

LOUDON COUNTY COMMISSION
STATE OF TENNESSEE
COUNTY OF LOUDON
December 5, 2011
6:00 PM

The Loudon County Commission met in Private Executive Session at 5:30 pm immediately preceding the Commission Meeting.

- (1)**
Loudon
County
Honor Guard
Honored
- MAYOR HERRON PRESENTED PROCLAMATIONS TO THE FORTY-TWO MEMBERS OF THE LOUDON COUNTY COLOR GUARD IN APPRECIATION TO EACH FOR THEIR SERVICE TO OUR COUNTRY AND TO OUR COUNTY. THEIR PRESENCE AND CARING AT TIMES OF LOSS OF FAMILY AND FRIENDS HAS BROUGHT DIGNITY TO OUR CEREMONIES AND COMFORT TO OUR FAMILIES OVER MANY YEARS.**
Exhibit 120511-a

REGULAR MEETING

- (2)**
Opening
of Meeting
- BE IT REMEMBERED** that the Board of Commissioners of Loudon County convened in regular session in Loudon, Tennessee on the 5th day of December, 2011. The **Honorable Roy Bledsoe** called the meeting to order.

Commissioner Yarbrough opened the County Commission Meeting, led the Pledge of Allegiance to the Flag of the United States of America and gave the invocation.

- (3)**
Roll Call
- Present were the following Commissioners: **Jenkins, Meers, Maples, Shaver, Franke, Bledsoe, Duff, Yarbrough, and Harrelson: (9)**
The following Commissioner was **Absent at this time: Miller: (1)**
Thereupon **Chairman Bledsoe** announced the presence of a quorum.
Present was the **Honorable Mayor Estelle Herron.**

- (4)**
Agenda
Adopted
As Amended
- Chairman Bledsoe** requested that the December 5, 2011 Agenda be adopted. **Commissioner Shaver** requested the addition of a new item under the Mayor regarding the new Covenant Health Issue. **Mayor Herron** responded that **Commissioner Miller**, who will arrive late for this meeting, had requested that he be present for a vote on this issue and, therefore, she would like to wait for his arrival to the meeting before considering this issue. **Commissioner Shaver** agreed.
A **motion** was made by **Commissioner Shaver** with a second by **Commissioner Franke** to adopt the Agenda as amended.
Upon voice vote the motion **Passed** unanimously.

- (5)**
Minutes for
November 7, 2011
Approved
- Chairman Bledsoe** requested that the November 7, 2011 County Commission Meeting Minutes be approved and accepted.
A **motion** was made by **Commissioner Meers** with a second by **Commissioner Jenkins** to approve these Minutes.
Upon voice vote the motion **Passed** unanimously.

(6)
Comments:
Agenda Items

Chairman Bledsoe asked that any visitor wishing to address the Commission regarding items on the planned Agenda come forward.
Richard Truitt came forward to speak about wage increases for Loudon County employees and his belief that they are unjustified given the current economic climate.

Loudon County Mayor, Estelle Herron, requested consideration and possible action on the following items:

(7)
Request
County Adopt
CASA Program
- Sent to
Budget
Committee

1. Request Consideration of Approving a Request from the Court Appointed Special Advocacy Group to Adopt this Program for Loudon County.
A **motion** was made by **Commissioner Yarbrough** with a second by **Commissioner Shaver** to send this request to the Budget Committee for consideration prior to full Commission consideration.
Upon voice vote the motion **Passed** unanimously.
Exhibit 120511-A

(8)
Boards/
Committees
Appointments
Approved

2. Request Consideration of Approving Appointments to the Following Boards/Committees:
a. Chamber of Commerce Board of Directors
b. Visitor's Bureau Board
A **motion** was made by **Commissioner Shaver** with a second by **Commissioner Harrelson** to approve both resolutions.
Upon voice vote the motion **Passed** unanimously.
Resolutions 120511- B & C

