

**SOUWTHWEST TENNESSEE DEVELOPMENT DISTRICT
EXECUTIVE COMMITTEE MEETING
June 22, 2016**

EXECUTIVE COMMITTEE MEMBERS PRESENT

Chester County Mayor Dwain Seaton
Mayor Robert "Bobby" King, City of Henderson
Decatur County Mayor Mike Creasy
Hardin County Mayor Kevin Davis
Mayor Barret Stevens, City of Bolivar
Henderson County Mayor Dan Hughes,
Barbara Parker, Henderson County Minority Representative
Mayor Dannie Kennedy, City of Milledgeville
McNairy County Mayor Ronnie Brooks
Mayor John Smith, City of Selmer
Representative Jimmy Eldridge

STAFF PRESENT

Joe W. Barker, Executive Director
Carolyn Ross, HR/Office Manager
Kim Essary, Fiscal Officer

PACKETS

Packets distributed to committee members included the agenda, minutes for the budget committee meeting, Line of Credit Needs, Cost Allocation Plan, FY2016-2017 budget.

MEETING

The Executive Committee met at 11:00 AM, Wednesday, June 22, 2016 in the District board room. Chairman Bobby King called the meeting to order by asking Mayor Dannie Kennedy to voice a word of prayer.

MINUTES OF BUDGET COMMITTEE

Mayor Kevin Davis moved to approve the budget committee minutes. After a second by Mayor Barrett Stevens, motion carried.

LINE OF CREDIT

Joe Barker briefly discussed the reason for the line of credit. He explained effective July 1, 2016, the services portion of the Area Agency on Aging and Disability would be going to a reimbursement funding instead of allowing the funds to be requested. Barker stated that the service provider's portion of the AAAD averaged \$125,000 a month and it took around 45 days for reimbursement.

Kim Essary then briefly went over the line of credit needs and explained that the district does not have the cash flow to support this new funding arrangement and would require a line of credit with Bancorp South. Essary stated that the budget committee approved pursuing a line of credit. After discussion, Mayor Dannie Kennedy made a motion to approve the line of credit. After a second by Mayor Dwain Seaton, the motion carried.

PROPOSED COST ALLOCATION PLAN

Kim Essary presented the cost allocation plan for FY2016-2017. She briefly explained that the SWTDD administrative indirect cost allocation plan would change and help lower the indirect cost for FY2017. After discussion, Mayor Dwain Seaton made a

motion to approve the cost allocation plan. After a second by Mayor Kevin Davis, the motion carried.

FY2017 BUDGET

Kim Essary presented FY2017 Budget. She stated that salary increases at 3% with a \$1500 maximum increase for all employees hired prior to fiscal year 2016. Also, Essary stated there would be a salary increase for employees with fiscal year 2016 hire dates based on merit and additional work load for FY2017. Essary further explained that the state retirement contribution rate would be paid at 9.80%. And the health insurance is based on the current rate through 12/31/2016 with higher deductible State plan plus gap plan with Colonial; the January-June plan is estimated at calendar year 2016 State plan with lower deductible plus 6% increase for 2017. After discussion, Mayor Dwain Seaton made a motion to approve the budget. After a second by Mayor Kevin Davis, the motion carried.

ADJOURNMENT

There being no further business the meeting was adjourned.

Respectfully submitted,

Jerry Gist, Secretary/Treasurer

Date Approved _____

Additions/Corrections: