The Knox County Board of Commissioners met in Special Session on Wednesday, June 18, 2008 at 8:30 a.m. in the Main Assembly Room of the City-County Building, Main Avenue. Those members present were Commissioners McKenzie, Strickland, Mark Harmon, Norman, Ivan Harmon, Davis, Daniels, Hammond, Leuthold, Briggs, Rountree, Lambert, Smith, Moore, Ballard, Wright, DeFreese and Pinkston. Commissioner Campen was absent from the meeting. Also present were Mr. John Owings, Knox County Law Director, Mr. Mike Ragsdale, Knox County Mayor, Mr. John Troyer, Director, Knox County Finance, Mr. Bruce Wuethrich, Director, Engineering and Public Works, Mr. Richard Walls, Knox County Internal Auditor and news media.

The following proceedings were had and entered of record to-wit:
Commissioner Thomas Strickland, Chairman, presided.

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** IN RE: ROLL CALL: **

Mrs. Martha Beeler, Administrative Assistant to George Stooksbury, Knox County Clerk called the roll.

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** IN RE: CONSIDERATION OF A RESOLUTION OF THE COMMISSION OF KNOX COUNTY, TENNESSEE ESTABLISHING A GENERAL COUNTY BUDGET AND MAKING APPROPRIATIONS FROM THE SEVERAL FUNDS FOR DEPARTMENTS, INSTITUTIONS, OFFICES AND AGENCIES OF KNOX COUNTY, TENNESSEE FOR THE FISCAL YEAR BEGINNING JULY 1, 2008 AND ENDING JUNE 30, 2009: R-08-6-804-SS: **

Consideration of a Resolution of the Commission of Knox County, Tennessee establishing a General County Budget and making appropriations from the several funds for Departments, institutions, Offices and Agencies of Knox County, Tennessee for the fiscal year beginning July 1, 2008 and ending June 30, 2009 was before the Board of Commissioners.

Mr. John Troyer, Director, Knox County Finance, was present and spoke on the matter.

Mr. John Owings, Knox County Law Director, was present and spoke on the matter.

Commissioner Leuthold moved to approve R-08-6-804-SS - Consideration of a Resolution of the Commission of Knox County, Tennessee establishing a General County Budget and making appropriations
from the several funds for Departments, institutions, Offices and Agencies of Knox County, Tennessee for the fiscal year beginning July 1, 2008 and ending June 30, 2009 with the following change:

Eliminate $254,908.00 for Inspector General and move 1 (one) position for Internal Auditor (annual basis $50,000.00) since the county is in a hiring freeze make it $25,000.00 for half year’s salary. Commissioner Davis seconded.

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Commissioner Mark Harmon moved as Amendment #1: Freeze Sheriff Department allocations at last year’s levels with the KCSO making internal adjustments without overall increases. The savings of approximately $2.8 million added to allocations to schools. Commissioner DeFreese seconded the motion.

Sheriff Jimmy J. J. Jones, Knox County Sheriff, was present and spoke on the matter.

Mr. John Troyer, Director, Knox County Finance, was present and spoke on the matter.

Upon roll call vote to approve Amendment #1- Freeze Sheriff Department allocations at last year’s levels with the KCSO making internal adjustments without overall increases. The savings of approximately $2.8 million added to allocations to schools Commissioners McKenzie and Mark Harmon voted aye. Commissioners Strickland, Norman, Ivan Harmon, Davis, Daniels, Hammond, Leuthold, Briggs, Rountree, Lambert, Smith, Moore, Ballard, Wright, DeFreese and Pinkston voted no. Commissioner Campen was absent from the meeting. The motion on amendment 1 failed 2-16-0-1.

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Amendment #2: Negotiate the contract regarding the Hotel/Motel Tax and Tourism at the state minimum of 40% (rather than the current 45%) to the contract recipient. The resulting savings split evenly among the following 18 tourist/visitor-related groups: Historic Tennessee Theatre, Bijou Theatre, Knoxville Museum of Art, IJAM’s Nature Center, beck Center, East Tennessee Film Commission, Knoxville Botanical Garden and Arboretum, WDVX, McClung Collection, East Tennessee History Center, Knoxville Symphony, Knoxville Opera, Dogwood Arts Festival, James White Fort, John Sevier Home Memorial Association, Blount Mansion, Knoxville Zoo, and Keep Knoxville Beautiful.

No action was taken on Amendment #2.

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Commissioner Mark Harmon moved as Amendment #3: Eliminate funding of Development Corporation. Saving of $900,000.00 added to allocation to schools. Commissioner DeFreese seconded the motion.

Mr. Mike Edwards, Development Corporation, was present and spoke on the matter.

Mr. John Owings, Knox County Law Director, was present and spoke on the matter.

Commissioner Mark Harmon moved to reduce from $900,000.00 to $450,000.00. The was no second to the motion. The motion failed for lack of a second.

Upon roll call vote to approve Amendment #3 - Eliminate funding of Development Corporation. Saving of $900,000.00 added to allocation to schools Commissioner Mark Harmon voted aye. Commissioners McKenzie, Strickland, Norman, Ivan Harmon, Davis, Daniels, Hammond, Leuthold, Briggs, Rountree, Lambert, Smith, Moore, Ballard, Wright, DeFreese and Pinkston voted no. Commissioner Campen was absent from the meeting. The motion on Amendment #3 failed 1-17-0-1.

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Commissioner Mark Harmon moved as Amendment #4: Eliminate funding of Chamber of Commerce. Saving of $100,000.00 added to allocation for schools. Commissioner DeFreese seconded the motion and upon roll call vote Commissioner Mark Harmon voted aye. Commissioners McKenzie, Strickland, Norman, Ivan Harmon, Davis, Daniels, Hammond, Leuthold, Briggs, Rountree, Lambert, Smith, Moore, Ballard, Wright, DeFreese and Pinkston voted no. Commissioner Campen was absent from the meeting. The motion on Amendment #4 failed 1-17-0-1.

