

BUDGET, FINANCE & INVESTMENT COMMITTEE

June 21, 2016

5:30 P.M.

Courthouse

MINUTES:

Members Present:

Comm. Rhonda Allen
Comm. Charlie Baum
Comm. Joe Frank Jernigan
Comm. Shawn Kaplan
Comm. Robert Peay
Comm. Doug Shafer
Comm. Will Jordan, Chair

Others Present:

Ernest Burgess
Lisa Nolen
Mark Tucker
Jeff Sandvig
Jeff Davidson
Comm. Gourley
Don Odom

Chairman Jordan presided and called the meeting to order at 5:30 P.M. with all members present.

APPROVE MINUTES:

Comm. Shafer moved, seconded by Comm. Jernigan to approve the minutes of the June 14 and June 15, 2016 Budget Committee meetings as presented.

The motion passed unanimously by acclamation.

CHANGE IN BANKING SERVICES:

Teb Batey presented a summary of the recent banking services bid. Seven financial institutions submitted bids. The apparent best bid was submitted by Franklin Synergy Bank at a rate of 0.26% above the previous month's LGIP rate. The bid is net of any fees and includes a lockbox service for depositing payments to the Trustee.

Comm. Baum and Comm. Jordan disclosed that they own stock in Franklin Synergy Bank and would abstain from the vote.

Comm. Shafer moved, seconded by Comm. Peay to accept the Trustee's recommendation of Franklin Synergy Bank for banking services.

The motion passed by roll call vote with Comm. Baum and Comm. Jordan abstaining from the vote.

CORRECTION OF JUNE 9, 2016 MINUTES:

The minutes of June 9, 2016 were presented for correction. The first Solid Waste transfer on page 7 had a change for the function number from 55732 to 55720. The second Solid Waste transfer on page 7 had a change for the object number from 334 to 709. On page 10, the General Fund revenue amendment had a change to the total increase in revenue to \$8,140,794, decrease to revenue to \$2,780,134 and the net increase to Unassigned Fund Balance changed to \$2,671,816.

Comm. Kaplan moved, seconded by Comm. Baum to correct the minutes of the June 9, 2016 Budget Committee meeting as presented.

The motion passed unanimously by acclamation.

AMBULANCE SERVICE:

Lisa Nolen presented a budget transfer for Ambulance Service to provide sufficient funds for supervisor's salary for the remainder of the fiscal year:

Increase Expend.:	118-55130-105 Supervisors	\$700
Decrease Expend.:	118-55130-133 Paraprofessionals	\$700

Comm. Jernigan moved, seconded by Comm. Kaplan to approve the budget transfer as presented.

The motion passed unanimously by roll call vote.

AGRICULTURE EXTENSION:

Lisa Nolen presented a General Fund budget transfer for Agriculture Extension to provide funds for part-time salaries:

Increase Expend.:	101-57100-169 Part-time employee	\$5,000
	101-57100-201 Social Security	\$310
	101-57100-212 Medicare	\$75
Decrease Expend.:	101-57100-309 Cont. w/Govt Agency	\$5,385

Comm. Peay moved, seconded by Comm. Jernigan to approve the budget transfer as presented.

The motion passed unanimously by roll call vote.

SHERIFF'S OFFICE:

Lisa Nolen presented General Fund budget transfers for the Sheriff's Office to correct salary line items to reflect actual amounts paid out:

Increase Expend.:	101-54160-189 Other Sal. & Wages	\$1,300
Decrease Expend.:	101-54160-187 Overtime	\$1,300
Increase Expend.:	101-54210-103 Assistant	\$5,100
Decrease Expend.:	101-54210-160 Guards	\$5,100

Comm. Shafer moved, seconded by Comm. Jernigan to approve the budget transfers as presented.

The motion passed unanimously by roll call vote.

COUNTY MAYOR:

Lisa Nolen presented a General Fund budget transfer for the County Mayor to provide funds for the high school intern program through the Chamber of Commerce, 8 interns for a total of \$5,200, plus additional funds for unexpected items for the remainder of the fiscal year:

Increase Expend.:	101-51300-599 Other Charges	\$10,000
Decrease Expend.:	101-51300-321 Engineering	\$2,100
	101-51300-715 Land	\$7,900

Comm. Jernigan moved, seconded by Comm. Baum to approve the budget transfer as presented.

The motion passed unanimously by roll call vote.

SMYRNA/RUTHERFORD COUNTY AIRPORT AUTHORITY BUDGET:

Director Nolen presented the 2016-17 budget of the Smyrna/Rutherford County Airport Authority for approval by the committee. Approval is required due to changes in audit standards requiring the review of joint ventures.

Comm. Allen moved, seconded by Comm. Jernigan to approve the 2016-17 Airport Authority budget as presented.

The motion passed unanimously by roll call vote.

AMENDMENT OF 2015-16 APPROPRIATION RESOLUTION:

Director Nolen next presented a resolution to amend the 2015-16 appropriations resolution to correct two General Fund department budget amounts. The departments amounts were inadvertently swapped while typing the resolution. The resolution was approved as:

Nursing Home	\$11,850
Dental Health Program	0

and should have stated:

Nursing Home	\$0
Dental Health Program	11,850

Comm. Kaplan moved, seconded by Comm. Peay to approve the amending resolution as presented.

The motion passed unanimously by acclamation.

PRESENTATION OF THE STATE APPROVAL LETTER FOR ISSUANCE OF REFUNDING BONDS AND PLAN OF REFUNDING:

Lisa Nolen presented the State of Tennessee Office of State and Local Finance approval letter for issuance of general obligation refunding bonds along with the plan of refunding as required prior to approval of the resolution to issue refunding bonds.

