

BUDGET, FINANCE & INVESTMENT COMMITTEE

May 21, 2012

5:30 P.M.

Courthouse

MINUTES:

<u>Members Present:</u>	<u>Others Present:</u>	<u>Others Present:</u>	<u>Others Present:</u>
Comm. Charlie Baum	Ernest Burgess	Anthony Tuggle	Ben Cates
Comm. Joe Frank Jernigan	Comm. Chantho Sourinho	Delia Goodman	Mark King
Comm. Robert Peay, Jr.	Mike Williams	Mac Nolen	Merry Hickerson
Comm. Steve Sandlin	Lisa Nolen	Mike Nunley	Sonya Stephenson
Comm. Doug Shafer	Brian Robertson	Ginny King	Doug Brown
Comm. Joyce Ealy, Chrm.	Dana Garrett	Michael Gregory	Barbara Marlin

Rita Shacklett, Bill Jones, Stephanie Brackman, Bill Shacklett, Kathleen Herzog, Donna Bebout, Sherry Green, Don Lehr, Laura Messick, Mona Herring, Sean Gilliland, Jennifer Butt, James Manning, Diane Smith, Candy Joyce, Debbie Willis, Barbara Vincion, Pam Furlong, Wanda Chandler, Jeff Puster, Deborah Johnson, Anita Teague, Betty McNeely, Deborah Holmes, Jeff Sandvig, Elaine Short

Chairman Ealy presided and called the meeting to order with Comm. Jordan being absent.

2012-13 BUDGET REVIEW

OTHER SOCIAL, CULTURAL, & RECREATION:

Chairman Ealy advised that the same procedure would be used as in previous meetings. Each representative of a non-profit organization and/or the department head would be allowed to join the committee at the table, the mayor would speak to his recommendation, the representative and/or department head would be allowed to speak to any details about their budget, and the committee would be given the opportunity to ask questions and to have as much discussion as necessary.

Chairman Ealy disclosed that she was a member of the boards for the St. Clair Senior Center and Journeys in Community Living but she did not perceive that as having a conflict of interest. Comm. Baum stated that he was on the advisory board for the Domestic Violence Center. Comm. Shafer advised that he was on the board for the La Vergne Senior Citizens.

Chairman Ealy advised that the mayor's recommendation for the 2012-13 Other Social, Cultural, and Recreation Department totaled \$537,642.

Mayor Burgess advised that no new entities were recommended. Two new entities applied, but his recommendation did not include the additional funding. There were no decreases in funding for any organization. There were only a couple of increases, because the dues of the organization required an increase because of the increase in population.

Child Advocacy: There was no representative in attendance for the Child Advocacy Program. The mayor's recommendation was \$2,500.

Domestic Violence Program: Deborah Johnson, Executive Director of the Domestic Violence and Sexual Assault Services was present to speak for the Domestic Violence Program. The mayor's recommendation was \$31,200. Ms. Johnson advised that their agency used the funds allocated for their program to work primarily in the court system in civil court with orders of protection for victims of domestic violence and sexual assault. She stated that the organization had taken on that responsibility since it was given to them in 1989. The organization employs a part time attorney and three advocates. The funds cover part of the staff salaries, some of the paperwork and printing the documents.

Exchange Club Family Center: Mr. Jeff Puster, Program Director, was present to speak for the Exchange Club Family Center. The mayor's recommendation totaled \$22,000. Mr. Puster advised that the money was used to provide parent education throughout Rutherford County. In particular, the organization provides parent education to men and women incarcerated at the Rutherford County Correctional Work Center. In addition, the organization supervises visits for parents when there is a

safety concern for the children. They also provide community education in the area of child abuse prevention.

La Vergne Senior Citizens: Ms. Donna Bebout, Senior Coordinator was present to speak for the La Vergne Senior Citizens. The mayor's recommendation totaled \$44,000. She advised that the funding was very much appreciated. The funds would be used for their daily operations. The center currently serves 451 seniors with an average of 37 seniors per day. The funds would go toward programming, trips, and to help enrich the quality of their lives.

Comm. Shafer advised that all of the senior centers helped with providing transportation to doctors' visits, grocery shopping, etc.

Mid-Cumberland Human Resource Agency: Debbie Willis, Site Coordinator for Meals-on-Wheels, and Deborah Holmes, In Home Services Director, were present to speak for the Mid-Cumberland Human Resource Agency. The mayor's recommendation totaled \$65,387. Ms. Willis stated that a nourishing meal delivered by a volunteer to someone who was not able to prepare the meal themselves made all of the difference in the world. She stated that it was also a safety check for seniors who lived alone. Ms. Holmes explained that the Homemaker Program was the elder abuse program, and the individuals were referred by Adult Protective Services. She stated that while Rutherford County only made up approximately 19% of the population that the agency served, Rutherford County made up approximately 40% of the referrals they received for adult protective services. She stated that Rutherford County had 12 life-threatening cases on the wait list. She stated that was because of a decrease in federal funding, as well as over a 200% increase in referrals in Rutherford County. Ms. Holmes advised that the funding for the Transportation Program provided funds for a capital match. Ms. Holmes explained that the dues had not been increased in 10 years, but was increased this year due to the census. Ms. Holmes explained that \$1,000 was requested for the Long-Term Care Ombudsman. This funding was not recommended. Ms. Holmes advised that the Ombudsman Program was an advocate program for individuals who were in nursing homes.

Motlow State Community College: the mayor's recommendation was \$100,000.

Pregnancy Support Center: Ms. Laura Messick, Director, was present to speak for the Pregnancy Support Center. The mayor's recommendation was \$3,000. Ms. Messick explained that the agency provided pregnancy tests and ultrasounds, material assistance for babies, including baby food and formula. The Pregnancy Support Center also provides abstinence education in the public schools and teen pregnancy prevention.

