

STEERING, LEGISLATIVE & GOVERNMENTAL COMMITTEE

April 7, 2014

5:30 p.m.

Courthouse

MINUTES:

MEMBERS PRESENT:

Commissioner Jack Black
Commissioner Gary Farley
Commissioner Trey Gooch
Commissioner Jeff Jordan
Commissioner Allen McAdoo
Commissioner Steve Sandlin
Commissioner Adam Coggin, C

OTHERS PRESENT:

Ernest Burgess Lisa Nolen
Sonya Stephenson John Bratcher
Phil Griffin Rob Mitchell
Laura Bohling Lisa Crowell
Heather Dawbarn Ginger Brooks
Veronica Buchanan Kevin Smith
Justin Smith Pat Arnold

James O. Baker, Delia Goodman, Donald Jernigan, John Barbee, David Adams, Scott Moore, Lisa Moore, Tammy Sharp, Rachel Soetje, Tim Rudd, Becky Shelton

Chairman Coggin presided and called the meeting to order at 5:30 p.m. with all members being present at that time.

MINUTES:

"Commissioner Gooch moved, seconded by Commissioner Sandlin, to approve the minutes of the last meeting as mailed. This motion passed unanimously by acclamation."

FILL FOUR (4) VACANCIES ON EQUALIZATION BOARD:

Chairman Coggin advised applications had been received from David L. Adams, Tim Rudd, Delia Goodman, John Barbee and James O. Baker for appointment to the four Equalization Board positions available. All applicants were present and addressed the Committee. Assessor Rob Mitchell advised there could be an alternate position appointed to the Board per a recent law and this would assure always having a Board available. The Committee discussed the fact an alternate position was not announced and Chairman Coggin advised he felt the alternate position should be announced and filled next month. Mrs. Goodman offered to be the alternate to the Committee but Commissioner J. Jordan advised she would have to withdraw her application and apply next month for the alternate. Mrs. Goodman did not withdraw her application. Mr. Mitchell advised if the alternate position is appointed next month they may be able to be in place in time to receive the training. Following discussion,

"Commissioner Sandlin moved, seconded by Commissioner Farley, to nominate all five applicants and vote for four. James O. Baker, Delia Goodman, Tim Rudd and David L. Adams will be recommended for appointment to the Equalization Board with Commissioner Black voting for Adams, Baker, Goodman and Rudd; Commissioner Farley voting for Baker, Barbee, Goodman and Rudd; Commissioner Gooch voting for Adams, Baker, Goodman and Rudd; Commissioner J. Jordan voting for Baker, Barbee, Goodman and Rudd; Commissioner McAdoo voting for Adams, Baker, Goodman and Rudd; Commissioner Sandlin voting for Baker, Barbee, Goodman and Rudd and Chairman Coggin voting for Adams, Baker, Goodman and Rudd."

FILL VACANCY ON SCHOOL BOARD TO FILL UNEXPIRED TERM OF HELEN BLANKENSHIP TO EXPIRE AUGUST, 2016:

Chairman Coggin advised applications had been received from Lisa W. Moore, Donald L. Jernigan, Veronica Buchanan, Howard A. Jones and Timothy G. Holden. Ms. Buchanan, Mr. Jones and Mr. Holden withdrew their applications from consideration. The position of Helen Blankenship on the School Board is for Commission Districts 4, 6 and 7 and expires August, 2016. Because of the death of Ms. Blankenship, the Commission will appoint someone to fill the position until the

election in August, 2014 at which time someone will be elected to fill the remainder of the term until August, 2016.

Mr. Jernigan was in the audience and addressed the Committee advising he had served two prior terms on the School Board and if appointed he would not be running in the election. Ms. Moore was in the audience and addressed the Committee advising she has qualified for the election and does plan to run. The Committee was advised two other candidates have qualified to date and they had applied for this appointment but have pulled their applications. Commissioner Farley advised he was having a hard time putting one candidate above the others in the upcoming election. Commissioner J. Jordan advised he was reluctant to stand in place of the voters. Following discussion,

"Commissioner Sandlin moved, seconded by Commissioner J. Jordan, to nominate Donald Jernigan for the School Board vacancy. This motion passed unanimously by acclamation."

