

FINANCIAL MANAGEMENT COMMITTEE

April 5, 2017

8:30 am

PRESENT: Mayor Leon Humphrey, Danny Ward, Roger Colbaugh, Charles VonCannon, Bobbie Gouge-Dietz, Ray Lyons, and Dr. Kevin Ward.

The meeting was called to order by Ray Lyons.

Quorum present.

Adopt Agenda: Motion was made by Danny Ward, second by Bobbie Gouge-Dietz to approve the agenda. Motion Carried

Approval of Minutes: Motion was made by Bobbie Gouge-Dietz, second by Leon Humphrey to approve the March 1, 2017 minutes with the correction of Mayor Leon Humphrey's name on page two. Motion Carried

Public Comments: No Comment.

Old Business: None to be discussed

New Business:

- **Outside Agency Policy Discussion:** Financial Management Chairman, Ray Lyons, stated that he brought this topic to committee for discussion. Ray mentioned that this policy was created approximately a year ago to bring some accountability/structure to the outside agencies requesting funding. Ray also mentioned that the county does have many outside agencies that are struggling for funding. Ray stated that the discussion regarding the policy today will be to keep with current policy or have a more relaxed outside agency policy.

Commissioner, Mike Hill, stated that he has just joined the Board for the outside agency, The Shepherds Inn, and was the commissioner whom brought the idea of relaxing the outside agency policy to Chairman Lyons. Mr. Hill mentioned that he does believe that the County should tweak the current policy to not require an audit of each outside agency. According to Mr. Hill, the current policy is putting a hardship on certain outside agencies that we have decided to fund. Commissioner Hill, commented that The Shepherds Inn agency was funded in the 16-17 budget \$12,000 to go toward their mortgage but cannot get that funding for the lack of an audit. Mr. Hill stated that the best quote that The Shepherds Inn could find was \$7,000 costing the agency approximately 60% of the Counties allocated funding. Mr. Hill stated that he believes having a policy stating donations in excess of a County approved amount or a policy stating that agencies with a total budget in excess of a County approved amount should require an audit would be a quick fix to help the smaller agencies like The Shepherds Inn. Mr. Hill mentioned that a new law has passed stating that Counties can accept in lieu of an audit tax returns and a letter from the CFO of the organization indicating how the donation will be spent.

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Finance Director, Christa Byrd, stated that she does not mind a change to the policy. Mrs. Byrd stated that the Finance Department will administer any outside agency policy that is approved. Mayor Leon Humphrey, stated that if he sat on a Board for an agency he would feel more comfortable having an audit to present because any Board Member can be liable for the mismanagement of any funds. Mr. Humphrey stated that in his opinion the county should not deviate from the current policy requiring an audit. County Attorney, Josh Hardin, stated there is no state law that requires an audit. Attorney Hardin stated that he has no issue with the county changing the policy or leaving it the same.

Discussion on the motion: Ray Lyons asked Finance Director, Christa Byrd, "What issues she sees in just releasing the funding for the Shepherds Inn without the audit being available?" Mrs. Byrd stated that she is not comfortable releasing funds to this agency without an audit because we will be setting a precedent and other agencies did not ask for funding due to the audit restrictions. Randall Jenkins stated that as the Rules and By-laws chairman he believed that the policy should have been and was passed to go to the Financial Management Meeting because it is a Financial Policy.

Motion was made by Mayor Leon Humphrey, second by Charles VonCannon to make no change to the current Outside Agency Policy.

Danny Ward	No	Dr. Kevin Ward	No
Bobbie Gouge Dietz	No	Roger Colbaugh	Aye
Charles VonCannon	Aye	Leon Humphrey	Aye
Ray Lyons	Aye		

4 Ayes, Motion Carried

Commissioner, Bobbie Gouge-Dietz, stated that she believes we did not make a good decision to not change the policy. Dr. Kevin Ward also commented that he believes that we should reconsider our decision. Dr. Ward stated that we should not lump all agencies into one policy. Motion was made and withdrawn by Dr. Kevin Ward to pay the mortgage payment directly for The Shepherds Inn. Chairman Lyons ended discussion stating that he will be in discussion with Mrs. Byrd to make a decision on whether to bring this topic back to Committee for discussion in the future.

