

RESOLUTION

No. 2014/ 02 / 01

To the HONORABLE MELVILLE BAILEY, Chairman, and Members of the Hawkins County Board of Commission in Regular Session, met this 24th day of February, 2014.

RESOLUTION IN REF: ESTABLISHING AN AUDIT COMMITTEE FOR HAWKINS COUNTY

Whereas, as a component of the Three Star matrix for 2014, each county participating, must establish an Audit Committee. Tennessee Code Annotated 9-3-405 provides the guidelines for establishing a committee and a sample resolution has been provided to the counties by the Comptroller's Office for adapting to their county. The deadline for establishing the committee is February 28, 2014;

Whereas, the Comptroller of The Treasury must approve the county's resolution before being presented to the legislative body. Please find attached the approval letter.

Therefore, Be It Resolved that approval of the attached resolution Establishing An Audit Committee be approved and the County Mayor's office will forward to the Comptroller of the Treasury's office.

SEE ATTACHED RESOLUTION

Introduced By Esq. Gary Hicks

Seconded By Esq. \_\_\_\_\_

Date Submitted 2/10/14 \_\_\_\_\_

A. Carroll Jenkins  
County Clerk

By: \_\_\_\_\_

Chairman Melville Bailey \_\_\_\_\_

ACTION: AYE NAY PASSED

Roll Call \_\_\_\_\_

Voice Vote \_\_\_\_\_

Absent \_\_\_\_\_

COMMITTEE ACTION

\_\_\_\_\_

\_\_\_\_\_

**RESOLUTION TO ESTABLISH AN AUDIT COMMITTEE  
FOR HAWKINS COUNTY**

**WHEREAS**, *Tennessee Code Annotated* (T.C.A.) Section 9-3-405, encourages county governments to establish an independent Audit Committee, and provides that the Tennessee Comptroller of the Treasury (Comptroller) may require an Audit Committee in counties that (1) are in noncompliance with the accounting and financial reporting standards required by the Governmental Accounting Standards Board or (2) have recurring findings from the annual audit for three or more consecutive years that are determined by the Comptroller's office to be a material weakness in internal control or material noncompliance with government auditing standards; and

**WHEREAS**, the Comptroller and the Government Finance Officers Association of the United States and Canada recommends that all county governments establish an Audit Committee as a best practice and to assist the County Commission in the oversight of the public funds and financial reporting process; and

**WHEREAS**, the Hawkins County Commission realizes the need, especially in today's current environment of fewer available resources, for increased transparency and accountability of public funds, and that the County Commission is ultimately responsible for ensuring that management is meeting its internal control and financial reporting responsibilities; and

**WHEREAS**, the County Commission finds it to be in the best interests of Hawkins County to establish an Audit Committee;

**NOW THEREFORE BE IT RESOLVED** by the County Commission of Hawkins County, meeting this 27 day of January, 2014, that:

**SECTION 1.** Pursuant to the provisions of T.C.A. § 9-3-405, the County Commission of Hawkins County does hereby establish an Audit Committee to provide independent review and oversight of the county's financial reporting processes and the county's internal controls, a review of the external auditor's report and follow up on management's corrective action, and compliance with laws, regulations, and ethics.

**SECTION 2.** The Audit Committee will consist of five (5) members to be comprised of three (3) County Commissioners from the Budget committee, and two (2) citizens of Hawkins County. To insure the committee's independence and effectiveness, no Audit Committee member will be an elected official (with the exception of elected county commissioners), employee, spouse of an official/employee, or person that commingles assets with an official/employee of Hawkins County. The members of the Audit Committee shall be appointed by the County Commission to staggered two (2) year terms. To establish staggered terms, the initial members of the committee shall be appointed so that the county commissioners serve two (2) year terms and the citizens will serve a one (1) year term. Thereafter all members shall be appointed to serve two (2) year terms.

**SECTION 3.** Meetings of the Audit Committee shall be held in accordance with the provisions of T.C.A. § 9-3-405. Meetings shall be subject to the open meetings provisions of T.C.A. Title 8, Chapter 44, except that upon a majority vote of those members in attendance for the public portion of a meeting, the Audit Committee may hold confidential, nonpublic executive sessions to discuss the following items as authorized in T.C.A. § 9-3-405:

- (1) Items deemed not subject to public inspection under T.C.A. §§ 10-7-503 and 10-7-504, and all other matters designated as confidential or privileged;
- (2) Current or pending litigation and pending legal controversies;
- (3) Pending or ongoing audits or audit related investigations;
- (4) Information protected by federal law; and
- (5) Matters involving the reporting of illegal, improper, wasteful, or fraudulent activity under T.C.A. § 9-3-406, where the informant has requested anonymity.

The Audit Committee will follow Roberts Rules of Order. Each year at its first meeting, the committee will elect a chairman, vice-chairman, and secretary. Meeting agendas will be prepared by the chairman and provided in advance to members along with appropriate briefing materials. Minutes of the Audit Committee meetings will be filed in the Office of the County Mayor and County Clerk.

**SECTION 4.** The committee shall have access to the services of a financial expert, either through a committee member or an outside party engaged by the committee for this purpose. Such financial expert should, through both education and experience, and in a manner specifically relevant to the county government sector, possess (1) an understanding of generally accepted accounting principles and financial statements; (2) experience in preparing or auditing financial statements of comparable entities; (3) experience in applying such principles in connection with the accounting for estimates, accruals, and reserves; (4) experience with internal accounting controls; and (5) an understanding of Audit Committee functions.