ANNOUNCE CITIZEN VACANCY ON EMERGENCY COMMUNICATIONS DISTRICT BOARD:

Chairman Coggin advised the position of John Hood on the Emergency Communications District Board was expiring and accordingly being announced.

OTHER BUSINESS:

ANNOUNCE VACANCY FOR ALTERNATE POSITION ON EQUALIZATION BOARD:

Chairman Coggin advised an alternate position on the Equalization Board was being announced.

FOLLOW-UP REPORT ON TCRS RETIREMENT PLAN DISCUSSION:

HR Director Sonya Stephenson provided the Committee a memorandum setting forth research results from requests at the March, 2014 Steering Committee. A survey was created and sent to the 100 full time new hires from 2013 on what was important to them in employee benefits. There was only a 33% participant rate. Of the questions responded to, the top three groups of items were benefits, job security and salary. Ms. Stephenson also surveyed Nationwide, Great West and Edward Jones to determine if anyone had a guaranteed rate for a 401K. Ms. Stephenson advised the County has options including doing nothing and assuming the cost, making changes within the current plan to help offset trends, choosing the alternate defined benefit or choosing the hybrid plan. Following discussion,

"Commissioner Farley moved, seconded by Commissioner J. Jordan, to stay the course and leave the retirement as it is. This motion passed unanimously by acclamation."

Commissioner J. Jordan advised if considering a new or altered plan then the Mayor, Finance Director and HR Director would have to make recommendations because they are more cognizant of the benefit plans than Commissioners. Ms. Nolen advised any change would not affect next year's budget. Ms. Stephenson advised the discussion came out of last year's budget process and the cost of benefits over time. Commissioner J. Jordan advised the Committee was showing concern for employees not hired yet. The County wants to be competitive and does not want the employee leaving employment after training them. Commissioner Farley advised the County was previously a revolving door at the Sheriff's Office and Emergency Medical Services. The County would get employees trained and then they would leave prompting the County to do something to retain them.

Mayor Burgess advised the County must contribute 12.8% of the base salary to retirement and that figure may change in the future. Actuarial studies are needed because if the fund growth falls below 7% the County may not be able to fund and serious thought should

be given to getting professional assistance on whether the County can sustain the benefit. This is the reason the State changed its plan and somebody has to deal with the retirement like insurance was dealt with. Mayor Burgess advised money may be put in the budget for professional assistance. Ms. Nolen advised any study would be for "what ifs". Ms. Stephenson advised one projection had contributions at 30% versus 12.8%. Ms. Nolen advised if investments do not make 7% then the County has to make up that difference.

John Bratcher advised TCRS has a forty year outstanding history and the County doesn't need to run scared as TCRS is run sound. Also, 30% is a wild speculation. This is a solid benefit with a great track record.

Commissioner Gooch advised the County is looking at the long term and taxpayers cannot sustain a 30% contribution. Additionally, Mr. Bratcher was praising TCRS and they are the ones making the 30% contribution projection.

Ms. Stephenson advised no one was advocating leaving TCRS but just reviewing for the long term. Mayor Burgess advised the Treasurer of the State of Tennessee and fourteen advisors are the ones making the proposed changes to make TCRS sustainable for the future. Mr. Bratcher advised his concern is the County doesn't run scared with this. The Legislature was scared into passing changes by using Detroit and Illinois plus there was an agenda to decrease TCRS and the Legislature was buffaloeed into changing.

Rob Mitchell advised by making a change it may not lower the expense.

There appearing to be no further business to come before the Committee, Chairman Coggin declared the meeting adjourned at 6:35 p.m.

ADAM COGGIN, Chairman