- **Planning Commission Discussion:** Mayor Leon Humphrey stated that the request for discussion was to look at considering the resolution for planning commission. According to Mr. Humphrey there are currently 12 members on the Planning Commission. Mayor Humphrey stated that the resolution being discussed was drafted approximately one and a half years ago by Attorney Hardin at the request of Ronnie Trivett. The resolution's goal is to bring the planning commission in line with all other sub committees in the County allowing equal representation. Mayor Leon Humphrey made comment that with the implementation of this resolution the County will automatically save \$1,800 by cutting

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board members. Mayor Humphrey stated with the passing of this resolution the County will also eliminate the dual representation in the 5th, 6th, and 7th district on this particular board allowing fair representation. Commissioner Danny Ward stated that this resolution has been through many different committees and believes that it should be dropped. Commissioner Sonja Culler made a statement that she believes Mr. Scheuttler should have been invited to discuss this issue.

Motion was made by Danny Ward, second by Dr. Kevin Ward with a friendly amendment to have this resolution brought before the next Planning Committee Meeting for consideration before being considered in Financial Management Committee again.

Danny Ward	Aye	Dr. Kevin Ward	Aye
Bobbie Gouge Dietz	Aye	Roger Colbaugh	No
Charles VonCannon	No	Leon Humphrey	No
Ray Lyons	Aye		

4 Ayes, Motion Carried

- **Recent Bids:** Director of Finance, Christa Byrd, reviewed a list of recent bids.
- **County General Update:** Mayor Leon Humphrey stated that there are many different positive things happening in the County. Mr. Humphrey commented that his office is working with many different groups to cut cost at the Animal Shelter. Mr. Humphrey said that he is working with Animal Shelter Director, Shannon Posada, in regards to work schedules with the staff to avoid comp time accrual. The construction at the shelter should be finished by the end of the month if all goes well. Mayor Humphrey said that the County will be having an event with the family giving a presentation to the family for the Van. Mayor Humphrey stated that if the new security plans for the courthouse are implemented it will have major cost attached.
- **County Highway Department Update:** Road Superintendent, Roger Colbaugh, indicated that the Highway department is getting ready to pave State Line Road under the State Aid project which will eliminate the rest of the State Aid money for this fiscal year. Mr. Colbaugh has been collecting information about the purchase of mowing tractors under State Contract.
- **County School Department Update:** Dr. Kevin Ward stated that the next School Board Workshop will be on April 13, 2017, which will coordinate with the quarterly meeting of the Education Committee. The meeting will be in the main courtroom in order to allow more individuals to attend because the salary study will be presented to the committee at this meeting. Dr. Ward stated that he was very impressed with the process needed to accumulate data for this salary study. School Superintendent, Kevin Ward, stated that he has

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been having meetings with Mrs. Byrd to have preliminary budget prep work completed but will not be able to give true estimates until the state releases estimated BEP numbers.

- **Bobbie Gouge-Dietz:** Ms. Bobbie Gouge-Dietz made a comment that she appreciates everyone's patience in handling the meeting.
- **Ray Lyons:** Chairman, Ray Lyons, commended Dr. Ward for the progress and success he has seen at Carter County Schools. Ms. Gouge-Dietz mentioned that at the Education Committee meeting there were demonstrations from the Carter County Schools for robotic and go-carts.
- **Charles VonCannon:** Mr. Charles VonCannon mentioned that he was fascinated by the go-carts presented at the Education Committee meeting. He also made a comment that Dr. Ward's job is a mind boggling task that he commends him for completing. Mr. VonCannon made a statement that Commissioners should be weary of the comments that are made on the floor in order to keep from pushing County assistance away.
- **Danny Ward:** Danny Ward stated that the IDEAS group will be having a clean-up at 9:00 AM on Saturday, April 8, 2017 to open up the boat ramp launch area. Mr. Ward also commented on the education meeting with the robotics demonstrations. He also stated that JAM (Junior Amateur Musicians) topics were discussed at the education meeting. The next meeting will be held on May 1, 2017 at Unaka at 6:00 PM.
- **Adjourn:** Motion made by Dr. Kevin Ward, second by Ray Lyons.

Respectfully submitted,

Michael Kennedy

Ray Lyons, Approved for File