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Commissioner Mark Harmon moved as Amendment #5: Knox County shall on replacement of any vehicle replace it with a small, compact, fuel-efficient car, a vehicle in the top-third of fuel economy ratings. This provision shall not apply to patrol cars, or CAC buses or vans designed to transport eight or more people. No individual assigned a Knox County vehicle shall be able to charge or acquire in any month more than $200 in gasoline paid by the county. Knox County shall reduce by half the vehicles provided for jailers, but retain vehicles for narcotics officers and detectives. Information Technology’s nine cars shall be reduced to three. E-911 center’s vehicles reduced from three to one. Commissioner DeFreese seconded the motion.

Mr. Hugh Holt, Deputy Director of Finance, was present and spoke on the matter.
Mr. Bruce Wuetherich, Director, Engineering and Public Works, was present and spoke on the matter.

Upon roll call to approve Amendment #5: Knox County shall on replacement of any vehicle replace it with a small, compact, fuel-efficient car, a vehicle in the top-third of fuel economy ratings. This provision shall not apply to patrol cars, or CAC buses or vans designed to transport eight or more people. No individual assigned a Knox County vehicle shall be able to charge or acquire in any month more than $200 in gasoline paid by the county. Knox County shall reduce by half the vehicles provided for jailers, but retain vehicles for narcotics officers and detectives. Information Technology’s nine cars shall be reduced to three. E-911 center’s vehicles reduced from three to one Commissioners Mark Harmon and DeFreese voted aye. Commissioners McKenzie, Strickland, Norman, Ivan Harmon, Davis, Daniels, Hammond, Leuthold, Rountree, Lambert, Smith, Moore, Ballard, Wright and Pinkston voted no. Commissioner Briggs abstained from the vote. Commissioner Campen was absent from the meeting. The motion on Amendment #5 failed 2-15-1-1.

Commissioner Mark Harmon moved as Amendment #6: Change the terms of the Deputy Pension so that the employee contributions, employer contributions, benefits, and rules match those of the Tennessee Consolidated Retirement System, and begin negotiations to roll the deputy pension fund into the TCRS system. Commissioner DeFreese seconded the motion.

Mr. John Owings, Knox County Law Director, was present and spoke on the matter.

Without objection, Commissioner Strickland withdrew the above Amendment #6 from the agenda.

Commissioner Daniels moved as Amendment #1: Cut from $40,000.00 to $20,000.00 from the Mayor’s Discretionary Fund and upon roll call vote Commissioners Mark Harmon, Ivan Harmon, Davis, Daniels, Moore, DeFreese and Pinkston voted aye. Commissioners McKenzie, Strickland, Norman, Hammond, Leuthold, Briggs, Rountree, Lambert, Smith, Ballard and Wright voted no. Commissioner Campen was absent from the meeting the motion on Amendment #1 failed 7-11-0-1.

Mr. John Troyer, Director, Knox County Finance, was present and spoke on the matter.

Mr. Mike Ragsdale, Knox County Mayor, was present and spoke on the matter.
Commissioner Daniels moved as Amendment #2: Cut Commission Discretionary fund from $114,000.00 to $57,000.00 and upon roll call vote Commissioners Davis, Daniels, Briggs, Moore, DeFreese and Pinkston voted aye. Commissioners McKenzie, Strickland, Mark Harmon, Norman, Ivan Harmon, Hammond, Leuthold, Rountree, Lambert, Smith, Ballard and Wright voted no. Commissioner Campen was absent from the meeting. The motion on Amendment #2 failed 6-12-0-1.

Commissioner Moore moved to amend and add a million back to Engineering and Public Works for road paving, and cut $130,000.00 from the Mayor’s budget to paving. Commissioner Davis seconded the motion and upon roll call vote Commissioners Davis, Daniels, Lambert, Moore, DeFreese and Pinkston voted aye. Commissioners McKenzie, Strickland, Mark Harmon, Norman, Ivan Harmon, Hammond, Leuthold, Briggs, Rountree, Smith, Ballard and Wright voted no. Commissioner Campen was absent from the meeting. The amendment failed 6-12-0-1.

Mr. Bruce Wuethrich, Director, Engineering and Public Works, was present and spoke on the matter.

Mr. John Troyer, Director, Knox County Finance, was present and spoke on the matter.

Mr. John Owings, Knox County Law Director, was present and spoke on the matter.

Mr. Dwight Van de Vate, Director of Communications and Government Relations for Knox County, was present and spoke on the matter.

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IN RE: AT THIS TIME A RECESS WAS TAKEN:

IN RE: ROLL CALL: 1:30 P.M.
Those responding were Commissioners McKenzie, Strickland, Mark Harmon, Norman, Ivan Harmon, Davis, Daniels, Hammond, Leuthold, Briggs, Rountree, Lambert, Smith, Moore, Ballard, Wright, DeFreese and Pinkston. Commissioner Campen was absent from the meeting.

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IN RE: Commissioner Pinkston moved as Amendment #1 to Repeal the Wheel Tax. Commissioner Davis seconded the motion.
No action was taken.

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Commissioner Pinkston moved as Amendment #2: A 2% across the board budget cut –all departments exempting Sheriff’s Department, Health
Department, Grants, Schools, Libraries and any reduction of the debt fund and departments come back to Commission for money. Commissioner DeFreese seconded the motion.

Mr. John Troyer, Director, Knox County Finance, was present and spoke on the matter.

Mr. Richard Moran, Director, Information Technology was present and spoke on the matter.

Mr. Doug Bataille, Director, Parks and Recreation, was present and spoke on the matter.

Mr. Bruce Wuethrich, Director, Engineering and Public Works, was present and spoke on the matter.

Ms. Patty Walker, concerned citizen, was present and spoke on the matter.