Relax and Ride: Chairman Ealy reminded the committee that at the May 17, 2012 County Commission meeting, and contract in the amount of \$19,555 was approved for the Relax and Ride Program. The recommended budget included this amount.

Rutherford County Primary Care and Hope Clinic: Sean Gilliland, Chief Information Officer, was present to speak for the Rutherford County Primary Care and Hope Clinic. The mayor's recommendation totaled \$50,000. Mr. Gilliland advised that May 2012 represented the 20th anniversary for the Primary Care and Hope Clinic in Rutherford County. He explained that the agency had experienced between 15% and 20% growth in the number of patients served over the last three years. He explained that in the last three months a new medical doctor and nurse practitioner had been added to the staff. He advised that they had just opened a third location at the Stonecrest Physician's Building. The agency also operates a mobile health unit with Middle Tennessee Medical Center.

St. Clair Senior Center: Candy Joyce, Vice Chair, was present to speak for the St. Clair Senior Center. The mayor's recommendation totaled \$155,000. Ms. Joyce advised that they had requested \$162,750 because of the substantial volume of participants. She explained an increase was requested because of the many services they provided. Ms. Joyce stated that 52% of the participants in the center were Rutherford County residents and outside the Murfreesboro participating area. She advised that these seniors were also tax payers, voters and volunteers. She advised that they were seeking accreditation through the national association.

Smyrna Senior Citizens: Ms. Wanda Chandler, Executive Director, was present to speak for the Smyrna Senior Citizens. The mayor's recommendation totaled \$45,000. Ms. Chandler advised that she appreciated the county's support over the years. She stated that the Smyrna Senior Center had been in existence for 40 years. Ms. Chandler advised that \$52,000 had been requested. She reported that the center had lost Trinity Church, and that amounted to approximately \$11,000 less in their funding. She stated that they were trying to do more fundraising, but they still experienced a shortfall in 2011 of approximately \$7,200. She stated that they had maintained the same budget of \$90,000 for four years.

Comm. Sandlin moved to increase the funding for the St. Clair Senior Center and the Smyrna Senior Citizens by \$5,000 each resulting in a total for the St. Clair Senior Center of \$160,000 and a total for the Smyrna Senior Citizens of \$50,000.

The motion died for the lack of a second.

Comm. Shafer stated that he believed that all of the organizations would like to have more money. He stated in the current economy the agencies have managed to keep up with the funding they have received even though the increase in participants was not providing the increases that were needed. He stated that the additional funding was not possible under the current conditions.

Comm. Sandlin moved, seconded by Comm. Jernigan to approve the 2012-13 Other Social, Cultural, and Recreation budget as recommended by the County Mayor totaling \$537,642.

The motion passed unanimously by acclamation.

TOURISM:

The mayor's recommendation for the 2012-13 Tourism budget totaled \$375,000.

Chamber of Commerce: Mrs. Mona Herring, Vice President of the Convention & Visitor's Bureau, was present to speak for the Chamber of Commerce. The mayor's recommendation was \$330,000 based on an approved formula of 30 percent of the hotel/motel tax collections. Mrs. Herring advised that the Chamber was very grateful for the county's support over the years. She advised that the funding formula had worked well, and had helped them bring meetings, conferences and sporting events to Rutherford County. She stated that Spring Fling, which was being held this week, would generate approximately \$3.5 million. The Sons of the Confederate Veterans would be coming in July.

Heritage Center: Ms. Jennifer Butt, Program Assistant, was present to speak for the Heritage Center. The mayor's recommendation was \$15,000. Ms. Butt advised that the Heritage Center appreciated the support. She stated that their main purpose was to serve as an orientation center for both local citizens and visitors to showcase the historic sites. The agency conducts walking tours around the historic square. She advised that the exhibits and everything that was done at the Heritage Center was free. She reported that school groups, including home-schooled students, visit the center.

Main Street, Inc.: Ms. Kathleen Herzog, Director, and Mr. Bill Shacklett, Chairman of the Board of Directors, were present to speak for Main Street, Inc. The mayor's recommendation totaled \$25,000. Ms. Herzog advised that Main Street, Inc. was 26 years old. She stated that the mission of Main Street was to maintain, promote, and enhance the beautiful historic downtown Murfreesboro. She explained that Main Street did not receive federal or state money. She stated that the money that was received from the City of Murfreesboro and the county helped to jump-start their budget. The wonderful events that take place on the historic square are free. She stated that without the support of the city and the county, they could not make it.

Mayor Burgess asked Ms. Herzog to tell about the Farmer's Market that took place in the inner circle around the courthouse.

Ms. Herzog advised that this would be the third year for the Farmer's Market, and it would start on June 2. She stated that the Farmer's Market had been very successful. The Farmer's Market takes place every Saturday morning from 8:00 A.M. until 12:00 P.M.

Oaklands Association: Mr. James Manning, Director, was present to speak for the Oaklands House Museum. The requested amount was \$10,000, and the mayor's recommendation was \$2,500. He stated that they struggled to maintain the house museum and the collection to the standards of a museum, but they also are able to take tourists through each room. They try to have as many hands on activities as possible.

Sam Davis Home: Ms. Anita Teague, Director, and Ms. Barbara Vincion, President, were present to speak for the Sam Davis Home. The requested amount was \$10,000, and the mayor's recommendation was \$2,500. Ms. Teague advised that the Sam Davis Association was very appreciative for the funding. She stated that the money would help to keep the doors open at the Sam Davis Home, and it would provide educational programs for the school children of the community to educate them about what life was like 150 years ago in this community, which helped to make the community what it was. Thousands of children and their parents attended the Days on the Farm event, and they were able to see what life was like on a 168 acre farm that still raised cotton.

