Anderson County Board of Commissioners
Financial Management Committee
Meeting Agenda

December 13, 2021
3:30 PM, Room 312

Purpose of Meeting: Regularly scheduled meetings to discuss topics as they relate to the County Financial Management System of 1981

Meeting Facilitator: Phil Yager (Committee Chair)

Invitees: Phil Yager, Rick Meredith, Chuck Fritts, Terry Frank, Tim Isbel, Gary Long, and Tim Parrott

I. Charitable Donation Policy forwarded from Non-Profit Committee

II. Surplus Items, Section 10.6 of the Finance Department Policies and Procedures Manual

III. Dedicating Percentage of Rollover Money for Capital Needs from July meeting

IV. Possible Grant Coordinator Position

V. ARP Update

VI. Old Business

VII. New Business

VIII. Adjourn

ANDERSON COUNTY, TENNESSEE

CHARITABLE DONATION POLICY

Originally Adopted by County Commission: December 20, 2021
Approved by Finance Committee: December 13, 2021
Approved by Nonprofit Committee: November 9, 2021

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Anderson County, Tennessee
Charitable Donation Policy

INTRODUCTION

Pursuant to Tenn. Code Ann. § 5-9-109, the County Legislative Body may appropriate funds for the financial aid of any nonprofit charitable organization, any chamber of commerce, exempt from taxation pursuant to the Internal Revenue Code of 1954, § 501(c)(6) (26 U.S.C. § 501(c) (6)), or any nonprofit civic organization exempt from taxation pursuant to § 501 (c) (4) of the Internal Revenue Service Code (26 U.S.C. § 501 (c) (4)), that operates primarily in the county for the purpose of bringing about civic betterments and social improvements through efforts to maintain and increase employment opportunities in the county by promoting industry, trade, commerce, tourism and recreation by inducing manufacturing, industrial, governmental, educational, financial, service, commercial, recreational and agricultural enterprises to locate in or remain in the county.

This Charitable Donation Policy document is a written guideline with parameters that affect how donations are appropriated. The purpose of the Donation and Policy document is to improve the quality of management and legislative decisions when appropriating donations, to provide justification for the donations, and ensure furtherance of benefitting the general welfare of the residents of Anderson County. In addition, the Charitable Donation Policy assists Anderson County in ensuring that appropriations are made in accordance with Tenn. Code Ann. §5-9-109 and Chapter 0380-2-7 of the Rules of the Comptroller of the Treasury.

Anderson County may, from time to time, review the Charitable Donation Policy and make revisions and updates, if warranted.

Relevant Tenn. Code Ann. is attached to this policy as Exhibit A.

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PROCEDURES FOR APPROPRIATION TO NON-PROFIT

1. Authority
   a. Anderson County will only appropriate funds by utilizing the statutory authority provided by Tennessee Code Annotated.

2. Qualifying Agencies:
   a. Nonprofit charitable organizations, any chamber of commerce, exempt from taxation pursuant to the Internal Revenue Code of 1954, § 501(c)(6) (26 U.S.C. § 501(c) (6))
   b. or any nonprofit civic organization exempt from taxation pursuant to § 501 (c) (4) of the Internal Revenue Service Code (26 U.S.C. § 501 (c) (4)), that operates primarily in the county for the purpose of bringing about civic betterments and social improvements through efforts to maintain and increase employment opportunities in the county by promoting industry, trade, commerce, tourism and recreation by inducing manufacturing, industrial, governmental, educational, financial, service, commercial, recreational and agricultural enterprises to locate in or remain in the county
   c. No part of net earnings inures to the benefit of any individual
   d. Must provide year-round services

3. Further Qualifications for Funding Consideration:
   a. Must have a physical presence in Anderson County

4. Application Time Period:
   a. Application period: Applications may be considered any time during the year, but must be submitted 90 days in advance of expected final hearing/vote.

5. Application Submittal Process:
   a. Each applicant must fully complete a charitable donation application form. Exhibit B.
   b. Applicant must provide proof of nonprofit registration.
   c. Applicant must provide copy of the most recent annual audit (must be within 2 years of current).
   d. Applicant must provide description of program that serves residents of Anderson County and the proposed use of county assistance.
   e. Applicant must provide the amount requested.