Mr. John Owings, Knox County Law Director, was present and spoke on the matter.

Commissioner Hammond moved to call for the question to cut off debate and upon roll call vote Commissioners McKenzie, Strickland, Mark Harmon, Norman, Ivan Harmon, Davis, Daniels, Hammond, Leuthold, Briggs, Rountree, Lambert, Smith, Ballard, Wright and DeFreese voted aye. Commissioners Moore and Pinkston voted no. Commissioner Campen was absent from the meeting. The motion carried 16-2-0-1.

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Upon roll call on Amendment #2, Commissioners Daniels, Briggs, Lambert, DeFreese and Pinkston voted aye. Commissioners McKenzie, Strickland, Mark Harmon, Norman, Ivan Harmon, Davis, Hammond, Leuthold, Rountree, Smith, Moore, Ballard and Wright voted no. Commissioner Campen was absent from the meeting. The motion on Amendment #2 failed 5-13-0-1.

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Amendment #3; A hiring freeze through December is already in the budget.

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Commissioner Pinkston moved as Amendment #4 No pay increase or step raises for individuals with salaries of $75,000.00 or above. No second to the motion.

No action was taken.

Ms. Frances Fogerson, Director, Human Resources, was present and spoke on the matter.

Mr. Richard Moran, Director, Information Technology was present and spoke on the matter.
Mr. Mike Ragsdale, Knox County Mayor, was present and spoke on the matter.

Commissioner Moore moved to call for the question to end debate and vote on the budget with the one change to Eliminate $254,908.00 for Inspector General and move 1 (one) position for Internal Auditor (annual basis $50,000.00) since the county is in a hiring freeze make it $25,000.00 for half year’s salary. Commissioner Pinkston seconded the motion and upon roll call vote Commissioners Ivan Harmon, Moore and Pinkston voted aye. Commissioners McKenzie, Strickland, Mark Harmon, Norman, Davis, Daniels, Hammond, Leuthold, Briggs, Rountree, Lambert, Smith, Ballard, Wright and DeFreese voted no. Commissioner Campen was absent from the meeting. The motion on the call for the question failed 3-15-0-1.

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Commissioner Pinkston moved as Amendment #4 No pay increase for individuals with salaries of $75,000.00 or above and no step raises. The Knox County Commissioners as well will not receive a 2% pay increase. Commissioner Mark Harmon seconded the motion.

There was a motion to divide the question on Amendment #4.

Upon roll call vote for no pay increase or step raises for individuals with salaries of $75,000.00 or above and no step raises. Commissioners Mark Harmon, Lambert, Moore, DeFreese and Pinkston voted aye. Commissioners McKenzie, Strickland, Norman, Ivan Harmon, Davis, Daniels, Hammond, Leuthold, Briggs, Rountree, Smith, Ballard and Wright voted no. Commissioner Campen was absent from the meeting. The motion failed 5-13-0-1.

Upon roll call vote to freeze the Knox County Commission salaries, Commissioners Mark Harmon, Norman, Ivan Harmon, Davis, Daniels, Hammond, Leuthold, Briggs, Rountree, Lambert, Smith, Ballard, Wright, DeFreese and Pinkston voted aye. Commissioners McKenzie, Strickland and Moore voted no. Commissioner Campen was absent from the meeting. The motion carried 15-3-0-1.

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Amendment #5: Reduction of Commission and Mayor discretionary funds – a 50% decrease would generate a $77,000.00 savings. Eliminating the discretionary funds completely would place $154,000.00 back in the budget.

No action was taken.

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Commissioner Pinkston moved as Amendment #6 Abolish the Office of Neighborhoods the proposed budget for this department is $387,186.00,
and increase of $202,585.00 over last year. With Codes Inspectors remaining under the supervision of the Department of Engineering and Public Works, and the Office of Neighborhoods employee responsible for fielding calls moved to an existing office within the Commission office at a salary of $30,000.00 the cost savings for Knox County would be $357,186.00. There would be no duplication of service or service interruption. Commissioner Daniels seconded the motion.

Mr. Bruce Wuethrich, Director, Engineering and Public Works, was present and spoke on the matter.

Mr. Grant Rosenberg, Deputy Director, Office of Neighborhoods, was present and spoke on the matter.

Mr. John Troyer, Director, Knox County Finance, was present and spoke on the matter.

Mr. Dwight Van de Vate, Chief Administrative Officer, was present and spoke on the matter.

Mr. Mike Ragsdale, Knox County Mayor, was present and spoke on the matter.

Ms. Alison Wagley, Office of Neighborhoods, was present and spoke on the matter.

Commissioner Leuthold moved as a substitute motion to reduce Office of Neighborhoods other professional services from $30,000.00 to $20,000.00. Commissioner McKenzie seconded the motion and upon roll call vote Commissioners McKenzie, Strickland, Mark Harmon, Norman, Ivan Harmon, Davis, Daniels, Hammond, Leuthold, Briggs, Rountree, Smith, Ballard, Wright, DeFreese and Pinkston voted aye. Commissioner Moore voted no. Commissioner Campen was absent from the meeting. Commissioner Lambert was absent from the vote. The motion carried 16-1-0-2.

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Commissioner Pinkston moved as Amendment #7 to eliminate one Lobbyist position. There was no second to the motion on Amendment #7 failed for lack of a second.

Commissioner Moore moved as Amendment #7 to eliminate both lobbyist and save $90,000.00. Commissioner Pinkston seconded the motion. Mr. Mike Arms, Chief of Staff, was present and spoke on the matter.

Mr. Mike Ragsdale, Knox County Mayor, was present and spoke on the matter.

Mr. John Owings, Knox County Law Director, was present and spoke on the matter.
Commissioner Mark Harmon moved to call for the question to end debate. Commissioner McKenzie seconded the motion and upon roll call vote Commissioners McKenzie, Strickland, Mark Harmon, Norman, Hammond, Rountree, Smith, Ballard and Wright voted aye. Commissioners Ivan Harmon, Davis, Daniels, Leuthold, Briggs, Lambert, Moore, DeFreese and Pinkston voted no. Commissioner Campen was absent from the meeting. The motion on the call of the question failed 9-9-0-1.

Upon roll call vote on Amendment #7 to eliminate both lobbyist and save $90,000.00, Commissioners Ivan Harmon, Lambert, Moore, DeFreese and Pinkston voted aye. Commissioners McKenzie, Strickland, Mark Harmon, Norman, Davis, Daniels, Hammond, Leuthold, Briggs, Rountree, Smith, Ballard and Wright voted no. Commissioner Campen was absent from the meeting. The motion on Amendment 7 failed 5-13-0-1.

Commissioner Leuthold moved to eliminate one lobbyist position. Cut from $90,000.00 to $45,000.00. The motion was seconded and upon roll call vote Commissioners Ivan Harmon, Davis, Daniels, Leuthold, Briggs, Lambert, Smith, Ballard, Wright, DeFreese and Pinkston voted aye. Commissioners McKenzie, Strickland, Mark Harmon, Norman, Hammond, Rountree, and Moore voted no. Commissioner Campen was absent from the meeting. The motion carried 11-7-0-1.

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Amendment #8 Eliminate the proposed Office of Inspector General. Amendment #8 was included in Commissioner Leuthold’s motion on the final budget.

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Commissioner Pinkston moved as Amendment #9 No new positions established for 1 year and revisit in December 2008. (Exempt the Juvenile Court Referee, which is under the six-month hiring freeze). Commissioner Ballard seconded the motion.

Mr. John Troyer, Director, Knox County Finance, was present and spoke on the matter.

Ms. Frances Fogerson, Director, Human Resources, was present and spoke on the matter.

Mr. Doug Bataille, Director, Parks and Recreation, was present and spoke on the matter.

Mr. Mike Ragsdale, Knox County Mayor, was present and spoke on the matter.

Mr. John Owings, Knox County Law Director, was present and spoke on the matter.
Mr. Bruce Wuethrich, Director, Engineering and Public Works, was present and spoke on the matter. Commissioner Ivan Harmon moved to call for the question to cut off debate. Commissioner Moore seconded the motion and upon roll call vote Commissioners Strickland, Mark Harmon, Ivan Harmon, Davis, Daniels, Hammond, Leuthold, Briggs, Smith, Moore, Ballard, Wright, DeFreese and Pinkston voted aye. Commissioners McKenzie, Norman, Rountree and Lambert voted no. Commissioner Campen was absent from the meeting. The motion carried 14-4-0-1.

Upon roll call vote on Amendment #9, No new positions established for 1 year and revisit in December 2008. (Exempt the Juvenile Court Referee which is under the six month hiring freeze.), Commissioners Ivan Harmon, Davis, Daniels, Hammond, Leuthold, Smith, Moore, Ballard, Wright, DeFreese and Pinkston voted aye. Commissioners McKenzie, Strickland, Mark Harmon, Norman, Briggs, Rountree and Lambert voted no. Commissioner Mark Campen was absent from the meeting. The motion carried 11-7-0-1.

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Commissioner Davis moved to amend the budget to eliminate the Grade Schools Foundation minus whatever those promise costs are that the School System has and go directly to the School System. Commissioner Daniels seconded the motion.

Commissioners Ivan Harmon, Leuthold, Rountree, Lambert, Smith and Ballard made disclosure pursuant to Section 2 of the Knox County Code of Ethics prior to voting on the matter.

Commissioner Briggs moved as a substitute motion to delay the decision to eliminate the Grade Schools Foundation minus whatever those promise costs are that the School System has and go directly to the School System until the new Superintendent comes in. Commissioner Hammond seconded the motion and upon roll call vote Commissioners McKenzie, Mark Harmon, Norman, Ivan Harmon, Davis, Daniels, Hammond, Leuthold, Briggs, Rountree, Lambert, Smith, Moore, Ballard, Wright, DeFreese and Pinkston voted aye. Commissioner Strickland recused himself from the vote. Commissioner Campen was absent from the meeting. The substitute motion carried 17-0-1-1.

Mr. Mike Ragsdale, Knox County Mayor, was present and spoke on the matter.

Mr. John Troyer, Director, Knox County Finance, was present and spoke on the matter.
Mr. Russ Oaks, Director, Public Affairs, Knox County Schools, was present and spoke on the matter.
Mr. Ron McPherson, was present and spoke on the matter.
Mr. John Owings, Knox County Law Director, was present and spoke on the matter.
Ms. Cynthia Buttry, Knox County School Board member in District 3, was present and spoke on the matter.

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**IN RE: AMENDMENT TO THE AGENDA:**
Commissioner Strickland stepped down as Chairman and Commissioner Hammond, Vice-Chairman, presided.

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Commissioner Rountree moved as an amendment not to fund $15,000.00 to East Tennessee Development Agency. Commissioner Pinkston seconded the motion and upon roll call vote Commissioners Davis, Rountree, Lambert, Moore, DeFreese and Pinkston voted aye. Commissioners McKenzie, Mark Harmon, Norman, Daniels, Hammond, Leuthold, Briggs, Smith, Ballard and Wright voted no. Commissioners Strickland abstained from the vote. Commissioner Campen was absent from the meeting. Commissioner Ivan Harmon was absent from the vote. The motion failed 6-10-1-2.

Mr. Mike Arms, Chief of Staff, was present and spoke on the matter.
Mr. Mike Ragsdale, Knox County Mayor, was present and spoke on the matter.

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Mr. Mike Ragsdale, Knox County Mayor, was present and spoke on the matter.
Mr. John Troyer, Director, Knox County Finance, was present and spoke on the matter.