Ms. Vincion advised that the board was very active in the events that took place at the Sam Davis Home. She stated that they try very hard to raise money, but the Sam Davis Home closes for the month of January due to the lack of funds.

Following discussion, Comm. Sandlin moved, seconded by Comm. Baum to approve the 2012-13 Tourism budget as recommended by the County Mayor totaling \$375,000.

The motion passed unanimously by acclamation.

2012-13 INDUSTRIAL/ECONOMIC DEVELOPMENT FUND:

The Finance Director advised that the revenue that was received for the Industrial/Economic Development Fund was derived from the interest on a note from the Smyrna/Rutherford County Airport authority. Previously, the interest on a note from Wherry Housing was allocated to this fund, but Wherry Housing paid off their note this fiscal year. The 2012-13 estimated revenue for the Industrial/Economic Development Fund was \$24,698.

The Industrial/Economic Development Fund provides funding for Destination Rutherford at \$130,000, the Economic Development Council at \$96,500, and a payment to the Town of Smyrna for \$17,030. The total estimated expenditures for 2012-13 were \$243,777.

The Finance Director provided information that reflected that if the same revenue and expenditures continued to be budgeted in the Industrial/Economic Development Fund, there would be a problem in 2017-18.

Destination Rutherford: Mr. Bill Jones was present to speak for Destination Rutherford. The mayor's recommendation was \$130,000. Mr. Jones explained that when the Destination Rutherford program began, it was as a business arrangement. It was expected that those who made investments in the program would see a return on their investment. He stated that he believed the program was living up to that. He stated that he had looked at six deals that Destination Rutherford was intimately involved in over the last nine years. He stated that in looking at those six deals, there was a strong chance that they would not be located in Rutherford County if it was not for the expertise in personnel that Rutherford County's funding helped to provide. Those six deals provided approximately \$761,000 in property tax payments annually. He stated that the economic development activity had picked up, and there were a significant number of companies looking at Rutherford County. He stated that the Chamber appreciated everything that the county had provided in the past nine years.

Economic Development Council: Ms. Stephanie Brackman was present to speak for the Economic Development Council. The County Mayor's recommendation totaled \$96,500. Ms. Brackman advised that the economic development function of the Chamber of Commerce worked very hard to promote economic development in a lot of different ways. The primary way was to recruit new businesses to the community and to Rutherford County. In addition, there were two other forms of focus, such as working on business expansion and also working with existing industries in Rutherford County. She stated that the industries in Rutherford County were at the cornerstone of the economic impetus of what

was located in Rutherford County. The Economic Development Council works very closely with Destination Rutherford.

Mr. Jones advised that part of Destination Rutherford's 2015 plan was to help 200 of the county's existing industries to grow and expand over the next five years. He stated that the industries already in existence were just as important as getting new industries to come.

Following review, Comm. Jernigan moved, seconded by Comm. Peay to approve the 2012-13 Industrial/Economic Development Fund budget with projected revenue totaling \$24,698 and estimated expenditures totaling \$243,777 as recommended by the County Mayor.

The motion passed unanimously by acclamation.

2012-13 GENERAL FUND (CONT'D)

COMMUNITY CARE:

Mr. Mark King, Community Care Director, was present to answer questions regarding the 2012-13 Community Care budget. The mayor's recommendation totaled \$15,000.

Mr. King advised that he accepted the mayor's recommendation.

Comm. Sandlin moved, seconded by Comm. Jernigan to approve the 2012-13 Community Care budget as recommended by the County Mayor totaling \$15,000.

The motion passed unanimously by acclamation.

TENNESSEE REHABILITATION CENTER:

Ms. Pam Furlong, Manager of the Tennessee Rehabilitation Center at Murfreesboro, was present to answer questions regarding the 2012-13 budget. The mayor's recommendation totaled \$43,500.

Ms. Furlong advised that she accepted the mayor's recommendation.

Comm. Sandlin moved, seconded by Comm. Peay to approve the 2012-13 Tennessee Rehabilitation Center budget totaling \$43,500 as recommended by the County Mayor.

The motion passed unanimously by acclamation.

JOURNEYS IN COMMUNITY LIVING:

Ms. Betty McNeely, Executive Director, was present to answer questions regarding the 2012-13 budget. The mayor's recommendation totaled \$32,000.

Ms. McNeely explained that their name was formerly the Adult Activity Center. She stated that the Adult Activity Center name did not really reflect what they did. She stated that they had journeyed, and they realized that their clients could work independently. The clients can live in regular neighborhoods and in their own homes, and give back to the community through volunteer work. She stated that it was decided that the name of the organization should reflect all of the things that were done for the clients and all of the things that the clients did for the community.

Mayor Burgess noted that Journeys in Community Living held an annual banquet/fundraiser. Ms. McNeely extended an invitation for everyone to attend.

Comm. Jernigan moved, seconded by Comm. Baum to approve the 2012-13 Journeys in Community Living budget totaling \$32,000 as recommended by the County Mayor.

The motion passed unanimously by acclamation.

LINEBAUGH LIBRARY:

Mrs. Rita Shacklett, Linebaugh Library Director, was present to answer questions regarding the 2012-13 budget. The mayor's recommendation totaled \$1,183,500, which was an increase of approximately 2.5 percent. He noted that the request from Linebaugh was \$1,221,724.

