

FINANCIAL MANAGEMENT COMMITTEE

April 1, 2019

8:30 am

PRESENT: Roger Colbaugh, Ginger Holdren, Sheriff Dexter Lunceford, Dr. Kevin Ward, Brad Johnson, Rusty Barnett, and Rick Richardson

The meeting was called to order by Brad Johnson.

Quorum present.

Adopt Agenda: Motion was made by Roger Colbaugh, second by Rick Richardson to approve the agenda. Motion Carried.

Approval of Minutes: Motion was made by Ginger Holdren, second by Roger Colbaugh to approve the March 4, 2019 and March 20, 2019 minutes with corrections to the spelling of Sequoyah Group and Josh Hardin Motion Carried.

Public Comments: Roy Livingston questioned Finance Director, Brad Burke, on the current processes in place to document revenues. Mr. Livingston would like to see a consolidated budget packet for all offices. Mr. Livingston believes that some of the line items in the budget that say other or miscellaneous can lead to more confusion. Finance Director Brad Burke explained to the Financial Management Committee that his office has been tasked with breaking out the budgets into more detail which should aid in getting rid of line items such as other charges and miscellaneous.

Old Business:

- 1. Discussion regarding additional county revenue sources:** Financial Management Vice-Chairman, Ginger Holdren, was tasked with the research of Litigation Tax in the County in regards to subsidizing the General Sessions Court Judge's salary. Mrs. Holdren informed the committee that other local Counties have to use General Fund money to subsidize their Sessions Court Judge's salaries as well. Mrs. Holdren also explained that Carter County has one of the highest local Litigation Taxes imposed but did state that it can still be raised. Financial Management Chairman, Brad Johnson, stated that he believes Carter County cannot be compared to other local County's because we provide more services. Mr. Johnson stated that he believes we should raise this tax to cover the great services we provide through our court systems. Mr. Brad Johnson would like to have the Circuit Court Clerk's office to address these litigation taxes to the Financial Management committee. He would also like to keep this topic on the agenda in old business going forward.
- 2. Status on updating the Emergency Rule for Purchases:** Brad Burke told the Financial Management Committee that the Emergency Rule for Purchases Committee has not had the opportunity to meet as of this moment. Mr. Burke explained that we have only had one Emergency Purchase this year and all policies and procedures were followed. Mr. Brad Johnson asked to keep this

topic on the agenda in old business going forward to allow the Emergency Purchases Committee to meet.

3. **Review Insurance Brokers RFP Responses:** Responses to the Insurance Brokers RFP will be available for viewing in the Carter County Finance Department. Mr. Brad Johnson asked the committee to prioritize the different categories into what they deem most important to least important. The list of topics that the committee agreed are deemed most important to least important follows: Brokerage and Consulting Services, Subject Matter Expertise, Team, Fees, and Outsourcing & Partnership. Mr. Brad Johnson asked the committee to take the top three topics of importance and use that to pick their three favorite Insurance Broker's responses. Deputy Director of Finance, Michael Kennedy, tallied the votes on a weighted average with the top selection being Sequoyah Group, the second selection being CBIZ, and the final selection being Mark III.

Motion was made by Dr. Kevin Ward, second by Ginger Holdren to conduct the interviews with the selected Insurance Brokers (Sequoyah Group, CBIZ, and Mark III) on Friday April 5, 2019 at 8:30 AM in the order they were selected.

Rusty Barnett	Aye	Brad Johnson	Aye
Roger Colbaugh	Aye	Dexter Lunceford	Aye
Dr. Kevin Ward	Aye	Rick Richardson	Aye
Ginger Holdren	Aye		

All Ayes, Motion Carried

New Business:

- **Recent Bids:** Deputy Director of Finance, Michael Kennedy, reviewed a list of recent bids.
- **Planning Department Request:** The Carter County Planning Director, Chris Scheuttler, brought two proposals to the Financial Management Committee. The first proposal brought before the committee was to purchase two vehicles with up to \$55,000 via Request for Proposal with this money coming from permit fees collected.

Motion was made by Roger Colbaugh, second by Ginger Holdren to send a recommendation from Financial Management Committee to the Budget Committee to move up to \$55,000 from permit fees to put out an RFP for two vehicles for the Planning Office.