6. Review of Requests:
   a. Applications will be received by the Finance Director, 100 N. Main Street, Room 212, Clinton, Tennessee, 37716.
   b. The Finance Director shall review the applications for completeness and compliance with policy.
   c. Following review by the Finance Director, applications deemed eligible for consideration will be forwarded to the County Nonprofit Committee for consideration. The Nonprofit Committee serves as a subcommittee of Anderson County Commission.

d. At a meeting of the Nonprofit Committee, members will review applications and requests and, at the same meeting, make recommendations to the Budget Committee.
e. Applicants will be allowed seven (7) minutes for an oral presentation to the Nonprofit Committee, and five (5) minutes for Questions and Answers.
f. Following the Nonprofit Committee meeting, recommendations will be forwarded to the Budget Committee and may include:
    i. Recommendation for approval
    ii. Recommendation for alternate funding level
    iii. Recommendation for more information
    iv. Recommendation for applicant to return at a later date (e.g. capital project request, matching contribution where county may wish to see more progress on nonprofit's fundraising)
    v. No recommendation
g. The Nonprofit Committee shall meet quarterly for purposes of review.

7. Funding of Requests:
    a. Budget Committee will review application requests and recommendations from the Nonprofit Committee.
    b. Appropriations to nonprofit organizations other than charitable organizations will be published in a newspaper of general circulation in the county of the intent to make an appropriation to a nonprofit but not charitable organization, specifying the intended amount of the appropriation and the purposes for which the appropriation will be spent.
    c. Approved requests will be forwarded to full commission for approval.
    d. Commission will make final decision to approve funding recommended by Budget Committee.
    e. All proposed requests will be approved by resolution. Sample resolution attached as Exhibit C.

8. Appropriation Agreement

9. Report on use of funds
    a. At each quarterly meeting the Finance Committee will present a year-to-date itemization of contributions.
    b. In compliance with the Appropriation Agreement, the nonprofit will submit a report to the Finance Director by June 30th on the expenditure of the funds appropriated by Anderson County.
    c. The Finance Director will review all expenditures for compliance and submit an annual report to the Nonprofit Committee by June 30th.

PROCEDURES FOR APPROVING IN-KIND DONATIONS

1. In-Kind Donations shall follow the same application process as Procedures for Appropriation to Nonprofits. In-Kind Donations include but are not limited to below

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market value lease of land, below market value lease of space, utilities, lease/use of equipment.

EXHIBIT A

Tenn. Code Ann. § 5-9-109

Current through the 2021 First Extraordinary and the 2021 Regular Sessions.

- TN - Tennessee Code Annotated
- Title 5 Counties
- Chapter 9 Appropriation and Disbursement of Funds
- Part 1 Authorized Appropriations Generally

5-9-109. Charitable and civic organizations.

(a)

(1) The county legislative body or governing body of each county may appropriate funds for the financial aid of any nonprofit charitable organization, any chamber of commerce, exempt from taxation pursuant to the Internal Revenue Code of 1954, § 501(c)(6) (26 U.S.C. § 501(c)(6)), or any nonprofit civic organization in accordance with the guidelines required by subsection (b).

(2) For the purposes of this section:

(A) A nonprofit charitable organization is one in which no part of the net earnings inures or may lawfully inure to the benefit of any private shareholder or individual and that provides services benefiting the general welfare of the residents of the county; and

(B) A nonprofit civic organization means a civic organization exempt from taxation pursuant to § 501(c)(4) of the Internal Revenue Code (26 U.S.C. § 501(c)(4)), that operates primarily in the county for the purpose of bringing about civic betterments and social improvements through efforts to maintain and increase employment opportunities in the county by promoting industry, trade, commerce, tourism and recreation by inducing manufacturing, industrial, governmental, educational, financial, service, commercial, recreational and agricultural enterprises to locate in or remain in the county.

(3) The statement of public policy set forth in Acts 1955, chapter 209, § 3 is hereby incorporated into and made a part of this section, and it is hereby determined and declared that appropriations authorized by this section are needed to relieve the emergency created by the continuing migration from Tennessee and its counties of a large number of its citizens in order to find employment elsewhere, and to enable the counties of the state to assist nonprofit organizations in furthering the economic development, social welfare and common good of its residents.

