and extended coverage insurance policies regardless of cause or origin, including negligence of the other party hereto, its agents, officers or employees. Because this provision will preclude the assignment of any claim mentioned in it by way of subrogation (or otherwise) to an insurance company (or any other person), each party hereto agrees to give immediately to any insurer that has issued to it policies of fire and extended coverage insurance written notice of the mutual waiver contained in this provision (and to provide evidence of the source

to the other party if requested) and to have such policies endorsed, if necessary, to prevent the invalidation of insurance coverage by reason of such mutual waiver.

10. NO WAIVER OF LANDLORD'S RIGHTS Failure of the LANDLORD to insist upon the strict performance of the terms, covenants, agreements and conditions herein contained, or any of them, shall not constitute or be construed as a waiver or relinquishment of the LANDLORD'S right thereafter to enforce any such term, covenant, agreement or conditions but the same shall continue in full force and effect.

11. LANDLORD'S WARRANTY In return for the TENANT'S continued fulfillment of the terms and conditions of this Agreement, the LANDLORD covenants that the TENANT may at all times while this Agreement remains in effect have and enjoy for its sole use and benefit the property hereinabove described.

12. BUILDING MAINTENANCE The TENANT shall have the responsibility to maintain the buildings and any extension areas in a decent, safe, and sanitary condition in accordance with local building codes.

13. MODIFICATION OF LEASE The LANDLORD may modify the terms and conditions of this Lease, effective at the end of the initial term or a successive term, by serving an appropriate notice on the TENANT, together with the tender of a revised Lease or an addendum revising the existing LEASE, in accordance with the appropriate regulations.

14. UTILITY CHARGES TENANT shall be solely responsible for and shall promptly pay all rents and charges for water and sewer services and all costs and charges for gas, steam, heat, light, electricity, power, telephone and any other utility or service used or consumed in or servicing the Premises or the buildings and improvements situated thereon and all other costs and expenses involved in the care, management and use thereof.

15. NO SERVICES BY LANDLORD It is expressly agreed that LANDLORD is not and shall not be required to render any services of any kind to TENANT in connection with TENANT'S use and occupancy of the Premises.

16. GOVERNMENTAL REGULATIONS TENANT shall throughout the Term of this lease, at TENANT'S sole cost and expense, comply with all laws, ordinances and lawful regulations and requirements of federal, state, county, and municipal governments. If, however, the TENANT shall in good faith desire to contest any such law, ordinance, regulation or requirement, it shall notify the LANDLORD in writing of its intention to do so, and it shall not be required to comply therewith so long as it shall in good faith and at its own cost and expense contest the same or the validity thereof by appropriate proceedings. TENANT shall indemnify LANDLORD from any loss or damage suffered by LANDLORD because of delay by TENANT in compliance with any such contested law, ordinance, regulation or requirement, and LANDLORD shall refrain from complying with such contested law, ordinance, regulation or requirement on TENANT'S behalf so long as TENANT shall continue to contest the same. LANDLORD shall give TENANT such assistance in connection with any such contest as shall be necessary, reasonable and proper, at no cost or expense to LANDLORD, and LANDLORD agrees to sign and execute for TENANT any necessary papers or documents for such purpose.

17. Liability Insurance TENANT shall procure and maintain throughout the Lease term a policy or policies of insurance, at its sole cost and expense, insuring TENANT and LANDLORD against any and all liability for injury to or death of a person or persons, occasioned by or arising out of or in connection with the use or occupancy of the Leased Premises or by the condition of the Leased Premises (including the contractual liability of TENANT to indemnify LANDLORD contained herein), the limits of such policy or policies to be in an amount not less than those set forth below with insurers licensed to do business in Tennessee:

- Insurance
- (a). Worker's Compensation Employer's Liability
 - (b). Comprehensive General
Liability
Bodily Injury, Property
Damage
Minimum Limits Statutory \$500,000

This policy shall be on a form acceptable to LANDLORD, endorsed to include LANDLORD as additional insured, state that the insurance is primary over any other insurance carried by LANDLORD, state that no act or omission of TENANT, its agents or invitees shall provide a defense to such coverage, and shall include the following coverages:

- i. Premises Operations
- ii. Independent Contractors

- iii. Broad Form Contractual in Support of the Indemnity Section of this Lease
- iv. Personal Injury Liability

Each policy shall include a Waiver of Subrogation in favor of the LANDLORD. Evidence of these coverages represented by Certificates of Insurance issued by the insurance carrier must be furnished to the LANDLORD prior to TENANT moving in. Certificates of Insurance shall specify the additional insured status mentioned above, as well as the Waivers of Subrogation. Such Certificate of Insurance shall state that LANDLORD will be notified in writing thirty (30) days prior to cancellation, material change or renewal of insurance. If TENANT fails to comply with the foregoing requirements relating to insurance, LANDLORD may obtain such insurance and TENANT shall pay to LANDLORD immediately on demand the premium cost thereof. Notwithstanding anything contained herein, to the extent that the terms of any mortgage, indenture, deed of trust or other similar instrument regarding delivery of the proceeds of insurance to Lender conflicts with the provisions hereof, the provisions of such mortgage, indenture, deed of trust or other similar instrument shall govern and shall be superior to the rights of TENANT hereunder, with no further liability of LANDLORD with regard thereto.

18. TENANT'S OBLIGATION AT THE END OF TERM TENANT shall at the expiration of said term peaceably yield up to the said LANDLORD the Premises in such repair as the same are in at the commencement of said term or may be put in by the said LANDLORD or its representatives during the continuance thereof, TENANT alterations, reasonable wear and use thereof and such other damage, the obligation to repair which has hereinbefore been specifically provided for in this lease, only excepted. So far as the same are not inconsistent with the term of the lease, as hereinbefore provided, the TENANT at the expiration of this lease or within a period of fifteen (15) days thereafter shall have the right to remove all fixtures, trade or otherwise, which it has installed upon the Premises during the term of this lease.

19. CONTESTING STATUTES TENANT agrees that the Premises shall not be used in violation of any federal or state statute, or municipal ordinance or law. If TENANT shall desire to contest the validity of any statute, rule, order, ordinance, requirement or regulation, TENANT may, at TENANT's own cost and expense, carry on such contest and such noncompliance by TENANT during such contest shall not be deemed a breach of the covenants contained in this numbered article, provided that TENANT shall indemnify LANDLORD against all liability for costs, expenses, claims, losses, damages, fines and penalties, including reasonable counsel fees, resulting from or reasonably incurred in connection with such contest and noncompliance. In the event of the existence or enactment of any law or the making of any ordinance, rule, ruling or regulation which materially impedes or limits the use of the Premises for any of the specific purposes set forth in Article I hereof, at the election of TENANT, to be exercised by notice thereof in writing, this lease shall thereupon terminate and all liability hereunder shall cease from and after the date such impediment or limitation becomes effective, and all prepaid rent and additional rent, if any, shall be prorated on a daily basis and the excess, if any, paid by LANDLORD to TENANT.

20. ENTIRE AGREEMENT This is the entire agreement of the parties. If any portion of the agreement is deemed invalid then the remainder of the agreement remains in effect between the parties.

WITNESS the signatures of the parties hereto and to this Agreement this the _____ day of _____, 2011.

LANDLORD – Carter County, Tennessee:

TENANT- Carter County Emergency Communications District:

Leon Humphrey, Carter County, Mayor

_____, CC 911

BY-LAWS
OF
THE JOINT CARTER COUNTY-ELIZABETHTON
ANIMAL SHELTER

SECTION I: PURPOSE

The purpose of the joint Carter County-Elizabethton Animal Shelter shall be to provide a humane environment for the animals of the aforementioned county and city to be housed and cared for until homes for said animals are found. The shelter shall use all efforts at its disposal and all means available to insure the animals are cared for in a humane way. The shelter staff shall strive to provide the best possible medical care for the animals; all efforts shall be utilized to find homes for the animals as they are housed at the Animal Shelter. The Advisory Board of the Animal Shelter, the Manager of the Animal Shelter, and all employees of the Animal Shelter shall strive to see that the animals housed at the shelter receive the best possible care and the Animal Shelter is managed in a consistent manner which would make the citizens of both Carter County and the City of Elizabethton proud.