**SECTION 5.** The duties and responsibilities of the Audit Committee are:

(a) To carefully review, upon completion of the county's annual audit, all audit findings in audit report and consult with the external auditors regarding any irregularities and deficiencies disclosed in the annual audit. The Audit Committee is empowered to meet with management to discuss audit findings and/or disagreements with the external auditors. The committee should satisfy itself that appropriate and timely corrective action has been taken by management to remedy any identified weaknesses. The committee should determine what corrective action, if any, should be recommended to the County Commission.

(b) To consider the effectiveness of the internal control system, including information technology security and control, review the effectiveness of the system for monitoring compliance with laws and regulations, and review the process for communicating the county's ethics policies to county personnel and monitoring compliance therewith.

(c) To establish a process by which employees, taxpayers, or other citizens may confidentially report suspected illegal, improper, wasteful or fraudulent activity under provisions of T.C.A. § 9-3-406.

(d) To annually present a written committee report detailing how it discharged its duties and any committee recommendations to the full County Commission.

**SECTION 6.** The Audit Committee will be adequately funded to carry out the duties and responsibilities as set out in this Resolution and under applicable law.

**SECTION 7.** This resolution creating the duties and responsibilities of the Audit Committee has been submitted to the Comptroller prior to approval by this legislative body, and this resolution conforms with the report issued by the Comptroller.

Adopted this \_\_\_\_ day of \_\_\_\_\_, 20\_\_.

APPROVED:

\_\_\_\_\_  
County Mayor

ATTEST

\_\_\_\_\_  
County Clerk



STATE OF TENNESSEE  
**COMPTROLLER OF THE TREASURY**  
DEPARTMENT OF AUDIT  
DIVISION OF LOCAL GOVERNMENT AUDIT  
SUITE 1500  
JAMES K. POLK STATE OFFICE BUILDING  
NASHVILLE, TENNESSEE 37243-1402  
PHONE (615) 401-7841

January 13, 2014

The Honorable Melville Bailey  
Hawkins County Mayor  
150 East Washington Street, Suite 2  
Rogersville, Tennessee 37857

Dear Mayor Bailey:

We have reviewed the draft audit committee resolution that has been presented to our office. The resolution closely adheres to the template resolution created by our office and the County Technical Assistance Service. Therefore, the Hawkins County resolution includes the essential components of an audit committee. The resolution adequately defines the responsibilities and duties of the audit committee regarding the review of county financial statements and reports; internal controls; compliance with various laws and regulations; and ethics.

Do not hesitate to contact our office if you have any questions regarding the audit committee. Please send us a signed copy of the resolution once it is adopted by the county commission.

Sincerely,

James R. Arnette, Jr.  
Director

cc: Bryan Burklin, Audit Manager

TO THE HONORABLE MELVILLE BAILEY, CHAIRMAN, AND MEMBERS OF THE HAWKINS COUNTY BOARD OF COMMISSIONERS IN REGULAR SESSION, MET THIS 24TH DAY OF FEBRUARY, 2014

**RESOLUTION IN REFERENCE: AMENDMENT OF JUNE 30, 2013 ESTIMATED FUND BALANCES AND RESERVES ON APPROVED 2013-14 FY BUDGETS**

WHEREAS, it is recommended that the estimated fund balances and reserves presented to County Commission should reasonably reflect the actual June 30 fund balances and reserves for each fund, and

WHEREAS, the June 30, 2013 audit was released in January 2014, and

WHEREAS, some closing entries and/or adjustments were not included in the approved 2013 - 2014 FY Budget, and

WHEREAS, it has been recommended that County Commission be informed of the actual June 30 fund balance of each fund and that the budget document be amended with such.

| Fund                   | <u>Estimated 6/30/13 Fund Balances and Reserves on the 2013-14 FY Budget Document</u> | <u>Actual 6/30/13 Fund Balances and Reserves after Closing Accounting Records for the 2012-2013 FY</u> | <u>Difference</u> |
|------------------------|---|--|-------------------|
| General                | \$ 4,931,325  | \$ 5,105,589   | \$ 174,264        |
| Solid Waste            | 600,376   | 604,890  | \$ 4,514          |
| Drug Control           | 263,617   | 263,948  | \$ 331            |
| Highway                | 3,817,420   | 3,436,720  | \$ (380,700)      |
| General Debt Service   | 3,940,110   | 3,940,109  | \$ (1)            |
| Special Debt Service   | 1,695,223   | 1,695,224  | \$ 1              |
| Education Debt Service | 9,630,515   | 9,630,518  | \$ 3              |

NOW THEREFORE BE IT RESOLVED THAT the above actual June 30, 2013 fund balances and reserves be recognized and amended for the approved 2013 - 14 FY budgets for the purpose of meeting audit requirements. No general ledger entries for any fund will be required from this resolution.

INTRODUCED BY: Gary W. Hicks, Jr., Chairman  
Budget Committee

ESTIMATED COST \_\_\_\_\_

SECONDED BY: \_\_\_\_\_

PAID FROM \_\_\_\_\_ FUND \_\_\_\_\_

ACTION: AYE \_\_\_\_\_ NAY \_\_\_\_\_

DATE SUBMITTED 2/10/14

ROLL CALL \_\_\_\_\_

COUNTY CLERK: A. CARROLL JENKINS

VOICE VOTE \_\_\_\_\_

BY: A. Carroll Jenkins

ABSENT \_\_\_\_\_

COMMITTEE ACTION: \_\_\_\_\_

APPROVED \_\_\_\_\_ DISAPPROVED \_\_\_\_\_

CHAIRMAN:

Melville Bailey  
MELVILLE BAILEY

TO THE HONORABLE MELVILLE BAILEY, CHAIRMAN, AND MEMBERS OF THE HAWKINS COUNTY BOARD OF COMMISSIONERS IN REGULAR SESSION, MET THIS 24TH DAY OF FEBRUARY, 2014.

