

**SHELBY COUNTY BOARD OF COMMISSIONERS
MINUTE BOOK NO. 165**

1881

SPECIAL

CALLED

MEETING

JUNE 29, 2016

The Board of County Commissioners met pursuant to adjournment at 11:00 a. m., June 29, 2016, in the Shelby County Commission's Chamber, 160 North Main Street, Memphis, Tennessee, with Chairman Terry Roland present and presiding; also present the following Associate County Commissioners, to wit: Van D. Turner, Jr., Mark Billingsley (ABSENT AT ROLL CALL), David Reaves, George B. Chism, Sr., Heidi Shafer, Willie F. Brooks, Jr., Melvin Burgess, Walter L. Bailey, Jr. (ABSENT AT ROLL CALL), Reginald Milton, Eddie S. Jones, Jr., Justin J. Ford (ABSENT) and Steve Basar(ABSENT AT ROLL CALL). Present, twelve; Absent, one.

Mrs. Rosalind Nichols, Clerk of the County Commission, was also present.

Mr. Craig Willis, Assistant County Attorney, Assistant County Attorney and Parliamentarian, was also present.

Deputy Sheriff Sammie Jones opened the meeting in due form of law when the following proceedings were had, to wit:

Chairman Roland recognized Deputy Sheriff Sammie Jones, who gave the opening prayer, followed by the Pledge of Allegiance.

REGULAR AGENDA

REPORTS AND/OR RESOLUTIONS FOR STANDING COMMITTEES

NOTE: CHAIRMAN ROLAND STATED THAT ITEMS 6 THROUGH 18, WITH THE EXCEPTION OF ITEM 12, WOULD BE READ TOGETHER AND VOTED ON TOGETHER FIRST; WITHOUT OBJECTION.

ITEM 6 (ADOPTED)

Mr. Willis, Assistant County Attorney, announced Item 6, which is as follows:

RESOLUTION APPROVING THE ELECTION OF NOTARIES PUBLIC FOR APPOINTMENT AND/OR REAPPOINTMENT FOR SHELBY COUNTY, TENNESSEE. SPONSORED BY COMMISSIONER MELVIN BURGESS.

"WHEREAS, The Shelby County Board of Commissioners is required to elect as many notaries public as they deem necessary pursuant to Tennessee. Code Annotated, Section 8-16-101(a); and

WHEREAS, The Shelby County Clerk's Office has reviewed the applications for

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appointment and/or reappointment of the notaries public listed in Exhibit "A," which is attached hereto and incorporated herein by reference, and has verified that each applicant has signed the application certifying that they are in compliance with Tennessee. Code Annotated, Section 8-16-101(c), they are not disqualified by Tennessee. Code Annotated, Section 8-18-101, and they meet the age and residency requirements of Tennessee. Code Annotated, Section 8-16-101(a); and

WHEREAS, Committee No. 10 - General Government recommends these notaries public for appointment and/or reappointment be elected by the Shelby County Board of Commissioners at this time.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF SHELBY COUNTY, TENNESSEE, That the individuals applying for appointment and/or reappointment listed in Exhibit "A," which is attached hereto and incorporated herein by reference, be and are hereby elected notaries public for Shelby County, Tennessee.

BE IT FURTHER RESOLVED, That this Resolution shall become effective in accordance with the Shelby County Charter, Article II, Section 2.06 (B)."

*NOTE: EXHIBIT A REFERRED TO HEREIN
FILED WITH RECORD IN OFFICE OF
CLERK OF COUNTY COMMISSION

/s/ Mark H. Luttrell, Jr.
County Mayor

Date: July 5, 2016

ATTEST:

/s/ Rosalind Nichols
Clerk of County Commission

ADOPTED: June 29, 2016

ITEM 7 (ADOPTED)

Mr. Willis, Assistant County Attorney, announced Item 7, which is as follows:

RESOLUTION AWARDED COUNTY FUNDS FROM THE
FY 2016 OPERATING BUDGET IN THE AMOUNT OF
\$4,500.00, TO BEST BUDDIES INTERNATIONAL, INC., A
CHARITABLE ORGANIZATION. SPONSORED BY
COMMISSIONER GEORGE B. CHISM, SR.

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“WHEREAS, Pursuant to the Community Enhancement Program Resolution (Agenda Item No. 7) passed on July 6, 2015 (the “CEP Resolution”), the Shelby County Board of Commissioners created a Community Enhancement Program and established policies and guidelines for the appropriation and disbursement of County funds to governmental entities and non-profit civic and charitable organizations meeting certain criteria, as set forth therein; and

WHEREAS, Said CEP Resolution provides that all grant appropriations pursuant to the Community Enhancement Program shall promote the general welfare of the residents of Shelby County and shall only be available to support public safety activities, cultural activities, community development activities, as well as County and municipal infrastructure improvements within Shelby County; and

WHEREAS, Said Resolution provides that community enhancement grant proceeds must be used for one (1) or more of the following purposes: programs, services, operating costs, equipment, construction, renovation and maintenance projects within Shelby County; and

WHEREAS, Said Resolution provides that such grants shall be approved to specific entities by Resolution of the County Board of Commissioners.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF SHELBY COUNTY, TENNESSEE, That funds from the FY 2016 Operating Budget are hereby allocated and awarded to Best Buddies International, Inc. in the amount of \$4,500.00, as a grant listed in *Exhibit A hereto for the projects detailed in the attached plan of services for the grant.

BE IT FURTHER RESOLVED, That said grant proceeds must promote the general welfare of the residents of Shelby County and support public safety activities, cultural activities, community development activities, as well as County and municipal infrastructure improvements, and must be used for one (1) or more of the following purposes: programs, services, operating costs, equipment, construction, renovation and maintenance projects within Shelby County.

BE IT FURTHER RESOLVED, That the Office of the Chief Administrative Officer shall prepare and execute a grant contract with the specific entities designated herein within thirty (30) days of the grantee’s compliance with the grant awarding conditions set forth in the

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CEP Resolution.

BE IT FURTHER RESOLVED, That payment of grant funds shall be made as provided by the CEP Resolution and the grant contract.

BE IT FURTHER RESOLVED, That the Mayor and the Director of Administration and Finance are hereby authorized to issue their warrant or warrants for all amounts appropriated herein, and to take proper credit in their accounting therefor.

BE IT FURTHER RESOLVED, That this Resolution shall become effective in accordance with the Shelby County Charter, Article II, Section 2.06(B).”

*NOTE: EXHIBIT A REFERRED TO HEREIN
FILED WITH RECORD IN OFFICE OF
CLERK OF COUNTY COMMISSION

/s/ Mark H. Luttrell, Jr.
County Mayor

Date: July 5, 2016

ATTEST:

/s/ Rosalind Nichols
Clerk of County Commission

ADOPTED: June 29, 2016

ITEM 8 (ADOPTED)

Mr. Willis, Assistant County Attorney, announced Item 8, which is as follows:

RESOLUTION AWARDING COUNTY FUNDS FROM THE
FY 2016 OPERATING BUDGET IN THE AMOUNT OF
\$1,250.00, TO GIRLS INCORPORATED OF MEMPHIS,
INC., A CHARITABLE ORGANIZATION. SPONSORED
BY COMMISSIONER MARK BILLINGSLEY.

“WHEREAS, Pursuant to the Community Enhancement Program Resolution (Agenda Item No. 7) passed on July 6, 2015 (the “CEP Resolution”), the Shelby County Board of Commissioners created a Community Enhancement Program and established policies and guidelines for the appropriation and disbursement of County funds to governmental entities and non-profit civic and charitable organizations meeting certain criteria, as set forth therein; and

WHEREAS, Said CEP Resolution provides that all grant appropriations pursuant to the Community Enhancement Program shall promote the general welfare of the residents of

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Shelby County and shall only be available to support public safety activities, cultural activities, community development activities, as well as County and municipal infrastructure improvements within Shelby County; and

WHEREAS, Said Resolution provides that community enhancement grant proceeds must be used for one (1) or more of the following purposes: programs, services, operating costs, equipment, construction, renovation and maintenance projects within Shelby County; and

WHEREAS, Said Resolution provides that such grants shall be approved to specific entities by Resolution of the County Board of Commissioners.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF SHELBY COUNTY, TENNESSEE, That funds from the FY 2016 Operating Budget are hereby allocated and awarded to Girls Incorporated of Memphis, Inc. in the amount of \$1,250.00, as a grant listed in *Exhibit A hereto for the projects detailed in the attached plan of services for the grant.

BE IT FURTHER RESOLVED, That said grant proceeds must promote the general welfare of the residents of Shelby County and support public safety activities, cultural activities, community development activities, as well as County and municipal infrastructure improvements, and must be used for one (1) or more of the following purposes: programs, services, operating costs, equipment, construction, renovation and maintenance projects within Shelby County.

BE IT FURTHER RESOLVED, That the Office of the Chief Administrative Officer shall prepare and execute a grant contract with the specific entities designated herein within thirty (30) days of the grantee's compliance with the grant awarding conditions set forth in the CEP Resolution.

BE IT FURTHER RESOLVED, That payment of grant funds shall be made as provided by the CEP Resolution and the grant contract.

BE IT FURTHER RESOLVED, That the Mayor and the Director of Administration and Finance are hereby authorized to issue their warrant or warrants for all amounts appropriated herein, and to take proper credit in their accounting therefor.

BE IT FURTHER RESOLVED, That this Resolution shall become effective in accordance with the Shelby County Charter, Article II, Section 2.06(B)."

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*NOTE: EXHIBIT A REFERRED TO HEREIN
FILED WITH RECORD IN OFFICE OF
CLERK OF COUNTY COMMISSION

/s/ Mark H. Luttrell, Jr.
County Mayor

Date: July 5, 2016

ATTEST:

/s/ Rosalind Nichols
Clerk of County Commission

ADOPTED: June 29, 2016

ITEM 9 (ADOPTED)

Mr. Willis, Assistant County Attorney, announced Item 9, which is as follows:

RESOLUTION SETTING WEDNESDAY, JULY 27, 2016,
AS THE DATE FOR INTERVIEWING AND MONDAY,
AUGUST 1, 2016, FOR APPOINTING A JUDICIAL
COMMISSIONER TO THE VACATED POSITION AND
AUTHORIZING PUBLIC NOTICE. SPONSORED BY
CHAIRMAN TERRY ROLAND.

“WHEREAS, The Shelby County Board of Commissioners is granted the authority to appoint Judicial Commissioners pursuant to Tennessee Code Annotated, Section 40-1-111; and

WHEREAS, It is the intent of the Shelby County Board of Commissioners to appoint a Judicial Commissioner to a recently vacated position created by the resignation of Sherrie Miller Johnson; and

WHEREAS, By adoption of this Resolution and by publishing Notice in the Memphis Bar Association newsletter and a newspaper of general circulation in the County at least seven days prior to the meeting at which the vacancy is to be filled, in accordance with Exhibit F, subpart 1(b), to the Commission’s Permanent Rules of Order (PRO), the Shelby County Board of Commissioners desires to give notice to the public of its intent to interview qualified persons and to appoint a Judicial Commissioner.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF SHELBY COUNTY, TENNESSEE, That the Shelby County Board of Commissioners shall interview qualified persons at the General Government Committee’s

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meeting on Wednesday, July 27, 2016, and shall appoint a Judicial Commissioner on Monday, August 1, 2016, at 3:00 p.m. to fill a vacant position created by the resignation of Sherrie Miller Johnson.

BE IT FURTHER RESOLVED, That said appointment shall be conducted in accordance with the County Commission's procedure for elections to fill vacancies in elective offices, as set forth in Rule 35 of the Commission's Permanent Rules of Order and *Exhibit F thereto.

BE IT FURTHER RESOLVED, That, although the Shelby County Board of Commissioners is not required by state law or otherwise to publish notice in a newspaper of general circulation prior to appointing Judicial Commissioners, the General Sessions Criminal Court Judges are hereby requesting a published notice in a publication or newsletter of the Memphis Bar Association, and in addition, at their discretion, may publish notice in an additional bar association publication or newsletter, inviting persons who are licensed to practice law in this state to submit their names for consideration for appointment to an initial term of one year.

BE IT FURTHER RESOLVED, That such notice shall also be published in a newspaper of general circulation in the County at least seven days prior to the meeting at which the vacancy is to be filled, in accordance with Exhibit F, subpart 1(b), to the Commission's PRO.

BE IT FURTHER RESOLVED, That this Resolution shall become effective in accordance with the Shelby County Charter, Article II, Section 2.06(B)."

*NOTE: EXHIBIT F REFERRED TO HEREIN
FILED WITH RECORD IN OFFICE OF
CLERK OF COUNTY COMMISSION

/s/ Mark H. Luttrell, Jr.
County Mayor

Date: July 5, 2016

ATTEST:

/s/ Rosalind Nichols
Clerk of County Commission

ADOPTED: June 29, 2016

ITEM 10 (ADOPTED)

Mr. Willis, Assistant County Attorney, announced Item 10, which is as follows:

RESOLUTION TO AMEND THE CHAIRMAN'S 2015-2016 ANNUAL MEETING SCHEDULE FOR THE SHELBY COUNTY BOARD OF COMMISSIONERS TO REMOVE THE COMMISSION HEARING FOR JULY 11, 2016. SPONSORED BY CHAIRMAN TERRY ROLAND.

“WHEREAS, The Chairman of the Shelby County Board of Commissioners sets the County Commission’s meeting schedule annually for October through August; and

WHEREAS, The Shelby County Board of Commissioners adopted the Chairman’s 2015-2016 meeting schedule by Resolution on September 28, 2015, a copy of which is attached hereto as Exhibit A; and

WHEREAS, The Shelby County Board of Commissioners desires to amend the meeting schedule as follows:

Remove:

July 11, 2016 Commission Meeting

The amended schedule of meeting dates are set forth in the Revised Meeting Schedule attached hereto as Exhibit B.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS, OF SHELBY COUNTY, TENNESSEE, That the Chairman’s 2015-2016 meeting schedule attached hereto as *Exhibit B is hereby approved, a copy of which shall be fully incorporated by reference herein.

BE IT FURTHER RESOLVED, That this Resolution shall take effect in accordance with the Shelby County Charter, Article II, Section 2.06(B).”

*NOTE: EXHIBIT B REFERRED TO HEREIN
FILED WITH RECORD IN OFFICE OF
CLERK OF COUNTY COMMISSION

/s/ Mark H. Luttrell, Jr.
County Mayor

Date: July 5, 2016

ATTEST:

/s/ Rosalind Nichols
Clerk of County Commission

ADOPTED: June 29, 2016

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ITEM 11 (ADOPTED)

Mr. Willis, Assistant County Attorney, announced Item 11, which is as follows:

**RESOLUTION TO APPROVE AND SET THE SALARY OF
THE CHAIRMAN OF THE SHELBY COUNTY
COMMISSION FOR THE 2016-2017 TERM.
SPONSORED BY COMMISSIONER JUSTIN J. FORD.**

“WHEREAS, Section 2.04(B) of the Shelby County Charter was amended by voter referendum on August 7, 2008, effective September 1, 2009, so as to authorize the Board of County Commissioners to set the additional compensation of the Chairman by Resolution; and

WHEREAS, Shelby County Charter, Article II, Section 2.04(B) requires the County Commission to set the additional compensation of the Chairman of the Board of County Commissioners prior to the annual election of the Chairman; and

WHEREAS, Ordinance No. 443 adopted on December 16, 2013 as Item No. 28, established the criteria for determining the compensation of all Commissioners for the 2014-2018 term; and

WHEREAS, It is the desire of the Board of County Commissioners to set the Chairman’s salary, prior to the election of the Chairman, for the 2016-2017 term in accordance with Section 2.04(B) of the Shelby County Charter.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF SHELBY COUNTY, TENNESSEE, That the annual salary of the Chairman of the Shelby County Commission, for the 2016-2017 term of office beginning in September 2015, be and is hereby approved and set as \$2,000.00, which shall be in addition to the compensation established by Ordinance No. 443 adopted on December 16, 2013.

BE IT FURTHER RESOLVED, That this Resolution shall take effect in accordance with the Shelby County Charter, Article II, Section 2.06(B).”

/s/ Mark H. Luttrell, Jr.
County Mayor

Date: July 5, 2016

ATTEST:

/s/ Rosalind Nichols

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Clerk of County Commission

ADOPTED: June 29, 2016**ITEM 12 (WITHDRAWN)**

Mr. Willis, Assistant County Attorney, announced Item 12, Resolution requesting the Shelby County Trustee to coordinate with the Administrator of the Board of Commissioners to have installed in the Commission's Office the same computer system used by the Trustee to review the County's financial information, and requesting the Trustee to provide the same training to Commission staff that is provided to personnel in the Trustee's Office on the operation of the system and the generation of financial reports. Sponsored by Commissioner Heidi Shafer.

Chairman Roland stated that Item 12 would be withdrawn from today's agenda; without objection..

ITEM 13 (ADOPTED)

Mr. Willis, Assistant County Attorney, announced Item 13, which is as follows:

RESOLUTION AWARDDING COUNTY FUNDS FROM THE
FY 2016 OPERATING BUDGET IN THE AMOUNT OF
\$4,500.00, TO JUNIOR ACHIEVEMENT OF MEMPHIS
AND THE MID-SOUTH, INC., A CHARITABLE
ORGANIZATION. SPONSORED BY COMMISSIONER
WALTER L. BAILEY, JR. AND COMMISSIONER STEVE
BASAR.

"WHEREAS, Pursuant to the Community Enhancement Program Resolution (Agenda Item No. 7) passed on July 6, 2015 (the "CEP Resolution"), the Shelby County Board of Commissioners created a Community Enhancement Program and established policies and guidelines for the appropriation and disbursement of County funds to governmental entities and non-profit civic and charitable organizations meeting certain criteria, as set forth therein; and

WHEREAS, Said CEP Resolution provides that all grant appropriations pursuant to the Community Enhancement Program shall promote the general welfare of the residents of Shelby County and shall only be available to support public safety activities, cultural activities, community development activities, as well as County and municipal infrastructure

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improvements within Shelby County; and

WHEREAS, Said Resolution provides that community enhancement grant proceeds must be used for one (1) or more of the following purposes: programs, services, operating costs, equipment, construction, renovation and maintenance projects within Shelby County; and

WHEREAS, Said Resolution provides that such grants shall be approved to specific entities by Resolution of the County Board of Commissioners.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF SHELBY COUNTY, TENNESSEE, That funds from the FY 2016 Operating Budget are hereby allocated and awarded to Junior Achievement of Memphis and the Mid-South, Inc. in the amount of \$4,500.00, as a grant listed in *Exhibit A hereto for the projects detailed in the attached plan of services for the grant.

BE IT FURTHER RESOLVED, That said grant proceeds must promote the general welfare of the residents of Shelby County and support public safety activities, cultural activities, community development activities, as well as County and municipal infrastructure improvements, and must be used for one (1) or more of the following purposes: programs, services, operating costs, equipment, construction, renovation and maintenance projects within Shelby County.

BE IT FURTHER RESOLVED, That the Office of the Chief Administrative Officer shall prepare and execute a grant contract with the specific entities designated herein within thirty (30) days of the grantee's compliance with the grant awarding conditions set forth in the CEP Resolution.

BE IT FURTHER RESOLVED, That payment of grant funds shall be made as provided by the CEP Resolution and the grant contract.

BE IT FURTHER RESOLVED, That the Mayor and the Director of Administration and Finance are hereby authorized to issue their warrant or warrants for all amounts appropriated herein, and to take proper credit in their accounting therefor.

BE IT FURTHER RESOLVED, That this Resolution shall become effective in accordance with the Shelby County Charter, Article II, Section 2.06(B)."

*NOTE: EXHIBIT B REFERRED TO HEREIN
FILED WITH RECORD IN OFFICE OF
CLERK OF COUNTY COMMISSION

/s/ Mark H. Luttrell, Jr.

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County Mayor

Date: July 5, 2016

ATTEST:

/s/ Rosalind Nichols
Clerk of County Commission

ADOPTED: June 29, 2016

ITEM 14 (ADOPTED)

Mr. Willis, Assistant County Attorney, announced Item 14, which is as follows:

RESOLUTION AWARDING COUNTY FUNDS FROM THE
FY 2016 OPERATING BUDGET IN THE AMOUNT OF
\$3,000.00, TO BIG BROTHERS BIG SISTERS OF THE
MID-SOUTH, INC., A CHARITABLE ORGANIZATION.
SPONSORED BY COMMISSIONER WALTER L. BAILEY,
JR.

“WHEREAS, Pursuant to the Community Enhancement Program Resolution (Agenda Item No. 7) passed on July 6, 2015 (the “CEP Resolution”), the Shelby County Board of Commissioners created a Community Enhancement Program and established policies and guidelines for the appropriation and disbursement of County funds to governmental entities and non-profit civic and charitable organizations meeting certain criteria, as set forth therein; and

WHEREAS, Said CEP Resolution provides that all grant appropriations pursuant to the Community Enhancement Program shall promote the general welfare of the residents of Shelby County and shall only be available to support public safety activities, cultural activities, community development activities, as well as County and municipal infrastructure improvements within Shelby County; and

WHEREAS, Said Resolution provides that community enhancement grant proceeds must be used for one (1) or more of the following purposes: programs, services, operating costs, equipment, construction, renovation and maintenance projects within Shelby County; and

WHEREAS, Said Resolution provides that such grants shall be approved to specific entities by Resolution of the County Board of Commissioners.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COUNTY COMMIS-

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Mr. Willis, Assistant County Attorney, announced Item 15, which is as follows:

RESOLUTION AWARDING COUNTY FUNDS FROM THE
FY 2016 OPERATING BUDGET IN THE AMOUNT OF
\$3,500.00, TO NESHOPA COMMUNITY RESOURCE
CENTER, INC., A CHARITABLE ORGANIZATION.
SPONSORED BY COMMISSIONER WALTER L. BAILEY,
JR.

“WHEREAS, Pursuant to the Community Enhancement Program Resolution (Agenda Item No. 7) passed on July 6, 2015 (the “CEP Resolution”), the Shelby County Board of Commissioners created a Community Enhancement Program and established policies and guidelines for the appropriation and disbursement of County funds to governmental entities and non-profit civic and charitable organizations meeting certain criteria, as set forth therein; and

WHEREAS, Said CEP Resolution provides that all grant appropriations pursuant to the Community Enhancement Program shall promote the general welfare of the residents of Shelby County and shall only be available to support public safety activities, cultural activities, community development activities, as well as County and municipal infrastructure improvements within Shelby County; and

WHEREAS, Said Resolution provides that community enhancement grant proceeds must be used for one (1) or more of the following purposes: programs, services, operating costs, equipment, construction, renovation and maintenance projects within Shelby County; and

WHEREAS, Said Resolution provides that such grants shall be approved to specific entities by Resolution of the County Board of Commissioners.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF SHELBY COUNTY, TENNESSEE, That funds from the FY 2016 Operating Budget are hereby allocated and awarded to Neshoba Community Resource Center, Inc. in the amount of \$3,500.00, as a grant listed in *Exhibit A hereto for the projects detailed in the attached plan of services for the grant.

BE IT FURTHER RESOLVED, That said grant proceeds must promote the general welfare of the residents of Shelby County and support public safety activities, cultural activities, community development activities, as well as County and municipal infrastructure improvements, and must be used for one (1) or more of the following purposes: programs,

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services, operating costs, equipment, construction, renovation and maintenance projects within Shelby County.

BE IT FURTHER RESOLVED, That the Office of the Chief Administrative Officer shall prepare and execute a grant contract with the specific entities designated herein within thirty (30) days of the grantee's compliance with the grant awarding conditions set forth in the CEP Resolution.

BE IT FURTHER RESOLVED, That payment of grant funds shall be made as provided by the CEP Resolution and the grant contract.

BE IT FURTHER RESOLVED, That the Mayor and the Director of Administration and Finance are hereby authorized to issue their warrant or warrants for all amounts appropriated herein, and to take proper credit in their accounting therefor.

BE IT FURTHER RESOLVED, That this Resolution shall become effective in accordance with the Shelby County Charter, Article II, Section 2.06(B)."

*NOTE: EXHIBIT B REFERRED TO HEREIN
FILED WITH RECORD IN OFFICE OF
CLERK OF COUNTY COMMISSION

/s/ Mark H. Luttrell, Jr.
County Mayor

Date: July 5, 2016

ATTEST:

/s/ Rosalind Nichols
Clerk of County Commission

ADOPTED: June 29, 2016

ITEM 16 (ADOPTED) (AS AMENDED)

Mr. Willis, Assistant County Attorney, announced Item 16, which is as follows:

RESOLUTION AWARDING COUNTY FUNDS FROM THE
FY 2016 OPERATING BUDGET IN THE AMOUNT OF
\$2,000.00, TO MT. ZION BAPTIST CHURCH, INC., A
CHARITABLE ORGANIZATION. SPONSORED BY
COMMISSIONER REGINALD MILTON.

"WHEREAS, Pursuant to the Community Enhancement Program Resolution (Agenda Item No. 7) passed on July 6, 2015 (the "CEP Resolution"), the Shelby County Board of Commissioners created a Community Enhancement Program and established

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policies and guidelines for the appropriation and disbursement of County funds to governmental entities and non-profit civic and charitable organizations meeting certain criteria, as set forth therein; and

WHEREAS, Said CEP Resolution provides that all grant appropriations pursuant to the Community Enhancement Program shall promote the general welfare of the residents of Shelby County and shall only be available to support public safety activities, cultural activities, community development activities, as well as County and municipal infrastructure improvements within Shelby County; and

WHEREAS, Said Resolution provides that community enhancement grant proceeds must be used for one (1) or more of the following purposes: programs, services, operating costs, equipment, construction, renovation and maintenance projects within Shelby County; and

WHEREAS, Said Resolution provides that such grants shall be approved to specific entities by Resolution of the County Board of Commissioners.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF SHELBY COUNTY, TENNESSEE, That funds from the FY 2016 Operating Budget are hereby allocated and awarded to Mt. Zion Baptist Church, Inc. in the amount of \$2,000.00, as a grant listed in *Exhibit A hereto for the projects detailed in the attached plan of services for the grant.

BE IT FURTHER RESOLVED, That said grant proceeds must promote the general welfare of the residents of Shelby County and support public safety activities, cultural activities, community development activities, as well as County and municipal infrastructure improvements, and must be used for one (1) or more of the following purposes: programs, services, operating costs, equipment, construction, renovation and maintenance projects within Shelby County.

BE IT FURTHER RESOLVED, That the Office of the Chief Administrative Officer shall prepare and execute a grant contract with the specific entities designated herein within thirty (30) days of the grantee's compliance with the grant awarding conditions set forth in the CEP Resolution.

BE IT FURTHER RESOLVED, That payment of grant funds shall be made as provided by the CEP Resolution and the grant contract.

BE IT FURTHER RESOLVED, That the Mayor and the Director of Administration

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proceeds must be used for one (1) or more of the following purposes: programs, services, operating costs, equipment, construction, renovation and maintenance projects within Shelby County; and

WHEREAS, Said Resolution provides that such grants shall be approved to specific entities by Resolution of the County Board of Commissioners.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF SHELBY COUNTY, TENNESSEE, That funds from the FY 2016 Operating Budget are hereby allocated and awarded to Memphis Beat the Odds Foundation in the amount of \$2,500.00, as a grant listed in *Exhibit A hereto for the projects detailed in the attached plan of services for the grant.

BE IT FURTHER RESOLVED, That said grant proceeds must promote the general welfare of the residents of Shelby County and support public safety activities, cultural activities, community development activities, as well as County and municipal infrastructure improvements, and must be used for one (1) or more of the following purposes: programs, services, operating costs, equipment, construction, renovation and maintenance projects within Shelby County.

BE IT FURTHER RESOLVED, That the Office of the Chief Administrative Officer shall prepare and execute a grant contract with the specific entities designated herein within thirty (30) days of the grantee's compliance with the grant awarding conditions set forth in the CEP Resolution.

BE IT FURTHER RESOLVED, That payment of grant funds shall be made as provided by the CEP Resolution and the grant contract.

BE IT FURTHER RESOLVED, That the Mayor and the Director of Administration and Finance are hereby authorized to issue their warrant or warrants for all amounts appropriated herein, and to take proper credit in their accounting therefor.

BE IT FURTHER RESOLVED, That this Resolution shall become effective in accordance with the Shelby County Charter, Article II, Section 2.06(B)."

*NOTE: EXHIBIT B REFERRED TO HEREIN
FILED WITH RECORD IN OFFICE OF
CLERK OF COUNTY COMMISSION

/s/ Mark H. Luttrell, Jr.
County Mayor

Date: July 5, 2016

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JUNE 29, 2016

ATTEST:

/s/ Rosalind Nichols
Clerk of County Commission

ADOPTED: June 29, 2016

ITEM 18 (ADOPTED)

Mr. Willis, Assistant County Attorney, announced Item 18, which is as follows:

RESOLUTION AWARDING COUNTY FUNDS FROM THE
FY 2016 OPERATING BUDGET IN THE AMOUNT OF
\$2,500.00, TO NEW GROWTH IN CHRIST CHRISTIAN
CENTER, INC., A CHARITABLE ORGANIZATION.
SPONSORED BY COMMISSIONER VAN D.TURNER, JR.

“WHEREAS, Pursuant to the Community Enhancement Program Resolution (Agenda Item No. 7) passed on July 6, 2015 (the “CEP Resolution”), the Shelby County Board of Commissioners created a Community Enhancement Program and established policies and guidelines for the appropriation and disbursement of County funds to governmental entities and non-profit civic and charitable organizations meeting certain criteria, as set forth therein; and

WHEREAS, Said CEP Resolution provides that all grant appropriations pursuant to the Community Enhancement Program shall promote the general welfare of the residents of Shelby County and shall only be available to support public safety activities, cultural activities, community development activities, as well as County and municipal infrastructure improvements within Shelby County; and

WHEREAS, Said Resolution provides that community enhancement grant proceeds must be used for one (1) or more of the following purposes: programs, services, operating costs, equipment, construction, renovation and maintenance projects within Shelby County; and

WHEREAS, Said Resolution provides that such grants shall be approved to specific entities by Resolution of the County Board of Commissioners.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF SHELBY COUNTY, TENNESSEE, That funds from the FY 2016 Operating Budget are hereby allocated and awarded to New Growth in Christ Christian Center, Inc. in

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the amount of \$2,500.00, as a grant listed in *Exhibit A hereto for the projects detailed in the attached plan of services for the grant.

BE IT FURTHER RESOLVED, That said grant proceeds must promote the general welfare of the residents of Shelby County and support public safety activities, cultural activities, community development activities, as well as County and municipal infrastructure improvements, and must be used for one (1) or more of the following purposes: programs, services, operating costs, equipment, construction, renovation and maintenance projects within Shelby County.

BE IT FURTHER RESOLVED, That the Office of the Chief Administrative Officer shall prepare and execute a grant contract with the specific entities designated herein within thirty (30) days of the grantee's compliance with the grant awarding conditions set forth in the CEP Resolution.

BE IT FURTHER RESOLVED, That payment of grant funds shall be made as provided by the CEP Resolution and the grant contract.

BE IT FURTHER RESOLVED, That the Mayor and the Director of Administration and Finance are hereby authorized to issue their warrant or warrants for all amounts appropriated herein, and to take proper credit in their accounting therefor.

BE IT FURTHER RESOLVED, That this Resolution shall become effective in accordance with the Shelby County Charter, Article II, Section 2.06(B)."

*NOTE: EXHIBIT B REFERRED TO HEREIN
FILED WITH RECORD IN OFFICE OF
CLERK OF COUNTY COMMISSION

/s/ Mark H. Luttrell, Jr.
County Mayor

Date: July 5, 2016

ATTEST:

/s/ Rosalind Nichols
Clerk of County Commission

ADOPTED: June 29, 2016

Whereupon, passage of aforesaid items, was moved by Commissioner Turner duly seconded by Commissioner Reaves.

The Clerk called the roll for casting of the vote with the following results:

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AYES: Bailey, Reaves, Brooks, Billingsley, Milton, Shafer, Jones, Chism, Burgess, Turner and Roland.

NAYS: None

ABSENT: Ford

AYES, eleven; NAYS, none; ABSENT, one (Basar absent during roll call).

Chairman Roland declared the MOTION CARRIED.

NOTE: CHAIRMAN PRO TEMPORE TURNER ASSUEND THE CHAIR. CHAIRMAN PRO TEMPORE TURNER STATED THAT, WITHOUT OBJECTION, ITEM 1 WOULD BE TAKEN UP AT THIS TIME.

ITEM 1 (SECOND READING) (FAILED)

Mr. Willis, Assistant County Attorney, announced Item 1, Ordinance Second Reading –Ordinance fixing the Tax Rate for Shelby County for the Tax Year 2016. Sponsored by Commissioner Van D. Turner, Jr.

ORDINANCE NO.: ____

ORDINANCE FIXING THE TAX RATE FOR SHELBY COUNTY FOR THE TAX YEAR 2016. SPONSORED BY COMMISSIONER VAN D. TURNER, JR.

NOTE: PURSUANT TO THE SHELBY COUNTY CHARTER, ONLY THE CAPTION OF AN ORDINANCE IS READ ON FIRST AND SECOND READING. SEE MINUTES OF THIRD READING FOR FULL TEXT OF ORDINANCE.

Whereupon, passage of the Resolution was moved by Commissioner; Brooks duly seconded by Commissioner Jones.

Chairman Pro Tempore Turner recognized Commissioner Jones, who stated: "Wait a minute Mr. Chairman, I want to make sure – if I recall, there's something that we had removed from the last meeting and that was one of the BE IT FURTHER RESOLVED clauses and we had that removed because I think Commissioner Shafer had another Resolution that she was bringing forth as it related to where those surpluses would be formulating, but I still see that language here in this Resolution. It's the second BE IT

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FURTHER RESOLVED clause.”

Chairman Pro Tempore Turner recognized Commissioner Shafer, who stated:

“Yes, thank you and thank you, Commissioner Jones. This – we can do it either of two ways – this is Second Reading – if we find after we’ve discussed, which was sent down without recommendation, the portion to deal with the surplus budgets, if we find that there is any conflict it would just mean that we would have to go back to another Second Reading on the – if there is a conflict, we’d just have to go back to another Second Reading on the Tax Rate Ordinance. So I’m at the Commission’s disposal, whichever way we wanted to do it, order wise, we could you know – it’s whatever the group decides.”

NOTE: CHAIRMAN ROLAND RESUMED THE CHAIR.

The Clerk called the roll for casting of the vote with the following results:

AYES: Brooks, Milton, Jones and Chism

NAYS: Reaves and Shafer

ABSTENTION: Bailey, Billingsley, Burgess and Roland

ABSENT: Ford

AYES, four; NAYS, two; ABSTENTIONS, four; ABSENT, one (Basar and Turner were absent during roll call).

Chairman Roland declared the MOTION FAILED.

ITEM 2 (ADOPTED) (AS AMENDED)

Mr. Willis, Assistant County Attorney, announced Item 2, which is as follows:

RESOLUTION APPROVING AND APPROPRIATING
SHELBY COUNTY GOVERNMENT’S OPERATING
BUDGET FOR FISCAL YEAR 2017. SPONSORED BY
COMMISSIONER VAN D. TURNER, JR.