Mrs. Shacklett advised that more funding was requested. She explained that the building would be 20 years old this year, and they were beginning to have some major issues with the chiller, and it would cost in excess of \$200,000 to replace it. She stated that the chiller had lasted seven years past its life expectancy. There were also problems with the outside elevator, and she has been told that parts for the elevator are not made anymore. The entire elevator needs replacing, because it is exposed to the outside elements. The estimated cost to replace the elevator was in excess of \$100,000. She stated that the library was trying to do the best they could with what they had, and hoped that the repairmen could keep things going. Their only source of funding was from book fines. The book budget was supplemented by memorial books, but it was not enough. The library serves all of Rutherford County with locations in Eagleville, Smyrna, a location at Patterson Park, which was fully funded by the City of Murfreesboro, and the bookmobile that served all of Rutherford County. She stated that she truly appreciated the increase, and she understood, but the library was looking at some major repairs and they were out of space. She stated that these issues were the reason for requesting an increase.

Comm. Jernigan moved, seconded by Comm. Sandlin to approve the 2012-13 Linebaugh Library budget totaling \$1,183,500 as recommended by the County Mayor.

The motion passed unanimously by acclamation.

GEOGRAPHIC INFORMATION SYSTEMS:

Mr. Brian Robertson, Information Technology Director, Mr. Doug Brown, Technical Services Manager, and Mrs. Barbara Marlin, GIS Manager, were present to answer questions regarding the 2012-13 GIS budget. The mayor's recommendation totaled \$1,173,380, which was approximately \$60,000 less than the current budget.

Mayor Burgess explained that the GIS budget included the pay increases due to the re-valuation of the department personnel. Account 51760-334, Maintenance Agreements, was increased by approximately \$17,000, but a large part of the account would be reimbursed by the municipalities. Account 51760-799, Other Equipment, reflected a decrease of approximately \$148,000, because next year would be the off-year for the flyover. Even though the line item was reduced, the account would provide funding for oblique imagery software for the Property Assessor's Office at a cost of \$282,000. The software will allow a flyover that will capture images from various angles. This software will allow the Property Assessor's office to substantially improve their ability to appraise property from the office as opposed to being on-site.

Comm. Peay asked why the cost for the software would not be included in the Assessor's budget.

Mayor Burgess advised that the GIS Office and the Information Technology Office would install the software and support the software.

Mr. Robertson advised that a lot of the GIS expenditures were included in the GIS budget, which had been the case from the beginning. He explained that most of the GIS assets that the county invested in and the GIS Office maintained benefited multiple agencies. He stated that the pictometry software would have high usage by the Property Assessor's Office but many agencies would benefit from it. He explained that Mr. Boner held a meeting concerning the pictometry, and several agencies were invited including the Sheriff's Office.

Mrs. Marlin also explained that fire departments especially liked the software, because it would allow them to measure the fire potential in a building and to see what their water needs would be.

Comm. Shafer stated that the software would also allow for structures to be rotated in order to see all sides.

Mr. Robertson advised that Emergency Management utilized funds from a grant to purchase pictometry software several years ago.

Ms. Marlin advised that the software could be completely integrated with the existing GIS systems. She stated that the cost would allow them to capture the imagery. There would not be another cost, unless another piece of software was purchased. The quote included one flight for three years. If another flight was done in a few years, there would be another price for that. She stated that the county would not be obligated to do that.

Comm. Peay stated that the City of Murfreesboro and the other municipalities participated in the flyover, and he asked if they were going to participate in the cost of the pictometry software.

Mr. Robertson advised that the cities had not been approached to participate in a cost-share arrangement for this function.

Comm. Peay stated that he would like for the other municipalities to be approached about participating in the project.

Mayor Burgess advised that in the meeting Mr. Robertson referred to, there were some representatives from Davidson County present who were using the software. He stated that it appeared that over a period of time, the number of property appraisers needed could be reduced. He stated that other counties were already beginning to see the benefits of that.

Mr. Robertson advised that from a revenue standpoint, the Rutherford County Emergency Communications District intended to contribute \$50,000 toward the joint GIS mapping effort. Consolidated Utility District also intended to contribute \$50,000. He has projected \$8,000 in map production fees. It is anticipated that approximately \$114,000 will be received from the municipalities toward GIS efforts. The City of Murfreesboro contributes \$46,900 for the data acquisition, itself, beyond the licensing agreement. The total anticipated revenue relating to GIS activities was \$268,000.

Mr. Robertson stated that in regards to the Data Processing budget (52600), the cost of having channel 19 on the air was approximately \$170,000. The revenue from Comcast franchise fees and AT&T franchise fees offset this cost. The estimated revenue from the franchise fees was approximately \$700,000. Community Care also contributes \$12,000 for OIT's support of their computer system.

Following discussion, Comm. Sandlin moved, seconded by Comm. Jernigan to approve the 2012-13 Geographic Information Systems budget totaling \$1,173,380 as recommended by the County Mayor.

The motion passed unanimously by acclamation.

INFORMATION TECHNOLOGY:

The mayor's recommendation for the 2012-13 Information Technology budget totaled \$2,088,640, which was \$216,975 more than the previous year. The budget included the pay increases due to the re-valuation of the pay plan. Account 52600-317, Data Processing Services, budgeted at \$144,000, reflected an increase of \$24,356, which was due primarily to off-site security and otherwise. The increase in the Maintenance Agreements Account was due to covering a wider range of Microsoft Enterprise licensing. Data Processing Equipment budgeted at \$515,000 reflected an increase of \$93,000 to cover the cost of the Judicial Building phone system and to make the building accessible through the wireless process.

Mr. Brown advised that as the county became more reliant on the network operations data, it increased the need to be more resilient. Several years has been spent in designing the county's system so that it could be better used and to be able to shift some operations off-site in order to be able to operate off-site in the event of a natural disaster. There has been an effort to design the systems in such a way that operations could take place the next day after a disaster, if necessary. Account 52600-317, Data Processing Services, budgeted at \$144,000 included funding to rent space in the State Data Center in Smyrna, which was a hardened facility with backup power, air conditioning, and security. Account 52600-709, Data Processing Equipment, budgeted at \$515,000 included funding for Phase III of a three-

year plan to provide backup of the most critical data, and would get approximately 50% of the most critical data off-site in another city. This would also allow for shifting approximately 50% of the servers to run in some diminished capacity, with the capability to run the financial operations such as payroll and accounts payable.

Comm. Peay asked if the Sheriff's Department implementing their own IT Department impacted the OIT budget.

Mr. Robertson advised that the Maintenance Agreements Account was not increased as much as it would have been if his office was still providing services for the Sheriff's Department. He also advised that \$30,000 was removed from the Data Processing Equipment Account, because the Sheriff's Department would be acquiring computers within their budget instead of OIT purchasing them.

Comm. Sandlin asked about the current expenditures in Account 52600-709, Data Processing Equipment.

Mr. Robertson advised that the account would be completely spent by the end of the year. He stated that he intentionally waited until the end of the year to spend money for data processing equipment in case there was an emergency during the year that would require unexpected purchases. He stated that there would be three or four major projects that the money would be used for.

Mr. Brown stated that with the three-phase plan he mentioned, the OIT Department was actually able to implement phase 3.1 in the current fiscal year.

Comm. Peay stated that the Federal Government was pushing private industries to do more in regards to security. He asked Mr. Robertson if the security efforts he mentioned were to prevent a cyber-attack on some of the facilities.

Mr. Robertson advised that there had been an instance, which he categorized as a random defacement and not a targeted attack. It consisted of a webpage having some propaganda on it for about 22 minutes, and they were able to get rid of it. As a result, multiple tiers of security have been put in place.

Following discussion, Comm. Peay moved, seconded by Comm. Jernigan to approve the 2012-13 Information Technology budget totaling \$2,088,640 as recommended by the County Mayor.

The motion passed unanimously by acclamation.

HEALTH DEPARTMENT:

Ms. Dana Garrett, Health Department Director, was present to answer questions regarding the 2012-13 Health Department budget. The mayor's recommendation totaled \$659,131, which funded Rutherford County's contribution for the local health department. Mayor Burgess stated that the increases were nominal and primarily reflected the re-valuation of the pay plan.

Comm. Jernigan moved, seconded by Comm. Peay to approve the 2012-13 Local Health Department budget totaling \$659,131 as recommended by the County Mayor.

The motion passed unanimously by acclamation.

DENTAL HEALTH PROGRAM:

The mayor's recommendation for the 2012-13 Dental Health Program budget totaled \$12,400. The budget provided funding for the professional dues and supplies for the dentist. The state-funded budget provided funds to pay the dentist.

Comm. Jernigan moved, seconded by Comm. Sandlin to approve the 2012-13 Dental Health Program budget as recommended by the County Mayor totaling \$12,400.

The motion passed unanimously by acclamation.

OTHER LOCAL HEALTH SERVICES:

The mayor's recommendation for the 2012-13 Other Local Health Services budget totaled \$1,984,396. This budget is fully reimbursed by the State Department of Health.

Comm. Peay moved, seconded by Comm. Jernigan to approve the 2012-13 Other Local Health Services budget as recommended by the County Mayor totaling \$1,984,396.

The Finance Director advised that the budget included one new full time employee and four new part time positions, but fully funded by the state.

Following discussion, the motion to approve the 2012-13 Other Local Health Services budget as recommended by the County Mayor totaling \$1,984,396 passed unanimously by acclamation.

PET ADOPTION & WELFARE SERVICES:

Mr. Michael Gregory, PAWS Director, was present to answer questions regarding the 2012-13 Pet Adoption & Welfare Services budget. The mayor's recommendation totaled \$1,402,230.

Mr. Gregory advised that the largest increase was for the Employee and Dependent Insurance.

Mayor Burgess advised that the position previously paid from Account 55120-161, Secretary, had been reclassified to an Animal Control Officer and was being budgeted in Account 55120-164, Attendants.

Comm. Shafer asked about the coverage for the municipalities.

Mayor Burgess advised that PAWS provided services for all of Rutherford County including the municipalities.

Following review, Comm. Jernigan moved, seconded by Comm. Sandlin to approve the 2012-13 Pet Adoption & Welfare Services budget totaling \$1,402,230.

The motion passed unanimously by acclamation.

SANITATION & WASTE REMOVAL:

Chairman Ealy advised that the Sanitation & Waste Removal budget provided funding for the Contract with Appertain for the dead stock removal.

The mayor's recommendation totaled \$33,100.

Comm. Peay moved, seconded by Comm. Sandlin to approve the 2012-13 Sanitation & Waste Removal budget totaling \$33,100 as recommended by the County Mayor.

The motion passed unanimously by acclamation.

OTHER PUBLIC HEALTH & WELFARE:

Chairman Ealy advised that the Other Public Health & Welfare budget provided funding for the medical examiner and for the payment of autopsies.

The mayor's recommendation totaled \$193,000.

Comm. Sandlin moved, seconded by Comm. Jernigan to approve the 2012-13 Other Public Health & Welfare budget totaling \$193,000 as recommended by the County Mayor.

The motion passed unanimously by acclamation.

SENIOR CITIZENS ASSISTANCE:

Chairman Ealy advised that the Senior Citizens Assistance budget provided a contribution for the Retired Senior Volunteer Program.

The mayor's recommendation totaled \$1,500.

Comm. Jernigan moved, seconded by Comm. Peay to approve the 2012-13 Senior Citizens Assistance budget for the Retired Senior Volunteer Program totaling \$1,500 as recommended by the County Mayor.

The motion passed unanimously by acclamation.

RECREATION:

Mr. Ben Cates, Recreation Director, was present to answer questions regarding the 2012-13 Recreation budget. The mayor's recommendation totaled \$409,175, which was an increase of \$21,840.

Mayor Burgess stated that the county recreation program was a wonderful program, and the additional funding would provide for three additional sites-- two in the summer and one in the winter. Account 56700-316, recommended at \$110,000 provided funding for the Stones River Greenway and was based on ten percent of the Hotel/Motel Tax.

Comm. Jernigan moved, seconded by Comm. Peay to approve the 2012-13 Recreation budget totaling \$409,175 as recommended by the County Mayor.

The motion passed unanimously by acclamation.

AGRICULTURE EXTENSION:

Mr. Anthony Tuggle, Agriculture Extension Center Director, was present to answer questions regarding the 2012-13 Agriculture Extension Center budget. The mayor's recommendation totaled \$707,096, which was approximately \$30,000 less than the prior year.

Mr. Burgess explained that Account 101-57100-169, Part Time Personnel, had been eliminated with the money being moved into Account 101-57100-189, Other Salaries and Wages, to cover funding for the Grounds Manager and a marketing manager for the Farmers' Market. Account 57100-309, Contracts with Government Agencies, budgeted at \$274,601 reflected an increase of \$35,548 and provided funding for the cost-share arrangement with the University of Tennessee and Tennessee State University.

Mr. Tuggle advised that he accepted the mayor's recommendation.

Comm. Peay moved, seconded by Comm. Sandlin to approve the 2012-13 Agriculture Extension Center budget totaling \$707,096 as recommended by the County Mayor.

The motion passed unanimously by acclamation.

SOIL CONSERVATION:

Mrs. Delia Goodman, Conservation Board, represented the 2012-13 Soil Conservation budget. The mayor's recommendation totaled \$119,470.

Comm. Sandlin moved, seconded by Comm. Jernigan to approve the 2012-13 Soil Conservation budget as recommended by the County Mayor totaling \$119,470.

The motion passed unanimously by acclamation.

OTHER ECONOMIC & COMMUNITY DEVELOPMENT:

Chairman Ealy advised that the Other Economic & Community Development budget provided funding for the HOME Grant through the Tennessee Housing Authority.

The mayor's recommendation totaled \$222,868.

The Finance Director advised that there was offsetting revenue for the HOME Grant budget, which was administered by the Greater Nashville Regional Council.

Comm. Peay moved, seconded by Comm. Jernigan to approve the 2012-13 Other Economic & Community Development budget as recommended by the County Mayor totaling \$222,868.

The motion passed unanimously by acclamation.

OTHER CHARGES:

The Other Charges budget provided funding for the county garage. The mayor's recommendation totaled \$293,290 and reflected a continuation budget.

Comm. Jernigan moved, seconded by Comm. Sandlin to approve the 2012-13 Other Charges budget totaling \$293,290 as recommended by the County Mayor.

The motion passed unanimously by acclamation.

EMPLOYEE BENEFITS:

The mayor's recommendation for the 2012-13 Employee Benefits budget totaled \$696,500.

The Finance Director advised that the budget provided funding for the pooled account for Employee and Dependent Insurance and was used to make amendments for the employee insurance as necessary after open enrollment. The budget also provided funding for Unemployment Compensation, the retirees' health insurance matching, and the General Fund's contribution to the OJI Program.

Comm. Jernigan moved, seconded by Comm. Peay to approve the 2012-13 Employee Benefits budget totaling \$696,500 as recommended by the County Mayor.

The motion passed unanimously by acclamation.

PAYMENT TO CITIES:

The mayor's recommendation for the 2012-13 Payment to Cities budget totaled \$1,928,146 and provided funding to the Town of Smyrna for their share of the Nissan Payment in Lieu of Taxes.

Comm. Peay moved, seconded by Comm. Jernigan to approve the 2012-13 Payment to Cities budget as recommended by the County Mayor totaling \$1,928,146.

The motion passed unanimously by acclamation.

MISCELLANEOUS:

The mayor's recommendation for the 2012-13 Miscellaneous budget totaled \$1,881,400, and provided funding for the contingency account for gasoline amendments, the County General's share for judgments for the payment of liability claims, and Trustee's Commission.

Comm. Jernigan moved, seconded by Comm. Peay to approve the 2012-13 Miscellaneous budget as recommended by the County Mayor totaling \$1,881,400.

The motion passed unanimously by acclamation.

2012-13 SOLID WASTE/SANITATION FUND

Mr. Mac Nolen, Solid Waste Director was present to answer questions regarding the 2012-13 Solid Waste budget.

The Finance Director advised that the projected revenue totaled \$2,707,500. The Solid Waste Fund does not receive any property tax revenue.

SANITATION/EDUCATION INFORMATION (LITTER GRANT):

The mayor's recommendation for the 2012-13 Litter Grant budget totaled \$134,630.

Comm. Jernigan moved, seconded by Comm. Peay to approve the 2012-13 Litter Grant budget totaling \$134,630 as recommended by the County Mayor.

The motion passed unanimously by acclamation.

CONVENIENCE CENTERS:

The County Mayor's recommendation for the 2012-13 Convenience Centers budget totaled \$2,288,479. Mayor Burgess advised that Account 116-55732-149, Laborers, budgeted at \$383,050 provided funding for the Convenience Center operators and included a 25 cents per hour pay increase. Account 55732-724, Site Development, was recommended at \$125,000 for the potential need of moving some of the locations.

Comm. Jernigan moved, seconded by Comm. Peay to approve the 2012-13 Convenience Centers budget as recommended by the County Mayor totaling \$2,288,479.

The motion passed unanimously by acclamation.

OTHER WASTE COLLECTION (RECYCLING):

The County Mayor's recommendation for the 2012-13 Recycling budget totaled \$136,065. The Other Waste Collection budget provided funding for the Haley Road site, as well as the unmanned site at the Kroger Store in Smyrna.

Comm. Jernigan moved, seconded by Comm. Sandlin to approve the 2012-13 Other Waste Collection budget as recommended by the County Mayor totaling \$136,065.

The motion passed unanimously by acclamation.

LANDFILL OPERATIONS AND MAINTENANCE:

The County Mayor's recommendation for the 2012-13 Landfill Operations and Maintenance budget totaled \$847,372. Account 116-55754-312, Contracts with Private Agencies, budgeted at \$200,000 reflected a \$60,000 increase. The account provided funding for the contractor to move dirt and to perform construction-like activity.

Mr. Nolen explained that some leachate recovery would be performed next year.

Mayor Burgess stated that the leachate recovery would be an on-going process. He explained that the budget also included funding for Engineering Services to help put a plan in place that was acceptable to the state.

Mr. Nolen advised that he accepted the mayor's recommendation.

Comm. Jernigan moved, seconded by Comm. Shafer to approve the 2012-13 Landfill Operations and Maintenance budget totaling \$847,372 as recommended by the County Mayor.

The motion passed unanimously by acclamation.

POSTCLOSURE CARE COSTS:

The County Mayor's recommendation for the 2012-13 Postclosure Care Costs budget totaled \$340,000, which was an increase of \$95,000.

Mr. Nolen advised that the budget provided funding to keep the closed landfill in compliance according to state regulations. Mr. Nolen advised that the closed landfill was old enough that he was looking at doing a minor modification to the landfill permit to eliminate the methane torches. He explained that currently there were 44 flares that burned off the methane. He stated that they were all installed in the 1990's, and he could not buy parts for them.

Comm. Peay moved, seconded by Comm. Jernigan to approve the 2012-13 Postclosure Care Costs budget as recommended by the County Mayor totaling \$340,000.

The motion passed unanimously by acclamation.

EMPLOYEE BENEFITS:

The County Mayor's recommendation for the 2012-13 Employee Benefits budget totaled \$26,040.

The Finance Director advised that the budget provided funding for Unemployment Compensation and the Solid Waste share to the OJI Program.

Comm. Jernigan moved, seconded by Comm. Sandlin to approve the 2012-13 Employee Benefits budget totaling \$26,040.

The motion passed unanimously by acclamation.

MISCELLANEOUS:

The County Mayor's recommendation for the 2012-13 Miscellaneous budget totaled \$45,900.

The Finance Director advised that the Miscellaneous budget provided funding for Building and Contents Insurance, Judgments for the payment of liability claims, Liability Insurance, and Trustee's Commission.

Comm. Jernigan moved, seconded by Comm. Sandlin to approve the 2012-13 Miscellaneous budget totaling \$45,900 as recommended by the County Mayor.

The motion passed unanimously by acclamation.

2012-13 AMBULANCE SERVICE FUND

Mr. Mike Nunley, Ambulance Service Director, and Mrs. Melanie Meshotto were present to answer questions regarding the 2012-13 Ambulance Service Fund budget. The mayor's recommendation totaled \$10,637,880, which was a reduction of \$207,409.

The Finance Director advised that the projected revenue for the 2012-13 Ambulance Service Fund was \$11,352,694. The fund currently receives \$.0829 cents on the property tax rate. One-half of the revenue was derived from local taxes, and one-half was derived from other charges for services.

Mayor Burgess noted that the revenue from patient charges in the current year budget was \$5.6 million, and \$6.2 million was being projected for next year. He stated that the billing company that had been put in place was producing excellent results.

Mayor Burgess advised that Account 118-55130-105, Supervisor/Director, reflected one eliminated position, and no new positions had been added. Account 118-55130-399, Other Contracted Services, was budgeted at \$314,800 and reflected an increase of \$89,000 due to the billing company collecting

more revenue of which they receive a percentage of the collections. Mayor Burgess explained other increases and decreases in the Ambulance Service Fund budget.

Mr. Nunley accepted the mayor's recommendation.

Comm. Peay moved, seconded by Comm. Jernigan to approve the 2012-13 Ambulance Service Fund budget with projected revenue totaling \$11,352,694 and estimated expenditures totaling \$10,637,880.

The motion passed unanimously by acclamation.

2012-13 HIGHWAY FUND BUDGET

Mr. Mike Williams, Highway Superintendent, and Mrs. Merry Hickerson were present to answer questions regarding the 2012-13 Highway Fund budget.

Chairman Ealy advised the County Mayor did not make a recommendation on the Highway Fund.

Comm. Sandlin thanked Mr. Williams for his years of service.

Mr. Williams stated that he had some excellent help.

The Finance Director provided a copy of the Highway Revenue Certification Worksheet to illustrate that the county was meeting the maintenance of effort. As a result, she recommended that the estimate for Local Option Sales Tax be increased from \$200,000 to \$260,000, and that the estimate for Mineral Severance Tax be increased from \$200,000 to \$250,000. The total revised estimated revenue was \$7,918,442. The estimated expenditures totaled \$9,378,799. The Finance Director advised that the Revenue Certification Worksheet provided a comparison of the five-year average of local revenue with the amount of local revenue appropriated for 2012-13. After the books are closed at the end of the year, and if the maintenance of effort was not met, the local revenue would have to be adjusted after the beginning of the fiscal year. She advised that other revenue in the fund such as gas tax and other state revenue were limited as to what they could be used for.