Rusty Barnett	Aye	Brad Johnson	Aye
Roger Colbaugh	Aye	Dexter Lunceford	Aye
Dr. Kevin Ward	Aye	Rick Richardson	Aye
Ginger Holdren	Aye		

All Ayes, Motion Carried

The second proposal brought before the committee was to change the Planning Directors title to add Economic and Community Development and increase his salary up to \$65,000 with this money coming from permit fees collected. The \$65,000 increase in the Planning Directors salary is a total increase of \$17,359.90 in salary and \$3,921.60 in benefits.

Motion was made by Sheriff Dexter Lunceford, second by Dr. Kevin Ward to send a recommendation from Financial Management Committee to the Budget Committee to increase Chris Scheuttler's salary to \$65,000 and change his title from Planning Director to add Economic and Community Development.

Rusty Barnett	Aye	Brad Johnson	Aye
Roger Colbaugh	Aye	Dexter Lunceford	Aye
Dr. Kevin Ward	Aye	Rick Richardson	Aye
Ginger Holdren	Aye		

All Ayes, Motion Carried

- **Updates from Finance Director:**
 - **Discussion regarding Carter County's 457 Plan:** Finance Director Brad Burke stated that a lot of phone calls have been placed with both Nationwide and the State of Tennessee regarding the Carter County 457 plan. Mr. Burke stated that all parties are having issues getting a concrete answer from Nationwide regarding the transition to the State of Tennessee. Mr. Burke stated that as of right now it's looking like the best option is to keep both plans open but wall off all deductions to Nationwide and make any new deduction go to the State of Tennessee plan. Mr. Brad Johnson requested that Mr. Burke get more concrete answers from Nationwide and from the Carter County Attorney before bringing this 457 plan proposal back to the table.
 - **Status of State Audit Findings Report:** Mr. Brad Burke presented a worksheet response to each audit finding that can be found in the Finance

Department upon request. Mr. Burke stated that he believes that all findings besides the finding number 1 section C regarding Payroll Liability Accounts will be resolved by fiscal year end. Mr. Burke stated that the finding number 1 section C will take a lot of time and research to locate the difference that is causing the finding in order to have a corrective action. Mr. Brad Johnson stated that he would like any department that is not directly under the Finance Director that had a finding to present their case before the Committee if a finding is had next year.

- **County General Update:** Mayor Rusty Barnett informed the committee that the County has been approved for a grant from the Tennessee Department of Environment and Conservation for \$93,523. The awarded grant will be used for upgrades to the landfills Roan Mountain Convenience Center which will include a new compactor and a permanent building with a bathroom for the employees as well as other improvements to the facility. Mayor Barnett also explained to the committee that the Emergency Operations Center has cleared the environmental review and the County has received authorization to begin drawing on the grant funds. Officials from TEMA and FEMA have met with City and County Officials regarding all the damages done by the most recent storms. Officials stated that Carter County did not meet the threshold of damage for individual homeowners to qualify for assistance from FEMA but it looks favorable for the County and City to receive assistance with damages to roads, schools, utilities, and public property. Mr. Barnett also told the committee that approximately 30 homeowners in Carter County went through the individual interview process to qualify for home repairs through the Home Rehabilitation Grant program which the County received.
- **County Highway Department Update:** Highway Superintendent Roger Colbaugh updated the committee on the damages to the County from the last storm. Mr. Colbaugh mentioned that his department is currently working on 2 major mud slides from this storm.
- **Sheriff Dexter Lunceford:** Sheriff Dexter Lunceford stated that arrest are up and crime is down.
- **County School Department Update:** School Board Superintendent Dr. Kevin Ward informed the committee that the School Department Supervisors, the Board of Directors and he are still looking at the Schools budgets in preparation for the budget hearing.
- **Ginger Holdren:** Financial Management Vice-Chairman Ginger Holdren stated that Planning Director, Chris Scheuttler, needs to keep investigating the County's ability to charge a Guide Tax. Mrs. Holdren also asked that Finance Director, Brad Burke take over the responsibilities of managing the Emergency Rule for Purchasing committee.

- **Brad Johnson:** Mr. Brad Johnson discussed Carter County's need to look at getting step raises put in place for County employees. Mr. Johnson also thanked Commissioner Holdren for her aid in the Committee during his leave.
- **Rick Richardson:** No Comment.
- **Adjourn:** Motion made by Dr. Kevin Ward, second by Rick Richardson. **Motion Carried.**

Respectfully submitted,

Michael Kennedy

Brad Johnson, Approved for File