“WHEREAS, Pursuant to Article III, Section 3.03(B), of the Shelby County Charter, the Shelby County Mayor has presented a budget to the Board of Commissioners showing the sums necessary to carry out the functions of the County for the coming fiscal year; and

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WHEREAS, The Board of County Commissioners is authorized to make appropriations of County Funds for all legal purposes and to appropriate the proceeds of the tax levy on the assessed values of all properties within the County of Shelby for the Fiscal Year July 1, 2016 through June 30, 2017; and

WHEREAS, Committee No. 1, Budget and Finance, of the Board of County Commissioners has reviewed the consolidated budget for Shelby County and recommends that total expenditures and transfers reflected in Exhibit A be approved in order to fund the Shelby County Government Operating Budget for Fiscal Year 2017, which is inclusive of all operating funds; and

WHEREAS, While funding or refunding bonds issued under the provisions of the Cash Basis Law of 1937 are outstanding, Tennessee Code Annotated, Section 9-11-112, requires the County to levy upon all taxable property in the County each year an ad valorem tax sufficient to pay the interest thereon as it falls due and the principal of such bonds which shall then have matured or which shall mature within the same fiscal year; and

WHEREAS, It has been the policy of the County to make special grants to non-profit civic and charitable organizations from the general funds of the County pursuant to Tennessee Code Annotated, Section 5-9-109, and a Resolution adopted as Item No. 7 by this Commission on July 6, 2015, establishes policies and requirements for funding such organizations; and

WHEREAS, The Board of Commissioners desires to continue the special community enhancement grants policy and recommends funding for non-profit civic and charitable organizations in the total amount of \$1,300,000.00, with the intent that equal increments of \$100,000.00, will be available to each Commissioner to recommend grant recipients for approval by the Board during Fiscal Year 2017.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF SHELBY COUNTY, TENNESSEE, That the recommendation of this Board's Committee No. 1, Budget and Finance, regarding the budget as contained in *Exhibit A, a copy of which is attached hereto and incorporated herein by reference, for the operation of Shelby County, be and the same is hereby approved.

BE IT FURTHER RESOLVED, That \$1,222,190,528.00, is hereby appropriated as detailed on Exhibit A in order to fund the Shelby County Government Operating Budget for the Fiscal Year 2017.

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BE IT FURTHER RESOLVED, That the accounting and budget records for all funds shall be maintained according to the policies established by a Resolution adopted as Item No. 8 by this Commission on June 3, 2013.

BE IT FURTHER RESOLVED, That the budget be summarized into various funds, as identified in Exhibit A, which is attached and incorporated herein by reference, in order to meet legal requirements and generally accepted accounting principles and to comply with financial reporting standards for governmental entities.

BE IT FURTHER RESOLVED, That each office, department, and Elected Official which receives appropriations from the County Government shall adhere to the budget as finally approved by line item for said entity.

BE IT FURTHER RESOLVED, That all special grants to non-profit and charitable organizations must be separately approved to promote the general welfare of the residents of Shelby County and that disbursements of these funds shall not be made until the individual organization has fully complied with Tennessee Code Annotated, Section 5-9-109(c), and the provisions of the Resolution adopted as Item No. 7 by this Commission on July 7, 2015.

BE IT FURTHER RESOLVED, That the County retirement contribution for the Fiscal Year ending June 30, 2017, shall be 16.87% based on the recommendation of our actuaries per the Actuarial Valuation Report as of July 1, 2015, and that amount shall be charged to operations as retirement expense.

BE IT FURTHER RESOLVED, That the County contribution for Other Post Employment Benefits (OPEB) for the Fiscal Year ending June 30, 2017, shall be 5.34% based on the recommendation of our actuaries per the Actuarial Valuation Report as of July 1, 2015, and that amount shall be charged to operations as OPEB expense.

BE IT FURTHER RESOLVED, That the life insurance death benefit for retirees shall be a maximum amount of \$20,000.00.

BE IT FURTHER RESOLVED, That Wheel Tax collections are budgeted 100% for school operations to be distributed to school districts within Shelby County on the basis of Weighted Full-time Equivalency Average Daily Attendance (WFTEADA). The actual amount for school operations shall be the total revenue budgeted in the Education Fund including the Wheel Tax. If the actual annual tax revenue collected for public education purposes exceeds the total revenue budgeted in the Education Fund, including the Wheel Tax, then the excess funds shall be held in a reserve fund to be reallocated at the discretion of the Shelby County

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Board of Commissioners.

BE IT FURTHER RESOLVED, That the \$3,000,000.00, budgeted in the General Fund for Pre-Kindergarten Education is for grants for Pre-Kindergarten classrooms established under Tennessee Code Annotated, Section 49-6-103 (Voluntary Pre-Kindergarten Programs).

BE IT FURTHER RESOLVED, That the appropriation to Regional One Health, Account No. 010-201201-8978, is intended to be applied first to the cost of treatment of inmates from the County, for which Regional One Health is not entitled to other reimbursements, with the balance to be applied towards the care and treatment of other indigent patients.

BE IT FURTHER RESOLVED, That authority is granted to allow for the establishment of several Internal Service Funds and Fiduciary Funds which the Administration has deemed appropriate and required for the proper accounting of certain expenditures.

BE IT FURTHER RESOLVED, That the Mayor and the Director of Administration and Finance are directed to modify the budgets of the Internal Services Funds, Support Services, REGIS and the Roads and Bridges Fund as to revenue and expenditures each time that any department or office either increases or decreases the amount budgeted for related expenditures.

BE IT FURTHER RESOLVED, That for grant funds the Mayor and the Director of Administration and Finance are authorized to reduce the budget whenever a contract is less than the authorized budget and, in accordance with Section 3.07(C) of the Shelby County Charter, to approve transfers from Personnel categories to Operations and Maintenance categories and vice versa with grantor approval. Grant funds can be transferred only between related funds of the same grantor.

BE IT FURTHER RESOLVED, That the Mayor and the Director of Administration and Finance are authorized to transfer funds between all offices, Elected Officials, and divisions within the Personnel and Operations and Maintenance categories in order to allocate the Personnel Restrictions and the Operations and Maintenance Restrictions.

BE IT FURTHER RESOLVED, That the Mayor and the Director of Administration and Finance are authorized to transfer funds between all offices, Elected Officials and divisions within revenue and expenditure categories in order to allocate the General

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Restriction in account 9525.

BE IT FURTHER RESOLVED, That the Administration shall maintain the salary budget for permanent positions by position and may transfer amounts to or from Central Operations wherever needed as authorized by the Hiring Review Committee or Human Resource equity reviews or compensation studies. Temporary positions may be added or moved as necessary with identified funding. Amounts budgeted for temporary positions may not be used to increase amounts budgeted for permanent positions if other funding options are available. Salary adjustments to a position can be made only to the extent that the adjusted salary remains within the salary range of the position grade as determined by the Compensation Policy and that identified funding is available.

BE IT FURTHER RESOLVED, That a general salary increase of 2.0% effective July 1, 2016, is hereby included for eligible County employees.

BE IT FURTHER RESOLVED, That to accomplish operating efficiencies and effectiveness improvements through centralization of Information Technology and other services to the extent that a Division or Elected Official agrees to the transfer of positions or budgeted operating costs to another Division or Elected Official, those positions and/or operating costs will be transferred by mutual consent between the Divisions or Elected Officials.

BE IT FURTHER RESOLVED, That Elected Officials with individually assigned County vehicles may continue to use such vehicles until June 30, 2017, with the understanding that no new or replacement vehicles will be purchased individually for any Elected Official's use other than the Shelby County Mayor and Sheriff.

BE IT FURTHER RESOLVED, That no college tuition reimbursements may be authorized after July 1, 2016, unless a college tuition reimbursement plan is developed by the Mayor's Administration and approved by the County Commission. This does not apply to grant positions for which specified training is required and reimbursed by the grantor.

BE IT FURTHER RESOLVED, That the County Mayor and the Director of the Division of Administration and Finance are authorized to issue their warrant or warrants for amounts not to exceed \$1,222,190,528.00, pursuant to the provisions of the Shelby County Operating Budget for Fiscal Year 2017 as set forth in Exhibit A and to take proper credit in their accounting therefor.

BE IT FURTHER RESOLVED, That this Resolution shall become effective in

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accordance with the Shelby County Charter, Article II, Section 2.06(B).”

/s/ Mark H. Luttrell, Jr.
County Mayor

Date: July 5, 2016

ATTEST:

/s/ Rosalind Nichols
Clerk of County Commission

ADOPTED: June 29, 2016

Whereupon, passage of the Resolution was moved by Commissioner Jones; duly seconded by Commissioner Brooks.

Chairman Roland recognized Commissioner Reaves, who stated: “So now that we have this before us and I know that you brought this up during Committee, do you have a proposal on how we’re going to balance it or does anybody have a proposal on where we’re going to get the revenue from to balance it?”

Chairman Roland recognized Commissioner Shafer, who stated: “Well, yes, although what I’m going to do is, is I’m going to – almost lawyer like – I’m going to toss it back and say it kind of depends. I’ve heard competing – over the years, I’ve heard competing statements and so I would like some clarification from our very able County Attorney about exactly what the Commission’s role is. Are we in good stead to designate where the monies are supposed to be moved from or does that cross the line and get into the executive’s portion about what they should do; at one time the previous County Attorney had told us that our only responsibility or only authority was to vote the budget up or down whatever the Mayor brings to us. So I think I’d like some clarification from you, Ms. Ingram. What is the body – is the body supposed to go through and identify what funds to move money from and indicate that or is that actually – does that tread on the executive responsibility? Am I making myself clear?”

Chairman Roland recognized Ms. Marcy Ingram, Interim County Attorney, who stated: “Are you asking the question whether or not you have a line item veto or do you have to accept what the Mayor brings to you or reject or can you actually make amendments?”

Chairman Roland recognized Commissioner Shafer, who stated: “Not line item veto, because I know we don’t have that, but for instance if I saw that there was \$1 million

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dollars in XYZ fund and I wanted to make an amendment to say, let's move \$1 million dollars from XYZ fund over to ABC fund, is that appropriate and is that – will that stand up?”

Chairman Roland recognized Ms. Ingram, who stated: “That wouldn't be my reading of the Charter. My reading of the Charter would be that the Mayor prepares the budget and that it's your job to make sure that the Tax Rate Ordinance matches whatever budget that you approve.”

Chairman Roland recognized Commissioner Shafer, who stated: “So, Mr. Chairman, just a tiny bit of latitude. I believe that a County Attorney has advised a Commissioner that we're supposed to identify where the funds are from and we can do it either way. I'm prepared – I've spent hours of research going through the budget book to identify some money, but I don't want to tread any more than I like when the executives tread on our power, I don't want to tread on the executive's power. So I just want to be sure what you are saying is that once we amend it up or down that then the Administration will figure out how to make those things work together, is that right or veto?”

Chairman Roland recognized Ms. Ingram, who stated: “Let me take a look at that. I don't know if there's actually one person that's supposed to identify the revenue stream. The Charter just says that the Mayor brings you the budget and that you have to make sure that the Tax Rate Ordinance matches the budget, because there has to be a balanced budget. As far as who identifies where the money is coming from, give me a few minutes to take a look at that.”

Chairman Roland recognized Commissioner Shafer, who stated: “So Mr. Chairman, I think that's kind of critical issue and I sure don't want to belabor things, but otherwise we could end up crafting a lot of things that don't stand up, so what does the body want to do?”

Chairman Roland recognized Commissioner Jones, who stated: “I have a question for the County Attorney. Doesn't the Charter also say that this body is the appropriator of all county funds?”

Chairman Roland recognized Ms. Ingram, who stated: “Correct.”

Chairman Roland recognized Commissioner Jones, who stated: “Did you consider that in response to Commissioner Shafer's answer? If we're the appropriators, don't we get to say what's appropriated here, there – I'm not trying to get into line item, but the Charter also says, we are – this body is the appropriator of all county funds. So in – did you take that

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into consideration in response to Commissioner Shafer's ask?"

Chairman Roland recognized Ms. Ingram, who stated: "I have and if you'll give me a few minutes I'll get back with you."

Chairman Roland recognized Commissioner Shafer, who stated: "Mr. Chairman, would a recess – a brief recess be in order? Ms. Ingram, how long would you think you would need?"

Chairman Roland recognized Ms. Ingram, who stated: "Probably about 10. If you all want to go ahead and discuss, I don't want to hold up the process."

NOTE: CHAIRMAN ROLAND STATED THAT ITEM 2
WOULD BE RECESSED AT THIS TIME,
WITHOUT OBJECTION. ITEM 4 WOULD BE
TAKEN UP AT TAKEN UP AT THIS TIME.

ITEM 4 (SUBSTITUTE RESOLUTION) (ADOPTED)

Mr. Willis, Assistant County Attorney, announced Item 4, which is as follows:

RESOLUTION TO AMEND RESOLUTION NO. 31,
ADOPTED JUNE 21, 2011, TO ALLOCATE INCOME
FROM THE MOTOR VEHICLE TAX (WHEEL TAX) TO
ALL SCHOOL DISTRICTS WITHIN SHELBY COUNTY ON
THE BASIS OF THE WEIGHTED FULL TIME AVERAGE
DAILY ATTENDANCE (WFTADA) FOR SCHOOLS.
SPONSORED BY COMMISSIONER VAN D. TURNER,
JR. AND COMMISSIONER EDDIE S. JONES, JR.

"WHEREAS, Resolution No. 7 was adopted on October 12, 1987, and October 26, 1987, to establish that the income from the Motor Vehicle Tax (Wheel Tax) would be dedicated exclusively to repayment of the County's bonded indebtedness; and

WHEREAS, Resolutions Nos. 40 and 40A were adopted on August 27, 2001, to increase the Wheel Tax and to provide that one-half of collections be allocated to the County's Debt Service fund for repayment of the County's bonded indebtedness and one-half be allocated to schools in accordance with the ADA (Average Daily Attendance) provisions of state law; and

WHEREAS, Resolution No. 63A was adopted on June 25, 2007, to amend the allocation of Wheel Tax collections to designate one-half to the County's Debt Service Fund for repayment of the County's school bonded indebtedness and one-half for school operations, capital needs, or repayment of the County's school bonded indebtedness; and

WHEREAS, Resolution No. 31 was adopted on June 21, 2011, to provide that up

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to 100% of the collections from the Wheel Tax be allocated to school operating costs and the remainder for repayment of the County’s bonded indebtedness for school debt; and

WHEREAS, The allocation of the income collected from the Wheel Tax should be amended to provide that 100% shall be allocated for schools operations.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF SHELBY COUNTY, TENNESSEE, That Resolution No. 31, adopted June 21, 2011, is hereby amended to provide that 100% of the collections from the Wheel Tax shall be allocated to school operations to be distributed to all school districts within Shelby County per the Weighted Full Time Equivalent Average Daily Attendance (WFTEADA) effective July 1, 2016. If the actual annual tax revenue collected for public education purposes exceeds the total revenue budgeted in the Education Fund, including the Wheel Tax, then the excess funds shall be held in a reserve fund to be reallocated at the discretion of the Shelby County Board of Commissioners.

BE IT FURTHER RESOLVED, That this Resolution shall become effective in accordance with the Shelby County Charter, Article II, Section 2.06(B).”

/s/ Mark H. Luttrell, Jr.
County Mayor

Date: July 5, 2016

ATTEST:

/s/ Rosalind Nichols
Clerk of County Commission

ADOPTED: June 29, 2016

Whereupon, passage of the Resolution was moved by Commissioner Billingsley; duly seconded by Commissioner Brooks.

Chairman Roland recognized Commissioner Jones, who stated: “Yeah, I’m just trying to make sure that the amended language that we put in here is still in here.

Chairman Roland recognized Commissioner Shafer, who stated: “Perhaps we could have it read by the Parliamentarian, Mr. Chairman.”

Chairman Roland recognized Commissioner Jones, who stated: “They didn’t change the language in it -- we did it in the last meeting...and it’s not changed here.”

Chairman Roland recognized Mr. Dorsey Hopson, Superintendent Shelby County

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Schools, who stated: “I just want to – just really from the bottom of my heart just thank the Commission for the hard work that you all have done on behalf of kids. You know I’m from Memphis and you know this is one of the prouder moments because just seeing just the best in government. I think the non-partisan spirit, the willingness of you all too really – I think as Chairman Roland said commit to one of the largest increases for education ever; the support of the Mayor and him working hard to make sure that this happens. I know that there have been a lot of people in this community who’ve been very interested in what happened – what’s happened. I’m proud of the way they’ve come together...and I just wanted to say thank you all. We’ve made some positive results with the district, particularly around iZone, our proven test scores, our graduation rates, but we know we have a long way to go and your support will go a long way towards going there. We just want to thank you all so much for your support.”

Chairman Roland recognized Commissioner Shafer, who stated: “Mr. Chairman, could we also hear from somebody from the Shelby County Sheriff’s Office? I just wanted you to talk about the increase that you requested and make sure that you can answer any questions that people might have on that.”

Chairman Roland recognized Mr. Steve Leech, Chief Administrative Officer, Sheriff’s Office, who stated: “As you know, there were two increases that we submitted. The Administration felt that they would not sponsor that for me, so we had to look to you guys for the help to get these passed. There are two important increases that I’m looking at here. One is for officers and as you all well know, the city schools are pulling out their two officers for the 18 schools that we have in that present formation, so we’ve had three to four officers in there in the past and now it’s only going to be two of them in those particular locations, that’s a little concern for me and for the citizens I think are here that we can provide the safety that’s going to be necessary for that process. The second piece of that increase for the people, have to do mainly with our fugitive division. To give a little familiarity, the fugitive division serves all of the warrants throughout the city for the city police and their warrants, the judges, you name it and we’ve got it out there and we’ve only got half the compliment to be able to do that. You get close to 20,000 of those easily a month to have to serve – some of them has to do with domestic violence and that concerns me that they’re still out there in the streets with those people and those warrants. We would like to pick that up so that’s it’s 24/7, also so that we’re serving those warrants as quickly as possible so that it can be served

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and that's a very big concern for me also being the citizens of Shelby County as to be able to handle that. There will be some other proposals that will help us in that area, is sometimes there's some misdemeanor type of warrants that are out there that they keep on the books and we have to keep trying to serve them over years and we might need to pass some legislation that would eliminate some of those misdemeanors so that we're not always getting those over and over and over again also. So we're thinking about that all of the time. The next item was cars. You know it's a real concern because I've tried every effort I could through the Administration here – CIP is not good because it's not a 10 year item, okay, understand that from a practice point of general accounting principles and there's certain processes that we have to uphold to, even though this Administration did do it back in 2011, but with that I'm sitting there saying well it'll take me five years to build the cars back up to where we're getting the ones that are running down off the streets and thank God we've got a good maintenance area or we would have already been in trouble. So with the addition of 30 more officers, you'll need cars for those and then to get us back within the five years we would need that additional \$1 million that I asked for in the cars to be an ongoing process so that in five years we're where we should be at that point. As you know in the past I've always had to come in front of you guys and ask for the money each year that's been a onetime cost and then I got to go find it again the next year and then I got to go find it the third and with that we've never been able to take care of the issue of making sure that our officers are out with the proper equipment doing their job, so those are the two main concerns that I had."

Chairman Roland stated: "I have one big concern – and I'm going to support you today, but I've got to see something done in that jail."

Chairman Roland recognized Mr. Leech, who stated: "Yes sir. To speak to the jail, I've gotten much involved in that. What I do is, I look at population, okay. The biggest problem in the jail that I see at this particular point is the lapse time that we do have right now at this point is pretty restrictive – it would be great – it's a practice – it's an accounting practice, it's not a gap thing or anything like that, but what happens is when you're in law enforcement, in the jail, legislation can pass that I have no control over, okay. That will hurt the population of the jail, okay. When that happens, just like this last legislation that passed with 100 percent crimes, the amount of cases being heard by Criminal Court, with the continuances that keep occurring there and them not getting good plea deals or whatever you want to call it, it keeps them in jail longer, so all of sudden mines becomes a long term

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facility and what they need there, Commissioners, for me to hire the complement needed to support that population and I have to do that quickly or you can see that it will cause some issues that we've got going on there. So that's what I propose that would help them a lot."

Chairman Roland recognized Commissioner Brooks, who stated: "So let me have clarification, on the increase of deputies that you're asking for, these will be deputies that will be assigned to schools – Shelby County Schools, is that correct?"

Chairman Roland recognized Mr. Leech, who stated: "There will be some in there and there will be some in fugitive. We also soon to have a couple of other areas..."

Chairman Roland recognized Commissioner Brooks, who stated: "How many Shelby County Schools? I thought all of them were going to Shelby County Schools."

Chairman Roland recognized Mr. Leech, who stated: "Not all of them, not all of them, sir."

Chairman Roland recognized Commissioner Brooks, who stated: "So where are they being allocated to?"

Chairman Roland recognized Mr. Leech, who stated: "We have fugitive. I just mentioned why on the fugitive with the domestic violence cases and misdemeanors out there that we're not able to serve and get out there because we handle the whole city and things of that nature and we've got to get out there and get those off the streets. So some would go to there and some would go into – because you remember back – before you were here I guess it was we had planned for the city to come out of those schools, if you remember many years ago. We got 35 officers in there at that time and you guys supported that back then so now these are the ones that I need to fill back in for the city leaving – where I think they need three or four instead of two in there, so we want to support that very much so for the schools."

Chairman Roland recognized Commissioner Brooks, who stated: "So you're – so how many are you allocating for schools?"

Chairman Roland recognized Mr. Leech, who stated: "It'll be at least 10 or 15 somewhere around there, depending on fugitive. We'll probably work it between those two major units."

Chairman Roland recognized Commissioner Jones, who stated: "Mr. Leech, do you receive in your budget any enterprise funds? Mr. Kennedy, enterprise funds for the jail – for 201 Poplar, do we receive any – from the state where there's a certain percentage goes

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to the Criminal Justice Center?’

Chairman Roland recognized Mr. Harvey Kennedy, Chief Administrative Officer, who stated: “Yes, they get reimbursed for felons just like the Correction Center does, but it’s a very small number and they do not have an enterprise fund. It’s just a revenue item into the General Fund for the jail.”

Chairman Roland recognized Commissioner Jones, who stated: “Okay, but is that money pushed over to the Criminal Justice Center? What...”

Chairman Roland recognized Mr. Kennedy, who stated: “It’s in the Sheriff’s budget – it’s a revenue item in the Sheriff’s budget.”

Chairman Roland recognized Commissioner Jones, who stated: “Okay, I just wanted to make sure, I didn’t know – I looked into that from the state and up until that point I didn’t even know that some of that fund went to 201 Poplar.”

Chairman Roland recognized Mr. Craig Willis, Assistant County Attorney, who stated: “Mr. Chairman, it would be a good idea if we get someone to move the substitute Resolution.”

Chairman Roland recognized Commissioner Shafer, who stated: “This actually has already been moved.”

Chairman Roland stated: “Yeah it’s already been moved, they just didn’t put it in SIRE right.”

Chairman Roland recognized Commissioner Shafer, who stated: “And so – let’s formally ask on the record that – and perhaps the Parliamentarian could just read it on the record to make sure that the verbiage that we’re reading is what’s in SIRE, because otherwise Commissioners next year will be like oh that wasn’t what was approved, because what’s in the record is what we live by.”

Chairman Roland recognized Mr. Willis, who read the entire Substitute Resolution.

Chairman Roland recognized Commissioner Shafer, who Made a Motion to accept the Substitute the Resolution; duly seconded by Commissioner Jones.

Chairman Roland stated that the Substitute Resolution would be accepted; without objection.

Chairman Roland recognized Commissioner Shafer, who stated: “Thank you. I just want to make sure that – because these things can be somewhat cumbersome and confusing and it you know we became aware of a previous Commission’s Resolution to

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make it somewhat different so that there would be a sliding scale with the Wheel Tax where if more went into – if more came in from the General – from the tax collections that then less would go in on the Wheel Tax to the operations and more would go over into indebtedness. And I want to make sure, Ms. Ingram that this freezes and undoes what that previous Commission had and freezes the amount from the Wheel Tax to go into school operations. That's my understanding, do I have it correct?"

Chairman Roland recognized Ms. Ingram, who stated: "That's correct, Commissioner."

Chairman Roland recognized Commissioner Brooks, who stated: "

The Clerk called the roll for casting of the vote with the following results:

AYES: Bailey, Reaves, Brooks, Billingsley, Milton, Shafer, Basar, Jones, Chism, Burgess, Turner and Roland

NAYS: None

ABSENT: Ford

AYES, twelve; NAYS, none; ABSENT, one.

Chairman Roland declared the MOTION CARRIED.

NOTE: CHAIRMAN ROLAND STATED THAT ITEM 2
WOULD BE TAKEN UP AT THIS TIME.

ITEM 2 (ADOPTED) (AS AMENDED)

RESOLUTION APPROVING AND APPROPRIATING
SHELBY COUNTY GOVERNMENT'S OPERATING
BUDGET FOR FISCAL YEAR 2017. SPONSORED BY
COMMISSIONER VAN D. TURNER, JR.

Chairman Roland recognized Commissioner Shafer, who stated: "I just want to make sure before we do a lot of work either way, whether it's most advisable for moving forward if we simply adopt the amendments that we want to adopt and set the Tax Rate and then it is the Administration's responsibility and ability to make those things even out. Or – that's over here for A – or for B whether we should be identifying exactly where funds could come from. So again if we saw that there's \$1 million dollars we believe that we could move from fund XYZ and put it over into fund ABC in order to fund some of those things, whether that is the advisable way to go. And I've heard, I've heard both things in my tenure, so I would like to know how you advise this Commission to operate."

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Chairman Roland recognized Ms. Marcy Ingram, County Attorney, who stated: "The Charter doesn't use the exact language that you're speaking to, but my reading would be option A is that the Mayor prepares the budget and he sends it to you all to adopt. So in preparation of the budget he has to identify what revenue streams are going to pay what. So I would say that's the Mayor's duty, also the Charter speaks to the accounting principles and puts that under the Mayor's charge. So to me I read the Charter to say that the Mayor should be identifying the exact area of funds that the money comes from and you're setting the Tax Rate and adopting the budget."

Chairman Roland recognized Commissioner Shafer, who stated: "Okay, and so along with the operating budget if we make amendments, which we have, to what the Mayor has presented then there's going to have to be some subterranean moving around of monies and that's really why I'm asking where the responsibility lies so that we don't have to butt heads any more than we do just by nature of the business, but where does that responsibility lie for the subterranean moving around of funds to make all this work?"

Chairman Roland recognized Ms. Ingram, who stated: "Well I think that's why we have the chicken and egg question of what comes first; adopting the Tax Rate Ordinance or adopting the budget, because technically when you adopt the budget, so long as you haven't adopted the Tax Rate it's not out of whack yet for lack of a better term. So until you adopt the Tax Rate Ordinance I really can't answer that question because the budget isn't out of balance, but whatever budget you do adopt according to the Charter the Tax Rate Ordinance has to match that."

Chairman Roland recognized Commissioner Shafer, who stated: "So hypothetically though, if we adopt – and just play along with me here – hypothetically, if we adopt a budget that has \$2 million more in it than what the Mayor's budget had in it and we adopt a Tax Rate that keeps the tax rate the same, who justifies those amounts. And I'm speaking \$2 million because it's easy for me to think of in my head."

Chairman Roland recognized Ms. Ingram, who stated: "I don't know the answer to that question. I just know that your tax rate has to match your budget, so give me some time to take a look and see if we issued any previous opinions on that exact question."

Chairman Roland recognized Commissioner Shafer, who stated: "So Mr. Chairman, do you mind if we heard from the Administration and see what their reading of this might be?"

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Chairman Roland recognized Mayor Mark Luttrell, who stated: "I'll start and I may ask my help here to bail me out. The way I view it that would be an out of balance budget and we can't by statute approve an out of balance budget. I've even questioned if it even would come to me if it's out of balance. I don't know that statutorily if it would even come to me if it's out of balance. So I would say balance the budget."

Chairman Roland recognized Commissioner Shafer, who stated: "So in order to balance the budget though – with some latitude Mr. Chairman, and I think we're seeing this kind of the same way, but in order to balance the budget then we would have to say – we would have to make an amendment saying we want to move some money from here and put it to there and again I'm trying to be sensitive to the division of powers, right, but we would have to do that in order to make it done. In the past – in my tenure in the past all the Commission has done is pass the – pass what it wants to have as amendments and then it got worked through, but the Commissioners didn't identify the funds themselves, but – can you see my conundrum here, because if what the Mayor is saying is if that it's – if the dollar amount goes over without him some re-finagling or us re-finagling, that would be an out of balance budget and then we end up like in Ground Hog Day, right and we've been in Ground Hog Day a long time this budget season. I'm just trying to figure out the correct operating measure to move forward."

Chairman Roland recognized Mr. Harvey Kennedy, Chief Administrative Officer, who stated: "It's a very difficult issue, but what we would like to be able to do is to have the Commission approve certain amendments that perhaps we didn't have in our original budget. If there are some items that you believe need to be included in the budget, then we would like to hear also of some areas that you think might be appropriate for cuts and we'd also like for you to listen to a few of the ones that we've come up with. We think that they're some areas – in fact I've already offered earlier today – I think the first step we could take is that based on our very most recent information I believe that we can modify the Wheel Tax revenue by \$1 million dollars upward and that would take care of \$1 million dollars for schools leaving us with \$2.5 million dollars to find. I've got a couple of more suggestions from the Administration again amendments come from the Commission but suggestions as to where we might be able to make some movements like that. I mean it really almost has to be a collaborative effort, because eventually the way we understand it, you can approve budgets at the personnel level, you can approve budgets at the O and M and then we've got

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to make it fit together and work and clearly we would not like to move forward by balancing the budget with Fund Balance. That's really a bad stance to make and clearly the Mayor's already made it clear he's not receptive to increasing the tax rate to balance the budget to add to the revenue. So I think we can work through this, but I really – it's like we've approved every single increase that's come before you today that from all of the elected officials and all of the areas. I think if we could scrutinize that a little bit, get the increases down then I think we can work through some reductions and end up with a balanced budget."

Chairman Roland recognized Commissioner Shafer, who stated: "So final question, okay. So let's just assume that we find some pieces in there between what you're offering and I've got a few suggestions, I'm sure other Commissioners have ones that wise, but we find that we are going to need to take some from fund balance. Is that something that we just agree to or we say it happens and then you do what you do in the budget process, if the Mayor doesn't like that he vetoes it. I'm just trying to speak very plainly."

Chairman Roland recognized Mr. Kennedy, who stated: "Technically I think that you can approve it, we're asking that we not do that unless it's something that's absolutely a nonrecurring that's not going to create a budget problem for next year; that would be our position going forward."

Chairman Roland recognized Commissioner Reaves, who stated: "Mr. Kennedy, Mr. Mayor, I have a couple of questions that hopefully you can help me with, Mr. Swift. Let's talk about fund balance for a second. I think we understand what the current balance is. What would be our lowest – at what point will we be at our lowest in fund balance and what would that be over the course of this next fiscal year?"

Chairman Roland recognized Mr. Mike Swift, Director of Administration and Finance, who stated: "In late December we will be about \$100 million dollars negative. So we have to in cash flow. So we have to have a hundred—in round numbers \$100 million dollars in fund balance in order to pay our bills at the end of December."

Chairman Roland recognized Commissioner Reaves, who stated: "And we have about \$110 million is that to be – maybe a little less in fund balance?"

Chairman Roland recognized Mr. Swift, who stated: "Something like 108, somewhere in there."

Chairman Roland recognized Commissioner Reaves, who stated: "So around \$8 million dollars. So we have any type of large scale project that comes up or something we

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need to fund that comes up in the course of the year, all we have is potentially \$8 million dollars to remedy that out of fund balance.”

Chairman Roland recognized Mr. Swift, who stated: “Correct.”

Chairman Roland recognized Commissioner Reaves, who stated: “Okay, so best practices when it comes to fund balance, what is the expectation based upon best practices of how much you should keep in your fund balance – because we use for operations, I mean that is our cash flow over the course of the year, right. It doesn’t get to be unassigned, typically, it is a cash flow account that we use to pay our bills, so.”

Chairman Roland recognized Mr. Swift, who stated: “It’s really in our case cash flow and every government’s different because of how their taxes work. Like for example the City of Memphis their property taxes are due August 31 so they’re getting most of their revenue at the start of the year so they don’t have to have as high fund balance to meet cash flow needs. So the most – I think the most important indicator of how much fund balance you need is your cash flow and our cash flow says we will be down – we will be generally under \$10 million dollars in late December. When we make the December 15th payroll we are approaching very little cash and then property taxes come in at the end of December and then we’re good again, but late October – from mid-October to the last week of December we’re very tight on cash but yeah so we’ve got about say \$8 million dollars available.”

Chairman Roland recognized Commissioner Reaves, who stated: “Okay, so most of these are non-recurring requests that we’ve put in place except for the Mayor – I’m sorry the Sheriff’s cars. Most of these amendments we put in place today are recurring expenses, right?”

Chairman Roland recognized Mr. Swift, who stated: “Yes.”

Chairman Roland recognized Commissioner Reaves, who stated: “They’re recurring expenses. So we would be – if we were to use fund balance we would be committing future budgets, right and so to me that’s an issue. So let’s go back to the pay as you go question I asked earlier. What do we have – because Commissioner Basar brought this up, from a pay as you go capital viewpoint that we’re paying right out of the budget, what do we have available?”

Chairman Roland recognized Mr. Swift, who stated: “In my opinion in order to – you know unless we choose to issue very short term debt, which this does, is going to increase our debt service in future years then we don’t have any excess in pay as you go

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money and I look at cash flow and – to just give you the breathe of what I’m managing in our last – in our current report there is about \$90 million dollars of capital projects approved including the schools that I’ve got to fund and we don’t have – and when I look at the types of projects, there’s a lot of projects that should not be funded with capital dollars – with bond dollars and then there’s a lot that are very short term. A lot of what we’re doing now is either pure maintenance or computer systems that just don’t last very long and we can’t assign a long term life. So I would not recommend we use any money out of the capital fund for operating purposes.”

Chairman Roland recognized Commissioner Reaves, who stated: “So as it pertains to the pay as you go -- and if we took money out of that are we looking at an increase in our debt service and – I mean, because right now our debt plan – debt reduction plan has us in a trajectory in which we’re heading this way; are we looking at a potential flat or an increasing level of debt to where it’s going to put a hamper on – on keeping us from getting future revenues to go into general operations, right – so...”

Chairman Roland recognized Mr. Swift, who stated: “It would depend on the amounts, but you’re going to move at least towards flat and if we did very much of it, because we do it one year we’re going to have the same problem the next year and if we start moving in that direction we’re going to go back to increases debt service.”

Chairman Roland recognized Commissioner Reaves, who stated: “So back to the original question I think that Mrs. Shafer kind had brought up. If we send this budget to you \$13 million dollars out of balance based upon the current projected tax rate, what you’re saying is that unless we increase the tax rate to match up to the budget, we’re going to be out of balance and statutorily if we don’t do that then you won’t even sign it because it’s basically an illegal budget. Is that what you’re saying? So for all practical purposes you’re not going to take our budget and go in and rearrange the funds to balance what we’ve done. You’re going to look at it and say, Commissioners if you’ve oversubscribed the budget by this much, you need to increase the tax rate by this much. Is that...”

Chairman Roland recognized Mayor Luttrell, who stated: “Commissioner I don’t think I would have the authority to go in after you’ve already enforced something and just delete it. I think that would have to be your action.”

Chairman Roland recognized Commissioner Reaves, who stated: “That’s what I’m saying though, if we voted for an increased budget of \$13 million dollars but we don’t change

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the revenue source either through this process or either through the tax rate, then we may send it to you, but if they're no matching up of the tax rate then what do you do as a Mayor do you just let it – I mean what do you do with it when you get that?"

Chairman Roland recognized Mayor Luttrell, who stated: "Well I have – and I think Commissioner Turner and I were thinking the same this morning, I think we've got to get a reading from the County Attorney as it relates to that, but I was raising the question I said do I just not sign it or do I veto it and send it back to you and ask you to bring it in line or what is the appropriate action and I think we've got to turn to our County Attorney to give us a little..."

Chairman Roland recognized Commissioner Reaves, who stated: "I'm just concerned if we send two things that don't match up we're going to have the state coming down on us or some other regulatory entity and I want to know what that is. This is a precarious type of situation if we don't find the balancing factor from viewpoint."

Chairman Roland recognized Commissioner Basar, who stated: "I had sent something out to the Commissioners which I thought was a fairly reasonable way to kind balance the budget and take care of some of the expenses and the additional requests. I guess I wasn't here so that wasn't actually dealt with, so let's I guess take it from the top if you will and try to get to a balanced budget that we can pass in the next 45 minutes if possible...but I'm just going to kind of go through – what I think we're at and I think it was what \$13 million dollars over right now and if I break it down: \$3.5 million of that is for Shelby County Schools, right now \$4.4 million for the Sheriff, \$2.3 million Attorney General/Public Defender, we've got \$2 million dollars -- \$1 million for Corrections and \$1 million for Regional One and then that's \$12.2 million roughly. The Criminal Judges added \$228,000.00, the Veteran Courts \$201,000.00 and then Juvenile Court \$247,000.00 and the Election Commission was \$58,000.00 and JIFF for \$150,000.00 -- \$169,000.00 and I think that I summarized all of the additions. Did I miss anything there?"

Chairman Roland stated: "Well actually the Election Commission hadn't been put back in there."

Chairman Roland recognized Commissioner Basar, who stated: "So other than that I think I summarized closely or roughly \$13 million dollars out. So right now I'm just trying to summarize where we're at for everybody and so just also just to kind of confirm my own mind and for the folks out there because numbers have been flying all over the place

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and you know at least to say right now we're \$13 million dollars out of whack, roughly. I think the Administration served up \$1 million dollars on the Wheel Tax, so there's \$1 million on the revenue side. So that gives a \$12 million dollar gap. Now I know Director Swift has talked about the pay as you go and I'll be candid I'm not the biggest fan of this, but if we take \$7.775 million and \$1.375 million that are currently budgeted as pay as you go, which means that's – correct me if I'm wrong but that's basically general fund that are going into capital projects, if we take a stance that we're going to use debt instead of general funds for those capital projects then that frees up roughly \$9 million dollars that we can spend in these other requests. I know you don't recommend it, but I'd just like you to confirm that it is possible that we could do that."

Chairman Roland recognized Mr. Kennedy, who stated: "Commissioner I think we could – I'm sorry Chairman may I respond, since he asked? I think we need to adjust the figures and we'll some responsibility for maybe mislabeling, but I think the columns that you were taking out of the budget book were identifying the county shares of capital projects and not specifically the pay as you go. Although I acknowledge I think they were labeled as pay as you go – well there three sections in there and the pay as you go amount is a little bit smaller than that. I think we have a transfer in the budget of like about \$6.6 million dollars of pay as you go money transferred from debt over to capital."

Discussion ensued amongst Commissioner Basar, Mr. Kennedy and Mr. Swift.

Chairman Roland recognized Commissioner Basar, who stated: "Now, Chairman, do we have a Resolution to continue funding the government, if you will, in the even that we don't pass a budget today?"

Chairman Roland stated: "We can make one."

Chairman Roland recognized Commissioner Basar, who stated: "I think I asked that we have that ready to go. Can we get that from the staff?"

Chairman Roland stated: "Okay. They've got it down there."

Chairman Roland recognized Commissioner Basar, who stated: "Okay, I'm going to say if we can't get this hammered out in the next 35 minutes then we need to pass the continuing Resolution because I don't think we're ever going to get a Resolution to just throw it out there. So if we have roughly \$13 million dollars of extra approved spending and we have \$7.7 million dollars available without raising taxes, I would like to find a way that we can close that gap and you know take some of these chunks of millions of dollars out and get to a

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spend of \$7.7 million to balance the budget and then we can get a budget passed and we can move on.”

Chairman Roland recognized Commissioner Milton, who stated: “Mr. Chair. I just want to pose a question to Commissioner Basar for clarity so that I have an understanding. With this then be reoccurring funds though, if we were to approve this and many of these are reoccurring. Would those dollars still be there next year to address those issues; the \$7 million?”

Chairman Roland recognized Commissioner Basar, who stated: “I guess a short answer would be most likely, okay. I’m not – we’re not forecasting out – and that maybe one thing we want to add in the future is to forecast out – a five year forecast plan if you will. But I would say most likely yes, in most situations, yes that would be the plan, but we’re going to need to come up with roughly – and if I’m doing the math here – about \$5.3 million dollars or so of reductions from the \$12.12 or \$13 million dollars that we had approved.”

Chairman Roland stated: “Do you have anything – any reductions that you would like to put forth to take out?”

Chairman Roland recognized Commissioner Basar, who stated: “Well, yes. I can make this pretty easy. I would reduce the Sheriff by \$2 million dollars...”

Chairman Roland stated: “Okay, now I got a question for you on that, and I guess it goes to the Administration. If they did reduce that by \$2.2 million dollars, would you still work with him in getting his cars the way that you were talking about doing?”

Chairman Roland recognized Mr. Kennedy, who stated: “Chairman, we’re willing to work with the Sheriff. I’m still with the opinion that we can repurpose some vacant jail positions that have been vacant for a long time. I know Mr. Leech – he’s got some points but yes, yes we’ll be glad to do that.”

Chairman Roland recognized Commissioner Basar, who stated: “So I guess to put this in the form of an oral Resolution. I propose that we increase the funding side of the budget by \$1 million dollars for the Wheel Tax and \$6.7 million dollars from the county’s portion of pay as you go debt, whatever you want to call it, so that gives us \$7.7 million dollars more to spend. And on the side of spending that we’ve already approved, I’d like to propose that we reduce the Sheriff by \$2.2 million to cut that down – and the Attorney General we would reduce that \$1 million, that would be the Attorney General/Public Defender prorated whatever and then the Attorney General can figure out how they want to spend their

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money. And then the Corrections and Regional One, and I'm sorry Mr. Milton, I think we've got to take that \$2 million because that wasn't even on the table before today. So that would give us \$5.2 million dollars of cuts, which balances the budget and that's my motion and I hope I get a second."

Chairman Roland recognized Commissioner Basar, who Made a Motion to Amend; duly seconded by Commissioner Reaves.

Chairman Roland recognized Commissioner Jones, who stated: "Thank you, Mr. Chairman. Okay, last meeting I asked about surplus that was coming in, Mr. Kennedy said it was about \$7 million dollars and you spent it out and it sort of left it at \$2 million and something that would be left from surplus that would be collected in this – he's not included that. So given the fact that he hadn't included that, there's another \$2 million dollars right there to get him to his five. Also in debt service you were transferring money out. We only have to expend \$149 million, you've already collected \$152 million, so you've got extra money in debt service, about another \$3 million dollars. There go the five with what Commissioner Basar has done, don't have to talk about it anymore, now the budget can be balanced."

Chairman Roland stated: "Okay, are you amending Commissioner Basar's amendment?"

Chairman Roland recognized Commissioner Jones, who stated: "Absolutely and that would give everybody what we've already put in here and it would be balanced with what he did. There's about \$2 million that's going to come in from surplus, there's another \$3 million in debt service that's sitting there over the amount that needs to be paid, that's \$5 more million and it's balanced."

Discussion ensued amongst Commissioner Jones and Commissioner Basar.

Chairman Roland recognized Mr. Kennedy, who stated: "Thank you, Mr. Chairman. First of all as we talked about it at great length this morning we're not really looking at a surplus on property tax collections. Our earlier projection looked like there might be possibly \$2.1 million dollars, but now that the collections have slowed the refunds have gone down it looks like it's going to come out about even, but even if there were a surplus, you can't take FY 16 surplus and turn around and balance the FY 17 budget for it. You have to look at FY 17 projected collections and as far as the debt service fund, Mr. Swift has already budgeted some use of fund balance, there's not a surplus for FY 17. We have

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diverted many funds away from the debt service fund for 17, so it's not – he's projecting to use some of the fund balance, we're not looking at a surplus there. But while I'm on this I did offer a very viable plan for reducing the expenditures by \$2 million dollars by capping the retiree life insurance at \$20,000.00; it's very acceptable, it's very much in keeping – we can save money in the General Fund going to the OPEB trust fund just by including that. we can make it happen beginning on July 1st and that is a true savings toward the deficit that we're looking at right now.”

Discussion ensued amongst the Commission.

Chairman Roland recognized Commissioner Basar, who stated: “So, Commissioners we can still work with the Administration, I don't know if there's magic on the July 1st date or if that's something that can be done through the month of July, but if we – we can always amend the budget after we've passed it and if we come up with \$2 million dollars savings on employee life situation, then we can find \$2 million dollars where we want to spend it. So I think if we could you know adopt the Resolution that I made and that has a balanced budget and revenues and expenses are lined up, the Administration is probably okay with it we can pass that, we can move on, get the tax rate and then later if we can find additional savings so we have a proposal from the Administration then I think that's a great idea, we can amend the budget and we have a list of things that we'd like fund you know so there's no shortage of desired spending...but I think the key is we want to get a budget passed today and so you know I guess I'd like to move for a vote on my motion.”

Discussion ensued amongst the Commission.

Chairman Roland recognized Commissioner Turner, who stated: “Okay, so while that's being added up, Mayor, Mr. Kennedy, Mr. Swift, is that something that can be signed off on now understanding the fact that we may come back and reopen after July 1st? Can we get that signed if we were to pass it?”

Chairman Roland recognized Mr. Kennedy, who stated: “We've got one problem right now with what's being proposed and that is when you establish the tax rate, funds that are collected for debt service have to be used for debt, so we would need to get together quickly and probably modify internal portions of the tax rate, if we did that, but again we're going to need to confer because again that idea of moving the capital money over in long term debt it really is a bad idea, I mean I know we're rushing to try to balance the budget, but I would strongly recommend that Commissioner Basar doing – let's reconsider some of these

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increase requests and then look at a couple of others that we have. There's some other items out there that are somewhat discretionary through their level. We had talked about perhaps using some of the funding that we had projected for blight control. We put money in there because we need but we could lower that a little bit. I would still appeal to the Commissioners to maybe ratchet back a little bit on the community enhancement grants, find some of these things that we could cut back; that's really what we need to do is to live within our means and not keep trying some movement of money around that's going to cost us more in the long. I think that's our concern. Commissioner Basar, I appreciate what you're doing, but we're just creating more cost by having to do short term debt immediately starting this year or upcoming year and moving forward. So our plan – I think keep that money in there is important.”

Chairman Roland recognized Commissioner Turner, who stated: “So I think how the budget came to us before today was the additional \$3.5 million to the schools, that was in addition to the Wheel Tax money, which is already over there now, and then you all proposed the 8.7. So we just voted today on a budget which took care of the school system and our budget, right the County Commission. That was something that you all were in agreement with is that – you affirm?”

Chairman Roland recognized Mr. Kennedy, who stated: “Yes and we proposed reductions here, one of them is the increase of the Wheel Tax revenue, we still would like to propose the retiree life insurance cap, which would be good and then two more that would take care of the \$3.5 million and keep us in balance at that point then all of the increase requests that were additionally approved today at Committee, we need to start looking for some reductions to cover those or ratchet back on some of those increase requests.”

Chairman Roland recognized Commissioner Turner, who stated: “So you're saying even with the 3.5 to the schools, we're still having to make those cuts that are you proposing. We can't get the 3.5 done without any cuts?”

Chairman Roland recognized Mr. Kennedy, who stated: “Well, no we were in perfect balance without the 3.5 so to add that to it we needed to make – and that's where we came up with exactly \$3.5 million dollars of proposed cuts to get there to keep the budget perfectly in balance.”

Chairman Roland recognized Commissioner Turner, who stated: “So if we pass the Basar amendment today, more than likely that will not be signed and we would have to

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revisit everything at some point and time after July 1st?”

Chairman Roland recognized Mr. Kennedy, who stated: “Well we really need to review the increase request now because you approved the budget, particularly those budgets that increased personnel, the elected officials are going to go out and hire them, I mean we’ll have them onboard. So they need to know what’s going to happen with their FY 17 budgets, particularly if there are personnel involved. So we really as Chairman Roland says, we really need to resolve it today.”

Chairman Roland recognized Commissioner Turner, who stated: “And from a procedure standpoint – and Mr. Chairman I want to get this on the record. I know Commissioner Reaves had stated something as well, but we cancelled our July 11th date which would have been our date for the third and final tax reading, but you say you’re just going to do a special call in order to take care of that third and final reading. I just want to make sure the Commissioners know we need to come back.”

Chairman Roland stated: “Actually on our 27th meeting it could be done then, I mean there’s no rush on the – is it Mr. Kennedy? I mean if we pushed the – I mean if the – the way we – we got rid of our July 11th meeting because we did all of it today except for the tax rate and we can pass that on the 27th, can’t we, our Third Reading?”

Chairman Roland recognized Mr. Kennedy, who stated: “Yes. Yes we need -- it’s the budget we need approved before July 1st because – I mean we got to – to be operating we need to have a budget.”

Chairman Roland recognized Commissioner Turner, who stated: “So the only thing that you are saying that would be signed off on today would be the 8.7 that you all proposed for education and then the \$16 million in addition that came over from the Wheel Tax. Outside of that you would have to make cuts and...”

Chairman Roland recognized Mr. Kennedy, who stated: “No it was more than 8.7; our original proposal had \$16 million plus 8.7 and then we added the additional \$16 million now we’re adding one more million. So the schools would get the \$3.5 million that was approved at your last meeting.”

Chairman Roland recognized Commissioner Turner, who stated: “But you would have to make those cuts that we don’t want to make, so I understand, so the only that we could do today that would be signed without having to cut these other things would be the 16 coming over from the Wheel Tax and 8.7 that you put forth and...”

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Chairman Roland recognized Mr. Kennedy, who stated: “And \$1 million that was proposed and approved, so there’s another million of Wheel Tax that we changed it to and if we had approved the \$2 million for the retiree life insurance and looked at a couple of these smaller adjustments and keep looking down we could get a good bit closer.”

Chairman Roland recognized Commissioner Shafer, who stated: “I do appreciate the thought behind it, I just can’t support using it from the pay go portion because it creates more debt and I think we – we do have a very aggressive debt reduction plan and I’d like to stay with that, I don’t necessarily want to go over it, right, but I also don’t want to create new debt. So I’m going to vote no on this. I do have some ideas, but I’d like to just put Commissioner Basar’s amendment to a vote and see what the Commission wants to do and then we can either – we can move on one way or the other.”

NOTE: CHAIRMAN PRO TEMPORE TURNER
ASSUMED THE CHAIR.

Discussion ensued amongst Commissioner Jones and Mr. Kennedy.

Chairman Roland recognized Commissioner Jones, who stated: “I guess the one other question I’d like to ask, Mr. Chairman, and this is to Mr. Leech, if you can come back to the well for just a second. How much is in your FY 16 budget that you would be turning back in to the Administration in dollar figures?”

Chairman Pro Tempore Turner recognized Mr. Leech, who stated: “The estimated amount that they would probably get back is \$3.1 million.”

Chairman Pro Tempore Turner recognized Commissioner Jones, who stated: “Okay, \$3.1 million that’s already in your budget right now. That would help you out a whole lot with your vehicles, correct?”

Chairman Pro Tempore Turner recognized Mr. Leech, who stated: “Yes sir.”

Chairman Pro Tempore Turner recognized Commissioner Jones, who stated: “But you’re going to be giving that back to the Administration which means you might not get it back, because they choose to put it somewhere else.”

Chairman Pro Tempore Turner recognized Mr. Leech, who stated: “That’s actually – the CAO did offer me 1.1 of the 3.1.”

Chairman Pro Tempore Turner recognized Commissioner Jones, who stated: “That’s my point. You’re giving back \$3 million that you didn’t spend and – and I’m going to

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ask this question – County Attorney, is it possible to put an amendment on the floor for the FY 16 budget to amend their budget to keep those funds with them that could go to the use of their vehicles – it's over \$3 million dollars. Can we as a body amend the FY 16 budget today for the Sheriff for that money that they would be submitting back to the Administration that they can keep it and use it for their vehicles, because we're still in that budget year."

NOTE: CHAIRMAN ROLAND RESUMED THE CHAIR.

Chairman Roland stated: "Commissioner Jones, I got a statement, if you all don't mind, and I work for you all, but here's how we could do it, you could do it – it's as wide as it is deep is what we say back in the country. So let's pass a budget okay and we've got until we pass the tax rate and we can be reconciling this budget in between then, okay. But at the end of the day we'll have a budget and there's two things – one thing that I'm not going to give on, I don't know about you all, but I'm not going to give on schools. So but I want to go ahead and get a budget passed and then we can back into it, take out, amend, whatever you want to do, as long as we've got a budget passed. So would you all like to do that?"

Discussion ensued amongst the Commission.

Chairman Roland recognized Commissioner Basar, who stated: "I had to amend my amendment with a friendly amendment of striking JIFF for \$169,000.00 as well just to balance it out, because they put together a spreadsheet of all the items and I was trying to do the math in my head."

Chairman Roland stated: "Just go ahead and leave JIFF in there right now, because like I said this is work in progress. So what if we're out \$169,000.00, that's not that much."

Chairman Roland recognized Commissioner Basar, who stated: "Just keep the original as it was and the piece that's being passed around we'll just – I guess we'll add the JIFF back in and we can take it out later, but...my motion's on the floor."

Chairman Roland recognized Ms. Amy Weirich, Attorney General, who stated: "Mr. Chairman, I certainly don't want to complicate anything than it already is...Yes sir I was going to make an offer that the \$800,000.00 that would be left from our ask, we can make that work, if the cut that Commissioner Basar is recommending would basically cut ours to an \$800,000.00 additional money for my office, we can make that work within the confines if that helps this body move forward and fund the things that this community needs."

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Chairman Roland stated: "Okay, which basically puts us at \$7,807,997.00 out of whack with the original budget, but like I said if we pass a budget that we can always amend or we can give to or take away."

Chairman Roland recognized Mayor Luttrell, who stated: "Mr. Chairman, can we take about a 10 minute break this – we're not feeling at all comfortable with this discussion right now. Let us kind of sit down and see what you're saying – if that can fit what we're required to do, because I'm not feeling comfortable with where we are."

NOTE: CHAIRMAN ROLAND RECESSED THE COMMISSION MEETING AT 1:00:41 P.M.

NOTE: CHAIRMAN ROLAND RECONVENED THE COMMISSION MEETING AT 1:19:21 P.M.

Chairman Roland recognized Commissioner Basar, who stated: "So the increase in funding would be roughly \$7.7 million dollars and that would be the previously mislabeled page the yellow portion that Mike Swift identified and \$1 million dollars from the Wheel Tax, which they identified as a you know an incremental revenue expectation, so that's \$7.7 million and then there's a sheet that went around, but roughly taking out – from the amendments that were already passed, we're reducing the Attorney General and Public Defender by a million, the Corrections Officers, take a million dollars out of that, \$40,000.00 out of the Election Commission, a million from Regional One and \$2.2 million from the Sheriff and that gets us to pretty much a balanced budget."