No action was taken on this item.

RESOLUTION TO AUTHORIZE ISSUANCE OF 2016 GENERAL OBLIGATION REFUNDING BONDS:

Lisa Nolen presented a resolution authorizing the issuance of not to exceed \$31,900,000 General Obligation Refunding Bonds to refund all or a portion of the 2009 General Obligation Bonds. The plan of refunding projected a savings of about \$1,600,000.

Comm. Jernigan moved, seconded by Comm. Kaplan to approve the resolution as presented.

The motion passed unanimously by roll call vote.

2016-17 BUDGET – FINAL REVIEW:

No budget items were discussed.

No action was taken on this item.

2016-2017 TAX LEVY RESOLUTION:

Director Nolen presented the Resolution authorizing the tax levy in Rutherford County, Tennessee for the fiscal year beginning July 1, 2016 for a total of \$2.6800 per \$100 of taxable property to be allocated as follows:

County General Fund	\$0.6195
Ambulance Service Fund	0.0661
Highway Fund	0.0126
General Purpose School Fund	1.2935
Education Capital Projects Fund	0.0600
Debt Service Fund	<u>0.6283</u>
TOTAL	<u>\$2.6800</u>

She also advised that the other sections of the Resolution addressed other local revenues for business tax, sales tax, wheel tax, development tax, and interest earnings and how they would be

distributed among the funds. There were no changes in the distributions from the prior fiscal year.

She also stated that the committee members should have received the email from Sam Crewse, financial advisor, stating his position on the move of two cents of the property tax from the General Fund to the Debt Service Fund and whether it should be moved back to show a stronger General Fund fund balance for rating agency presentation.

Comm. Shafer moved, seconded by Comm. Jernigan to approve the Resolution authorizing the tax levy in Rutherford County, Tennessee with two cents moving from the Debt Service Fund to the General Fund.

Following discussion, the motion failed by roll call vote with Comm. Shafer and Comm. Jernigan voting "yes".

Comm. Baum moved, seconded by Comm. Kaplan to approve the Resolution authorizing the tax levy in Rutherford County, Tennessee as presented.

The motion passed unanimously by roll call vote.

2016-2017 APPROPRIATIONS RESOLUTION:

Director Nolen presented the resolution making appropriations for the various funds, departments, institutions, offices and agencies of Rutherford County, Tennessee for the fiscal year beginning July 1, 2016 and ending on June 30, 2017.

Comm. Jernigan moved, seconded by Comm. Baum to approve the resolution making appropriations for the various departments, institutions, offices and agencies of Rutherford County, Tennessee as presented.

Comm. Kaplan asked if the Sheriff should resign or leave office, who would be responsible for hiring the new positions in the Sheriff and Jail budgets. Mayor Burgess stated that the positions could be hired by the next highest ranked employee, which would be the Chief Deputy, unless the Commission had appointed a Sheriff or a Sheriff was elected in the next general election.

Comm. Kaplan moved, seconded by Comm. Allen to amend the original motion to remove the 19 added positions from the Sheriff and Jail budget along with the related expense of vehicles, equipment and training.

Following discussion, the amendment to the motion passed by roll call vote with Comm. Jernigan, Comm. Peay and Comm. Shafer voting "no".

The appropriations by fund, as amended, are as follows:

County General Fund	\$92,209,060
Industrial/Economic Development Fund	311,171
Solid Waste/Sanitation Fund	4,124,521
Ambulance Service Fund	12,785,907
Special Purpose Fund	10,000
Drug Control Fund	504,160
Highway Fund	10,308,840
General Purpose School Fund	340,366,426
Central Cafeteria Fund	18,914,554
Education Capital Projects Fund	4,594,521
Debt Service Fund	<u>44,794,526</u>
TOTAL	<u>\$528,923,686</u>

The amended motion passed unanimously by roll call vote.

GENERAL SESSIONS:

Lisa Nolen presented a General Fund budget transfer for General Sessions to provide funds to pay down comp balances for employees:

Increase Expend.:	101-53300-187 Overtime	\$3,000
Decrease Expend.:	101-53300-189 Other Sal. & Wages	\$3,000

Comm. Peay moved, seconded by Comm. Jernigan to approve the budget transfer as presented.

The motion passed unanimously by roll call vote.

JUVENILE DETENTION:

Lisa Nolen presented a General Fund budget transfer for Juvenile Detention to provide funds to pay down comp balances for employees:

Increase Expend.:	101-54240-187 Overtime	\$37,000
Decrease Expend.:	101-54240-115 Sergeants	\$25,000
	101-54240-160 Guards	\$7,000
	101-54240-164 Attendants	\$5,000

Comm. Shafer moved, seconded by Comm. Jernigan to approve the budget transfer as presented.

The motion passed unanimously by roll call vote.

CIRCUIT COURT CLERK:

Lisa Nolen presented General Fund budget transfers for Circuit Court Clerk to provide funds for the remainder of the fiscal year for jury & witness fees and legal services:

Increase Expend.:	101-53100-194 Jury & Witness Fees	\$10,000
Decrease Expend.:	101-53100-317 Data Process. Serv.	\$10,000
Increase Expend.:	101-53100-331 Legal Services	\$2,000
Decrease Expend.:	101-53100-709 Data Process. Equip.	\$2,000

Comm. Shafer moved, seconded by Comm. Baum to approve the budget transfers as presented.

The motion passed unanimously by roll call vote.

ADJOURNMENT:

Comm. Jordan reminded the committee that the Commission meeting will be Monday June 27, 2016 at 9:00 A.M.

There being no further business to be presented, Chairman Jordan declared the meeting adjourned at 6:35 P.M.

Mark Tucker, Secretary