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Commissioner Moore moved to increase Heiskell Volunteer Fire Department from $10,000.00 to $15,000.00, and reduce the contractual funding from $50,000.00 to $45,000.00. Commissioner Smith seconded the motion and upon roll call vote Commissioners McKenzie, Strickland, Norman, Ivan Harmon, Davis, Daniels, Hammond, Leuthold, Briggs, Rountree, Lambert, Smith, Moore, Ballard, Wright, DeFreese and Pinkston voted aye. Commissioner Mark Harmon voted no. Commissioner Campen was absent from the meeting. The motion carried 17-1-0-1.

Mr. Mike Ragsdale, Knox County Mayor, was present and spoke on the matter.
IN RE: AMENDMENT TO THE AGENDA:
At this time Vice Chairman Hammond stepped down and Commissioner Strickland chaired the meeting.

Commissioner Pinkston moved as an amendment to add back to Seymour Volunteer Department $15,000.00 and changing contractual funding to $40,000.00. Commissioner Rountree seconded the motion and upon roll call vote Commissioners McKenzie, Strickland, Norman, Ivan Harmon, Davis, Daniels, Hammond, Leuthold, Briggs, Rountree, Lambert, Smith, Moore, Ballard, Wright, DeFreese and Pinkston voted aye. Commissioner Mark Harmon voted no. Commissioner Campen was absent from the meeting. The motion carried 17-1-0-1.

Commissioner McKenzie moved as an amendment to add $9,932.00 back to Crutcher Memorial Youth Enrichment Center. Commissioner Strickland seconded the motion.

Commissioner Moore moved as a substitute motion to accept the Community Grants by the Citizens Panel as the Mayor’s Office has recommend to the Knox County Commission and changes as follows:
- Dr. Kim’s Health Clinic for $25,000.00
- East Tennessee Film Commission $50,000.00
- Beck Center for $25,000.00
- Kuumba Festival $25,000.00
- WDVX $25,000.00
- Mother Goose $20,000.00
- Sertoma Center $7,500.00
- $40,000.00 goes back to the General Fund.

Approve Page 6 in the budget with the exception of taking out $7,500.00 for clothing allowance in the Sheriff’s Department.

Hold out the Project Grad $82,000.00 until the School Board and Project Grad has a change to come back to Commission and explain what they want to do with it. Commissioner Smith seconded the motion.

Commissioner Pinkston moved to call for the question to end debate. Commissioner Hammond seconded the motion and upon roll call vote Commissioners McKenzie, Strickland, Mark Harmon, Norman, Daniels, Hammond, Smith, Moore, Ballard, Wright, DeFreese and Pinkston voted aye. Commissioners Ivan Harmon, Davis, Leuthold, Briggs, Rountree and Lambert voted no. Commissioner Campen was absent from the meeting. The motion failed 12-6-0-1.
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Ms. Donna McEvers, Member of the Panel reviewing grants, was present and spoke on the matter.
Mr. Erik Hoglund, Community Development, was present and spoke on the matter.
Ms. Cynthia Buttry, Knox County School Board member in District 3, was present and spoke on the matter.
Sheriff J. J. Jones, was present and spoke on the matter.
Mr. John Troyer, Director, Knox County Finance, was present and spoke on the matter.
Mr. Russ Oaks, Knox County Schools, was present and spoke on the matter.
Mr. John Owings, Knox County Law Director, was present and spoke on the matter.

Commissioner Hammond called for the question to end debate and upon roll call vote Commissioners McKenzie, Strickland, Mark Harmon, Norman, Ivan Harmon, Daniels, Hammond, Smith, Moore, Ballard, Wright, DeFreese and Pinkston voted aye. Commissioners Davis, Leuthold, Briggs, Rountree and Lambert voted no. Commissioner Campen was absent from the meeting. The motion on the call for the questions carried 13-5-0-1.

Upon roll call vote of the substitute motion by Commissioner Moore and seconded by Commissioner Smith to accept the Community Grants by the Citizens Panel as the Mayor’s Office has recommend to the Knox County Commission and changes as follows:

- Dr. Kim’s Health Clinic for $25,000.00
- East Tennessee Film Commission $50,000.00
- Beck Center for $25,000.00
- Kuumba Festival $25,000.00
- WDVX $25,000.00
- Mother Goose $20,000.00
- Sertoma Center $7,500.00

$40,000.00 goes back to the General Fund.

Approve Page 6 in the budget with the exception of taking out $7,500.00 for clothing allowance in the Sheriff’s Department.

Hold out the Project Grad $82,000.00 until the School Board and Project Grad has a change to come back to Commission and explain what they want to do with it, Commissioners McKenzie, Norman, Ivan Harmon, Davis, Daniels, Hammond, Smith, Moore, Ballard, Wright and Pinkston voted aye. Commissioners Strickland, Mark Harmon, Leuthold, Briggs,
Rountree and DeFreese voted no. Commissioner Lambert abstained from the vote. Commissioner Campen was absent from the meeting. The substitution motion carried 11-6-1-1.

Upon roll call of the original motion by Commissioner Leuthold to approve R-08-6-804-SS - Consideration of a Resolution of the Commission of Knox County, Tennessee establishing a General County Budget and making appropriations from the several funds for Departments, institutions, Offices and Agencies of Knox County, Tennessee for the fiscal year beginning July 1, 2008 and ending June 30, 2009 with the following changes:

- Eliminate $254,908.00 for Inspector General and move 1 (one) position for Internal Auditor (annual basis $50,000.00) since the county is in a hiring freeze make it $25,000.00 for half year’s salary.

- Cut Office of Neighborhoods other professional services from $30,000.00 to $20,000.00.
  - Eliminate one lobbyist position. Cut from $90,000.00 to $45,000.00.
  - No new positions established for 1 year and revisit in December 2008. (Exempt the Juvenile Court Referee which is under the six month hiring freeze.)

- Add to Heiskell Volunteer Fire Department from $10,000.00 to $15,000.00, and reduce the contractual funding from $50,000.00 to $45,000.00.

- Add back to Seymour Volunteer Department $15,000.00 and changing contractual funding to $40,000.00.

- Accept the Community Grants by the Citizens Panel as the Mayor’s Office has recommend to the Knox County Commission and changes as follows:
  - Dr. Kim’s Health Clinic for $25,000.00
  - East Tennessee Film Commission $50,000.00
  - Beck Center for $25,000.00
  - Kuumba Festival $25,000.00
  - WDVX $25,000.00
  - Mother Goose $20,000.00
  - Sertoma Center $7,500.00
  - $40,000.00 goes back to the General Fund.

- Approve Page 6 in the budget with the exception of taking out $7,500.00 for clothing allowance in the Sheriff’s Department.
Hold out the Project Grad $82,000.00 until the School Board and Project Grad has a change to come back to Commission and explain what they want to do with it.

Hiring freeze for one year, with Commission reviewing in 6 months.
Freeze the Knox County Commissioners salaries (for a savings of $7,537.30, benefits $1,045.57)
The Mayor has offered to go back through the budget and find a $1,500,000.00 in cuts to be made later.

Commissioner Hammond moved to call for the question to vote on the original motion. Commissioner McKenzie seconded the motion and upon roll call vote Commissioners McKenzie, Strickland, Mark Harmon, Norman, Hammond, Rountree, Ballard, Wright, DeFreese and Pinkston voted aye. Commissioners Ivan Harmon, Davis, Daniels, Leuthold, Briggs, Lambert, Smith and Moore voted no. Commissioner Campen was absent from the meeting. The motion on the call for the question failed 10-8-0-1.

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Commissioner Moore moved as an amendment to pass the Mayor’s budget back to the 2002 budget (to reduce the administration on the Mayor’s office only to $371,974.29) and come back on Monday, June 23, 2008 with the Mayor’s Organization Chart. Commissioner Pinkston seconded the motion and upon roll call vote Commissioners Ivan Harmon, Lambert, Moore, DeFreese and Pinkston voted aye. Commissioners McKenzie, Strickland, Mark Harmon, Norman, Davis, Daniels, Hammond, Leuthold, Briggs, Rountree, Smith, Ballad and Wright voted no. Commissioner Campen was absent from the meeting. The motion on the amendment failed 5-13-0-1.

Mr. John Owings, Knox County Law Director, was present and spoke on the matter.

Upon roll call vote of the original motion to approve R-08-6-804-SS - Consideration of a Resolution of the Commission of Knox County, Tennessee establishing a General County Budget and making appropriations from the several funds for Departments, institutions, Offices and Agencies of Knox County, Tennessee for the fiscal year beginning July 1, 2008 and ending June 30, 2009 with the following changes:

Eliminate $254,908.00 for Inspector General and move 1 (one) position for Internal Auditor (annual basis $50,000.00) since the county is in a hiring freeze make it $25,000.00 for half year’s salary.
Cut Office of Neighborhoods other professional services from $30,000.00 to $20,000.00.
Eliminate one lobbyist position. Cut from $90,000.00 to $45,000.00.
No new positions established for 1 year and revisit in December 2008. (Exempt the Juvenile Court Referee which is under the six month hiring freeze.)

Freeze the Knox County Commissioners salaries (for a savings of $7,537.30, benefits $1,045.57)

Add to Heiskell Volunteer Fire Department from $10,000.00 to $15,000.00, and reduce the contractual funding from $50,000.00 to $45,000.00. (1005130 accounting unit) account 9950.

Add back to Seymour Volunteer Department $15,000.00 and changing contractual funding to $40,000.00. (1005130 accounting unit, account 9950)

Accept the Community Grants by the Citizens Panel as the Mayor’s Office has recommend to the Knox County Commission and changes as follows:

- Dr. Kim’s Health Clinic for $25,000.00
- East Tennessee Film Commission $50,000.00
- Beck Center for $25,000.00
- Kuumba Festival $25,000.00
- WDVX $25,000.00
- Mother Goose $20,000.00
- Increase Sertoma Center $7,500.00

$40,000.00 goes back to the General Fund.

Approve Page 6 in the budget with the exception of taking out $7,500.00 for clothing allowance in the Sheriff’s Department.

Hold out the Project Grad $82,000.00 until the School Board and Project Grad has a change to come back to Commission and explain what they want to do with it.

No new positions established for 1 year and revisit in December 2008. (Exempt the Juvenile Court Referee which is under the six month hiring freeze)

The Mayor has offered to go back through the budget and find a $1,500,000.00 in cuts to be made later.

The Mayor will include his Organizational Chart.

Move money within the Health Department budget from professional services to other services for daily operations $25,000.00.

Decrease of the Economic and Community Development contracts $50,000.00. (1005130 accounting unit) account 9950.

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Register of Deeds to allow credit for revenues the Register of Deeds Office brings in and allow $13,000.00 to spend on the office in accordance with their fee structure.

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Public Defender’s Office credit for outside fees collected $200,000.00.

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Schools fund balance for the schools $1,720,699.00. This does not change the schools total it stays at $370 million.

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County Clerk’s Office reclass of revenue $500,000.00 from Wheel Tax to excess fees.

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Taking $3,000.00 from the Mayor’s Office and providing an additional $3,000.00 for additional funds for jury’s fees.

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The Mayor will include his Organizational Chart. Commissioner Davis seconded the motion and upon roll call vote Commissioners McKenzie, Strickland, Mark Harmon, Norman, Ivan Harmon, Davis, Daniels, Hammond, Leuthold, Briggs, Rountree, Lambert, Smith, Ballard and Wright voted aye. Commissioners Moore, DeFreese and Pinskton voted no. Commissioner Campen was absent from the meeting. The motion carried 15-3-0-1.