Chairman Roland recognized Mayor Luttrell, who stated: "Well thank you, Mr. Chairman, I apologize we ran a little bit longer than 15 minutes, but before you vote on that, if we could talk a little bit about some of our thinking on the proposals. Education is top priority without a doubt, law enforcement is a very high priority, but we can't afford to do everything we want to do. What we would like to propose, Mr. Chairman, is that we stand by our \$3.5 commitment to education and if we – we will find – plus the Wheel Tax, \$1 million additional in Wheel Tax leaves us with a deficit of about \$2.5, we will \$2.5. we suggest that you pass the budget with that stipulation and then as revenues become available in the new year these amendments can be brought forward and addressed at that time, but we just can't afford to do what all these amendments want to do at this time and if we do see a revenue uptick then we'll be able to bring these amendments up and we'd make a commitment that

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we certainly will work with you. That I think we also – we can help the Sheriff with the proposals that we had mentioned earlier as far as the vehicles and some other assorted expenses over there, it may not be exactly what the Sheriff wants but it could be more than what he has, so we can help the Sheriff. That way we have met our two major commitments of education and safety and then as our revenues uptick, hopefully, then we'll be able to look at these amendments at that time. But to back into the budget the way that we were talking about just before the break, it's going to throw us out of budget and we just can't go there."

Chairman Roland recognized Mr. Kennedy, who stated: "Chairman also, you know if it turns out that we have underestimated revenues, once we've collected everything, if Commissioner Jones is correct, and he might be, maybe we will come in a little bit more, but still that money will go into fund balance, it's going to go into the right places, but if we need to adjust revenues for fiscal 17 moving forward, well then we will bring that forward to you and then that will create expenditure room to do some of these things whenever the Commission thinks it's most, but to move the pay as you go out and incur long range debt, I think it's just a bad plan. I think that's sending us into the completely opposite direction that we've been going and that's reducing debt service payments every year so we're freeing up money for operations and schools. So I mean it's just – that's the one that needs to go down over time, because the needs are certainly out growing the value of the penny growing, so we need to do that, but moving that over – I mean it's a quick way to get money, but you know not to pick on the city but if you look at those kinds of actions that's what got them where they were and in bad financial condition and I don't want us to head in that direction."

The Clerk called the roll for casting of the vote with the following results:

AYES: Basar

NAYS: Bailey, Reaves, Brooks, Billingsley, Milton, Shafer, Jones, Chism, Burgess and Roland

ABSENT: Ford

AYES, one; NAYS, ten; ABSENT, one (Turner absent during roll call).

Chairman Roland declared the MOTION TO AMEND FAILED.

Chairman Roland recognized Mr. Rick Wagers, Executive Vice President and Chief Financial Officer of Regional One, who stated: "We recently completed our budgeting process and – which was one of the most difficult that we had and that at this point and time

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we have a projecting operating deficit of \$4 million dollars. The current year we're probably approaching \$15 million dollars, there's been a lot of cost reduction, searching for new revenues to get to where we are. With the Affordable Care Act that was approved at the federal level and with the State of Tennessee not expanding the Medicaid program there are a lot of cuts that are starting to trickle down. We're losing \$5.6 million dollars of subsidies that we had gotten through the federal government – helped by the state that will be reduced this next year into FY 17 and they will continue to grow. Also at this moment the center for Medicare/Medicaid – CMS has not yet approved the TennCare waiver for the State of Tennessee and it very possible that the reductions will be much more. I'll just close with one other point and that is that in terms of the cost of care that Regional One Health provides to the prisoners that we take care of and the cost of care for Shelby County residents that are unable to meet their obligations in terms of the cost of the care that the cost of those programs is currently over \$80 million dollars currently the county provides us with direct support of \$27,400,000.00, that leaves us a deficit of funding of Shelby County residents of over \$50 million dollars that we're currently carrying and getting subsidies through other mechanisms to help. So with that I just want to say thank you for the opportunity to come and share with you a few words. We appreciate any support that the Commission can provide. Thank you."

Chairman Roland recognized Mayor Luttrell, who stated: "Mr. Chairman, may I respond to that, please? We have obviously been very supportive of Regional One for years and we meet with Dr. Coopwood and Mr. Wagers throughout the year, this is the first time this issue has been brought to our attention. I think we can rest assured that Regional One is going to be taken care of. What I would like to suggest along with what I said previously, this should be something that would be considered very quickly next fiscal year as the funds become available, but it was my impression that Regional One was holding their own; they never made any request of us when we were pulling a budget together, so I'd like an opportunity to sit down with them and take a look at their needs going forward, understanding the challenges of the Affordable Care Act and certainly we'll bring an amendment back for the new fiscal year."

Chairman Roland stated: "Mayor, I thought there was some money, reoccurring money in the budget for the – for Regional One every year."

Chairman Roland recognized Mayor Luttrell, who stated: "Annually about – close

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to \$28 million dollars we give them so this would be on top of that and they are facing some challenges as it relates to the Affordable Care Act and Dr. Coopwood and I stay very close in communication throughout the year to keep me informed about the challenges that they're having."

Chairman Roland recognized Commissioner Shafer, who stated: "Thank you, is this the appropriate time for me to offer some suggestions and things we could look at to reduce some expenses. So I would like to just – if I could just do this a little freeform and talk through some ideas that I had about finding some savings to try to get us there. So I spent a lot of time going through the budget book and I believe I've identified \$6.2 million that we could look at okay...I'm talking about okay – suggesting that perhaps we could move from fund 010 – it's 3016 the Parks and Grounds maintenance – it was – it looks as if there's almost a \$2 million dollar increase over the FY 16 amended and FY 15 actual, so with that – so in FY 15, if the book is correct, the information that we're given, it's \$2,774,832.00, okay that was FY 15 what was actually spent. FY 16 amended, okay, was \$2,926,135.00, but what the FY 17 proposed is \$4,000,048.37, so to me that's a pretty good little you know about \$2 million dollar jump. And then along with that right underneath in the budget book it is Department 3073, Support Services, kind of a similar thing. FY 15 had \$13 million plus, FY 16 amended was about \$13.7, but what's proposed for FY 17 is \$15.8, so we could pick up right about \$3 million from there, okay, that's the way it looks in the budget book. Going down a little bit, if you go over to the Plan and Metric Digital Data System, which I think is nice – this is on page 181 of your budget summary book, we – that's \$1,100,000.00 and I think that– I do agree that this is an aspirational thing that we could move towards, but perhaps this year is the year just to hold that steady. With \$100,000.00 on page 181 from the low docks imaging machine, I believe that we could fund a good share of that – it's only \$100,000.00, but I believe we could fund a good share of that by doing some fee increases...then from Account No. 52...but it's Account No. 52, it's called Salaries-Other Compensation. The FY 15 actual was \$19.9 and what I'm saying is we could possibly – because this looks like...I think we could take it down a million and from Account 64, which is services and other expenses it was – the FY 15 actual was \$23 million and we would – I would agree to make it \$26 million instead of what they suggested. So this is the Account 64 Services and Other Expenses, I would say that we could take a million off that and if my math was correct at about 11:30 at night, that would put us at \$6.2 million and is – that's

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savings, not savings, but its actual expenses that perhaps we could move to shift into some other areas. I've also asked – Craig Willis was very nice to help – we could look at also amending the FY 16 budget and I think we could do this on today's agenda because it's pertinent to the issue and make a Resolution to carry over the \$3.1 in savings that the Sherriff has, move that into his FY 17 budget and then you've got you know – so he's keeping his money instead of sending it back to the General Fund and getting some back, we could just donate those – designate those monies directly for him. So I'm offering that for some consideration, because if you take the \$6.2 million I just talked about and then \$3.3, that's \$9.5 million. So it's open for discussion if it's okay with you Mr. Chairman.”

Chairman Roland recognized Mr. Kennedy, who stated: “Certainly some of those are areas that we would look at, just to refresh your memory, when we kicked off the budget we had indicated that we were adding a great deal of money into parks and grounds just for blight abatement. We have just not been able to keep up with all of the lots; we're hiring contractors, using inmates, doing everything we can, but as I went through my reduction list, that was on the list, the blight abatement funds we were offering up to get to the \$3.5 million for the schools. With offering up \$175,000.00 and if we had to go further then we'd reduce the blight account further. We'll do as much as we can with the funding that we can. And the other Support Services that you had cited, you may recall there was an increase there because now they're going to take over the Juvenile Court maintenance. So that should have been something – well it wasn't a wash. They added \$250,000.00 to it so that they could do proper maintenance on that. We could certainly take some sort of a small cut on the maintenance accounts, that's always – long term it's not a great idea, but short term that's generally what you'd have to do, so some of those. The other compensation areas we could look at that -- a lot of those are for the public safety folks that some of them are by agreement and many of them are – much of its overtime and holiday overtime and the like so...”

Chairman Roland recognized Commissioner Shafer, who stated: “Isn't there like \$20 million in that – isn't that Account No. 52, there's about \$20 million in that?”

Chairman Roland recognized Mr. Kennedy, who stated: “Right, that's for the whole county, we're talking about all of the public safety for the most part.”

Chairman Roland recognized Commissioner Shafer, who stated: “I'm not saying raid it, but...”

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Chairman Roland recognized Mr. Kennedy, who stated: "Okay, we'll – that's certainly an area that we can look at to try to get some of these cuts down that we're going to have to do. and the two items that you mentioned are not dollar for dollar savings, because those are in the capital budget and that would be funded over time, it's not penny for penny out of the operating budget. Those two items that you cited out of the capital budget, we can take a look at them, but they don't get that dollar for dollar savings like those in the operating budget do."

Chairman Roland recognized Commissioner Shafer, who stated: "Right, yeah and thank you for bringing that up and that's true because when we do CIP then we're doing bonded kind of things or pay go – so but I do think that it could possibly help get us to where we need to go and so you know as long as we're looking at all this on the table – so where can we go from here – how much of this – you know we're asking a lot of folks to just stay at what they currently are, right and so you know maybe as much as I hate but maybe blight abatement has got to stay where it is."

Discussion ensued amongst Commissioner Shafer and Mr. Kennedy.

Chairman Roland recognized Commissioner Reaves, who stated: "Thank you, Mr. Chair. A couple of questions; let's kind of go back to your original operating budget proposed amendment. So we had \$1 million dollars in transfer from the Wheel Tax and I think that just makes sense and to me that – that's one we should be able to go ahead and amend, you know. The other one, let's talk about the life insurance if we could. So let's talk about that briefly and where we are today – I see it saves about \$2 million dollars, what's that look like?"

Chairman Roland recognized Mr. Kennedy, who stated: "Did you get the fact sheet that I passed around this morning. We had an explanation of what we were trying to do that showed a breakdown of what the life insurance benefit is, if you look at. We're not recommending anything with the active services which is essentially two times your annual salary amount, but for retirees those hired after June 11, 2007, do not have a death benefit, that was eliminated in 2007. Prior to that you get one times your last annual salary, that is extremely out of line with almost every other death benefit from other governmental organizations, we're the only ones that we can find locally or in the state that is that high. Most of them have none, some of them have \$10,000.00; we're proposing \$20,000.00 so that it does in fact provide for a proper service and burial or cremation for retirees when it's their time to go, but that would save a contribution into the OPEB fund."

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Chairman Roland recognized Commissioner Reaves, who stated: "So how does that kind of stack up with our peers within government and what we're doing today?"

Chairman Roland recognized Mr. Kennedy, who stated: "Ours is extraordinarily high; the death benefit is. Our health insurance benefit is very comparable, but the death benefit is extremely high, so that's why we're proposing the cap on it and the associated savings because this seems like the year that we need to come up with some savings."

Chairman Roland recognized Commissioner Reaves, who stated: "Okay. So \$1 million from the Wheel Tax, \$2 million from this particular change and that almost closes the gap from the schools related costs."

Chairman Roland recognized Mr. Kennedy, who stated: "Our other recommendation is we were going to take some from blight abatement funds and quite frankly, probably not the most popular thing I've said, but some from the community enhancement program."

Chairman Roland recognized Commissioner Reaves, who stated: "Alright. So I'm not sure we would have the votes to even – to do that, I mean, so one of the things I'd probably like to put on the table is probably to go ahead and do the change for the life insurance benefit, I mean I think that makes common sense."

Chairman Roland recognized Mr. Kennedy, who stated: "I think we could just do that one as part of our getting to the \$2.5 million that's still left for the schools after we give them the additional Wheel Tax money."

Chairman Roland recognized Commissioner Reaves, who stated: "Okay. So, Mr. Chairman, from that viewpoint – from a process viewpoint is that an amendment of some sort – I'm not really quite sure since it came from the Administration."

Chairman Roland recognized Mr. Willis, who stated: "Mr. Chairman, we have a – right now we're just on the main motion, so it is possible to offer amendments at this time."

Chairman Roland recognized Commissioner Reaves, who stated: "Yeah, I'm going to make an amendment that we make that change on the life insurance policy for \$2 million dollars and we transfer the Wheel Tax of \$1 million dollars...for school usage. So I make that amendment."

Chairman Roland recognized Commissioner Reaves, who Made a Motion to Amend to take \$2 million dollars from the retiree life insurance death benefits and \$1 million dollars from the Wheel Tax for schools; duly seconded by Commissioner Chism.

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Chairman Roland recognized Mr. Kennedy, who stated:

Chairman Roland recognized Commissioner Billingsley, who stated: "Mr. Chairman. They're really to me – and to respect to the sponsor, they're really two different issues. You're talking about the Wheel Tax and you're talking about a benefit. Can we divide the question on that?"

Chairman Roland stated: "Okay, we'll take the insurance first, if that's okay with the Commission."

Chairman Roland recognized Commissioner Brooks, who stated: "Based upon what the projections are as we know today for Wheel Tax, it appears as though we're \$1 million dollars above the forecasted amount, I guess my concern is what if there is an additional revenue generated through the Wheel Tax, because as of today we're right at \$33 million. So I know we've got two weeks left..."

The Clerk called the roll for casting of the vote with the following results:

AYES: Bailey, Reaves, Brooks, Shafer, Chism, Burgess and Roland

NAYS: Billingsley, Milton and Jones

ABSENT: Ford

AYES, seven ; NAYS, three; ABSENT, one (Basar and Turner absent during roll call).

Chairman Roland declared the MOTION TO AMEND CARRIED.

Chairman Roland stated: "Okay. Now we'll take up the Wheel Tax and the surplus that may be generated off of the Wheel Tax."

Chairman Roland recognized Commissioner Brooks, who stated: "I'd like to make a motion that any excess revenue in Wheel Tax goes toward offsetting the education part of it, so anything above the \$32 million, which is the excess. Right now it's showing right at \$1 million, but any of it will go into addressing the education fund."

Chairman Roland recognized Commissioner Reaves, who stated: "Was that not built – or baked into the Wheel Resolution?"

Chairman Roland stated: "We've already got it in the Resolution that any money left over goes into an account that we can determine whether it goes to operations or CIP."

Chairman Roland recognized Commissioner Brooks, who Made a Motion to Amend to take \$1 million dollars from the Wheel Tax for schools; duly seconded by

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Commissioner Burgess.

Chairman Roland recognized Mr. Kennedy, who stated: "Commissioner our original budget we had estimated \$32 million dollars of Wheel Tax all of which would be included in the school's budget. We've reviewed the most recent 12 months, looks like we could probably increase that budgeted amount by \$1 million dollars up to 33 and that would be an additional \$1 million dollars for the schools. So all we're doing is the budget amendment – the operating budget amendment is being increased to add \$1 million dollars to the school budget from Wheel Tax. You've already passed the Wheel Tax Resolution as to how it will happen if there's a surplus."

Chairman Roland stated that Item 2 would be amended to include \$1 million dollars from the Wheel Tax to the school's budget; without objection

Chairman Roland recognized Commissioner Reaves, who stated: "I'd like to go back to the question Mrs. Shafer asked earlier about the carry forward from the Sheriff's budget. So can – could we go ahead and re-appropriate that money? I mean let's talk about that process. Is there a process? Does it exist? Let's talk about that a little bit."

Chairman Roland recognized Mr. Kennedy, who stated: "Yes, I mean this – we'd be okay with this, but we had already offered to do with the Sheriff, is we knew he was going to generate a surplus and some had asked the question why he didn't go ahead and buy the cars with it, well you can't. He would have had to come here and get a transfer of personnel dollars over the O and M dollars, they can't be done internally, that has to have a Resolution. So if he's generating a surplus, it will go into fund balance and we had already offered that particularly, because I had considered the cars to be a nonrecurring, but we would bring a Resolution the first meeting in July to increase his budget from fund balance. This is kind of the same way of doing, you're just kind of designating it in advance, but either way you do it, we could bring a Resolution and amend the 17 budget, taking it out of fund balance or this is just putting us all on notice that it's going to happen."

Chairman Roland recognized Commissioner Reaves, who stated: "Mrs. Shafer, I would be fully onboard with going ahead and doing that for the Sheriff."

Chairman Roland recognized Commissioner Shafer, who stated: "So – thank you Craig Willis for getting this typed up and everything for us, but Commissioners you should have in front of you the Resolution and it just reads – and I want to give credit where credit's due, because this Eddie Jones' brain child. Resolution amending FY 2016 budget for Shelby

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County Sheriff's Department. Sponsored by Commissioner Heidi Shafer and Commissioner Eddie Jones."

Commissioner Shafer reads the amended Resolution in its entirety.

Chairman Roland recognized Commissioner Shafer, who Made a Motion to Amend the Sheriff's Department FY 2016 budget; duly seconded by Commissioner Brooks.

Chairman Roland recognized Mr. Willis, who stated: "Mr. Chairman...we've been making sure today we've been in abundance of caution. Can we get a motion to suspend the rules on this?"

Chairman Roland recognized Commissioner Shafer, who Made a Motion to Suspend the Rules; duly seconded by Commissioner Reaves.

Chairman Roland stated that the rules are suspended; without objection.