(b) Each county legislative body shall devise guidelines directing for what purposes the appropriated money may be spent. These guidelines shall provide generally that any funds appropriated shall be used to promote the general welfare

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of the residents of the county. Any funds appropriated under this section shall be used and expended under the direction and control of the county legislative bodies.

(c)

(1) Any nonprofit organization that desires financial assistance from the county legislative body or the governing body of the county shall file with the county clerk a copy of an annual report of its business affairs and transactions, which includes, but is not limited to, a copy of an annual audit, a description of the program that serves the residents of the county, and the proposed use of the county assistance.

(2) Such report will be open for public inspection during the regular business hours of the county clerk's office.

(3) Any nonprofit organization that desires such financial assistance may file, in lieu of the annual audit, an annual report detailing all receipts and expenditures in a form prescribed by the comptroller of the treasury.

(4) Such report shall be prepared and certified by the chief financial officer of such nonprofit organization.

(5) Financial reports shall be available to fiscal officers of the county and shall be subject to audit under § 4-3-304.

(d) Appropriations to nonprofit organizations other than charitable organizations may be made only when notices have been published in a newspaper of general circulation in the county of the intent to make an appropriation to a nonprofit but not charitable organization, specifying the intended amount of the appropriation and the purposes for which the appropriation will be spent.

History

Acts 1976, ch. 696, § 1; 1977, ch. 120, § 1; impl. am. Acts 1978, ch. 934, §§ 7, 22, 36; Acts 1979, ch. 132, § 1; T.C.A., § 5-932; Acts 1984, ch. 820, §§ 1, 3; 1989, ch. 62, § 1; 1992, ch. 545, §§ 1, 2; 1995, ch. 106, § 1; 1999, ch. 38, § 1; 2010, ch. 740, § 1; 2017, ch. 123, § 1.

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EXHIBIT B

ANDERSON COUNTY GOVERNMENT

CHARITABLE DONATION APPLICATON FORM

Name of Organization: _____

Mailing Address: _____

Contact Person: _____

Phone: _____ E-mail: _____

Type of Agency (Please mark one):

☐ **Non-Profit Charitable Organization**
* No part of net earnings inures to the benefit of any individual
* Must provide year-round services

☐ **Non-Profit Civic Organization (26 U.S.C.A. § 501(c)(4) or (c)(6)**
* Operates primarily for civic betterments and social improvements through efforts to maintain and increase employment opportunities by promoting industry, trade, commerce, tourism, and recreation

If NOT a non-profit charitable or civic organization – STOP. You are not eligible for funding.

Do you have proof of nonprofit registration? **YES** **NO**
If NO – STOP. You are not eligible for funding.

Are you based in, or are your activities closely aligned with Anderson County? Explain.

_____
_____
_____
_____
_____
_____
_____

If NOT – STOP. You are not eligible for funding.

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Questionnaire

1. Is your organization a recipient of United Way funding? If so, how much? How often?

   _____

   _____

   _____

2. What group of citizens benefits from this organization's service (e.g. all residents, age group, particular community)?

   _____

   _____

   _____

3. Is Anderson County's portion of the money being matched from elsewhere? If yes, from where and what is the matching ratio?

   _____

   _____

   _____

4. If a previous appropriation has been received from Anderson County, for how much and how long?

   _____

   _____

   _____

5. Does your organization support an existing countywide function of government (e.g. health, legal education, public safety, court mediation services)? If yes, describe.

   _____

   _____

   _____

6. Is this an operational request, special project, infrastructure?

   _____

   _____

   _____

7. Is your organization receiving funds from another county or municipality? If yes, how much and from which other entities?

   _____

   _____

   _____

8. Is your organization a recipient of taxes, fees, or in-kind services or support authorized by Anderson County for the benefit of your organization (e.g. court fees for providing mediation for the courts, leased space, utilities)?

   _____

Submittal Requirements

Eligible agencies MUST attach the following materials to this application:

- [ ] Proof of Non-Profit Registration
- [ ] A copy of the most recent annual audit (must be within 2 years of current)
- [ ] A description of the program that serves the residents of Anderson County and the proposed use of county assistance
- [ ] The amount requested
- [ ] Proof of physical location in Anderson County

If ALL of the items required are not submitted – STOP. You will not be eligible for funding.

Signature of Person Applying: _____

Title: _____

Applications, with all accompanying attachments, should be sent to the following address:
Anderson County Government
Office of the Finance Director
100 North Main Street, Suite 212
Clinton, Tennessee 37716

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EXHIBIT C

SAMPLE RESOLUTION

A RESOLUTION MAKING APPROPRIATIONS TO NONPROFIT CHARITABLE ORGANIZATIONS OF ANDERSON COUNTY, TENNESSEE

WHEREAS, Section 5-0-109, Tennessee Code Annotated, authorizes the Anderson County Legislative Body to make appropriations to various nonprofit charitable organizations; and

WHEREAS, the Anderson County Legislative Body recognizes the various nonprofit charitable organizations providing services in Anderson County have great need of funds to carry on their nonprofit charitable work.

NOW, THEREFORE, BE IT RESOLVED by the Board of County Commissioners of Anderson County, Tennessee, on this _____ day of _____ 2021.

SECTION 1. That _____ dollars be appropriated to nonprofit organizations in Anderson County as reflected below.

Nonprofit Charitable Organization "ABC" $0000.00

BE IT FURTHER RESOLVED that all appropriations enumerated in Section 1 above are subject to the following conditions:

1. That the nonprofit charitable organization to which funds are appropriated shall file with the County Clerk and the disbursing official a copy of an annual report of its business affairs and transactions and the proposed use of the County's funds in accordance with rules promulgated by the Comptroller of the Treasury, Chapter 0380-2-7. Such annual report shall be prepared and certified by the Chief Financial Officer of such nonprofit organization in accordance with Section 5-9-109(c), Tennessee Code Annotated.
2. That said funds must only be used by the named nonprofit charitable organization in furtherance of their nonprofit charitable purpose benefitting the general welfare of the residents of Anderson County.
3. That it is the expressed interest of the County Commission of Anderson County providing these funds to the above name nonprofit charitable organization to be fully in compliance with Chapter 0380-2-7 of the Rules of the Comptroller of the Treasury, and Section 5-9-109 of Tennessee Code Annotated and any and all other laws which may apply to county appropriations to nonprofit organizations and so this appropriation is made subject to compliance with any and all of these laws and regulations.

BE IT FURTHER RESOLVED that this resolution shall take effect from and after its passage and its provisions shall be in force from and after July 1, 2022. This resolution shall be spread upon the minutes of the Board of County Commissioners for Anderson County, Tennessee.

PASSED this ____ day of _____ 2021.
APPROVED:

_____ _____

Josh Anderson, Commission Chairman Terry Frank, Anderson County Mayor

ATTEST: _____

Jeff Cole, Anderson County Clerk

NON- PROFIT COMMITTEE MINUTES
NOVEMBER 11, 2021

Members Present:
Phil Yager, Commissioner – Chairman
Denver Waddell, Commissioner
Tracy Wandell, Commissioner
Shain Vowell, Commissioner

Members Absent:
Jerry White, Commissioner
Catherine Deneberg, Commissioner
Jerry Creasy, Commissioner
Rick Meredith, Commissioner

Others Present:
Terry Frank, Mayor
Robby Holbrook, Finance Director
Randy Walters, Deputy Finance Director
Lydia Beckwith, Finance Staff

Motion made by Denver Waddell to make Phil Yager Chairman, seconded by Shain Vowell. Motion passed by voice vote.

After much discussion about the Chairtable Donation Policy, Tracy Wandell made a motion to submit the policy for approval with amended changes and to forward to the Finance Committee. Motion was seconded by Shain Vowell. Passed by voice vote, voting no, Denver Waddell.

Meeting adjourned.

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From: Katherine Ajmeri <kajmeri@andersoncountytn.gov>
Sent: Monday, October 25, 2021 10:13 AM
To: Robby Holbrook <rholbrook@andersoncountytn.gov>
Subject: Surplus ?

Robby,

A few years ago we started to post all surplus items on our website for a week before auctioning them off in case another Department is interested in them. We added this policy to section 10.6 of the FMPP manual. It sounded like a good idea at the time but we never get any interest in surplus items this way. All it does is add a week to the process.

Can we request removing this step from the surplus property process to the Finance Committee? Or maybe we should first remind Department Heads that this is happening and see if anyone starts looking?

I think a better process would be for folks to let us know of any items they want for so we can be on the lookout. But in reality I think it is just rare that a Department happens to be getting rid of something another Department happens to be needing.