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IN RE: CONSIDERATION OF A RESOLUTION OF THE COMMISSION OF KNOX COUNTY, TENNESSEE AUTHORIZING ONE OR MORE LOANS UNDER ONE OR MORE LOAN AGREEMENTS BETWEEN KNOX COUNTY, TENNESSEE AND A TENNESSEE PUBLIC BUILDING AUTHORITY IN AN AGGREGATE PRINCIPAL AMOUNT OF NOT TO EXCEED FORTY MILLION DOLLARS ($40,000,000) AND EXECUTION AND DELIVERY OF ONE OR MORE LOAN AGREEMENTS AND OTHER DOCUMENTS RELATING TO SAID BORROWING; PROVIDING FOR THE APPLICATION OF THE PROCEEDS OF SAID BORROWING AND THE PAYMENT OF THE COUNTY’S OBLIGATIONS UNDER THE LOAN AGREEMENTS; CONSENTING TO THE ASSIGNMENT OF THE COUNTY’S OBLIGATIONS UNDER THE LOAN AGREEMENTS; APPROVING ONE OR MORE SWAP AGREEMENTS IN CONNECTION WITH THE LOAN AGREEMENTS AUTHORIZED
HEREUNDER; AND TAKING ALL OTHER NECESSARY ACTIONS WITH RESPECT TO THE FOREGOING: R-08-6-801-SS:

Consideration of a Resolution of the Commission of Knox County, Tennessee authorizing one or more loans under one or more loan agreements between Knox County, Tennessee and a Tennessee Public Building Authority in an aggregate principal amount of not to exceed forty million dollars ($40,000,000) and execution and delivery of one or more loan agreements and other documents relating to said borrowing; providing for the application of the proceeds of said borrowing and the payment of the County’s obligations under the loan agreements; consenting to the assignment of the County’s obligations under the loan agreements; approving one or more swap agreements in connection with the loan agreements authorized hereunder; and taking all other necessary actions with respect to the foregoing was before the Board of Commissioners.

Mr. John Troyer, Director, Knox County Finance, was present and spoke on the matter.

Mr. Richard Beeler, Attorney, was present and spoke on the matter.

Commissioner Mark Harmon moved to approve R-08-6-801-SS - Consideration of a Resolution of the Commission of Knox County, Tennessee authorizing one or more loans under one or more loan agreements between Knox County, Tennessee and a Tennessee Public Building Authority in an aggregate principal amount of not to exceed forty million dollars ($40,000,000) and execution and delivery of one or more loan agreements and other documents relating to said borrowing; providing for the application of the proceeds of said borrowing and the payment of the County’s obligations under the loan agreements; consenting to the assignment of the County’s obligations under the loan agreements; approving one or more swap agreements in connection with the loan agreements authorized hereunder; and taking all other necessary actions with respect to the foregoing. Commissioner Hammond seconded the motion and upon roll call vote Commissioners McKenzie, Strickland, Mark Harmon, Norman, Ivan Harmon, Davis, Daniels, Hammond, Leuthold, Briggs, Rountree, Lambert, Smith, Ballard and Wright voted aye. Commissioners Moore, DeFreese and Pinkston voted no. Commissioner Campen was absent from the meeting. The motion carried 15-3-0-1.

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IN RE: CONSIDERATION OF A RESOLUTION OF THE COMMISSION OF KNOX COUNTY, APPROVING AN INITIAL RESOLUTION OF KNOX COUNTY, TENNESSEE AUTHORIZING THE INCURRING OF NOT TO EXCEED $40,000,000.00 OF
GENERAL OBLIGATION PUBLIC IMPROVEMENT INDEBTEDNESS THROUGH THE ISSUANCE OF BONDS, NOTES OR OTHER OBLIGATIONS OR BY ENTERING INTO LOAN AGREEMENTS, IN ANY SUCH CASE, THE SAME TO BE SECURED BY AND PAYABLE FROM REVENUES FROM AD VALOREM TAXES LEVIED UPON ALL TAXABLE PROPERTY IN KNOX COUNTY, FOR THE PURPOSES OF FINANCING AND PAYING FOR VARIOUS ROADS, LIBRARIES, UTILITIES, HEALTH DEPARTMENT FACILITIES, PARKS AND RECREATION FACILITIES, JUSTICE AND LAW ENFORCEMENT FACILITIES, JUVENILE FACILITIES, SCHOOLS PROJECTS, THE ACQUISITION, CONSTRUCTION, IMPROVEMENT AND REHABILITATION OF PUBLIC BUILDINGS AND FACILITIES, AND THE ACQUISITION OF TECHNOLOGICAL EQUIPMENT:

R-08-6-802-SS:

Consideration of a Resolution of the Commission of Knox County, approving an initial resolution of Knox County, Tennessee authorizing the incurring of not to exceed $40,000,000.00 of General Obligation Public Improvement Indebtedness through the issuance of bonds, notes or other obligations or by entering into loan agreements, in any such case, the same to be secured by and payable from revenues from ad valorem taxes levied upon all taxable property in Knox County, for the purposes of financing and paying for various roads, libraries, utilities, health department facilities, parks and recreation facilities, justice and law enforcement facilities, juvenile facilities, schools projects, the acquisition, construction, improvement and rehabilitation of public buildings and facilities, and the acquisition of technological equipment was before the Board of Commissioners.

