

BUDGET COMMITTEE

June 10, 2013

5:15 PM

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**PRESENT:** William Armstrong, Charlie Bayless, Tom Bowers, Nancy Brown, Steve Chambers, Lawrence Hodge and Harry Sisk.

The meeting was called to order by Harry Sisk.

Quorum present.

Motion made by Lawrence Hodge, second by Charlie Bayless to approve the agenda. Motion carried.

Motion made by Tom Bowers, second by Steve Chambers to approve the minutes from May 13, 2013 Meeting, May 13, 2013 Workshop, May 14, 2013 Workshop, May 28, 2013 Workshop, May 30, 2013 Meeting, and June 6, 2013 Meeting. Motion carried.

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- **Animal Shelter Donation Recognitions:** Finance Director Ingrid Deloach presented donations given to the Animal Shelter since the May 13, 2013 budget meeting. A listing of donations is attached. Motion was made by Nancy Brown with a second from William Armstrong to accept the donations totaling \$641. Motion carried.
- **General Fund Reserves:** Ingrid Deloach said the Sheriff's Department has received a reimbursement from the insurance company for a totaled vehicle. The Sheriff's Department has requested the reimbursement along with the proceeds from the upcoming auction on June 15, 2013 be put into a reserve account to purchase another vehicle.

Motion was made by Charlie Bayless with a second from Tom Bowers to put the insurance reimbursement for a totaled vehicle and the proceeds from the June 15, 2013 auction into a reserve account for the Sheriff's Department to use towards the purchase of a vehicle. All ayes, motion carried.

Chief Deputy Ron Street stated the Sheriff's Department has proceeds from inmate communications. The Sheriff's Department is requesting to put these funds in a reserve to pay for the Pamet and Jail Tracker Systems as well as the purchase of technology needs of the department.

Motion was made by Steve Chambers with a second from Tom Bowers to set up a reserve account with the proceeds from inmate communications to pay for Pamet Systems and Jail Tracker as well as the purchase of technology needs. All ayes, motion carried.

- **General Fund 101 Amendment #8:** Motion was made by Lawrence Hodge with a second from Charlie Bayless to approve General Fund 101 Amendment #8 with twenty-six items. Motion carried.
- **Solid Waste Fund 116 Amendment #5:** Motion was made by Steve Chambers with a second from Tom Bowers to approve Solid Waste Fund 116 Budget Amendment #5 with 3 items. Motion carried.
- **Health Department Fund 117 Amendment #1:** Motion was made by Nancy Brown with a second from Lawrence Hodge to approve Health Department Fund 117 Amendment #1 with 2 items. Motion carried.
- **Highway Fund 131 Amendment #2:** Motion was made by Charlie Bayless with a second from Tom Bowers to approve Highway Fund 131 Amendment #2 with 4 items, with \$128,000 coming from 131 fund balance. Motion carried.
- **General Purpose School Fund 141 Amendment #10:** Motion was made by Lawrence Hodge with a second from Charlie Bayless to approve General Purpose School Fund Amendment #10 with 4 items. Motion carried.
- **General Purpose School Fund 141 Amendment #11:** Motion was made by Tom Bowers with a second from Charlie Bayless to approve General Purpose School Fund Amendment #11 with 16 items. Motion carried.
- **Federal Projects Fund 142 Amendment #6:** Motion was made by Steve Chambers with a second from Charlie Bayless to approve Federal Projects Fund Amendment #6 with 2 items. Motion carried.
- **Solid Waste Grant:** Director Benny Lyons stated his department has received a grant for the Recycle Center to purchase a conveyor, a magnetic separator, and an additional roll off trailer for the recycling program. The grant requires \$33,000 to be paid out up front and 80% of the cost will be reimbursed. Mr. Lyons is requesting this purchase be made out of the General Fund because the Solid Waste Fund does not have enough cash to pay out \$33,000 and wait for reimbursement.

Motion was made by Charlie Bayless with a second from Steve Chambers to pay \$33,000 for the upfront cost of the reimbursable grant for the Recycle Center from the General Fund. A voice roll call was as follows:

William Armstrong	Aye	Steve Chambers	Aye
Charlie Bayless	Aye	Lawrence Hodge	Aye
Tom Bowers	No	Scott Sams	Absent
Nancy Brown	No	Harry Sisk	Aye

Five ayes, two no and one absent. Motion carried.