SECTION II: ADVISORY BOARD

1. The Advisory Board of the Carter County-Elizabethton Animal Shelter, hereinafter known as the "Animal Shelter" shall consist of seven (7) members. Each member shall be a voting member for the purpose of providing advisory opinions to the County Mayor as to the day-to-day operations, short term, intermediate, and long-term planning for the Animal Shelter, and the long-term goals of the Animal Shelter. The members of the Advisory Board shall be composed of seven (7) members, with two (2) members being of a permanent nature. Said permanent members shall include the Carter County Mayor, and the Mayor of the City of Elizabethton, or the designee of either. The other five (5) members shall be composed of one (1) member of the Elizabethton City Council, as appointed by the Elizabethton City Mayor, and confirmed by the Elizabethton City Council; one (1) member of the Carter County Commission, as appointed by the Carter County Mayor, and confirmed by the Carter County Commission, one (1) member of the Carter County Humane Society, and two (2) members of the Carter County Animal Shelter Building Committee/Friends of the Animal Shelter Organization. Concerning the two (2) permanent members, their terms shall not expire and they shall be permanent members of the Board. The other five (5) members shall be appointed each September and confirmed by their respective membership in the Elizabethton City Council, Carter County Commission, and the membership of the other organizations which their advisory board member represents. The term of the non-permanent members of the board shall be a term of two (2) years, with the initial term to expire September of 2013, and every two (2) years thereafter. If, for any reason, a particular member of the Board is unable to fulfill their term, the appointing organization shall, in turn, choose a new member to complete the unexpired term.

2. The Advisory Board of the Animal Shelter shall meet on a monthly basis, on a date and time as determined by the Board at their initial meeting. The Board shall keep a record of all their proceedings and all their meetings, and all minutes shall be open for public inspection upon request, by any citizen, and shall be available for inspection by the Manager of the Animal Shelter or any member of the Board.

3. Notice of all meetings shall be published in compliance with Tennessee Open Meetings Act. When an emergency meeting is necessary, provisions of the Tennessee Open Meetings Act for an emergency meeting shall be followed accordingly.

4. The presence of four (4) of the seven (7) members of the Advisory Board shall constitute a quorum for the purpose of conducting business. The Board shall pass any business and/or recommendations for the County Mayor by a majority vote.

5. A simple majority of the Advisory Board is necessary for the passage of any resolution and/or business of the Board.

6. The Advisory Board shall have the authority to inspect the Animal Shelter at any time they deem necessary, either in a group, or individually, and shall have open access to the Animal Shelter during normal business hours for the purpose of inspection and to verify the treatment of the animals, the cleanliness of the facility, the operation of the facility, and any and all issues which they deem necessary for the continued operation of the Animal Shelter.

7. The Advisory Board shall have the authority to issue a recommendation to the County Mayor for the termination of any employee and/or manager of the Animal Shelter based upon due cause, and shall further have the express authority to provide notice of said recommendation to the legislative body of both the City and County for their records. The Manager of the Animal Shelter as appointed by the County Mayor, shall attend the Advisory Board meetings on a regular basis and if for any reason said Manager cannot attend said meeting, he or she shall notify the County Mayor immediately. The Advisory Board shall have the authority to establish any sub-committee as necessary for the continuation of their duties, and to appoint members of this Board to said sub-committees or if expertise is needed, the authority to appoint outside citizens to sub-committees to report to the Advisory Board as a whole. Although the ultimate authority to hire, fire, retain or discharge, any manager or employee of the Animal Shelter falls directly with the County Mayor, the Advisory Board shall have the authority to make recommendations accordingly.

SECTION III: ADVISORY BOARD – OFFICERS

1. The Advisory Board shall elect a chairman at its first meeting who shall serve as chair for the following two (2) years, a new Chairman shall be elected every two (2) years thereafter at the September meeting. Further, the Board shall elect the position of Vice Chairman, who shall serve in the capacity of Chairman if the Chairman is not present at a meeting, and the position of Secretary, to insure that all minutes are properly recorded, and all preparations are made for the meetings.

