

**JEFFERSON COUNTY COMMISSION
BUDGET COMMITTEE MEETING**

**MONDAY, AUGUST 18, 2025, 5:30 P.M.
JEFFERSON COUNTY COURTHOUSE, MAIN COURTROOM**

Voting Members

Commissioner District 5	Tim Seals, Chairman	Commissioner District 6	Rob Blevins
Commissioner District 1	Katy Huffaker, Vice Chair	Commissioner District 7	Randy Bales
Commissioner District 2	Joe Coleman	Commissioner District 8	Ronny Coleman
Commissioner District 3	Austin Brooks, Secretary	Commissioner District 9	Jimmy Carmichael
Commissioner District 4	Greg Byrd	Commissioner District 10	Heidi Thomas

Ex Officio/Non – Voting Members Mayor Mark Potts and Finance Director Jessica Elder

AGENDA

I. CALL TO ORDER

II. ROLL CALL

III. APPEARANCE OF CITIZENS

Citizens who wish to address the Budget Committee for items of concern that may or may not be on the agenda need to complete a “Citizens Input Form: located on the table just inside the courtroom door and give to Budget Chairman before the meeting is “Call to Order.”

IV. APPROVAL OF MINUTES

A. July 21, 2025

V. CHAIRMAN’S COMMENTS

VI. FINANCE DIRECTOR’S COMMENTS

VII. UNFINISHED BUSINESS

A. Maintenance Garage Project

i. Update: Still working on getting quotes from companies

VIII. NEW BUSINESS

A. Budget Amendments County

a. Fund 101 BA #3, Items 1-9

b. Fund 121 BA #1, Item 1

c. Fund 122 BA #1, Item 1

B. Budget Amendments School

a. None to Present

- C. TN Comptroller's Division of Local Gov't Finance FY 25/26 Budget Conditional Approval
 - a. Resolution 2025-41 FY 25/26 Amended Budget

IX. OTHER BUSINESS

X. ANNOUNCEMENTS

Upcoming Budget Committee Meetings – Beginning at 5:30PM:

- A. Monday, September 15, 2025
- B. Monday, October 20, 2025
- C. Monday, November 17, 2025
- D. Monday, December 15, 2025

XI. ADJOURN

Jefferson County Budget Committee Minutes

7/21/2025 – Regular Monthly Meeting

The Budget Committee of Jefferson County held a regular monthly meeting on 7/21/2025 at 5:30PM in the Historic Jefferson County Courthouse in Dandridge, Tennessee.

Ex officio/non-Voting member(s) present: Finance Director Jessica Elder

Call to order: Chairman Seals called the meeting to order at 5:30PM.

Roll Call: Roll call was as follows: Tim Seals, Randy Bales, Katy Huffaker, Joe Coleman, Austin Brooks, Gregory Byrd, Ronny Coleman, Jimmy Carmichael, Heidi Thomas.

Amended Roll Call:

- Ransom Douglas entered the meeting at 5:41PM and sat in for Robert Blevins.
- Robert Blevins entered the meeting at 5:56PM.
- Ransom Douglas left the meeting at 5:56PM.

Approval of Minutes:

Item 1: A motion was made by Commissioner Brooks with a second by Commissioner Byrd to approve the minutes as presented from the 6/26/2025 Special Called Meeting. The motion was approved un with a vote of 9 in favor.

Item 2: A motion was made by Commissioner Joe Coleman with a second by Commissioner Ronny Coleman to approve the minutes as present from the 6/26/2025 Special Called Tax Levy Hearing Minutes. The motion was approved unanimously with a vote of 9 in favor.

Chairman's Comments: Chairman Tim Seals had no comments.

Finance Director's Comments: Finance Director Jessica Elder had no comments.

New Business: Budget Amendments

Item 3: A motion was made by Commissioner Brooks with a second by Commissioner Byrd to approve the County Budget Amendment Fund 101 #1, items 1-8. The motion was approved unanimously with a vote of 9 in favor.

Item 4: A motion was made by Commissioner Brooks with a second by Commissioner Bales to approve the County Budget Amendment Fund 116 #1, item 1. The motion was approved unanimously with a vote of 9 in favor.

Item 5: A motion was made by Commissioner Brooks with a second by Commissioner Byrd to approve the County Budget Amendment Fund 131 #1, item 1. The motion was approved unanimously with a vote of 9 in favor.

Item 6: A motion was made by Commissioner Ronny Coleman with a second by Commissioner Brooks to approve the use of fund balance to fund a contract with Mr. David Seal to be reimbursed up to \$25,000 for associated expenses while he operates in Nashville as lobbyist for the County. The motion was approved unanimously with a vote of 10 in favor.

Item 7: A motion was made by Commissioner Brooks with a second by Commissioner Huffaker to approve Landfill Director Eric Large to ask TDEC to come to a future County Commission Meeting. The motion was approved unanimously with a vote of 10 in favor.