Chairman Roland recognized Commissioner Reaves, who stated: "So let's talk to the Administration. So there's one thing about one time money for the cars, so the way that the Resolution reads is the entire \$3.1 million dollars, so if we were to go ahead and do this – I mean if we were to basically amend the budget to reduce it from the \$4.4 million to \$3.1 million, we would be basically covering his request for next year with this money, would that be agreeable or is there an issue with that?"

Chairman Roland recognized Mr. Kennedy, who stated: "No, it's – you're just raising the baseline. Anytime you use – essentially use fund balance to move money forward that wasn't in the baseline, it would be increased baseline level for the Sheriff, but we were planning to work with him to get some additional equipment in particular. The staffing that this one will authorize will be at his complement and I'm sure it will be coming forward next year."

Discussion ensued amongst the Commission.

Discussion ensued amongst Commissioner Shafer and Mr. Kennedy

Chairman Roland recognized Mr. Leech, who stated: "What you have to understand here is on the process – the accounting process in the budget what Administration does like a lot of businesses that do this and then there's some that don't, but pretty well what they do is they try to estimate what the lapse is going to be and in our case they're thinking it should be \$10.7 million dollars. Now the thing about it is some people would record that as a credit against your approved salaries and things, okay. So that means you can't hire even though you guys have approved previously that I can post and fill

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those positions, so it's keeps me from doing that to 156 people, because they think that's what my lapse will be going forward. My problem here is, is that we've always had it where we could do four classes is what we've done per year to fill vacancies, well you know we could do six, seven or eight, but the problem is that I can't do that because then I would overfill the amounts they tell me to. My problem here is, is that the Sheriff's Department is a little bit different by using this procedure to me that you can use for a lot of them because we're not as stable. What I mean by that is, if legislation passes in Tennessee, in state and all of sudden they change something that causes me where my jail population goes up, I need a way to fill positions to take care of the population increase. The same happened out in Shelby County. If crime increases and it increases in areas and you want me to go into the city and you want me to help with those particular things, the same thing happens I have to have the leniency to go there and use what you all had originally given us the positions to do that to fill those positions and put them out there. Same thing happens when they decrease. When they decrease, they'll tell you that I'm pretty good with financial numbers, I will not over hire or under hire, but I'd like the lapse to be a little more lenient than it is now, but the problem is they base this cash flow. You know they do a cash flow statement that says here's the cash they got to have, well they're guaranteeing that they're going to get that \$10.7 million because I have to stay within that boundary, okay. So that \$10.7 is going over there and he's already budgeted in his cash flow over here that he's going to get the \$10.7. The \$3.1 that I'm talking about that wasn't planned, it wasn't budgeted for, I did not hire as many as that so that's why they're willing to give me that back, but that's how they're doing this for their cash flow. So the real problem is, is understanding what they're doing with their cash flow, okay. That's the key."

Chairman Roland recognized Commissioner Shafer, who stated: "Mr. Chairman, just a little brief wrap-up and I really think that we're getting so close. I would like to see us find that additional – Eddie was it \$1.3? I'd like to see us find that \$1.3 million for them and then at a time – in this next year I'd really like to take a look at how we're calculating lapse time and everything. I had a long conversation with the folks from the city at the bodycam conference and how they do it, they have a very different way. they actually – they decide how many bodies they want and then they figure in their lapse over that, but instead of – it's a different way of calculating it and I think it ends up working a little bit better, but they're probably a million different models we could look at, I'd like to see us move away from this

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one at least for the Sheriff's Department. I think it's very confusing and I want to make sure that we've got uniformed officers on the street..."

Chairman Roland recognized Commissioner Reaves, who stated: "My question is, would it be acceptable to go ahead and appropriate \$3.1 million and amend the budget for his budget – for the Sheriff's budget and look for those – because we talked about it looking for those opportunities, because that gets us most of the way there. I mean a long way, it originally wasn't getting much of anything, so..."

Chairman Roland recognized Commissioner Shafer, who stated: "I'm totally open to that, you know with – I'm totally open to that with goodwill from every side and I think we've achieved that today."

Chairman Roland stated: "We're going to go ahead and – the amendment – we're going to amend the budget from \$4.4 for the Sheriff to \$3.1 and going forward as revenue comes in the Mayor and Mr. Kennedy will work with the Sheriff's Department on trying to rectify some of these problems."

Chairman Roland recognized Commissioner Shafer, who stated: "Just procedurally, I want to make sure we're right. So we're just – we're talking about for FY 17, but I think we have to go ahead and vote on this Resolution for FY 16."

Chairman Roland stated: "Okay, so you want to make a motion to amend that?"

Chairman Roland recognized Commissioner Shafer, who stated: "Yes, please, so that we can then get those dollars and then move them forward."

The Clerk called the roll for casting of the vote with the following results:

AYES: Bailey, Reaves, Brooks, Billingsley, Milton, Shafer, Jones, Chism, Burgess and Roland

NAYS: None

ABSENT: Ford

AYES, ten; NAYS, none; ABSENT, one (Basar and Turner absent during roll call).

Chairman Roland declared the MOTION TO AMEND CARRIED.

Chairman Roland recognized Mayor Luttrell, who stated: "Mr. Chairman, let me remind you now that the budget is balanced right now, but going forward...it's out of balance."

Chairman Roland recognized Commissioner Brooks, who stated: "Mr. Chairman, I have inquiries regarding the fund balance. Giving the example that we just went through

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where divisions might have monies that they're turning back in as a result of them not completing or filling the vacancies and what have you, so what – as I look at the fund balance, I see there's an increase year over year, and yet we're hearing that you don't want to use that, but those funds are there giving the fact that it's showing a continuing increase. My question to you is, what is the minimum requirement to be in the fund balance in order to operate Shelby County Government?"

Chairman Roland recognized Mr. Kennedy, who stated: "Okay, Commissioner, good question. We have increased fund balance and it's been an intentional increase because we were formerly in a situation where for cash flow we'd have to do short term borrowing at great cost to the taxpayers. We got to the fund balance to where we could deal with cash flow as Mr. Swift said earlier in about December when we do the mid-December payroll we just about tap out our cash. So we're right around \$100 million dollars – is about the rock bottom so that we don't get into short term borrowing so that we can pay our bills and meet our payroll. So a fund balance of about \$100 million is about rock bottom. We're about \$105 now I think \$107 and we'll probably have a small increase or would be increase into fund balance. We were counting on a little bit, you know \$3.5 million coming from the Sheriff. Most of the elected officials, smaller ones they don't contribute much back, but usually the Sheriff, because of the same of it, they've got half of the personnel in the General Fund, so they have the capability of generating a surplus that most of them don't, but we'll – there will be a small surplus that will come back in and we'd like to use those only for nonrecurring so that we don't compound our problems moving forward. Making an exception here, because we know this is going forward, but we trying to find a way to fund the Sheriff, because that seems to be the intent, but as the Mayor said we're about out of ways to get there moving forward on these other items."

Chairman Roland recognized Commissioner Brooks, who stated: "How much do we have unassigned in terms of fund balance?"

Chairman Roland recognized Mr. Swift, who stated: "I don't have the number with me, but I think it's about \$106 million."

Chairman Roland recognized Commissioner Brooks, who stated: "So in essence if it's unassigned then we could – or the Administration can reallocate these funds to offset some of the proposed amendments."

Chairman Roland recognized Mr. Swift, who stated: "But we don't have – and

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we've got to have at least \$100 million for cash flow, so you – you could allocate a little bit, but how are you going – then you're going to pay for it next year?"

Chairman Roland recognized Commissioner Brooks, who stated: "Well I mean we'll deal with it next year. Right now we're trying to get a balanced budget. I mean – and I think we have – this is a work in progress. This is actually a work in progress and I think with the divisions out here, they would have to work with us because they know what we're dealing with right now. So it could very well be after we pass this budget, we have another meeting and say you all need to go back next year and look at ways of how you could be more cost effective."

Chairman Roland recognized Mr. Kennedy, who stated: "Commissioner with all due respect though, that's exactly how organizations get into trouble is saying we'll deal with it next year. We've been holding the line trying to leave within – have expenditures covered by current revenues and if you worry about it next year or after we're all not working here or out of office you're just passing it on down and we've just vowed we're not going to do that. So we're going to try to leave within a balanced budget."

Chairman Roland recognized Commissioner Brooks, who stated: "So what interest is accrued on the money that's in fund balance – what percentage – dollars and cents?"

Chairman Roland recognized Mr. Swift, who stated: "The – I think interest this year is about \$2 million dollars and that's in the budget and it's budgeted again for 17."

Chairman Roland recognized Commissioner Brooks, who stated: "It's budgeted for what purpose?"

Chairman Roland recognized Mr. Swift, who stated: "For the General Fund."

Chairman Roland recognized Commissioner Brooks, who stated: "So it goes back into fund balance?"

Chairman Roland recognized Mr. Swift, who stated: "So it goes to pay for all the things we pay for."

Discussion ensued amongst Commissioner Brooks and Mr. Swift.

Chairman Roland recognized Commissioner Reaves, who stated: "Actually I was going to make the recommendation that we take the \$175,000.00 off the operating proposed amendment for blight abatement and apply that to the Legislative Operations position, the Election Commission GIS Tech Specialist, the General Sessions, Environmental Court and

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the balance to go to Veteran's Court and that way, you know that way we're funding some of those issues as well...so I'm going to make the amendment we take the \$175,000.00 – we remove it from blight abatement and we use it to fund the Legislative Operations position, the GIS Tech Specialist Commission for the Election Commission, General Sessions – Environmental Court request and the balance to go to the Veteran's Court.”

Chairman Roland stated: “Well the \$64,000.00 is already in the...it's in with the balanced part right here.”

Chairman Roland recognized Commissioner Reaves, who stated: “So instead of that then let's go ahead and fund half of the – go ahead and fund the Election Commission position, the GIS Tech Specialist that we talked about...\$58,000.00, the General Sessions Environmental Court position – that request that we talked about...\$8,233.00, right and \$100,000.00 to the General Sessions Veteran's Court, that'll give them half of their money.”

Chairman Roland recognized Commissioner Shafer, who stated: “Just quick point of clarification, in discussing with the Administration here, we actually did not fund – we passed it, but we didn't find the monies for it, for the Commission staff position.”

Chairman Roland stated: “Yes we did. We did that before we left the other day.”

Chairman Roland recognized Commissioner Shafer, who stated: “No, we – Mr. Swift.”

Chairman Roland recognized Mr. Swift, who stated: “You passed the Resolution to put it in your operating budget, but you did not provide funding for it, I don't believe.”

Chairman Roland stated: “Yes we did.”

Chairman Roland recognized Commissioner Jones, who stated: “Yes we did, because that was one of the amendments.”

Chairman Roland stated: “Yes we did. Now do you want to fight about \$64,000.00 when we've got all these millions of dollars?”

Chairman Roland recognized Mr. Kennedy, who stated: “Chairman, remember that was one we said we could handle a couple of small amounts you know as long as we didn't get up into the millions, we could handle that within the budget, so that one, we're taking care of.”

Chairman Roland recognized Commissioner Reaves, who stated: “So it's not taken care of at this point?”

Chairman Roland recognized Mr. Kennedy, who stated: “We said we would and

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we will.”

Chairman Roland recognized Commissioner Reaves, who stated: “You will okay, good. I restate my motion.”

Chairman Roland recognized Commissioner Reaves, who Made a Motion to Amend to take \$175,000.00 from blight abatement and fund the Election Commission, General Sessions Environmental Court and the Veteran’s Court; duly seconded by Commissioner Shafer.

Chairman Roland recognized Commissioner Burgess, who stated: “The only I question is the blight abatement. You know the blight is a very big issue in District 7 in this intercity, I mean it is huge. So and I think you know if we – I understand you got to give a little, but I mean my goodness.”

Chairman Roland stated: “Hold on a second. The Mayor has \$1 million dollars in there for blight – in the budget. Am I right, Mayor?...a million extra.”

Chairman Roland recognized Commissioner Jones, who stated: “No, hold a second. Now talk to somebody who deals with blight every day. They put that money in public works to do the maintenance on the properties that they own, they have to do that anyway, that’s not extra. You can say – you can call it extra, but they have to do it anyway, because they own the property – took it in a tax sale. And they have to maintain it. now I am one that is totally against touching anything in there – Commissioner Reaves, you don’t have blight in your district, but I can guarantee you there’s a lot of us up here that have a whole lot of it that deal with every day. I’m not just – and it’s not anything against you, anything against you – I’m just when I think about this – we’re dealing with this every day and I just don’t think we need to touch that.”

Chairman Roland recognized Commissioner Reaves, who stated: “Can I pose a question to him? The investment in this General Sessions Environment Court, they are the most efficient at dealing with blight related issues other than cutting grass primarily, you know what I’m saying? I mean, Judge Potter and what he does in his court does more for blight than what that 175 would do, that’s all I’m saying I mean where do we want to put our money.”

Chairman Roland recognized Commissioner Jones, who stated: “That’s not coming from his court. Judge Potter brought in \$18 million in fines, give him his \$8,000.00, that’s a no brainer for me. But the other properties that they’re putting this \$1 million dollars

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into is in public works that they need – by state law they have to maintain those properties and those properties – I just don't see doing anything out of that because every year – here's what happens, because you don't know, I deal with it every day, here's what happens. By the time we get to the closure of the end of the year, you begin to see a lot of county-owned properties in the inner city that grass is six to eight feet tall sitting next door to an occupied structure simply because they've gotten down to the end of the year, they don't have the money to do the cutting and now if you cut it now, we're going to have that again and it won't be out in Bartlett, but it'll be – a lot of it right here in the inner city and we'll have to deal with and you're going to have all of these complaints that coming in from citizens who want to know why their tax dollars are not working for them and I sit here and tell them well we made a decision we took money out so they can't go and do these cuts and all of – and it happens every year and that's why I'm totally against touching anything that's coming out of blight."

Chairman Roland recognized Commissioner Reaves, who stated: "Can I ask the Administration a question? Administration – I mean so what are we spending today this fiscal year on blight abatement?"

Chairman Roland recognized Mr. Kennedy, who stated: "With the adjustment that we had to make in mid-year, you may recall we came back with \$300,000.00 more because we stay up with the properties. We're spending a little under what we budgeted. We added \$1 million because we had moved money, we had reprogrammed some and asked you for an additional \$300,000.00, so we're bratching it up I think about \$300,000.00 more than what we're spending in the current fiscal year just to stay up, because the inventory's growing – the inventory of owned properties, both available for marketing and in redemption are greater than they were."

Chairman Roland recognized Commissioner Reaves, who stated: "So if we cut this by this amount, what's the impact?"

Chairman Roland recognized Mr. Kennedy, who stated: "Probably less frequent cutting of some of the lots, we'll still manage and we'll still cut them but we'll probably have ratchet back on the frequency."

Chairman Roland recognized Commissioner Reaves, who stated: "Okay, so here's my perspective, there's an opportunity on the table, let's just vote it up or down and then we'll move on."

The Clerk called the roll for casting of the vote with the following results:

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AYES: Reaves, Billingsley, Shafer, and Chism

NAYS: Bailey, Brooks, Milton, Jones, Burgess and Roland

ABSENT: Ford

AYES, four; NAYS, six; ABSENT, one (Basar and Turner absent during roll call).

Chairman Roland declared the MOTION TO AMEND FAILED.

Chairman Roland recognized Commissioner Brooks, who stated: "We're talking numbers and who's keeping a tally of the numbers that we're talking about. We just talked to the Administration, but there might be another \$1 million dollars out there, so I'm just – who's keeping tally of what we're trying to allocate and what's left and all of that because I think that impacts the direction we're going. So when we talked about the \$175,000.00 for blight that money should be still left over there because there's money that they got out of surplus that would address that. So that's my concern. We've got blight in urban cities and we've got to maintain that. We want to make sure our property values stay where they are or go up, we don't want it to go down."

NOTE: COMMISSIONER REAVES ASSUMED THE CHAIR.

Chairman Roland recognized Commissioner Shafer, who stated: "When the monies come in from the Land Bank currently, where do those monies go to, do they just go to the General Fund?"

Chairman Roland recognized Mr. Kennedy, who stated: "Well most of them go into the General Fund as tax collections. All the taxes, penalties and interest due goes in and is treated as tax collections – if the property sales for greater than that then it goes into the General Fund for the Land Bank into their budget, it's a revenue line and they use it for demolition and some of the other things that they do in the Land Bank."

Chairman Roland recognized Commissioner Shafer, who stated: "So, I won't belabor it today, but you know if we could make sort of a little TIF, our own personal – we could call it a CIF, the county improvement fund, but perhaps we could designate some portions of that – those dollars to blight abatement. You know – this is – the Land Bank has been a shining success, so I don't want to hamper them in anyway, but perhaps we could you know try to funnel some money there, I don't want to decide it now, but I think it's worth talking about as we move forward this next year."

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Chairman Roland recognized Commissioner Jones, who stated: "Yes and you're correct, because when I look at it we have probably sold about \$10 million dollars in blighted properties. All of that money is divided up, the City gets a percentage, Chancery Court gets a percentage and the remaining comes to the Administration and it falls into fund balance. When you look – I would probably say – the other thing that it does it generates because now we've got more properties back on the tax roll, so you made some money on the front end and I'm thinking with what we've done already, because you know I chair Delinquent Taxes, it's almost about \$10 million dollars based on the percentage that comes back to the General Funds from the sale of blighted properties, about how much, based on \$10 million, would that be rolling back over into the General Fund?"

Chairman Roland recognized Mr. Swift, who stated: "In the last three or four years we've probably averaged General Fund getting a little under \$500,000.00, this year it's down from that. I think we've sold a lot of the better properties and now it's – most of it's going to taxes, very little is coming back to General Fund."

Chairman Roland recognized Commissioner Jones, who stated: "So in earlier years, you only did about – one year you did about \$5 million but it's been more down to \$3 million, here we are in June this year and you're up to \$10 million, I can't – there's got to be a number bigger than that, that's coming back into that. What percentage comes back to the County?"

Chairman Roland recognized Mr. Swift, who stated: "It's not a percentage, it is – you pay everything else, so that you sell property and you pay – first off you pay all the fees that you have to pay to the courts, you pay then all of the taxes that are due to the county and to any city and then whatever's left comes to the General Fund."

