

**BUDGET, FINANCE & INVESTMENT COMMITTEE**

**January 9, 2014**

**5:30 P.M.**

**Courthouse**

MINUTES:

Members Present:

Comm. Charlie Baum  
Comm. Joe Frank Jernigan  
Comm. Will Jordan  
Comm. Robert Peay  
Comm. Steve Sandlin  
Comm. Doug Shafer  
Comm. Joyce Ealy, Chr.

Others Present:

Ernest Burgess  
Mac Nolen  
Mary Schneider  
Lisa Nolen  
Lynn Duke  
Jeff Davidson  
Jeff Sandvig

Others Present:

Joe Russell  
Todd Savage  
Sumner Bouldin  
Robbie King  
Mark Tucker  
Michael Gregory  
Robert Brown

Chairman Ealy presided and called the meeting to order with all members being present.

APPROVE MINUTES:

Comm. Shafer moved, seconded by Comm. Jernigan to approve the minutes of the December 5, 2013 Budget Committee meeting as presented.

The motion passed unanimously by acclamation.

INVESTMENT REPORT:

The committee reviewed the monthly Investment Report noting that no investments were bid this month. The LGIP interest rate for the month remained at .09%.

Comm. Peay moved, seconded by Comm. Sandlin to approve the Investment Report as presented.

The motion passed unanimously by acclamation.

FUND CONDITION REPORT:

Lisa Nolen, Finance Director, presented the monthly Fund Condition Report for the use and information of the committee advising that the Development Tax collections for the month of December totaled \$123,000 with the year-to-date collections being \$2,109,750. This compared to the previous year when the monthly Development Tax collections were \$114,000, and the year-to-date collections were \$860,250.

The committee reviewed the fund cash balances totaling \$183,672,390 with operating funds being \$172,734,883 and borrowed funds being \$10,937,507. This compared to the same period last year when the total cash balances were \$187,452,703 with operating funds being \$168,044,337 and borrowed funds being \$19,408,366.

The Finance Director noted that there was an item later in the agenda to approve an amendment to eliminate the negative balance in the Elam Road Fire Station line item.

The Finance Director reviewed the revenue collections advising that the General Fund revenue was at 51.96% of budget, which is at a level higher than previous years to this point. This is due to increase in PILOT agreements, current property tax and development tax collections.

It was also noted that current property tax collections through December were at 52.43% of the levy compared to 50.58% of the levy last year.

Following review, Comm. Sandlin moved, seconded by Comm. Jordan to approve the Fund Condition Report as presented.

The motion passed unanimously by acclamation.

### RISK MANAGEMENT REPORT

The Finance Director presented the monthly Risk Management Financial Report for the use and information of the committee advising that the cost per employee per month for the medical, dental and vision program was \$1,028.21 compared to \$838.70 for the prior year. The average cost per month was \$858.16 compared to \$863.81 for the prior year. When including the on-site medical clinics, the average cost per employee per month was \$891.38 compared to \$896.79 for the prior year for a trend of -0.6%.

For the Work Injury Fund performance, the year-to-date claims totaled \$246,719.72 compared to \$431,374.83 for the prior year. She also noted that a large claim related to the general fund would be coming through in the next month.

Following review, Comm. Jordan moved, seconded by Comm. Jernigan to approve the Risk Management Financial Report as presented.

The motion passed unanimously by acclamation.

### **GENERAL FUND BUDGET AMENDMENTS**

#### JUVENILE DETENTION:

Lynn Duke was present to request approval of a budget amendment for Juvenile Detention for a previously approved Title 1 grant. The State amended the grant to include an additional \$2,000:

Increase Revenues:	101-47141	– Title I Grants	\$ 2,000
Increase Expend.:	101-54240-429-TITL1	– Instr. Supp.	\$ 500
	101-54240-499-TITL1	– Other Supp.	\$ 1,500

Comm. Peay moved, seconded by Comm. Shafer to approve the budget amendment as requested.

The motion passed unanimously by roll call vote.

#### PET ADOPTION & WELFARE SERVICES:

Michael Gregory was present to request approval of a budget transfer for PAWS to fund the cost of materials, the speaker and conference room space for a conference they will be hosting. Revenues from the conference participants will be requested to go back to the supplies line item at a later date:

Decrease Expend.:	101-55120-413	– Drug/Med. Supplies	\$ 5,000
Increase Expend.:	101-55120-196	– In-Service Training	\$ 5,000

Comm. Sandlin moved, seconded by Comm. Peay to approve the budget transfer as requested.

The motion passed unanimously by roll call vote.

Michael Gregory also requested approval of a budget transfer to replace their phone system. A portion of the funds are already budgeted in the OIT department for the replacement which will cost about \$57,000. Additional funds will be transferred to OIT as follows:

Increase Expend.:	101-52600-709	– Data Process. Equip.	\$19,818
Decrease Expend.:	101-55120-413	– Drugs & Med Supplies	\$ 4,818
	101-51300-599	– Other Charges	\$15,000

Comm. Jernigan moved, seconded by Comm. Jordan to approve the budget transfer as requested.

The motion passed by roll call vote with Commissioner Peay voting “no.”

CORRECTIONAL WORK CENTER:

Mayor Burgess presented a budget transfer for repairs to the boiler at the Correctional Work Center:

Decrease Expend.:	101-54220-399 – Other Contracts	\$10,000
Increase Expend.:	101-54220-336 – R & M Equipment	\$10,000

Comm. Jernigan moved, seconded by Comm. Sandlin to approve the budget transfer as requested.

The motion passed unanimously by roll call vote.

FINANCE:

Lisa Nolen requested approval of a budget amendment to reverse an amendment approved in October. The original request provided funds for the communication project during the Federal Sequester. Federal grant funds were received prior to releasing the check to the vendor, so the amended funds were not used:

Decrease Revenue:	101-49800 – Transfers In	\$280,000
Decrease Expend.:	101-99100-590 – Trans. To Other Funds	\$280,000

Also, Lisa Nolen requested a budget amendment to provide additional funding for the Midland-Fosterville VFD project (\$600) and the Elam Road Fire Department project (\$15,000).

Additional funds are needed for multiple change orders:

Decrease:	101-34585 – Restricted for Cap. Proj.	\$15,600
Increase Expend.:	101-99100-590 – Trans. To Other Funds	\$15,600

Following discussion of the two amendments, Comm. Jordan moved, seconded by Comm. Jernigan to approve the budget amendments as requested.

The motion passed unanimously by roll call vote.

Also, Lisa Nolen requested a budget amendment to correct payroll accounts due to last minute changes to payroll evaluations or calculations occurring during the budget cycle or changes in personnel:

Decrease:	101-39000 – Unassign. Fund Balance	\$ 7,397
County Mayor		
Increase Expend.:	101-51300-103 – Assistant	\$ 325
	101-51300-201 – Social Security	\$ 21
	101-51300-204 – State Retirement	\$ 42
	101-51300-212 – Employer Medicare	\$ 5
Personnel		
Increase Expend.:	101-51310-103 – Assistant	\$ 715
	101-51310-201 – Social Security	\$ 45
	101-51310-204 – State Retirement	\$ 91
	101-51310-212 – Employer Medicare	\$ 11
Community Learning		
Increase Expend.:	101-51900-116 – Teachers	\$ 4
Archive		
Increase Expend.:	101-51910-101 – County Official	\$ 800
	101-51910-201 – Social Security	\$ 50
	101-51910-204 – State Retirement	\$ 102
	101-51910-212 – Employer Medicare	\$ 12
General Sessions		
Increase Expend.:	101-53300-189 – Other Sal. & Wages	\$ 2,205
	101-53300-201 – Social Security	\$ 137

	101-53300-204 – State Retirement	\$ 280
	101-53300-212 – Employer Medicare	\$ 32
Chancery		
Increase Expend.:	101-53400-106 – Deputy	\$ 1,041
	101-53400-201 – Social Security	\$ 65
	101-53400-204 – State Retirement	\$ 133
	101-53400-212 – Employer Medicare	\$ 16
Probation Services		
Increase Expend.:	101-53910-161 – Secretaries	\$ 884
	101-53910-201 – Social Security	\$ 55
	101-53910-204 – State Retirement	\$ 113
	101-53910-212 – Employer Medicare	\$ 13
Victim Assistance Programs		
Increase Expend.:	101-53930-103 – Assistants	\$ 165
	101-53930-201 – Social Security	\$ 11
	101-53930-204 – State Retirement	\$ 21
	101-53930-212 – Employer Medicare	\$ 3

Following discussion of the amendment, Comm. Sandlin moved, seconded by Comm. Peay to approve the budget amendment as requested.

The motion passed unanimously by roll call vote.

**SPECIAL PURPOSE (DEA) FUND BUDGET AMENDMENT:**

Joe Russell requested approval of the following budget amendment recognizing revenue in the amount of \$11,096 received from Asset Forfeitures and appropriating it for In-Service Training and Repair & Maintenance of Vehicles:

Increase Revenue:	121-47700 – Asset Forfeitures -	\$11,096
Increase Expend.:	121-54110-196 – In-Service Training -	\$ 5,936
	121-54110-338 – R & M Vehicles -	\$ 5,160

Comm. Shafer moved, seconded by Comm. Jernigan to approve the budget amendment for the Special Purpose (DEA) Fund as requested.

The motion passed unanimously by roll call vote.

**REQUEST TO APPLY FOR STATE GRANT FOR DRUG COURT:**

Mary Schneider requested authorization to apply for a State grant in the amount of \$250,000 to fund a position of a Certified Peer Recovery Specialist for three years. The funds would be received by the Drug Court Support Foundation and be used to reimburse the County for the position funded. Following the three year grant the Foundation Board would fund the position.

Comm. Sandlin moved, seconded by Comm. Peay to authorize the Drug Court to apply for the grant.

The motion passed unanimously by acclamation.

**REQUEST TO APPROVE STATE GRANT FOR YOUTH SERVICES:**

Todd Savage presented a five year grant contract with the Tennessee Department of Children's Services for Youth Services Officer salary supplements in the amount of \$45,000. The grant contract covers 7-1-2014 through 6-30-2019.

Comm. Jordan moved, seconded by Comm. Peay to approve the grant contract.

The motion passed unanimously by acclamation.

REQUEST TO APPLY FOR STATE GRANT FOR SHERIFF'S DEPARTMENT:

Joe Russell requested authorization to apply for a grant with the Tennessee Department of Environment and Conservation for an approximate amount of \$300,000. The grant would be for a roof for the jail and a lighting retrofit to LED lights. It is a 50/50 matching grant.

Comm. Shafer moved, seconded by Comm. Peay to authorize the Sheriff's Department to apply for the grant.

The motion passed unanimously by acclamation.

APPROVAL OF ISSUANCE OF REVENUE BONDS BY THE HEALTH AND EDUCATIONAL FACILITIES BOARD:

Sumnar Bouldin and Robbie King presented information about the resolution that was approved in December 2013 by the Health and Educational Facilities Board to issue \$7.5 million revenue bonds to fund the acquisition and rehabilitation of an existing 130 unit apartment complex in La Vergne, Tennessee. Rehabilitation will be about \$10,000 per unit. Mr. Bouldin noted that the County is not responsible for this debt if any default should occur.

Comm. Shafer moved, seconded by Comm. Sandlin to approve the issuance of the \$7.5 million bonds.

The motion passed unanimously by acclamation.

FINANCIAL ASSURANCE IN LIEU OF BOND:

Mac Nolen presented the annual Financial Assurance in Lieu of Performance Bond document from the State of Tennessee on the landfill. The amount required is \$3,096,951 down from \$3,241,882 due to the landfill aging.

Comm. Jernigan moved, seconded by Comm. Sandlin to approve the document.

The motion passed unanimously by roll call vote.

PRESENTATION OF THE ANNUAL REPORT OF FIXED ASSETS:

Robert Brown presented to the committee for their review the Annual Fixed Asset Report. The committee noted the small amount of items missing and the age of those items. It was also noted that several departments had 100% of their items accounted for.

Comm. Jernigan moved, seconded by Comm. Peay to approve the report.

The motion passed unanimously by acclamation.

ADJOURNMENT:

There being no further business to be presented, Chairman Ealy declared the meeting adjourned at 6:32 P.M.

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Mark Tucker, Secretary