(9)
Letter to
School Board
Re Greenback
School Building
Future Use
Approved

Loudon County Commissioner, David Meers, Requested Consideration of Approval of the Mayor Sending a Letter to the Loudon County School Board Requesting Their Recommendations for How to Best Utilize the Existing Greenback School Building Once the Students are Moved into the New School.
A **motion** was made by **Commissioner Meers**, with a second by **Commissioner Jenkins**, to send the letter with a request that response be provided by May 1, 2012 at which time the School Board recommendations would be sent to the Capital Projects Committee and the Budget Committee for their consideration to be incorporated into the Budget Process for the coming year.
Discussion included **Commissioner Franke** and **Commissioner Meers** questioning how such decisions have been made in the past and **Commissioner Shaver** asked **Purchasing Director, Leo Bradshaw**, what's the usual process in such circumstances. He responded that if the School Board declares the building "surplus" then the Commission can decide how to proceed. **Commissioner Meers** made the point that he doesn't want to see the building sit vacant for an extended period of time since this results in accelerated deterioration and **Commissioner Franke** agreed saying that it also would leave it vulnerable to acts of vandalism.
Upon voice vote the motion **Passed** unanimously.
Commissioner Miller arrived for the meeting apologizing for his lateness and explaining that he had a conflicting commitment in his District.
Commissioner Shaver asked **Mayor Herron** if the Covenant Health Issue could be considered now that **Commissioner Miller** was present and she agreed.

(10)
County
Attorney
Negotiate
Settlement
of Lawsuit
with Covenant
Health For
Commission
Approval
Approved

County Attorney, Bob Bowman, described the nature of the Covenant Health lawsuit against the County explaining that it was regarding medical treatment administered to a County Jail Inmate and it concerned the “indigent care” clause of their agreement. Covenant is seeking \$105,313.17 from the County to settle a Parkwest Hospital bill. **Attorney Bowman** recommended that the Commission authorize him to negotiate an agreement as favorable to the County as possible with Covenant which he would bring back to the Commission for consideration and approval. A **motion** was made by **Commissioner Shaver** with a second by **Commissioner Franke** to approve Mr. Bowman’s recommendation. Upon roll call vote the following Commissioners voted **Aye: Meers, Maples, Shaver, Franke, Bledsoe, Duff, Yarbrough, Harrelson, Miller, and Jenkins: (10)** The following Commissioners voted **Nay: (0)** The following Commissioners were **Absent: (0)** Thereupon the Chairman announced the motion **Passed: (10, 0, 0)**

(11)
County
Attorney
Approves
New Debt
Management
Policy

Mayor Herron asked if there were any questions regarding the new Debt Management Policy for Mr. Bowman before he left the meeting. **Commissioner Meers** asked **Mr. Bowman** if the Debt Management Policy, in its present condition, satisfied all the requirements for such a plan. **Mr. Bowman** responded that “it does” and that he sees no problem with its current form and especially since it allows the Commission to change the existing Policy at any time. **Commissioner Yarbrough** asked if the Commission needed to amend the policy before issuing any further Bonds. He responded that this depends on what type of Bonds and whether or not the action would conflict with anything in the existing Policy. He sees no problem with the Bond issue that has already been completed. He emphasized that the current Policy contains “general language” that doesn’t restrict too much. **Commissioner Miller** stated that he believes this current policy is not too restrictive and gives the Commission freedom to do what they would want to do. **Commissioner Yarbrough** stated that the Commission was not made aware of the Report on Debt Obligation (CT-0253) until after the first Bond was issued and she doesn’t see any procedure in the new Debt Management Policy that addresses this. She also said that she doesn’t see anything in the new Policy that fixes the bond rate which is what the Commission wanted. She said that she didn’t understand the definition of “averaging interest rate” and, using the information provided by the Financial Advisor, it appears to her to be “variable” rate which is what the Commission doesn’t want. She doesn’t see anything in the new Policy that fixes these issues and her goal here is to point these out and to emphasize that the Commission needs more information “up front”.

Concerns
Expressed

Loudon County Commissioner, Sharon Yarbrough, requested consideration of the following documents regarding the School Building Program.

1. School Bond Resolution
2. Cost CT-0253
3. Report on Debt Obligation

These documents were discussed as part of the above Debt Management Policy.
Resolution 120511-D
Exhibits 120511- E&F

Loudon County Budget Director, Tracy Blair, requested consideration and possible action on the following items:

(12)
Animal
Shelter
Employees
Wage Increases
Approved

1. Consideration of a Request for Wage Increases for the Animal Shelter Employees.

Commissioner Miller said that he had revisited this issue and he agrees to the increase given the long hours and hard work involved and **Commissioner Franke** said that there was also “on-call” responsibility required for some of these jobs.

A **motion** was made by **Commissioner Franke** with a second by **Commissioner Miller** to approve the Budget Committee’s recommendation.

Upon roll call vote the following Commissioners voted **Aye: Maples, Shaver, Franke, Bledsoe, Duff, Yarbrough, Harrelson, Miller, Jenkins, and Meers: (10)**

The following Commissioners voted **Nay: (0)**

The following Commissioners were **Absent: (0)**

Thereupon the Chairman declared the motion **Passed: (10, 0, 0)**

2. Consideration of a Recommendation to Approve the Following Grant Applications:

(13)
Grant For
Loudon
Library
Approved

- a. \$1,500.00 Technology Grant for Loudon Library; \$1,500.00 Local Match Required.

A **motion** was made by **Commissioner Shaver** with a second **Commissioner Meers** to approve this recommendation.

Upon roll call vote the following Commissioners voted **Aye: Shaver, Franke, Bledsoe, Duff, Yarbrough, Harrelson, Miller, Jenkins, Meers, and Maples: (10)**

The following Commissioners voted **Nay: (0)**

The following Commissioners were **Absent: (0)**

Thereupon the Chairman declared the motion **Passed: (10, 0, 0)**

(14)
Grant For
Sheriff’s
Department
Approved

- b. \$20,000.00 Equipment Grant for Sheriff’s Department from Firehouse Subs; No Match Required.

A **motion** was made by **Commissioner Miller** with a second **Commissioner Jenkins** to approve this recommendation.

Upon roll call vote the following Commissioners voted **Aye: Franke, Bledsoe, Duff, Yarbrough, Harrelson, Miller, Jenkins, Meers, Maples, and Shaver: (10)**

The following Commissioners voted **Nay: (0)**

The following Commissioners were **Absent: (0)**

Thereupon the Chairman declared the motion **Passed: (10, 0, 0)**

3. Consideration of a Recommendation to Approve Resolutions to Accept the Following Donations:

(15)
Donation
For
Sheriff’s
Department
Approved

- a. \$305.00 to Construct a Firing Range for the Sheriff’s Department.

A **motion** was made by **Commissioner Meers** with a second **Commissioner Maples** to approve this recommendation.

Upon roll call vote the following Commissioners voted **Aye: Bledsoe, Duff, Yarbrough, Harrelson, Miller, Jenkins, Meers, Maples, Shaver, and Franke: (10)**

The following Commissioners voted **Nay: (0)**

The following Commissioners were **Absent: (0)**

Thereupon the Chairman declared the motion **Passed: (10, 0, 0)**

Resolution 120511-G

(16)
Donation
For
Project
Lifesaver
Approved

b. \$5,200.00 to Project Lifesaver.
A **motion** was made by **Commissioner Jenkins** with a second **Commissioner Meers** to approve this recommendation.
Upon roll call vote the following Commissioners voted **Aye: Duff, Yarbrough, Harrelson, Miller, Jenkins, Meers, Maples, Shaver, Franke, and Bledsoe: (10)**
The following Commissioners voted **Nay: (0)**
The following Commissioners were **Absent: (0)**
Thereupon the Chairman declared the motion **Passed: (10, 0, 0)**
Resolution 120511-H

(17)
County General
Fund 101
Approved

7. Consideration of a Recommendation to Approve Amendments in the Following Funds:
a. County General Fund 101
A **motion** was made by **Commissioner Franke** with a second by **Commissioner Shaver** to approve this recommendation.
Upon roll call vote the following Commissioners voted **Aye: Yarbrough, Harrelson, Miller, Jenkins, Meers, Maples, Shaver, Franke, Bledsoe, Duff: (10)**
The following Commissioners voted **Nay: (0)**
The following Commissioners were **Absent: (0)**
Thereupon the Chairman declared the motion **Passed: (10, 0, 0)**
Exhibit120511-I

(18)
Public Library
Fund 115
Approved

b. Public Library Fund 115
A **motion** was made by **Commissioner Yarbrough** with a second by **Commissioner Maples** to approve this recommendation.
Upon roll call vote the following Commissioners voted **Aye: Harrelson, Miller, Jenkins, Meers, Maples, Shaver, Franke, Bledsoe, Duff, and Yarbrough: (10)**
The following Commissioners voted **Nay: (0)**
The following Commissioners were **Absent: (0)**
Thereupon the Chairman declared the motion **Passed: (10, 0, 0)**
Exhibit120511-J