Discussion ensued amongst Commissioner Jones and Mr. Swift.

NOTE: CHAIRMAN ROLAND RESUMED THE CHAIR.

Chairman Roland recognized Commissioner Reaves, who stated: "Let's talk about roads for a second, if we could. So in this budget we've placed an extra \$3 million dollars, is that accurate, in roads."

Chairman Roland recognized Mr. Kennedy, who stated: "Exactly accurate."

Chairman Roland recognized Commissioner Reaves, who stated: "Okay, \$3 million and we took from Debt Service...?"

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Chairman Roland recognized Mr. Kennedy, who stated: “Yes it’s the – it’s some of the sales tax proceeds collected from the unincorporated area who are the beneficiaries of the increased roads and bridges maintenance, and yes formerly it went to Debt Service.”

Chairman Roland recognized Commissioner Reaves, who stated: “What does the – what’s the – how much are we budgeting this year for roads and bridges?”

Chairman Roland recognized Mr. Kennedy, who stated: “I think the gas tax comes in – I think it seems like it’s about 8 ½ and then we’ve added to it, but I’m trusting memory there, we’ll have to look it up.”

Chairman Roland recognized Commissioner Reaves, who stated: “So roughly we’re looking at \$3 million dollars extra.”

Chairman Roland recognized Mr. Kennedy, who stated: “We put that on top of the gas tax money that we get from the state.”

Chairman Roland recognized Commissioner Reaves, who stated: “And it’s just regular General Fund money – it’s not capital, it’s General Fund, correct?”

Chairman Roland recognized Mr. Kennedy, who stated: “Right. It’s a special revenue fund, it’s not part of the General Fund, the gas tax money is not.”

Chairman Roland recognized Commissioner Reaves, who stated: “But the money that we are allocating this extra \$3 million is General Fund money?”

Chairman Roland recognized Mr. Kennedy, who stated: “Yeah, yeah, instead of going to...”

Discussion ensued amongst the Commission.

Chairman Roland recognized Commissioner Jones, who stated: “Mr. Chairman, just follow-up on his question. We collected an additional \$3 million in excess for Debt Service. Debt Service also had \$3.8 million in a fund balance, so I get the \$3 million, what’s happening with the \$3.8 million?”

Chairman Roland recognized Mr. Swift, who stated: “We are planning – that we budgeted to use about I believe it is \$3.8 million in Debt Service, in order to pay all the debt requirements, including the transfer that’s in the Debt Service Fund. The reason we’re able to use some of that and start working it down is we’ve taken revenue and the expenses are declining and the revenue is declining, so that the amount of fund balance needs is slowly declining. So that the reason for that – being able to use that \$3.8 million of fund balance is because revenue is declining, so that – but this will take – just keep our fund balance in the

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range that it ought to be.”

Chairman Roland recognized Commissioner Jones, who stated: “So you’re moving that money to your fund balance?”

Chairman Roland recognized Mr. Swift, who stated: “No. We’re—it’s from the fund balance, we’re using a little bit of it.”

Chairman Roland recognized Commissioner Jones, who stated: “Okay, but – and that’s what I’m – I guess that’s what’s getting me. When it says total revenue collected in the Debt Service from what was set in the property tax rate, was \$152 million, all you had to do was take that and say okay, we only have to pay \$149. So you’ve got \$3 million dollars to play with and then you pushed it somewhere else.”

Chairman Roland recognized Mr. Swift, who stated: “There’s – included in the Debt Service budget is the \$6.7 million transfer to CIP that allows us to not issue debt on some of the capital projects. That’s been there for many, many years and it’s a way to hold down our debt, but that’s where it is.”

Discussion ensued amongst Commissioner Jones and Mr. Swift.

Chairman Roland recognized Commissioner Milton, who stated: “You know with great deal of respect with knowing with where we were financially eight plus years ago and where we are today, there’s no question that you’ve done a fine job getting us where we are; you’re very conservative in this and I take nothing from you on that. I think the Administration has done a fine job there. As legislatures, we have a responsibility also and it is to look at our constituents and see where there are areas where we have to address and we have find ways to do it. You know I take you to slight task, Mayor when you said that Regional One didn’t really approach you for anything in the sense that they do, I mean Mr. Swift and I both attend the board meetings, we both attend the – any retreats they have and they presented these issues before us that there is a shortfall and when I was asked to sit on the Regional One board, I don’t see myself as sitting on a board. I see myself as taking on a responsibility. I see this as a duty. I know I don’t do a lot of talking because most times I think I’ve got enough good Commissioners here that bring up the points that I already see as a court, but I know that the poorest of the poor find themselves at Regional One. I know our fine men and women in blue when they’re hurt they find themselves at Regional One. We cannot afford to allow that great institution to slip even in the slightest and when they state that there is clearly a deficit, there’s clearly a need for financial support, I don’t think it is

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where they have – and they've done all the cuts they have, I think by the fact that we're there we need to respond and so maybe in my zeal that I've come here with a request for \$1 million, I would've asked for \$5 million, I would've asked for 10, I would've asked for whatever it takes to serve them, but I know that we live in a real world and we have to go by what we can afford. I believe that we can find the funds to meet this need. I know you can do it, I know you know you can do it. I am willing to work with you on this, come to some compromise, but I am committed to helping this hospital do the job that they were put there to do and I know that we fund – we give them about \$27 million, right?"

Chairman Roland recognized Mr. Swift, who stated: "Almost 28."

Chairman Roland recognized Commissioner Milton, who stated: "And that's been a consistent amount for about like a decade – I mean how long it's been?"

Chairman Roland recognized Mr. Swift, who stated: "It's been consistent for quite some time until we increased it a little bit last year."

Chairman Roland recognized Commissioner Milton, who stated: "Obviously with everything going up, do you think we need to revisit this?"

Chairman Roland recognized Mr. Swift, who stated: "I think we need to revisit it. I really think it's more of a next year issue than this year, but I understand you."

Chairman Roland recognized Commissioner Milton, who stated: "I am willing to pull this if I have your word that we will revisit this and that we will find ways to make more support for this institution. Mr. Mayor."

Chairman Roland recognized Mayor Luttrell, who stated: "Commissioner Milton, thank you and I can tell you that one of my reasons for – well my main reason for the support of the Haslam plan for Insure Tennessee is Regional One Medical Facility and my support quite frankly, was wrapped around the advice of counselor Dr. Coopwood. Dr. Coopwood has done an amazing job of kind of patching the budget up there for quite a while...well he and I had an informal understanding that when crunch time comes, he'll let me know. I talked to him I guess as recently as about six months ago. I said doctor how's it going, you know are we at that point yet; and he says – and he gave me some revenue figures that he'd been able to caudle together from various directions and I said well when push comes to shove you come let me know, because Regional One is not going to fail, we're not going to let it fail."

Discussion ensued amongst Commissioner Milton and Mayor Luttrell.

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Chairman Roland recognized Commissioner Shafer, who stated: "Thank you. I have a possible solution, but it's pending something further down the agenda, so with a little permission, one of the things that I'm talking about as we're talking about dealing with surpluses differently, you know there were surplus funds that were put into the General Fund, you know I'd like to see us have control over those funds. We could certainly, if we move on my item, we could certainly a onetime expenditure, put \$1 million dollars of that into Regional One and I would be very happy to do that, so but it would depend on that item further on down the road getting through and it was the item that I moved for substitute earlier – so in the Committee meeting when we were talking about how to deal with surpluses, the whole Resolution talks about not only the surplus going forward, but also the FY 16 surplus that got put into the General Fund and us using some of that, so that could be used for a onetime expense."

Chairman Roland recognized Commissioner Brooks, who stated: "Mr. Chairman I would like to make a motion to move \$6 million dollars from the fund balance to offset the balanced budget."

Chairman Roland recognized Commissioner Brooks, who Made a Motion to Amend to move \$6 million dollars from fund balance to offset the budget; duly seconded by Commissioner Burgess.

Chairman Roland recognized Commissioner Billingsley, who stated: "Can we get a five minute recess?"

NOTE: CHAIRMAN ROLAND RECESSED THE
COMMISSION MEETING AT 2:55:40 P.M.

NOTE: CHAIRMAN ROLAND RECONVENED THE
COMMISSION MEETING AT 3:02:51 P.M.

Chairman Roland recognized Commissioner Brooks, who stated: "Thank you, Mr. Chairman. I'd like to amend the motion to take \$5 million dollars out of the fund balance with no reoccurrence for the fiscal year."

Chairman Roland recognized Commissioner Brooks, who Made a Motion to Amend to take \$5 million dollars from fund balance with no reoccurrence; duly seconded by Commissioner Burgess.

Chairman Roland recognized Commissioner Reaves, who stated: "Point of

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information, please. I don't think we ever added AG on this amendment when we were in Committee."

Chairman Roland stated: "We just did...we did it without objection and we went to her 1.3."

Chairman Roland recognized Commissioner Billingsley, who stated: "Mr. Chairman, just for clarification, are the Correction Officers and JIFF in that \$5 million dollars?"

Chairman Roland stated: "Yes they are."

Chairman Roland recognized Mr. Kennedy, who stated: "I don't need an amendment, I don't need it in writing, but just for the record that we have the ability to make whatever small adjustments to make sure that the budget balances perfectly with the \$5 million dollar use of fund balance. If the dollar is there, we'll make it work, but just have it on the record that we can make whatever adjustments are needed to balance it."

The Clerk called the roll for casting of the vote with the following results:

AYES: Bailey, Brooks, Billingsley, Milton, Shafer, Jones, Chism, Burgess and Roland

NAYS: None

ABSTENTION: Reaves

ABSENT: Ford

AYES, nine; NAYS, none; ABSTENTION, one; ABSENT, one (Basar and Turner absent during roll call).

Chairman Roland declared the MOTION TO AMEND CARRIED.

Chairman Roland stated that without objection, Item 2 was amended.

The Clerk called the roll for casting of the vote with the following results:

AYES: Bailey, Brooks, Billingsley, Milton, Jones, Chism, Burgess and Roland

NAYS: None

ABSTENTION: Reaves and Shafer

ABSENT: Ford

AYES, eight; NAYS, none; ABSTENTION, two; ABSENT, one (Basar and Turner

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absent during roll call).

Chairman Roland declared the MOTION CARRIED AS AMENDED.

ITEM 3 (ADOPTED)

Mr. Willis, Assistant County Attorney, announced Item 3, which is as follows:

RESOLUTION APPROVING THE SHELBY COUNTY
CAPITAL IMPROVEMENT BUDGET FOR FISCAL YEAR
2017 AND THE CORRESPONDING FIVE YEAR CAPITAL
IMPROVEMENT PLAN FOR FISCAL YEARS 2017-2021.
SPONSORED BY COMMISSIONER VAN D. TURNER,
JR.

“WHEREAS, A Five Year Capital Improvement Plan for Shelby County for Fiscal Years 2017-2021, has been prepared by the Shelby County Administration which is deemed to be a working five year plan for Shelby County to project and plan for future debt service needs; and

WHEREAS, The Commission’s Committee No. 1, Budget and Finance, has reviewed the Proposed Five Year Capital Improvement Plan and the related Proposed Fiscal Year 2017 Capital Improvement Budget and recommends approval and adoption of the Plan and related Budget.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF SHELBY COUNTY, TENNESSEE, That the Five Year Capital Improvement Plan for Fiscal Years 2017-2021, a copy of which is attached hereto and incorporated herein by reference as *Exhibit A, is hereby approved.

BE IT FURTHER RESOLVED, That the first year of the plan as set forth in Exhibit A is hereby adopted as the Capital Improvement Budget for Shelby County and the following amounts are hereby allocated for Fiscal Year 2017:

Roads and Bridges	\$5,500,000.00
Information Technology	6,691,585.00
Buildings and Property	7,775,000.00
Community Projects and Contingency	7,375,000.00
EMCP Interest and Issuance Expense	<u>1,000,000.00</u>
Total	<u>\$28,341,585.00</u>

BE IT FURTHER RESOLVED, That the allocations for the Fiscal Year 2017

Capital Improvement Budget shall be funded as follows:

County Funding	\$17,536,585.00
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	Federal Funding		4,125,000.00
	Transfer from Debt Service		<u>6,680,000.00</u>
	Total		<u>\$28,341,585.00</u>

BE IT FURTHER RESOLVED, That in order to maintain fiscal stability, each County Agency to which Capital Improvement allocations have been made is authorized to prepare plans and specifications and to take bids for the projects identified in the Capital Improvement Program subject to the additional authorization by the Mayor and the Board of Commissioners of Shelby County, Tennessee, in order that sufficient funds will be available to pay said obligations on scheduled due dates.

BE IT FURTHER RESOLVED, That any allocations included in the Capital Improvement Budget for Fiscal Year 2017 projects must be appropriated by Resolution of the County Commission.

BE IT FURTHER RESOLVED, That all unappropriated allocations in the Fiscal Year 2016 Capital Improvement Budget not appropriated prior to the close of the fiscal year shall be cancelled and written off.

BE IT FURTHER RESOLVED, That the accounting and budget records of the Capital Improvement Plan Fund shall be maintained according to the policies established by Resolution No.8, adopted by this Commission on June 3, 2013.

BE IT FURTHER RESOLVED, That the Administration is directed to write-off all appropriated allocations which remain following final payment, including any contract retainage and after review and consideration, any appropriated allocations from prior fiscal years that remain and no payment has been made against the original appropriation, as approved in the applicable Resolution.

BE IT FURTHER RESOLVED, That the Mayor and the Director of Administration and Finance are authorized to issue their warrant or warrants for all amounts appropriated herein, and to take proper credit in their accounting therefor.

BE IT FURTHER RESOLVED, That this Resolution shall become effective in accordance with the Shelby County Charter, Article II, 2.06(B)."

*NOTE: EXHIBIT A REFERRED TO HEREIN
FILED WITH RECORD IN OFFICE OF
CLERK OF COUNTY COMMISSION

/s/ Mark H. Luttrell, Jr.
County Mayor

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ATTEST:

/s/ Rosalind Nichols
Clerk of County CommissionADOPTED: June 29, 2016

Whereupon, passage of the Resolution was moved by Commissioner Reaves duly seconded by Commissioner Shafer.

The Clerk called the roll for casting of the vote with the following results:

AYES: Bailey, Reaves, Billingsley, Milton, Shafer, Jones, Burgess and Roland

NAYS: None

ABSENT: Ford

AYES, eight; NAYS, none; ABSENT, one (Brooks, Basar, Chism and Turner absent during roll call).

Chairman Roland declared the MOTION CARRIED.

NOTE: CHAIRMAN ROLAND STATED THAT ITEM 5
WOULD BE TAKEN UP AT THIS TIME.

ITEM 5 (WITHDRAWN)

Mr. Craig Willis, Assistant County Attorney, announced Item 5, Resolution establishing the guidelines for the expenditure of Surplus Funds resulting from an excess of tax collections and other revenue that is in excess of budgeted amounts for any given fiscal year (Surplus Funds). Sponsored by Commissioner Heidi Shafer.

Whereupon, passage of the Resolution was moved by Commissioner Shafer duly seconded by Commissioner Jones.

Chairman Roland recognized Commissioner Shafer, who stated: "Mr. Chair, before you go, seems I'm the sponsor. It's been a long day, I would be happy to withdraw this and bring it back at another time if it would give everybody an opportunity to study it more fully and give our seats – you know the mind can only absorb what the seat can bear. I'll be happy to withdraw it if that's the mood of the Commission. Because I think it needs some debating."

Chairman Roland stated that without objection, Item 5 would be withdrawn from

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today's agenda.

NOTE: CHAIRMAN ROLAND STATED THAT ITEM 1
WOULD BE RECONSIDERED AT THIS
TIME.

ITEM 1 (SECOND READING) (RECONSIDERED) (APPROVED)

Mr. Willis, Assistant County Attorney, announced Item 1, Ordinance Second Reading –Ordinance fixing the Tax Rate for Shelby County for the Tax Year 2016. Sponsored by Commissioner Van D. Turner, Jr.

ORDINANCE NO.: ____

ORDINANCE FIXING THE TAX RATE FOR SHELBY
COUNTY FOR THE TAX YEAR 2016. SPONSORED BY
COMMISSIONER VAN D. TURNER, JR.

NOTE: PURSUANT TO THE SHELBY COUNTY
CHARTER, ONLY THE CAPTION OF AN ORDINANCE IS
READ ON FIRST AND SECOND READING. SEE
MINUTES OF THIRD READING FOR FULL TEXT OF
ORDINANCE.

Chairman Roland recognized Mr. Craig Willis, who stated: "This item is on for a motion for reconsideration as it was voted on earlier today."

Whereupon, passage of the Resolution was moved by Commissioner Reaves duly seconded by Commissioner Chism.

Chairman Roland recognized Commissioner Shafer, who stated: "Thank you, do we actually need to reconsider it, because I believe that we've got the budget in balance. So the only reason that my memory serves me from this kind of long day, the only reason we had it out there was in case it was going to create a problem where there wasn't a balance on it, but otherwise I think the vote could stand."

Chairman Roland stated: "But it didn't pass."

Chairman Roland recognized Commissioner Shafer, who stated: "It did not pass, I stand corrected."

The Clerk called the roll for casting of the vote with the following results:

AYES: Reaves, Billingsley, Milton, Shafer, Chism and Roland

NAYS: None

ABSTENTION: Burgess

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ABSENT: Ford

AYES, six; NAYS, none; ABSTENTION, one; ABSENT, one (Bailey, Brooks, Basar, Jones and Turner absent during roll call).

Chairman Roland declared the MOTION CARRIED.

ANNOUNCEMENTS AND STATEMENTS**ADJOURNMENT****ITEM 19**

Mr. Turner, Assistant County Attorney, announced Item 19, Adjournment to Wednesday, July 27, 2016.

Chairman Roland stated that, without objection, the Commission meeting of Wednesday, June 29, 2016, was adjourned until Wednesday, July 27, 2016.

(COMPLETE DIGITAL RECORDING ON FILE IN OFFICE OF
CLERK OF COUNTY COMMISSION)

COMPILED AND EDITED:

ROSALIND NICHOLS
CLERK OF COUNTY COMMISSION

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