Item 8: A motion was made by Commissioner Carmichael with a second by Commissioner Huffaker to approve \$500,000 from Landfill Fund 207 Fund Balance to be used for Landfill Class III Construction. The motion was approved with a vote of 9 in favor and 1 against. Commissioner Brooks voted against.

Adjourn: Having reached the end of the agenda, a motion was made by Commissioner Byrd with a second by Commissioner Byrd to adjourn. The motion was approved unanimously with a vote of 10 in favor. The meeting lasted approximately 1 hour. The next meeting is scheduled for Monday August 18, 2025 at 5:30PM in the Historic Courthouse.

Chairman – Tim Seals

Secretary – Austin Brooks

FUND BALANCE TOTAL	-	10,000.00
RESERVE BALANCE TOTAL	-	16,895.51

Budget Com. App'd: _____
County Com. App'd: _____

Item #	1	Register of Deeds / Reserves						Debit	Credit
		34510	ROD	Restricted for General Government - Register of Deeds			-	7,000.00	
		51600	317	Register of Deeds - Data Processing Services			+		6,000.00
		51600	524	Register of Deeds - Staff Development			+		1,000.00
		Total						7,000.00	7,000.00
Budgeting funds from reserves into data processing services and staff development for additional I3 Verticals AI Software and training needed for new AI software.									
Item #	2	Sheriff's Department / Violent Crime Initiative Fund Competitive Grant						Debit	Credit
		46980	VCIFC	Other State Grants - VCIFC			+	400,000.00	
		54110	350	Sheriff's Department - Internet Connectivity - VCIFC			+		5,760.00
		54110	351	Sheriff's Department - Rentals - VCIFC			+		61,920.00
		54110	599	Sheriff's Department - Other Charges - VCIFC			+		332,320.00
		Total						400,000.00	400,000.00
Budgeting funds received from the state into proper expenditure lines according to grant contract and sheriff for fiscal year 2025-2026.									
Item #	3	Maintenance Garage						Debit	Credit
		44530		Sale of Equipment			+	552.65	
		51810	790	Maintenance Garage - Other Equipment			+		552.65
		Total						552.65	552.65
Budgeting funds received from Sale of scrap material to Morristown Iron & Metals to expenditure line.									
Item #	4	Sheriff's Department / Reserves						Debit	Credit
		34725	SH	Assigned for Public Safety - Sheriff's Department			-	9,895.51	
		54110	718	Sheriff's Department - Motor Vehicles			+		9,895.51
		Total						9,895.51	9,895.51
Budgeting funds from reserves into expenditure line to contribute to the outfitting of new vehicles for fiscal year 2025-2026.									
Item #	5	County Commission / TN Housing Developing Agency HOME Grant						Debit	Credit
		46980	TDHA	Other State Grants - TN Housing Developing Agency HOME Grant			+	69,117.00	
		51100	599	County Commission - Other Charges - HOME Grant (Pass Through)			+		69,117.00
		Total						69,117.00	69,117.00
Budgeting funds received from pass through 2024 TN Housing Developing Agency Home Grant for Draw 1 & 2 for Contract Number HM-24-07-04.									
Item #	6	Sheriff's Dept / DUI Grant						Debit	Credit
		54110	187	DUI	Sheriff's Dept - Overtime Pay - DUI Grant			-	10,439.00
		54110	435	DUI	Sheriff's Dept - Office Supplies - DUI Grant			+	10,439.00
		Total						10,439.00	10,439.00
Moving funds for DUI Grant to purchase laptops and equipment needed.									

Item #	7	Parrott-Wood Memorial Library / 2025 East Tennessee Foundation Endowment				Debit	Credit
		44990	SP	Other Local Revenues - SP	+	2,500.00	
		56500	599	SP Parrott-Wood Memorial Library - Other Charges - SP	+		2,500.00
				Total		2,500.00	2,500.00
Budgeting funds received from the East Tennessee Foundation into expenditure line for fiscal year 2025-2026.							

Item #	8	Preservation of Records (Archives) / Fund Balance			Debit	Credit
		39000		Unassigned Fund Balance	-	10,000.00
		51910	709	Preservation of Records (Archives) - Data Processing Equipment	+	10,000.00
				Total		10,000.00 10,000.00
Budgeting funds from General Fund 101 Unassigned Fund Balance to budget for the purchase of a new ScanProp 3500 Standard 550.						

Item #	9	Senior Citizens Assistance / Office on Aging Grant				Debit	Credit
		47590	OOA	Other Federal through the State - OOA	+	32,762.00	
		56300	707	OOA Senior Citizens Assistances - Building Improvements - OOA	+		32,762.00
				Total		32,762.00	32,762.00
Budgeting funds from Office on Aging Grant for ADA building improvements to Senior Centers.							