(19)
Highway Dept
Fund 131
Approved

c. Highway Department Fund 131
A **motion** was made by **Commissioner Duff** with a second **Commissioner Miller** to approve this recommendation.
Upon roll call vote the following Commissioners voted **Aye: Miller, Jenkins, Meers, Maples, Shaver, Franke, Bledsoe, Duff, Yarbrough, and Harrelson: (10)**
The following Commissioners voted **Nay: (0)**
The following Commissioners were **Absent: (0)**
Thereupon the Chairman declared the motion **Passed: (10, 0, 0)**
Exhibit120511-K

(20)
General
Purpose School
Fund 141
Approved

d. General Purpose School Fund 141
A **motion** was made by **Commissioner Shaver** with a second by **Commissioner Jenkins** to approve this recommendation.
Upon roll call vote the following Commissioners voted **Aye: Jenkins, Meers, Maples, Shaver, Franke, Bledsoe, Duff, Yarbrough, Harrelson, and Miller: (10)**
The following Commissioners voted **Nay: (0)**
The following Commissioners were **Absent: (0)**
Thereupon the Chairman declared the motion **Passed: (10, 0, 0)**
Exhibit120511-L

- (21) e. School Federal Projects Fund 142
School Federal Projects Fund 142 Approved
A **motion** was made by **Commissioner Yarbrough** with a second by **Commissioner Meers** to approve this recommendation.
Upon roll call vote the following Commissioners voted **Aye: Meers, Maples, Shaver, Franke, Bledsoe, Duff, Yarbrough, Harrelson, Miller, and Jenkins: (10)**
The following Commissioners voted **Nay: (0)**
The following Commissioners were **Absent: (0)**
Thereupon the Chairman declared the motion **Passed: (10, 0, 0)**
Exhibit 120511-M
- (22) f. Education Capital Projects Fund 177
Education Capital Projects Fund 177 Approved
A **motion** was made by **Commissioner Meers** with a second **Commissioner Shaver** to approve this recommendation.
Upon roll call vote the following Commissioners voted **Aye: Jenkins, Meers, Maples, Shaver, Franke, Bledsoe, Duff, Yarbrough, Harrelson, Miller: (10)**
The following Commissioners voted **Nay: (0)**
The following Commissioners were **Absent: (0)**
Thereupon the Chairman declared the motion **Passed: (10, 0, 0)**
Exhibit 120511-N
- (23) **Budget Director, Tracy Blair**, reported that Summary Financial Statements for the month of November 2011 have been distributed.
Summary Financial Statements Distributed
Exhibit 120511-NN
- (24) Loudon County Debt Management Policy Discussion
Loudon County Commissioner, Don Miller, Requested Consideration of Approval of the new Loudon County Debt Management Policy.
Commissioner Miller provided an overview description of the new Policy and passed out a two page handout describing changes he would like incorporated into the existing document. These changes had been previously discussed at the Workshop and provided to the County Attorney for his evaluation. The Policy was prepared by Morgan Keegan. He views the primary beneficiary of the Debt Management Policy as the Commission as it will be the guideline for the future in managing County debt. It sets down a general philosophy and debt management principals. The Policy is intentionally not too specific meant to retain flexibility for future applications but he believes it's useful to include some "typical" numbers which would be included with one of the handouts. The secondary beneficiary would be the Public and noted that, if the document is too long and complicated for the Public, a summary document could be created to cover the highlights with less detail. Highlights of specific information detailed in Handout Sheet #1 could be included in this Summary. Handout Sheet #2 commits the Commission to publishing a Debt Status Report annually for the Commission and the Public. This report would contain information that would help evaluate the most current status of County debt.
Commissioner Miller stated that the Policy provides important flexibility, is educational regarding compliance with State and Federal codes, describes types of debt, discusses refinancing options, and provides guidelines regarding the issuing of debt.
Commissioner Franke asked if the Amortization Schedule of Debt Service would be included. **Commissioner Miller** responded that it would part of this annual report and believes that **Ms. Blair** is already creating most of these reports.