**RESOLUTION IN REFERENCE: BUDGET AMENDMENT - GENERAL FUND**

The following budget amendments are being requested as listed below:

| Account Number | Description   |                       |                    |                      |                       |
|----------------|---|-----------------------|--------------------|----------------------|-----------------------|
|                | <b>PROPERTY ASSESSOR'S OFFICE</b>   | <b>Current Budget</b> |                    |                      | <b>Amended Budget</b> |
|                | <b>Increase Expenditures</b>  |                       | <b>Increase</b>    |                      |                       |
| 52300-337      | Maintenance and Repair Serv-Equipment   | 545.00                | 765.00             |                      | 1,310.00              |
|                | <b>Decrease Reserves</b>  |                       |                    | <b>Decrease</b>      |                       |
| 34615          | Committed for Finance   | 29,036.00             |                    | (765.00)             | 28,271.00             |
|                | <b>Sub-total Expenditures &amp; Reserves</b>  | <b>\$ 29,581.00</b>   | <b>\$ 765.00</b>   | <b>\$ (765.00)</b>   | <b>\$ 29,581.00</b>   |
|                | The above increase is needed to replace the print head on the GIS mapping printer.  |                       |                    |                      |                       |
|                | Funding will come from the Reserve Account designated for GIS upgrades.   |                       |                    |                      |                       |
|                | <b>CHANCERY COURT</b>   | <b>Current Budget</b> |                    |                      | <b>Amended Budget</b> |
|                | <b>Increase Expenditures</b>  |                       | <b>Increase</b>    |                      |                       |
| 53400-334      | Maintenance Agreements  | 7,081.00              | 2,100.00           |                      | 9,181.00              |
|                | <b>Decrease Expenditures</b>  |                       |                    | <b>Decrease</b>      |                       |
| 53400-709      | Data Processing Equipment   | 2,500.00              |                    | (2,100.00)           | 400.00                |
|                | <b>Sub-total</b>  | <b>\$ 9,581.00</b>    | <b>\$ 2,100.00</b> | <b>\$ (2,100.00)</b> | <b>\$ 9,581.00</b>    |
|                | The above increase is needed for the maintenance agreement for the digital imaging equipment. The first year of maintenance was included with the equipment purchase. The maintenance for this year was not included in the budget. |                       |                    |                      |                       |
|                | Funding will come from a transfer within the Chancery Court budget.   |                       |                    |                      |                       |
|                |   |                       |                    |                      |                       |
|                |   |                       |                    |                      |                       |
|                |   | <b>Current Budget</b> | <b>Increase</b>    | <b>Decrease</b>      | <b>Amended Budget</b> |
|                | <b>Page Totals- Expenditures &amp; Reserves</b>   | <b>\$ 39,162.00</b>   | <b>\$ 2,865.00</b> | <b>\$ (2,865.00)</b> | <b>\$ 39,162.00</b>   |
|                | <b>Page Totals- Revenues</b>  | <b>\$</b>             | <b>\$</b>          | <b>\$</b>            | <b>\$</b>             |

INTRODUCED BY: Gary Hicks, Chrmn Budget Committee

ESTIMATED COST \_\_\_\_\_

SECONDED BY: \_\_\_\_\_

PAID FROM \_\_\_\_\_ FUND \_\_\_\_\_

ACTION: AYE NAY

DATE SUBMITTED 2/10/14

ROLL CALL \_\_\_\_\_

COUNTY CLERK: A. CARROLL JENKINS

VOICE VOTE \_\_\_\_\_

BY: A. Carroll Jenkins

ABSENT \_\_\_\_\_

COMMITTEE ACTION:

APPROVED \_\_\_\_\_

DISAPPROVED \_\_\_\_\_

CHAIRMAN:

Melville Bailey  
MELVILLE BAILEY





TO THE HONORABLE MELVILLE BAILEY, CHAIRMAN, AND MEMBERS OF THE HAWKINS COUNTY BOARD OF COMMISSIONERS IN REGULAR SESSION, MET THIS 24TH DAY OF FEBRUARY, 2014.

**RESOLUTION IN REFERENCE: BUDGET AMENDMENT - SOLID WASTE FUND**

The following budget amendments are being requested as listed below:

| Account Number  | Description                                     | Current Budget        |                     |                       | Amended Budget        |
|---|---|-----------------------|---------------------|-----------------------|-----------------------|
|   | <b>WASTE PICKUP AND RECYCLING CENTER</b>        |                       |                     |                       |                       |
|   | <b>Increase Expenditures</b>                    |                       | <b>Increase</b>     |                       |                       |
| 55751-338   | Maintenance & Repair Serv-Vehicles              | 1,400.00              | 3,700.00            |                       | 5,100.00              |
|   | <b>Decrease Expenditures</b>                    |                       |                     | <b>Decrease</b>       |                       |
| 55731-338   | Maintenance & Repair Serv-Vehicles              | 25,000.00             |                     | (3,700.00)            | 21,300.00             |
|   | <b>Sub-total</b>                                | <b>\$ 26,400.00</b>   | <b>\$ 3,700.00</b>  | <b>\$ (3,700.00)</b>  | <b>\$ 26,400.00</b>   |
| The above increase is needed due to unexpected repairs of the Recycling Center vehicles.  |   |                       |                     |                       |                       |
| Funding will come from a transfer within the Waste Pickup budget.   |   |                       |                     |                       |                       |
|   | <b>RECYCLING CENTER</b>                         |                       |                     |                       |                       |
|   | <b>Increase Expenditures</b>                    |                       | <b>Increase</b>     |                       |                       |
| 55751-733   | Solid Waste Equipment                           | 2,000.00              | 30,500.00           |                       | 32,500.00             |
|   | <b>Decrease Fund Balance</b>                    |                       |                     | <b>Decrease</b>       |                       |
| 39000   | Unassigned Fund Balance                         | 372,029.00            |                     | (9,150.00)            | 362,879.00            |
|   | <b>Sub-total Expenditures &amp; Fund Bal</b>    | <b>\$ 374,029.00</b>  | <b>\$ 30,500.00</b> | <b>\$ (9,150.00)</b>  | <b>\$ 395,379.00</b>  |
|   | <b>Increase Revenue</b>                         |                       | <b>Increase</b>     |                       |                       |
| 46170   | Solid Waste Grants                              | 20,000.00             | 21,350.00           |                       | 41,350.00             |
|   | <b>Sub-total Revenue</b>                        | <b>\$ 20,000.00</b>   | <b>\$ 21,350.00</b> | <b>\$ 0.00</b>        | <b>\$ 41,350.00</b>   |
| The above increase is needed to budget the Solid Waste Recycle Equipment Grant for the purchase of a forklift. There is a 30% County match. |   |                       |                     |                       |                       |
| Funding will come from a grant and Unassigned Fund Balance.   |   |                       |                     |                       |                       |
|   |   | <b>Current Budget</b> | <b>Increase</b>     | <b>Decrease</b>       | <b>Amended Budget</b> |
|   | <b>Page Totals- Expenditures &amp; Fund Bal</b> | <b>\$ 400,429.00</b>  | <b>\$ 34,200.00</b> | <b>\$ (12,850.00)</b> | <b>\$ 421,779.00</b>  |
|   | <b>Page Totals- Revenues</b>                    | <b>\$ 20,000.00</b>   | <b>\$ 21,350.00</b> | <b>\$ 0.00</b>        | <b>\$ 41,350.00</b>   |

INTRODUCED BY: Gary Hicks, Chrmn. Budget Committee

ESTIMATED COST \_\_\_\_\_

SECONDED BY: \_\_\_\_\_

PAID FROM \_\_\_\_\_ FUND \_\_\_\_\_

ACTION: AYE NAY

DATE SUBMITTED 2/10/14

ROLL CALL \_\_\_\_\_

COUNTY CLERK: A. CARROLL JENKINS

VOICE VOTE \_\_\_\_\_

BY: A. Carroll Jenkins

ABSENT \_\_\_\_\_

COMMITTEE ACTION: \_\_\_\_\_

APPROVED \_\_\_\_\_

DISAPPROVED \_\_\_\_\_

CHAIRMAN: \_\_\_\_\_

Melville Bailey  
MELVILLE BAILEY



RESOLUTION NO. 2014 / 02 / 06

TO THE HONORABLE MELVILLE E. BAILEY, CHAIRMAN, AND MEMBERS OF THE HAWKINS COUNTY BOARD OF COMMISSIONERS IN REGULAR SESSION, MET THIS 24th DAY OF FEBRUARY 2014.

**RESOLUTION IN REF: GENERAL PURPOSE SCHOOL FUND BUDGET AMENDMENT**

WHEREAS, the Hawkins County Board of Education has approved the attached budget amendment to the General Purpose School Fund, and now requests approval of said amendment by the Hawkins County Board of Commissioners.

NOW THEREFORE BE IT RESOLVED THAT the Hawkins County Board of Commissioners, meeting in regular session, FEBRUARY 24, 2014, go on record as passing this resolution.

Introduced by Esq. Gary Hicks

Estimated Cost: \_\_\_\_\_

Seconded by Esq. \_\_\_\_\_

Paid From \_\_\_\_\_ Fund

ACTION:    Aye    Nay

Date Submitted 2/10/14

Roll Call    \_\_\_\_\_    \_\_\_\_\_

County Clerk: A. Carroll Jenkins

Voice Vote    \_\_\_\_\_    \_\_\_\_\_

By: A. Carroll Jenkins

Absent    \_\_\_\_\_    \_\_\_\_\_

COMMITTEE ACTION:

APPROVED

DISAPPROVED

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

CHAIRMAN: Melville E. Bailey

FUND: 141 GENERAL PURPOSE SCHOOL FUND  
 AMENDMENT NUMBER: 4  
 DATE: February 24th, 2014

|                        |                      |
|------------------------|----------------------|
| ORIGINAL BUDGET AMOUNT | 53,800,704.00        |
| PREVIOUS AMENDMENTS    | 456,410.96           |
| <b>TOTAL</b>           | <b>54,257,114.96</b> |
| REQUESTED AMENDMENT    | 480,108.06           |
| <b>TOTAL</b>           | <b>54,737,223.02</b> |