2. The Chairman of the Advisory Board shall preside over all meetings and shall supervise the affairs of the Board to insure the meetings are called to order, and the notices for the meetings published in a timely fashion. The position of Vice Chairman shall perform all duties of the Chairman in the absence of the Chairman.

3. The secretary of the Advisory Board shall keep a complete record of all the meetings of the Advisory Board and have the duty of maintaining the minutes and voting records of the Advisory Board. The Advisory Board may dispense with the position of Secretary, and instead have an employee of the Animal Shelter or the Manager of the Animal Shelter serve in the

capacity of maintaining minutes if the Board so deems fit.

SECTION IV: TERMS OF THE MEMORANDUM OF AGREEMENT

1. The City of Elizabethton and Carter County entered into an agreement approved by both the City and County in September of 2011, outlining several key issues as to the Animal Shelter, the construction of the new Animal Shelter, and several provisions as to the funding, budget, and costs of the Animal Shelter itself. All provisions in the Memorandum of Agreement are incorporated into the By-Laws as if read in verbatim, specifically, but not limited to the provision in which the City and County acknowledge the Animal Shelter will be funded jointly and that the County shall provide an estimate of the annual cost of managing the Animal Shelter in February each year with the final budget to be submitted no later than March 1st of each year, to the Finance Director of the City of Elizabethton, and that all payments from the City of Elizabethton shall be advanced to the County on a quarterly basis, to the Carter County Finance Department, at the beginning of each quarter, beginning July 1 of each year, to insure moneys are available for the payment of all outstanding invoices and bills associated with the day to day operations of the Animal Shelter. Further, specific provisions are outlined for the insurance responsibilities connected with the Animal Shelter itself insofar as the actual building, the operation of employees, and the carriers for said insurance. All provisions are specifically incorporated into the By-Laws as if specifically read into these By-Laws.

SECTION V: ANIMAL SHELTER MANAGER

1. The Advisory Board may provide an opinion and recommendation as to the hiring of a Manager for the day to day operations of the Animal Shelter. Further, the Advisory Board has the authority to set the salary and benefits associated with the position of Manager. The ultimate responsibility in the employment of a Manager and for the retention of the Manager, shall be vested with the Carter County Mayor. The Carter County Mayor shall be the sole decision maker as to the hiring and firing of the Manager of the Animal Shelter, however, the Carter County Mayor shall take into consideration the recommendations of the Animal Shelter Advisory Board.

2. The Manager shall operate the Animal Shelter and follow the rules and guidelines as set forth by the Advisory Board. The Manager shall attend all Board meetings, submit a budget for the Animal Shelter to the Animal Shelter Advisory Board who will ultimately then submit the budget proposals to the County Mayor for forwarding to the County Finance and City Finance Departments. The Manager shall retain employees as allowed by the budget of the Animal Shelter to assist with the day to day operation of the Animal Shelter to insure the Shelter is run in a manner which provides a humane home for the animals being housed by the Shelter.

3. The Manager shall follow all provisions of the policy and procedure manual after the same has been prepared by the Advisory Board and approved by the Advisory Board which shall provide specific day to day policies and procedures for the Animal Shelter to insure the highest quality of management and employee care for the animals housed at the shelter.

SECTION VI: FISCAL YEAR

The fiscal year of the Animal Shelter shall coincide with the fiscal year of Carter County

and shall run from July 1 of each year to June 30 of the following year. All budgetary requests shall be submitted pursuant to the calendar set forth by the Carter County Commission as to the budget process and the Carter County Finance Department shall submit all budget estimates to the City Finance Department by March 1st of each year to insure the budget process of the Animal Shelter is maintained in an orderly fashion.

SECTION VII: EFFECTIVE DATE

The By-Laws of the joint Carter County – Elizabethton Animal Shelter shall take effect upon passage by both the Carter County Commission and the City Council of the City of Elizabethton.

SECTION VIII: AMENDMENT TO BY-LAWS

The Advisory Board may, from time to time, express the desire to amend portions of these By-Laws as adopted by the Carter County Commission and the City Council of the City of Elizabethton, and make recommendations to said legislative bodies to make amendments to the By-Laws, and any amendment as proposed must be approved by both the Carter County Commission and the City Council of the City of Elizabethton, to take effect.