(25)
Motion
To Approve
Debt
Management
Policy

Commissioner Shaver made a **motion** with a second by **Commissioner Meers** to adopt the Debt Management Policy with **Commissioner Miller's** two amendments. **Commissioner Meers** commented that he feels this is going to be an on-going document and he wants to get it into the system as quickly as possible. **Commissioner Miller** asked if the Commission would like the Summary for the Public provided. If so, he would be happy to prepare it but it would not be available before the end of January and would not be part of the Debt Management Policy Document. **Commissioner Yarbrough** recommended that, following tonight's approval, a citizen's group be formed to look at the policy to see if they're able to understand it and changes could be made if necessary and NOT do the summary. **Commissioner Harrelson** stated that he was in favor of the Summary. **Commissioner Meers** asked if there would be time to do all this before the 1st of the year. **Commissioner Miller** responded that, if a citizens' group is going to review the document, it may be better to wait for that result before preparing a Summary. He also said that, although the summary would be useful, the purpose of the Debt Management Policy was really to guide the Commission. **Commissioner Yarbrough** agreed with **Commissioner Miller** regarding items to be included in the Summary and believes it should be part of the budget process. **Commissioner Meers** suggested that, as part of the citizens' review, he would like to see the Policy presented to all the Department Heads for their reaction also.

(26)
Debt
Management
Policy
Approved

Chairman Bledsoe asked for a **vote on the motion** on the floor. Upon roll call vote the following Commissioners voted **Aye: Meers, Maples, Shaver, Franke, Bledsoe, Duff, Harrelson, Miller, and Jenkins: (9)** The following Commissioner voted **Nay: Yarbrough: (1)** The following Commissioners were **Absent: (0)** Thereupon the Chairman declared the motion **Passed: (9, 1, 0)** **Commissioner Yarbrough** stated for the record that she was voting against approving this policy because she doesn't believe the policy is translucent enough and doesn't include retiring debt as soon as possible which should be the goal.

Commissioner Miller asked for clarification on preparing the Summary – now or wait? **Commissioner Harrelson** said that he would like to see it as soon as possible and **Commissioner Franke** agreed stating that it could be changed later.

Commissioner Meers asked if State would give any feedback to the County when they received the Policy and **Commissioner Miller** responded that the State will just accept the Policy but if you don't follow your policy when you issue debt, that's the time you would hear from State.

Commissioner Yarbrough said that she has a problem with presenting a summary to the citizens that is already completed as it might discourage suggestions from them for changes. She also said that during the discussions with Morgan Keegan something was said about inclusion of items in the Agreement with the Financial Advisor vs the Debt Management Policy and said that the Commission does not have a copy of that Agreement with the Financial Advisor and she would like to see the agreement. She also said that she believes it's part of the Budget "process" to make sure they're retiring debt and she doesn't believe this policy addresses that issue.

Commissioner Miller agreed with **Commissioner Yarbrough** that the Commission should have a copy of this agreement.

Resolution 120511-0

(27)
Notaries
Approved

Loudon County Commissioner, David Meers, made a **motion** with a second by **Commissioner Maples** to approve the following **Notaries**: *Kristin J. Rice; Vina C. George; Cynthia C. Duggan; Cindy Mitchell; Evelyn Bernice Parris; Laci Murray; Geneva F. Moore; and Corey Ronald Carter.*

Upon voice vote the motion **Passed** unanimously.

Exhibit 120511-P

(28)
Comments:
Non-Agenda
Items

Chairman Bledsoe asked that any visitor wishing to address the Commission regarding items not on the Agenda come forward.

Richard Truitt asked what the total debt for the School Building Program was going to be. **Commissioner Miller** responded that the information was available and asked **Ms. Blair** if she could provide that for him and she responded affirmatively. **Mr. Truitt** commented that he can't figure out why Loudon County is classified as a "rich County".

Pandora Vreelend asked if maintaining a high credit rating for the County was part of the Debt Management Policy. She commented on the importance of this and the consequences of not having a good rating. She suggested the new Policy should state that this was to be done.

(29)
Adjournment

There being no further business, a **motion** being duly made and seconded, the December 5, 2011 County Commission Meeting stood adjourned at 7:30 p.m.

CHAIRMAN

ATTEST:

COUNTY CLERK

COUNTY MAYOR