

FINANCIAL MANAGEMENT COMMITTEE

May 1, 2013

8:30 am

APPROVED

PRESENT: Jo Ann Blankenship, Tom Bowers, Pat Hicks, Russell Kyte, Mayor Humphrey and Dr. Kevin Ward.

The meeting was called to order by Jo Ann Blankenship.

Quorum present.

Motion made by Pat Hicks second by Tom Bowers, to approve the agenda. Motion carried.

Motion made by Tom Bowers second by Russell Kyte to approve the March 6, 2013 minutes. Motion carried.

Old Business

- **Final Approval of Travel Policy:** Motion made by Pat Hicks second by Mayor Humphrey to accept the Travel and Reimbursement Policies and Procedures as presented. Motion carried.

New Business

- **Rescue Squad Recommendation from Health & Welfare Committee:** Jo Ann Blankenship said the Health & Welfare Committee did not meet in April. The committee will be discussing the Carter County Rescue Squad in their May meeting.
- **Accounting Software Update:** Finance Director Ingrid Deloach stated on June 1, 2012 the Finance Department was notified that Bridge Computer System had merged with Saratoga Technologies. At the time of the merger the Finance Department was in the middle of the bid process to acquire updated financial management software. It was decided to continue with the current software provider to see if improvements would be made under new ownership. In December 2012, the Finance Department held a conference call with Saratoga Technologies to discuss items that need to be improved or corrected. To date very few of those items have been addressed. Mrs. Deloach said she was recently informed that her current maintenance agreement with Saratoga Technologies does not cover updates to Tiny Term, which is software required to run the dos based financial software. She stated it would cost an additional \$1,000 to purchase updated Tiny Term software. Mrs. Deloach said there have also been changes to the maintenance agreement on equipment resulting in charges that were previously covered by the agreement. Under the new maintenance agreement no parts are covered, only labor. The request for proposals for financial management software was let out in January 2012 resulting in Skyward being the recommended vendor. Mrs. Deloach said she feels ample time has been given to Saratoga Technologies to make improvements to the current financial management software. In order to fund the purchase of new software the Finance Department has left a position unfilled for almost a year and a half. She estimates the Finance Department will turn in approximately \$65,000 to fund balance at the end of the fiscal year. Mrs. Deloach recommended moving forward with the purchase of new financial management software. Pat Hicks asked what the initial purchase price of Skyward would be. Mrs. Deloach advised the first year's cost would be \$142,795 with a maintenance fee of \$20,000 in subsequent years increasing slightly for inflation. The annual maintenance fee for the current software is just over \$10,000.

Mayor Humphrey stated he feels we should stay online with the current provider until we see that the product is just not working. Mrs. Deloach responded that the current software is not currently working. She advised

that Tennessee Consolidated Retirement System and the Department of Labor have both requested the file formats be changed on reports submitted. When this request was made to Saratoga Technologies their response was those changes are not possible. Due to the inability to change the report format the Payroll Clerk is spending several hours creating those reports. Mrs. Deloach said Sevier County changed to Skyward from Bridge and have had a successful audit under Skyward. Mayor Humphrey said the County does need to go ahead and purchase new software but the County should look at all the tools to realize the greatest savings. He feels a time management system would be a benefit to the County. He asked how much time a time management system would save the Payroll Clerk each payroll. Mrs. Deloach said Skyward would save time with the capability to run several funds in one batch. A time management system would save the Payroll Clerk from having to manually enter hourly employees time and enter leave used, saving about an hour and a half each payroll. Jo Ann Blankenship stated regardless of a time management system, the Finance Department is working with an antiquated system at the moment. She said in Carter County we have not kept up with technology especially in our Finance Department. Ms. Blankenship said with regard to time management, she is certain that each officeholder could enter in the timesheets for their office electronically with new financial management software.

Motion was made by Mayor Humphrey to entertain purchasing new financial management software with the consideration of adding time management software at the same time. Jo Ann Blankenship cautioned the committee regarding the length of time since the request for proposals. She said she has concerns it could cause issues with the audit.

Mayor Humphrey amended his motion to ask that Finance Director Ingrid Deloach do an inquiry to see if new products are available and then put out an RFP for financial management software and bring that information back to the committee second by Russell Kyte. Motion carried.

- **Recent Bids:** Finance Director Ingrid Deloach reviewed a list of recent bids.
- **County General Update:** No report.
- **County Highway Department Update:** No report.
- **County Schools Department Update:** Director of Schools Dr. Kevin Ward said currently the General Purpose School Fund budget is within about \$37,000 of being balanced. He said approximately \$400,000 of one time cuts made this fiscal year are being restored for next year including text books and library books. Cuts that will be made include fifteen positions, counting the 8 teaching positions from Range Elementary. Teachers from Range will take the place of retiring teachers at other schools. Dr. Ward said the savings from closing Range School is estimated to be \$480,000 annually. There will be a onetime cost of relocating the modular units from Range to other schools. Dr. Ward discussed student-teacher ratios and decline in Basic Education Revenue from the State. Dr. Ward said the School Department will likely be getting school security money from the state. He also mentioned the need to purchase two small school buses due to Smalling Bridge no longer being rated for vehicles over nine tons. Jo Ann Blankenship said she visited Hampton High School's greenhouse. The teacher and students were very helpful and had grown beautiful plants.
- **Tom Bowers:** No report.
- **Pat Hicks:** No report.
- **Russell Kyte:** Mr. Kyte asked if most of the fifteen positions cut would come from retirement. Dr. Ward said yes. Approximately 95% of the cuts would be through attrition. Mr. Kyte also asked if the woodworking programs at the high schools were being cut. Dr. Ward said woodworking will be cutout from Happy Valley and Hampton.

- **Jo Ann Blankenship:** Ms. Blankenship informed the committee the Highway Vandalism Bill and the County Purchasing Bill were passed in Nashville. She also praised the Recycle Center for repurposing tires as barriers.
- **Public Comments:** Roy Livingston asked several questions of Dr. Ward.

Respectfully submitted,

Christa Byrd


Jo Ann Blankenship, Approved for File

APPROVED