SECTION IX: GOVERNMENTAL BODY

The Animal Shelter, albeit a joint partnership of the City of Elizabethton and Carter County, is considered a subset of Carter County and thus all employees of the Animal Shelter are considered employees of Carter County which shall fall under the regulations of the Carter County Employee Handbook and therefore, shall be entitled to all benefits as set forth in said handbook which their job classification entitles them to receive. The Memorandum of Agreement as previously mentioned in this document, specifically excludes one employee who is currently employed at the Animal Shelter, as he shall remain an employee of the City of Elizabethton until his retirement.

These By-Laws are effective upon the completed signature of both the Mayor of Carter County and the Mayor of the City of Elizabethton, and by the signatures below, they hereby signify that the By-Laws have been approved by both the Carter County Commission and the City Council of the City of Elizabethton, and their signatures are authorized accordingly.

This the _____ day of _____, 2011.

CITY OF ELIZABETHTON, TENNESSEE

BY: _____
CURT ALEXANDER, MAYOR

CARTER COUNTY, TENNESSEE

BY: _____
LEON HUMPHREY, MAYOR

PREPARED BY ME AND
APPROVED AS TO FORM

ROGER G. DAY, CITY ATTORNEY
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CCT report - Carter County Commission
November 21, 2011

- **Roan Mountain Sewer Project** – We are studying a similar type system in a neighboring community to establish whether “best fit” and cost for our County.
- **Project Quest** – (\$7 million investment and 70 jobs) Project is on hold. Hope to revisit in January 2012
- **Project Red Energy** – County Mayor and Tom made a visit to the facility which makes the equipment and has a working demonstration of the process. (Confidential) Still waiting on revised contracts from the company.
- **Existing Business/Industry visits** – Currently making visits and taking tours of existing industry to discuss current needs and what (if anything) we can do locally to make them more competitive.
- **Elizabethton/Carter County Business and Industry Association** - CCT facilitated an economic outlook presentation and question/answer session with a representative of the Federal Reserve Bank. CCT strives to establish programs beneficial to business/industry’s productivity and profitability. Next program will involve economic and labor programs in early 2012.
- **1500 West Elk (Pine Palms Mgt)** – Old Inland Container Building – Work with City and developers concerning moving infrastructure to best utilize adjoining acreage. Also exploring different funding vehicles.
- **Elizabethton Business Enhancement Sign Project** (USDA Rural Business Enterprise Grant - \$17,500) – Project underway and new signage is being designed and ordered.
- **Carter County Anti Drug Coalition** – We have met twice to further establish the group and its goal. Coalition will write a grant for a part-time director. Carter County’s Anti-Drug Coalition has been asked to join a state-wide network of coalitions. Next meeting is January 9, 2012 at the Chamber of Commerce at 5pm
- **Riverfront Development Strategic Planning Session was held October 25.** Participants identified several areas and ideas. This is the first step of a plan that will assist landowners, the city, and developers to identify “best sustainable” land use, asset growth and possible “special improvement district”. (I.e. residential, retail, commercial, and recreational).
- **Hotel feasibility** – continuing effort to work with a regional hospitality company about feasibility of bringing a new hotel to Carter County. Looking for a hotel developer to visit before end of the year.

CARTER COUNTY COMMISSION MEETINGS 2012

Tuesday, January 17, 2012 ¹	9:00 A.M.
Tuesday, February 21, 2012 ¹	6:00 p.m.
Monday, March 19, 2012	9:00 A.M.
Monday, April 16, 2012	6:00 p.m.
Monday, May 21, 2012	9:00 A.M.
Monday, June 18, 2012	6:00 p.m.
Monday, July 16, 2012	9:00 A.M.
Monday, August 20, 2012	6:00 p.m.
Monday, September 17, 2012	9:00 A.M.
Monday, October 15, 2012	6:00 p.m.
Monday, November 19, 2012	9:00 A.M.
Monday, December 17, 2012	6:00 p.m.

¹ NOTE CHANGE

Commission will meet on the third Monday in month; unless it falls on a holiday then the meeting will be held on Tuesday.