Thanks, Katherine

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Section 10.5 Accountability Policy: Assets with an original cost of $1,500 and greater, and all computers, shall be assigned asset identification numbers for tracking and control purposes. The Finance Department shall periodically review inventory lists with departments, offices and agencies for assets with a value of $5,000 and greater. Any discrepancies shall be investigated and appropriate actions taken.

Section 10.6 County Personal Property Disposition Policy:
County Personal Property is any county-owned property other than Real Property. Surplus County Personal Property is property no longer needed or useful for the efficient or safe operation of county business.

When a Department Head or Elected Official identifies departmental property as no longer needed or useful for the efficient or safe operation of departmental business, they must request disposition of that property by the Purchasing Office utilizing the Property Disposition and Surplus Record form.

If the Department Head or Elected Official does not arrange for transfer to another department or office, the Deputy Purchasing Agent will list the property as "Property Available for Transfer" on the Purchasing Office's webpage for one week in order to provide other county departments and offices the opportunity to claim the property for transfer.

If no county departments or offices claim the property for transfer, and the property is a Capitalized Asset, the Deputy Purchasing Agent shall make recommendations to Purchasing Committee and County Commission for declaration of the property as available for disposition and approval regarding the appropriate Disposition Method.

If no county departments or offices claim the property for transfer, and the property is not a Capitalized Asset, the Deputy Purchasing Agent shall determine the appropriate Disposition Method.

II

ANDERSON COUNTY GOVERNMENT
CASH AND FUND BALANCE REPORT
November 30, 2021

FUND	DESCRIPTION	NON-SPENDABLE	RESTRICTED FUNDS	COMMITTED FUNDS	ASSIGNED FUNDS	UNASSIGNED FUND BALANCE	TOTAL FUND BALANCE	CASH
101	General Fund	$ -	$ 1,012,699	$ 1,755,143	$ 2,161,322	$ 9,971,045 *	$ 14,900,209	$ 12,975,594
115	Library Fund	$ -	$ 303,550		$ -	$ -	$ 303,550	$ 243,319
116	Solid Waste/Sanitation Fund	$ -	$ 281,964	$ -	$ -	$ -	$ 281,964	$ 229,456
118	Ambulance Fund	$ -	$ 250	$ -	$ -	$ 647,965	$ 648,215	$ 1,168,196
121	American Rescue Plan							$ 7,476,067
122	Drug Control Fund	$ -	$ 150,936	$ 8,459	$ -	$ -	$ 159,395	$ 174,316
127	Channel 95 Fund	$ -	$ -	$ -	$ 68,290	$ -	$ 68,290	$ 50,539
128	Tourism Fund	$ -	$ 237,796	$ -	$ 200,000	$ -	$ 437,796	$ 589,181
131	Highway Fund	$ 44,257	$ 269,737	$ 3,506,918	$ -	$ -	$ 3,820,912	$ 5,274,896
141	General Purpose School Fund	$ -	$ -	$ 12,462,226	$ -	$ -	$ 12,462,226	$ 14,299,143
143	Central Cafeteria	$ 126,069	$ 1,786,700	$ -	$ -	$ -	$ 1,912,769	$ 1,991,118
151	General Debt Service Fund	$ -	$ 515,512	$ -	$ -	$ -	$ 515,512	$ 1,122,802
152	Rural Debt Service Fund	$ -	$ 337,093	$ -	$ -	$ -	$ 337,093	$ 701,698
156	Education Debt Service Fund	$ -	$ 179,076	$ 118,995	$ -	$ -	$ 298,071	$ 420,976
171	Capital Projects Fund	$ -	$ 135,905	$ -	$ -	$ -	$ 135,905	$ 622,616
177	Education Capital Projects Fund		$ 261,535	$ 5,996	$ -	$ -	$ 267,531	$ 99,138
263	Employee Benefit Fund	$ 38,412	$ -	$ -	$ 1,154,648	$ -	$ 1,193,060	$ 1,484,088

** General Unassigned Fund Balance limit of $5.5MM requiring 2/3 (11) votes for budget amendments.*

Cash Trends
November

Cash 17/18	3,950,566
Cash 18/19	5,638,244
Cash 19/20	8,211,552
Cash 20/21	9,072,964
Cash 21/22	12,975,594