Mr. Williams advised that as the price of gas increased, purchases decreased, but the gas tax per gallon remained the same. He stated that the gasoline projection for the current year was down.

Mr. Williams advised that last year's Highway Fund budget totaled \$9,907,445. The estimated expenditures for 2012-13 totaled \$9,378,799, which resulted in a decrease of \$528,646. The majority of the decrease was reflected in Account 131-68000-726, State Aid Projects, which decreased from \$857,860 to \$279,860. Mr. Williams explained that if all of the State Aid funding was not spent, the state reserved it. Last year there was a large amount in the fund balance, and the Highway Department received \$857,860. The normal amount is \$279,860, which is the budgeted amount for 2012-13. Mr. Williams stated that this account reflected the major decrease in the budget.

Mr. Williams advised that there were three less employees in the budget for the coming year. There were 64 total positions with three vacancies. Other decreases to the budget were \$5,000 less for Natural Gas, \$20,000 less for Liability Insurance, \$50,000 less for Crushed Stone, and \$50,000 less for Road Signs. He explained that all of the highway name signs and stop signs had been installed even though he had found out that it did not have to be done immediately.

Comm. Peay asked Mr. Williams what the State Aid money was spent on last year.

Mr. Williams advised that paving was done on the Old Nashville Highway and the Woodbury Highway.

The Finance Director advised that the total recommended by the Highway Board for Administration was \$685,359, Highway and Bridge Maintenance - \$5,985,350, Operation and Maintenance of Equipment - \$1,239,585, Other Charges (Public Works) - \$534,325, Employee Benefits - \$209,320, and Capital Outlay - \$724,860. The Finance Director advised that the budget included offsetting revenue for Account 68000-705, Bridge Construction, estimated at \$150,000 and Account 68000-726, State Aid

Projects, estimated at \$279,860. The total 2012-13 estimated expenditures for the Highway Fund were \$9,378,799.

Mrs. Hickerson stated that all of the State Aid Projects Account was state funded, and a portion of the Bridge Construction Account was state funded.

Following discussion, Comm. Peay moved, seconded by Comm. Sandlin to approve the 2012-13 Highway Fund budget with projected revenue totaling \$7,918,442 and estimated expenditures totaling \$9,378,799.

The motion passed by acclamation with Comm. Jernigan voting "pass".

2012-13 GENERAL DEBT SERVICE FUND

The Finance Director advised that the estimated revenue for the 2012-13 General Debt Service Fund was \$39,064,479, and the estimated expenditures were \$41,651,683. The Finance Director provided a summary of Rutherford County's outstanding debt reflecting the total outstanding debt as of June 30, 2012 would be \$379,345,000. In 2012-13 the county would be scheduled to pay off \$24,640,000 in principal, which would bring the outstanding debt at June 30, 2013 to \$354,705,000.

The total outstanding debt paid from the General Purpose School Fund at June 30, 2012 was \$1,953,135 not including the new lease agreement for the water upgrades. In 2012-13, the School Board was scheduled to retire \$959,033 in principal payments with the outstanding debt at June 30, 2013 being \$994,102.

The Finance Director also provided a schedule of principal and interest requirements by year. For the fiscal year ending 2013, 84% of the principal and interest payments were for education and 16% were for general government.

The Finance Director provided an analysis of what a penny was worth for the past 10 years, which reflected how much property tax was actually collected on an audited basis for the Debt Service Fund, and what a penny was actually worth.

The Finance Director provided an analysis of the debt service projections, noting that next year \$2,587,204 of the fund balance would be used to fund the budget. She explained that when she was developing the estimate of revenue for 2012-13, she used the assumption that there would be a two percent increase in the penny rate from 2012-2016, three percent increase for 2017-2020, and a four percent increase after that. She stated that this was a conservative approach in estimating revenue. If the penny does not increase as much as the assumptions indicate, the requirement would still be met using a 65% assumption. She advised that there might be a potential problem in 2013-14, but if the assessments are better, there might not be a problem. The analysis also assumed that the county would not be borrowing additional money.

The estimated beginning Assigned Fund Balance at July 1, 2012 was \$32,751,000, and the estimated ending Assigned Fund Balance at June 30, 2013 was \$30,163,796, which was 72% of the appropriations. The Finance Director stated that she would not recommend moving any pennies from the property tax rate out of the Debt Service Fund.

Following discussion, Comm. Peay moved, seconded by Comm. Baum to approve the 2012-13 General Debt Service Fund budget with projected revenue totaling \$39,064,479 and estimated expenditures totaling \$41,651,683 utilizing \$2,587,204 of the ending fund balance.

The motion passed unanimously by acclamation.

Comm. Shafer asked if two new funds should be set up – one for the judgment accounts and another for unfunded mandates.

The Finance Director advised that there was a separate fund for the payment of liability claims. Each fund that the committee approved budgets for contained a judgment account for their contribution to the Self-Insurance Fund for the payment of claims.

ADJOURNMENT:

Chairman Ealy reminded the committee of the joint meeting with the Health and Education Committee on May 22 at the School Board Central Office beginning at 5:00 P.M. The next Budget Committee meeting would be on May 29 at 5:30 P.M.

There being no further business to be presented at this time, Chairman Ealy declared the meeting adjourned at 7:59 P.M.

Elaine Short, Secretary