FUND BALANCE TOTAL	-	0.00
RESERVE BALANCE TOTAL	-	3,746.02

Item # 1

TN Opioid Abatement Settlement Funds				Debit	Credit
34525		Reserves	-	3,746.02	
58400	316	Other Charges - Contributions	+		3,746.02
		Total		3,746.02	3,746.02
Adjusting funds to match actual amount received - FY 25-26 Budget total is \$195,257.02					

JEFFERSON COUNTY, TENNESSEE
2025-2026
DRUG ENFORCEMENT FUND 122 - AMENDMENT #1
August 2025

FUND BALANCE TOTAL	-	0.00
RESERVE BALANCE TOTAL	-	0.00

Budget Com. App'd: _____
County Com. App'd: _____

Item #	1	<i>Drug Enforcement/Other Fines, Forfeitures & Penalties</i>	Debit	Credit
		44530 Sale of Equipment	+	1,927.00
		54150 790 Drug Enforcement - Other Equipment	+	1,927.00
		Total		1,927.00 1,927.00
Budgeting funds received from sale of equipment on GovDeals.				

Jessica Elder

From: Whitney Playl <Whitney.Playl@cot.tn.gov>
Sent: Friday, August 1, 2025 2:34 PM
To: Mark Potts
Cc: Jessica Elder; Sheila Reed; Lori Barnard
Subject: Budget Approval Conditional Upon Additional Action - Comptroller's Division of Local Government Finance
Attachments: Jefferson County Budget-County_Metro Letter 08-01-2025.pdf
Follow Up Flag: Follow up
Flag Status: Flagged

CAUTION: This email originated from outside of Jefferson County Government. Do not click links or open attachments unless you recognize the sender and know the content is safe.

Dear Mayor Potts,

Attached is a letter signed by our Director, Sheila Reed, conditionally approving Jefferson County's fiscal year 2026 budget. Please share this letter with your governing body.

If you need a hard copy of this document, please print a copy and retain for your records. The attached file is your official communication from this office. You will not receive them in the U.S. Mail.

If we may be of further assistance, or if you have any questions, please feel free to call or write.

Thank you,

Whitney Playl

Specialist, Division of Local Government Finance

Comptroller of the Treasury | Cordell Hull Building

425 Rep. John Lewis Way North | Nashville, TN 37243 - 1102

whitney.playl@cot.tn.gov | (615) 747.5335



Mission: To Make Government Work Better



JASON E. MUMPOWER
Comptroller

August 1, 2025

Honorable Mark Potts, Mayor
and Honorable Board of Commissioners
Jefferson County
PO Box 710
Dandridge, TN 37725-0710

Dear Mayor Potts and Board of Commissioners:

This letter acknowledges receipt of a certified copy of the fiscal year 2026 budget. Based upon our review, we are conditionally approving the budget as described below. Before we can continue our review of the budget, the governing body must take the following **required actions within 45 days of the date of this letter, or the budget will not be approved.**

Approval Conditional Upon the Following

Courthouse & Jail Maintenance Fund - Amendment Required

The appropriations resolution adopted by the governing body includes \$1,000 in appropriations for the Courthouse & Jail Maintenance Fund. The detailed, line-item budget, however, includes a transfer of in the amount of \$151,000 to the General Capital Projects Fund which appears to have been omitted in the appropriations resolution. Please adopt an amendment that appropriates this transfer and submit the amendment to this office for review **within 45 days of the date of this letter**. A template for the budget amendment resolution is available on our website at: [Amendment Template](#). Please send the amendment to us via our online portal: tncot.cc/budget-submission. Once we receive the information as described above, we will continue our review of your budget.

Responsibility of Governing Body for Compliance Matters

With regard to programs included in the budget such as education, roads, and corrections, we have not made any attempt to determine that the local government has complied with specific program statutes or guidelines, or with any financing requirements prescribed by any state or federal agency. Please note local officials are required to ensure the budget remains balanced throughout the fiscal year and that all maintenance of effort requirements are met – our office has not reviewed or approved any maintenance of effort programs in this budget. A property tax rate may be included in this budget, and we would recommend that local government officials be certain that all program requirements have been met before initiating the tax collection process. Budget amendments must be uploaded to our

online portal for formal acknowledgement after they are approved by the local governing body: tncot.cc/budget-submission.

Budget Considerations

During our review of the budget, we identified the following items for your attention.

Expenditures Not Appropriated - Highway/Public Works Fund

We noted that the County's most recent audit reflected actual expenditures exceeding budget appropriations for a major category within the Highway/Public Works Fund. Expenditures at the major category level should be authorized in the original budget or an amendment to that budget or in a supplemental appropriation. The County's governing body needs to take steps to ensure that expenditures are closely monitored and the County stays within the budget appropriations. Future audits should reflect this has been corrected for your local government to be eligible to receive the annual budget certificate: tncot.cc/budgetcertificates.