- **Sheriff’s Department Request:** Sheriff Mathes requested the committee to recognize the funds received from the “Busted” paper and from the calendar.

Motion was made by Tom Bowers with a second from Steve Chambers to accept the funds from the “Busted” paper into the General Fund and accept the proceeds from the calendar project into the Drug Fund. A voice roll call was as follows:

William Armstrong	Aye	Steve Chambers	Aye
Charlie Bayless	Aye	Lawrence Hodge	Aye
Tom Bowers	Aye	Scott Sams	Absent
Nancy Brown	Aye	Harry Sisk	Aye

Seven ayes, one absent. Motion carried.

- **Discussion of cuts of Travel and Other Charges:** Sheriff Mathes stated the cut to his travel budget will cause his department to lose some instruction certificates. Sheriff Mathes said his department gets much of its training through train the trainer programs. He also stated many of the training courses needed in his office are programs on safety that cannot be given through teleconference or webinar. Mayor Humphrey said he agrees with the committee’s recommendation for cuts. However, he does not agree with picking out certain line items. Mayor Humphrey stated he has made the amount of cuts requested by allocating the cuts within his budget as he saw most appropriate. Trustee Randal Lewis stated his travel was reduced by \$900. Mr. Lewis said his office utilizes their travel line item to attend trainings on their software and tax relief.

Finance Director Ingrid Deloach said she has discussed the cuts with most offices. She has found that many offices use their travel line item to attend needed and often mandatory trainings. Mrs. Deloach said most of the Jury’s supplies come out of other charges. Chancery Court has to have training to maintain certification. Mrs. Deloach stated the Assessor’s Office pays for a state mandated audit service from their other charges line item. She also said EMA is required to attend training to get the State EMA funds. Mrs. Deloach said EMA makes most of their purchases for the EOC from other charges. Last fiscal year EMA moved

funds from health insurance to other charges to have sufficient funds for the EOC. Mrs. Deloach said the majority of Office Holder's have agreed to cut the requested amount and budget as needed. She also noted that it would be very difficult for the Sheriff's Department to absorb the increase in workman's comp and liability insurance with no increase in funding.

Mrs. Deloach stated she needs clarification as to if all the cuts previously voted on will be made in addition to keeping funding the same as the 2012-2013 year and the cuts made to travel and other charges. Lawrence Hodge asked if it would be easier to make a 2% across the board cut. Tom Bowers ask how much of a percentage cut was made by reducing travel by half and eliminating other charges. Finance Director Ingrid Deloach said those cuts were approximately a 1% reduction. She added some offices took a much larger cut than others. Sheriff Mathes stated he will have a \$62,000 increase in jail medical over last year due to the new contract.

- **Public Comments:** L.C. Tester spoke about the difference in pay for employees of the City and the County. Mr. Tester feels employees should not be asked to pay more in health insurance with pay being so low.
  
- **Employee Health Insurance:** Finance Director Ingrid Deloach stated the County's health insurance broker, Connie Tate, began getting quotes for health insurance due to the lack of agreement between Blue Cross and Mountain States Health Alliance. Ms. Tate informed Mrs. Deloach that it would be possible for Carter County to get out of the contract with Blue Cross on July 1 and move to another provider. On Friday, June 7, 2013 Blue Cross and Mountain States reached a four year agreement. Ms. Tate asked Mrs. Deloach if she should proceed with getting health insurance quotes. She stated to proceed on to see if there will be a savings. Mrs. Deloach stated Humana has offered insurance. Mrs. Deloach stated she is more comfortable with Blue Cross as employees have been pleased with it. Mrs. Deloach was informed this afternoon that Blue Cross has agreed to lower premiums charged to Carter County effective July 1, 2013. She stated she does not have a quote or anything in writing. Mrs. Deloach said once she has detailed information she will present on Monday June 17<sup>th</sup> at Full Commission. She also said a July 1 renewal date would be beneficial for budgeting.

Motion to adjourn was made by Steve Chambers with a second from Tom Bowers. Motion carried.

Respectfully submitted,

Christa Byrd

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Harry Sisk,

Approved for File