| Desc Code | ACCOUNT NO    | DESCRIPTION                              | CURRENT BUDGET       | INCREASE         | DECREASE         | AMENDED BUDGET       |
|-----------|---------------|--|----------------------|------------------|------------------|----------------------|
|           |               | <b>EXPENDITURES</b>                      |                      |                  |                  |                      |
|           |               | <b>71100 REGULAR INSTRUCTION PROGRAM</b> |                      |                  |                  |                      |
| 5         | 71100-116     | Teachers                                 | 17,996,500.00        | -                | 5,215.40         | 17,991,284.60        |
| 5         | 71100-201     | Social Security                          | 1,207,000.00         | -                | 387.02           | 1,206,612.98         |
| 5         | 71100-204     | State Retirement                         | 1,732,000.00         | -                | 549.32           | 1,731,450.68         |
| 5         | 71100-212     | Employee Medicare                        | 282,250.00           | -                | 90.51            | 282,159.49           |
| 6         | 71100-429     | Instructional Supplies & Materials       | 290,000.00           | 38,000.00        | -                | 328,000.00           |
|           |               | <b>Subtotal</b>                          | <b>21,507,750.00</b> | <b>38,000.00</b> | <b>6,242.25</b>  | <b>21,539,507.75</b> |
|           |               | <b>71600 ADULT EDUCATION PROGRAM</b>     |                      |                  |                  |                      |
| 5         | 71600-116     | Teachers                                 | 60,000.00            | 29,440.00        | -                | 89,440.00            |
| 5         | 71600-201     | Social Security                          | 3,750.00             | 1,785.80         | -                | 5,535.80             |
| 5         | 71600-204     | State Retirement                         | 5,500.00             | -                | 624.00           | 4,876.00             |
| 5         | 71600-206     | Life Insurance                           | 144.00               | -                | -                | 144.00               |
| 5         | 71600-207     | Medical Insurance                        | 4,900.00             | 224.00           | -                | 5,124.00             |
| 5         | 71600-212     | Employee Medicare                        | 875.00               | 420.05           | -                | 1,295.05             |
| 5         | 71600-429     | Instructional Supplies & Materials       | 5,000.00             | 16,104.92        | -                | 21,104.92            |
| 5         | 71600-790     | Other Equipment                          | -                    | 2,695.00         | -                | 2,695.00             |
|           |               | <b>Subtotal</b>                          | <b>80,169.00</b>     | <b>50,669.77</b> | <b>624.00</b>    | <b>130,214.77</b>    |
|           |               | <b>72260 ADULT EDUCATION PROGRAM</b>     |                      |                  |                  |                      |
| 5         | 72260-105     | Supervisor/Director                      | 49,423.00            | -                | 186.00           | 49,237.00            |
| 5         | 72260-189     | Clerical Personnel                       | 12,500.00            | -                | 12,500.00        | -                    |
| 5         | 72260-201     | Social Security                          | 3,860.00             | -                | 807.31           | 3,052.69             |
| 5         | 72260-204     | State Retirement                         | 5,638.00             | -                | 3,176.15         | 2,461.85             |
| 5         | 72260-206     | Life Insurance                           | 288.00               | -                | 144.00           | 144.00               |
| 5         | 72260-207     | Medical Insurance                        | 10,000.00            | -                | 10,000.00        | -                    |
| 5         | 72260-212     | Employer Medicare                        | 925.00               | -                | 211.06           | 713.94               |
| 5         | 72260-355     | Travel                                   | 1,000.00             | -                | -                | 1,000.00             |
| 5         | 72260-499     | Other Supplies & Materials               | 500.00               | -                | 500.00           | -                    |
| 5         | 72260-524     | In Service/Staff Development             | 4,500.00             | 6,046.00         | -                | 10,546.00            |
|           |               | <b>Subtotal</b>                          | <b>88,634.00</b>     | <b>6,046.00</b>  | <b>27,524.52</b> | <b>67,155.48</b>     |
|           |               | <b>72120 HEALTH SERVICES</b>             |                      |                  |                  |                      |
| 1         | 72120-189-FRC | Other Salaries & Wages                   | 37,500.00            | 972.00           | -                | 38,472.00            |
| 1         | 72120-499-FRC | Other Supplies & Materials               | 2,500.00             | 500.00           | -                | 3,000.00             |
| 1         | 72120-499     | Other Supplies & Materials               | 17,100.00            | -                | 2,444.00         | 14,656.00            |
|           |               | <b>Subtotal</b>                          | <b>57,100.00</b>     | <b>1,472.00</b>  | <b>2,444.00</b>  | <b>56,128.00</b>     |
|           |               | <b>72130 OTHER STUDENT SUPPORT</b>       |                      |                  |                  |                      |
| 1         | 72130-161-FRC | Secretary(s)                             | 24,400.00            | 972.00           | -                | 25,372.00            |
| 8         | 72130-599-CSH | Other Charges                            | -                    | 1,322.06         | -                | 1,322.06             |
|           |               | <b>Subtotal</b>                          | <b>24,400.00</b>     | <b>2,294.06</b>  | <b>-</b>         | <b>26,694.06</b>     |
|           |               | <b>72310 BOARD OF EDUCATION</b>          |                      |                  |                  |                      |
| 3         | 72310-399     | Other Contracted Services                | -                    | 8,500.00         | -                | 8,500.00             |
|           |               | <b>Subtotal</b>                          | <b>-</b>             | <b>8,500.00</b>  | <b>-</b>         | <b>8,500.00</b>      |
|           |               | <b>73400 EARLY CHILDHOOD EDUCATION</b>   |                      |                  |                  |                      |
| 2         | 73400-399     | Other Contracted Services                | 1,500.00             | -                | 1,500.00         | -                    |
| 2         | 73400-499     | Other Supplies & Materials               | 2,000.00             | 1,500.00         | -                | 3,500.00             |
|           |               | <b>Subtotal</b>                          | <b>3,500.00</b>      | <b>1,500.00</b>  | <b>1,500.00</b>  | <b>3,500.00</b>      |
|           |               | <b>76100 REGULAR CAPITAL OUTLAY</b>      |                      |                  |                  |                      |
| 4         | 76100-707     | Building Improvements                    | 400,000.00           | 409,961.00       | -                | 809,961.00           |

|         |  |   |                      |                     |                   |                      |
|---------|--|---|----------------------|---------------------|-------------------|----------------------|
|         |  |   | 400,000.00           | 409,961.00          | -                 | 809,961.00           |
|         |  | <b>80000 EDUCATION DEBT SERVICE</b>                   |                      |                     |                   |                      |
| 7       | 82330-620  | Debt Service Contribution to Primary Gov.             | -                    | 550,000.00          | -                 | 550,000.00           |
| 7       | 82330-699  | Other Debt Service                                    | 550,000.00           | -                   | 550,000.00        | -                    |
|         |  | <b>Subtotal</b>                                       | <b>550,000.00</b>    | <b>550,000.00</b>   | <b>550,000.00</b> | <b>550,000.00</b>    |
|         |  | <b>TOTAL EXPENDITURES</b>                             | <b>22,711,553.00</b> | <b>1,068,442.83</b> | <b>588,334.77</b> | <b>23,191,661.06</b> |
|         |  | <b>REVENUES</b>                                       |                      |                     |                   |                      |
| 5       | 47120  | Adult Education State Grant Program                   | 152,184.00           | 16,743.75           | -                 | 168,927.75           |
| 5       | 46590  | Other State Education Funds                           | 937,134.00           | 5,581.25            | -                 | 942,715.25           |
|         |  | <b>TOTAL REVENUES</b>                                 | <b>1,089,318.00</b>  | <b>22,325.00</b>    | <b>-</b>          | <b>1,111,643.00</b>  |
|         |  | <b>FUND BALANCE ANALYSIS</b>                          |                      |                     |                   |                      |
| 3,4,6,8 | 39000  | Undesignated Fund Balance                             | 6,149,919.01         | -                   | 457,783.06        | 5,692,135.95         |
|         | 34555-BEP  | Restricted for Education (BEP Reserve)                | 424,086.00           | -                   | -                 | 424,086.00           |
|         |  | <b>TOTAL</b>  | <b>6,574,005.01</b>  | <b>-</b>            | <b>457,783.06</b> | <b>6,116,221.95</b>  |
|         |  | This budget amendment is to budget for the following: |                      |                     |                   |                      |
| 1       | To amend the Family Resource Center budget to meet LEA matching requirement  |   |                      |                     |                   |                      |
| 2       | To move Early Childhood Grant monies not needed for Other Contracted Services to the Other Supplies & Materials line item  |   |                      |                     |                   |                      |
| 3       | To amend the budget to reflect the expenditure of using TSBA to help search for a new superintendent.  |   |                      |                     |                   |                      |
| 4       | To amend the budget to include the expenditure for a new roof at Hawkins Elementary School. The bid for \$409,961 was accepted on January 9th, 2014, by the Hawkins County Board of Education.   |   |                      |                     |                   |                      |
| 5       | To amend the Adult Education budget to include monies received from an English as a Second Language Grant and Critical Needs Grant and meet LEA matching requirement for all Adult Education Grants.   |   |                      |                     |                   |                      |
| 6       | To amend the budget to include \$38,000 in distributions to the schools (\$2,000 to each) to reflect Solar Panel Rent Revenue benefit.   |   |                      |                     |                   |                      |
| 7       | To amend the budget to reflect actual account used to pay Debt Service Payments to Primary Government  |   |                      |                     |                   |                      |
| 8       | To amend the budget to reflect TSBA award money from the Healthier Schools Challenge not spent in Fiscal Year 2013. The remainder of the \$3,000 award (\$1,322.06) rolled back into fund balance at the end of Fiscal Year 2013. The remainder of the award must be spent on health-related projects, and this amends the budget to account for these project expenditures. |   |                      |                     |                   |                      |

RESOLUTION NO. 2014/ 02 / 07

TO THE HONORABLE MELVILLE E. BAILEY, CHAIRMAN, AND MEMBERS OF THE HAWKINS COUNTY BOARD OF COMMISSIONERS IN REGULAR SESSION, MET THIS 24th DAY OF February 2014.

**RESOLUTION IN REF: FEDERAL PROJECTS FUND BUDGET AMENDMENT**

WHEREAS, the Hawkins County Board of Education has approved the attached budget amendment to the Federal Projects Fund, and now requests approval of said amendment by the Hawkins County Board of Commissioners.

NOW THEREFORE BE IT RESOLVED THAT the Hawkins County Board of Commissioners, meeting in regular session, February 24, 2014, go on record as passing this resolution.

Introduced by Esq. Gary Hicks

Estimated Cost: \_\_\_\_\_

Seconded by Esq. \_\_\_\_\_

Paid From \_\_\_\_\_ Fund

ACTION:    Aye    Nay

Date Submitted 2/10/14

Roll Call    \_\_\_\_\_    \_\_\_\_\_

County Clerk: A. Carroll Jenkins

Voice Vote    \_\_\_\_\_    \_\_\_\_\_

By: A. Carroll Jenkins

Absent    \_\_\_\_\_    \_\_\_\_\_

COMMITTEE ACTION:

APPROVED

DISAPPROVED

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

CHAIRMAN: Melville E. Bailey

FUND: 142 FEDERAL PROJECTS FUND

AMENDMENT NUMBER: 2

DATE: February 24th, 2014

Subfund: 101 Title I 2014.01

ORIGINAL BUDGET

2,020,318.00

PREVIOUS AMENDMENTS

832,397.25

TOTAL

2,852,715.25

REQUESTED AMENDMENT

-

TOTAL

2,852,715.25

| ACCOUNT NO | DESCRIPTION                              | CURRENT BUDGE       | INCREASE          | DECREASE         | AMENDED BUDGET      |
|------------|--|---------------------|-------------------|------------------|---------------------|
|            | <b>EXPENDITURES</b>                      |                     |                   |                  |                     |
|            | <b>71100 REGULAR INSTRUCTION PROGRAM</b> |                     |                   |                  |                     |
| 71100-116  | Teachers                                 | 116,720.00          | -                 |                  | 116,720.00          |
| 71100-163  | Educational Assistants                   | 340,020.00          | -                 |                  | 340,020.00          |
| 71100-189  | Other Salaries & Wages                   | 45,693.00           | 3,665.00          | -                | 49,358.00           |
| 71100-195  | Certified Substitute Teachers            | 3,000.00            |                   |                  | 3,000.00            |
| 71100-198  | Non-Certified Substitute Teachers        | 5,000.00            |                   |                  | 5,000.00            |
| 71100-201  | Social Security                          | 31,887.00           | 228.00            |                  | 32,115.00           |
| 71100-204  | State Retirement                         | 47,372.00           | 338.00            |                  | 47,710.00           |
| 71100-206  | Life Insurance                           | 4,176.00            |                   |                  | 4,176.00            |
| 71100-207  | Medical Insurance                        | 260,000.00          | -                 |                  | 260,000.00          |
| 71100-210  | Unemployment Compensation                | 1,160.00            | -                 |                  | 1,160.00            |
| 71100-212  | Employer Medicare                        | 7,664.00            | 54.00             |                  | 7,718.00            |
| 71100-336  | Maintenance & Repair - Equipment         | 10,780.00           | -                 | 3,806.00         | 6,974.00            |
| 71100-399  | Other Contracted Services                | 115,477.00          | -                 | 8,000.00         | 107,477.00          |
| 71100-429  | Instructional Supplies & Materials       | 247,850.25          | 69,833.00         |                  | 317,683.25          |
| 71100-499  | Other Supplies & Materials               | 69,680.00           | 8,491.00          |                  | 78,171.00           |
| 71100-599  | Other Charges                            |                     |                   |                  | -                   |
| 71100-722  | Regular Instruction Equipment            | 565,319.00          | 34,333.00         |                  | 599,652.00          |
|            | <b>Subtotal</b>                          | <b>1,871,798.25</b> | <b>116,942.00</b> | <b>11,806.00</b> | <b>1,976,934.25</b> |
|            | <b>72130 OTHER STUDENT SUPPORT</b>       |                     |                   |                  |                     |
| 72130-189  | Other Salaries & Wages                   | 144,916.00          |                   |                  | 144,916.00          |
| 72130-201  | Social Security                          | 8,993.00            |                   |                  | 8,993.00            |
| 72130-204  | State Retirement                         | 13,323.00           |                   |                  | 13,323.00           |
| 72130-206  | Life Insurance                           | 288.00              |                   |                  | 288.00              |
| 72130-207  | Medical Insurance                        | 15,785.00           |                   |                  | 15,785.00           |
| 72130-210  | Unemployment Compensation                | 80.00               |                   |                  | 80.00               |
| 72130-212  | Employer Medicare                        | 2,118.00            |                   |                  | 2,118.00            |
| 72130-322  | Evaluation & Testing                     | 20,000.00           |                   | 19,959.00        | 41.00               |
| 72130-355  | Travel                                   | 6,000.00            |                   |                  | 6,000.00            |
| 72130-399  | Other Contracted Services                |                     |                   |                  | -                   |
| 72130-499  | Other Supplies & Materials               | 14,425.00           |                   | 1,000.00         | 13,425.00           |
| 72130-524  | In-Service/Staff Development             | 6,000.00            |                   |                  | 6,000.00            |
| 72130-599  | Other Charges                            | 52,441.00           |                   | 39.00            | 52,402.00           |
| 72130-790  | Other Equipment                          |                     |                   |                  | -                   |
|            | <b>Subtotal</b>                          | <b>284,369.00</b>   | <b>-</b>          | <b>20,998.00</b> | <b>263,371.00</b>   |