Structurally Balanced Budget - Highway/Public Works Fund

We also noted that the Highway/Public Works Fund is budgeted to use \$1,125,453 of its fund balance and it appears that \$338,558 is being used for recurring expenditures. This represents a 6.4% projected use of fund balance from recurring expenditures. Proper financial management calls for recurring expenditures to be funded by recurring revenue. The use of fund balance does not make the fund unstable for fiscal year 2026, but we bring this to the attention of the governing body to prevent future financial instability. Please see our paper: Seven Keys to a Fiscally Well-Managed Government (tncot.cc/7keys) for guidance on a structurally balanced budget.

Fund and Cash Balance Policy - General Purpose School Fund

The County's General Purpose School Fund is budgeted to end the fiscal year with fund and cash balances that are less than one month of expenditures. As a result, the County has approved a budget that gives appropriation authority that could place this fund in a distress concern as defined by the Comptroller's Budget Manual. We recommend the governing body adopt a policy with a requirement to maintain fund and cash balances of not less than two months of the regular operating revenue or expenditures for the General Purpose School Fund. **Future budgets that project to end the fiscal year with cash of less than one month of expenditures will be conditionally approved upon amending the budget.**

Jefferson County
Conditional Budget Approval Letter
August 1, 2025

American Rescue Plan Spending

The governing body budgeted the use American Rescue Plan (ARP) funds. This budget approval is not an approval for the planned use of the ARP funds and the governing body, with the assistance of its attorney, should determine that the planned use complies with Federal regulations concerning the use of ARP funds. ARP funds spent contrary to Federal regulations must be returned.

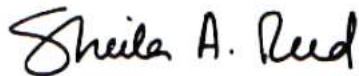
ARP funds are non-recurring and should only be used for one-time expenses. When purchasing capital items, ongoing maintenance and operating expenses should be analyzed to show future demand on recurring revenues.

Commendation

We commend the governing body for adopting this year's budget prior to the beginning of the budget year. Timely adoption will result in better management of public dollars in the coming year by immediately instituting appropriate budgetary controls. Adopting the budget in a timely manner allows your financial staff more time to close the official accounting records and have those records available for audit no later than two months after the close of your fiscal year as required by Tenn. Code Ann. § 9-2-102.

If you should have questions or need assistance, please refer to our online resources or feel free to contact your financial analyst, Lori Barnard, at 615.747.5347 or Lori.Barnard@cot.tn.gov.

Sincerely,



Sheila Reed, Director
Division of Local Government Finance



Lori Barnard, Financial Analyst
Division of Local Government Finance

cc: Jessica Elder, Finance Director, Jefferson County

SR:lb

Resolution No. 2025-41
A Resolution of the
Jefferson County, Tennessee

Amending the Fiscal Year 2026 Budget

- WHEREAS** the County Commission adopted the fiscal year 2026 budget by Resolution Number 2025-25 on June 26, 2025; and
- WHEREAS** the budget was submitted to the Tennessee Comptroller's Division of Local Government Finance for approval; and
- WHEREAS** pursuant to the Tenn. Code Ann. § 9-1-116, availability of programs and services to people in this state shall be limited to the extent that funds are appropriated by the general assembly or the appropriate governing body of a political subdivision; and
- WHEREAS** the county needs to amend the fiscal year 2026 budget to allow for additional spending; and

NOW, THEREFORE, be it resolved by the governing body that it hereby adopts the following changes to the fiscal year 2026 budget.

Fund 112 - Courthouse Jail Maintenance			
Funding Sources	Original Budget	Amended Budget	Change
Litigation Tax Reserves	-	151,000	151,000
Litigation Tax-Jail, Wrkhse, Courthouse	1,000	1,000	-
Total Changes to Funding Sources	1,000	152,000	151,000
Expenditures	Original Budget	Amended Budget	Change
Other Finance - Trustee's Commission	1,000	1,000	-
Other Finance - Transfers to Other Funds (Fund 171)	-	151,000	151,000
Total Changes to Expenditures	1,000	152,000	151,000

Duly passed and adopted by the governing body this 18th day of August 2025.

Date of Adoption by County Commission: _____

Date Received by County Mayor: _____

Votes: _____ _____ _____ _____
 Yes No Abstain Absent

Approved: _____ Date: _____
James E. Carmichael – Chairman, County Commission

Attest: _____ Date: _____
Frank C. Herndon – County Clerk

Approved: _____ Date: _____
Mark Potts – County Mayor

Vetoed: _____ Date: _____
Mark Potts – County Mayor

Veto

Override

Votes: _____ _____ _____ _____
 Yes No Abstain Absent

Veto

Override: _____ Date: _____
James E. Carmichael – Chairman, County Commission