

# Budget Committee Minutes

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March 16, 2015 6:00PM

**Members Present:** Ron Woody, Chairman; Bobby Collier; Steve Kelley; Randy Ellis, Ron Berry

**Members Absent:** None

**Additional:** Kaley Walker, Director of Accounts and Budgets; Joyce Nall, Grants Coordinator; Tim Suter, Ambulance Director; Jenny Tippens, West Care; Russell Johnson, District Attorney General; Jeff Caudill, SVP West Care.

**Meeting Convened:** Meeting called to order by Chairman Woody @ 6:00 PM

## **Overriding Principles of Budgeting**

TCA § 5-12-101 *et al* - County Budgeting Law of 1957

TCA § 5-9-101 *et al* – General appropriations laws

County has further adopted three (3) overall governing policies which dictate budgeting and financial management practices.

1. Fund Balance Policy
2. Debt Policy
3. Capital Budget Policy

Further policies and compliance with law in fulfilled in annual resolutions.

1. Appropriations resolution
2. Tax resolution
3. Non-profit resolution

The county relies upon supporting documents during the budget process.

1. Operational Statement- statement of operation funds & fund balance
2. Assessment of property
3. Tax levy

Roane County has also prepared a Budget Reference Notebook with additional narrative sections.

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## 2015 Budget Related:

General Johnson along with the Sheriff and the General Session Judges are interested in starting a drug court in Roane County. This drug court would be run in conjunction with these offices and the case management and therapy would be handled by a third party contractor. There is a Federal grant available for 3 years with additional years available. The match for the grant can be made up of the judges, DA and PDs time along with a cash match of \$3,000 annually.

The DA estimates there will be 15-30 people in the program at any one time. It is a 1 year program with 2- 6 month sections. 2 year recidivism rate is reported to be 25% or less.

**Motion to have County Executive apply for grant:** Kelley

**2<sup>nd</sup>:** Collier

**VV:** Motion Passed

Director Suter addressed the Budget Committee with a potential resolution to adjust the mileage reimbursement for ambulance transports. Currently Roane County Ambulance is charging less than the Medicare allowable rate of \$11.02. This resolution will allow the county to charge Medicare allowable rate plus 10% to be able to receive additional revenue from our payee mix. Additionally, this will allow the rates to rise as Medicare raises their allowable amounts.

**Motion to recommend resolution changes rates to Medicare allowable plus 10% for ambulance:** Berry

**2<sup>nd</sup>:** Collier

**VV:** Motion Passed

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## 2016 Budget

### 151 Fund:

This is the fund that is used to pay the majority of the General County Government debt. There is education debt in this fund as well, and when the proceeds of the indebtedness are received they must be shared with the City of Oak Ridge since their residents pay the tax associated with this fund.

**Motion** by Ellis **second** by Collier to accept the beginning fund balance, to recommend the revenue of the 151 fund in which there is \$1,680,000 of property tax and to recommend the appropriation of \$3,157,389. On a **voice vote** motion **passed**.

**Beginning Fund Balance: 2,104,365**

**Total Revenues: 2,878,000**

**Total Appropriation: 3,157,389**

Beginning Fund Balance	\$2,104,365	In compliance with:
Revenues	\$2,878,000	Fund Balance Policy ----- Yes
Appropriation	\$3,157,389	58%
Ending Fund Balance	\$1,825,776	
Effect on Fund Balance	(\$278,589)	In compliance with:
		Debt Policy----- Yes

### 152 Fund:

This fund is for education debt that was incurred before the merger of the Harriman City School system with the County School system. This fund will have no additional debt added to it. The tax rate includes all residents except those in Harriman and Oak Ridge.

The fund balance will continue to decline as the fund will not have any additional indebtedness added to or paid from this fund. Compliance is still met with fund balance requirements.

**Motion** by Kelley **second** by Collier to accept the beginning fund balance, to recommend the revenue in which there is \$1,316,000 of property tax and to recommend the appropriation of \$1,641,118. On a **voice vote** motion **passed**.

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**Beginning Fund Balance: 1,311,586**  
**Total Revenues: 1,429,100**  
**Total Appropriation: 1,641,118**

Beginning Fund Balance	\$1,311,586	In compliance with:
Revenues	\$1,429,100	Fund Balance Policy ----- Yes
Appropriation	\$1,641,118	67%
Ending Fund Balance	\$1,099,568	
Effect on Fund Balance	(\$212,018)	In compliance with:
		Debt Policy----- Yes

**156 Fund:**

This fund is used to pay for education debt that has been incurred since the merger of the Harriman School system and where the proceeds of debt have not been shared with Oak Ridge School System. The tax rate for this fund covers all residents except those in Oak Ridge. This fund is not compliant with the County’s Fund Balance Policy. There is excess fund balance in this fund, and the fund balance is scheduled to be reduced each year to bring this fund balance down to the 150% threshold which has been established.

**Motion** by Collier **second** by Ellis to accept the beginning fund balance, to recommend the revenue in which there is \$210,000 of property tax and to recommend the appropriation of \$308,210. On a **voice vote** motion **passed**.

**Beginning Fund Balance: 574,615**  
**Total Revenues: 230,000**  
**Total Appropriation: 308,210**

Beginning Fund Balance	\$574,615	In compliance with:
Revenues	\$230,000	Fund Balance Policy ----- No
Appropriation	\$308,210	161%
Ending Fund Balance	\$496,405	
Effect on Fund Balance	(\$78,210)	In compliance with:
		Debt Policy----- Yes

Motion to adjourn at 7:45 pm    **Motion:** Kelley            **2<sup>nd</sup>:** Ellis            **VV:** Passed

**Minutes submitted** by Kaley Walker, Director of Accounts and Budgets