|   |   |                     |                   |                   |                     |
|---|---|---------------------|-------------------|-------------------|---------------------|
|   | <b>72210 REGULAR INSTRUCTION - SUPPORT</b>                |                     |                   |                   |                     |
| 72210-105   | Supervisor/Director                                       | 69,500.00           |                   |                   | 69,500.00           |
| 72210-161   | Secretary(s)  | 23,000.00           |                   |                   | 23,000.00           |
| 72210-189   | Other Salaries & Wages                                    | 66,000.00           |                   |                   | 66,000.00           |
| 72210-201   | Social Security   | 10,827.00           |                   |                   | 10,827.00           |
| 72210-204   | State Retirement  | 15,556.00           |                   |                   | 15,556.00           |
| 72210-206   | Life Insurance  | 432.00              |                   |                   | 432.00              |
| 72210-207   | Medical Insurance   | 22,575.00           |                   |                   | 22,575.00           |
| 72210-210   | Unemployment Compensation                                 | 120.00              |                   |                   | 120.00              |
| 72210-212   | Employer Medicare   | 3,250.00            |                   |                   | 3,250.00            |
| 72210-308   | Consultants   |                     |                   |                   | -                   |
| 72210-336   | Maintenance & Repair - Equipment                          |                     |                   |                   | -                   |
| 72210-355   | Travel  | 42,600.00           | 257.00            |                   | 42,857.00           |
| 72210-399   | Other Contracted Services                                 | 10,000.00           |                   |                   | 10,000.00           |
| 72210-432   | Library Books/Media                                       | 23,905.00           | 983.00            |                   | 24,888.00           |
| 72210-437   | Periodicals   |                     |                   |                   | -                   |
| 72210-499   | Other Supplies & Materials                                | 32,300.00           |                   | 300.00            | 32,000.00           |
| 72210-524   | In Service/Staff Development                              | 295,483.00          |                   | 85,078.00         | 210,405.00          |
| 72210-599   | Other Charges   |                     |                   |                   | -                   |
| 72210-790   | Other Equipment   | 6,000.00            |                   |                   | 6,000.00            |
|   | <b>Subtotal</b>   | <b>621,548.00</b>   | <b>1,240.00</b>   | <b>85,378.00</b>  | <b>537,410.00</b>   |
|   |   |                     |                   |                   |                     |
|   | <b>99100 OTHER USES/TRANSFERS OUT &amp; INDIRECT COST</b> |                     |                   |                   |                     |
| 99100-504   | Indirect Cost   | 75,000.00           |                   |                   | 75,000.00           |
|   | <b>Subtotal</b>   | <b>75,000.00</b>    | <b>-</b>          | <b>-</b>          | <b>75,000.00</b>    |
|   |   |                     |                   |                   |                     |
|   | <b>Total Expenditures</b>                                 | <b>2,852,715.25</b> | <b>118,182.00</b> | <b>118,182.00</b> | <b>2,852,715.25</b> |
|   |   |                     |                   |                   |                     |
|   | <b>REVENUE</b>  |                     |                   |                   |                     |
| 47141   | Title I Grants  | 2,852,715.25        |                   |                   | 2,852,715.25        |
|   |   |                     |                   |                   |                     |
|   | <b>Total Revenues</b>                                     | <b>2,852,715.25</b> | <b>-</b>          | <b>-</b>          | <b>2,852,715.25</b> |
|   |   |                     |                   |                   |                     |
|   | <b>RESERVES AND FUND BALANCE</b>                          |                     |                   |                   |                     |
|   |   | -                   |                   |                   | -                   |
|   |   |                     |                   |                   |                     |
|   | <b>Total Budgeted Reserves and Fund Balance</b>           | <b>-</b>            | <b>-</b>          | <b>-</b>          | <b>-</b>            |
|   |   |                     |                   |                   |                     |
| Justification: The above amendment is to amend the budget to reflect the individual school amendments and to move money into instructional supplies and materials and instructional equipment to support student achievement. |   |                     |                   |                   |                     |
|   |   |                     |                   |                   |                     |
|   |   |                     |                   |                   |                     |



CERTIFICATE OF ELECTION OF NOTARIES PUBLIC

Resolution No. 2014/02/08

AS CLERK OF THE COUNTY OF HAWKINS, TENNESSEE

NOTARY PUBLIC DURING THE FEBRUARY 24, 2014 MEETING OF THE GOVERNING BODY:

| NAME                        | HOME ADDRESS                                       | BUSINESS   |
|-----------------------------|--|--|
| 1. JENNIFER ALANA CARPENTER | 415 HICKORY COVE ROAD<br>ROGERSVILLE, TN 37857     | EASTMAN CREDIT UNION<br>ROGERSVILLE, TN. 37857                   |
| 2. BARBARA ERWIN HAUN       | 320 SOUTH CENTRAL AVENUE<br>CHURCH HILL, TN. 37642 | KINGSPORT ARMATURE & ELECTRIC CO. INC.<br>KINGSPORT, TN. 37660   |
| 3. FAYE S. KERN             | 430 ALEXANDER AVENUE<br>CHURCH HILL, TN. 37642     | RURAL HEALTH SERVICES CONSORTIUM, INC.<br>ROGERSVILLE, TN. 37857 |
| 4. JAMES MICHAEL LAWSON     | 536 BINGHAM ROAD<br>WHITESBURG, TN. 37891          | MAHLE ENGINE COMPONENTS USA<br>MORRISTOWN, TN. 37814             |
| 5. MELANIE M. LAWSON        | 122 REYNOLDS AVENUE<br>SURGOINSVILLE, TN. 37873    | HAWKINS COUNTY HEALTH DEPARTMENT<br>CHURCH HILL, TN. 37642       |
| 6. JOYCE MANIS              | 224 WEDGEWOOD DRIVE<br>ROGERSVILLE, TN. 37857      | US BANK<br>ROGERSVILLE, TN. 37857                                |
| 7. JAMIE N. MILLER          | 1140 BRADFORD STREET<br>ROGERSVILLE, TN. 37857     | US BANK<br>ROGERSVILLE, TN. 37857                                |
| 8. LULA D. REESE            | 440 OLD HICKORY CIRCLE<br>MOUNT CARMEL, TN. 37645  | KINGSPORT PRESS CREDIT UNION<br>KINGSPORT, TN. 37660             |
| 9. PHYLLIS L. TOMLINSON     | 651 REDWOOD DRIVE<br>MOUNT CARMEL, TN. 37645       | CLARK & COMPANY CUSTOM BUILDERS<br>KINGSPORT, TN. 37660          |
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Signature

Clerk of the County of Hawkins, Tennessee

Date

(Seal)