Commissioner Hammond moved to approve R-08-6-802-SS - Consideration of a Resolution of the Commission of Knox County, approving an initial resolution of Knox County, Tennessee authorizing the incurring of not to exceed $40,000,000.00 of General Obligation Public Improvement Indebtedness through the issuance of bonds, notes or other obligations or by entering into loan agreements, in any such case, the same to be secured by and payable from revenues from ad valorem taxes levied upon all taxable property in Knox County, for the purposes of financing and paying for various roads, libraries, utilities, health department facilities, parks and recreation facilities, justice and law enforcement facilities, juvenile facilities, schools projects, the acquisition, construction, improvement and rehabilitation of public buildings and facilities, and the acquisition of technological equipment. Commissioner McKenzie seconded
the motion and upon roll call vote Commissioners McKenzie, Strickland, Mark Harmon, Norman, Ivan Harmon, Daniels, Hammond, Leuthold, Briggs, Rountree, Smith, Ballard and Wright voted aye. Commissioners Moore, DeFreese and Pinkston voted no. Commissioners Davis and Lambert abstained from the vote. Commissioner Campen was absent from the meeting. The motion carried 13-3-2-1.

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IN RE: CONSIDERATION OF A RESOLUTION OF THE COMMISSION OF KNOX COUNTY, TENNESSEE ESTABLISHING THE KNOX COUNTY TAX RATES FOR THE FISCAL YEAR BEGINNING JULY 1, 2008 AND ENDING JUNE 30, 2009:

R-08-6-803-SS:

Consideration of a Resolution of the Commission of Knox County, Tennessee establishing the Knox County tax rates for the fiscal year beginning July 1, 2008 and ending June 30, 2009 was before the Board of Commissioners.

Mr. John Troyer, Director, Knox County Finance, was present and spoke on the matter.

Mr. John Owings, Knox County Law Director, was present and spoke on the matter.

Sheriff JJ Jones, Knox County Sheriff, was present and spoke on the matter.

Commissioner Leuthold moved to approve R-08-6-803-SS – Consideration of a Resolution of the Commission of Knox County, Tennessee establishing the Knox County tax rates for the fiscal year beginning July 1, 2008 and ending June 30, 2009 with the following amendments and divide the question: Amendment 1: Add an additional 10 cents on to the debt service portion of the property tax. In doing so this adds about 8 million into the budget. Where the schools have payment for general purpose schools coming out of operational fund of the schools of $4,369,055.00 reduce by 3.2 million, this will free up 3.2 million dollars out of the schools operational funds so the schools can use this to run the schools. Amendment 2: Remove 3 cents out of the General Fund tax rate, which was currently $1.13. Change to $1.10 and add the 3 cents into debt service. Commissioner Davis seconded the motion.

Upon roll call vote on Amendment 1: Add an additional 10 cents on to the debt service portion of the property tax. In doing so this adds about 8 million into the budget. Where the schools have payment for general purpose schools coming out of operational fund of the schools of $4,369,055.00 reduce by 3.2 million, this will free up 3.2 million dollars out
of the schools operational funds so the schools can use this to run the schools; Commissioners Mark Harmon and Leuthold voted aye. Commissioners McKenzie, Strickland, Norman, Ivan Harmon, Davis, Daniels, Hammond, Briggs, Rountree, Lambert, Smith, Moore, Ballard, Wright, DeFreese and Pinkston voted no. Commissioner Campen was absent from the meeting. The motion on Amendment 1 failed 2-16-0-1.

Upon roll call vote on Amendment 2: Remove 3 cents out of the General Fund tax rate, which was currently $1.13. Change to $1.10 and add the 3 cents into debt service making the total for debt service 0.36. The tax rate will stay the same at $2.69. Commissioners McKenzie, Strickland, Mark Harmon, Norman, Ivan Harmon, Davis, Daniels, Hammond, Leuthold, Briggs, Rountree, Lambert, Smith, Ballard, Wright, DeFreese and Pinkston voted aye. Commissioner Moore voted no. Commissioner Campen was absent from the meeting. The motion carried 17-1-0-1.

Upon roll call of the original motion to approve R-08-6-803-SS Consideration of a Resolution of the Commission of Knox County, Tennessee establishing the Knox County tax rates for the fiscal year beginning July 1, 2008 and ending June 30, 2009 with the following amendment: Remove 3 cents out of the General Fund tax rate, which was currently $1.13. Change to $1.10 and add the 3 cents into debt service making the total for debt service 0.36. The tax rate will stay the same at $2.69, Commissioners McKenzie, Strickland, Mark Harmon, Norman, Ivan Harmon, Davis, Daniels, Hammond, Leuthold, Briggs, Rountree, Lambert, Smith, Ballard, Wright, DeFreese and Pinkston voted aye. Commissioner Moore voted no. Commissioner Campen was absent from the meeting. The motion carried 17-1-0-1.

** IN RE: CONSIDERATION OF A RESOLUTION OF THE COMMISSION OF KNOX COUNTY, TENNESSEE ADOPTING A CAPITAL IMPROVEMENT PLAN (CIP) FOR FISCAL YEARS 2009-2013 AND APPROPRIATING FUNDS FOR THE FIRST YEAR OF THE PLAN IN ACCORDANCE WITH SAID PLAN: R-08-6-805-SS: **

Consideration of a Resolution of the Commission of Knox County, Tennessee adopting a Capital Improvement Plan (CIP) for fiscal years 2009-2013 and appropriating funds for the first year of the plan in accordance with said plan was before the Board of Commissioners.

Commissioner McKenzie moved to approve R-08-6-805-SS - Consideration of a Resolution of the Commission of Knox County, Tennessee adopting a Capital Improvement Plan (CIP) for fiscal years 2009-
2013 and appropriating funds for the first year of the plan in accordance with said plan. Commissioner Norman seconded the motion and upon roll call vote Commissioners McKenzie, Strickland, Mark Harmon, Norman, Ivan Harmon, Davis, Daniels, Hammond, Leuthold, Briggs, Rountree, Lambert, Smith, Ballard and Wright voted aye. Commissioners Moore, DeFreese and Pinkston voted no. Commissioner Campen was absent from the meeting. The motion carried 15-3-0-1.

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**IN RE: CONSIDERATION OF A RESOLUTION OF THE COMMISSION OF KNOX COUNTY, TENNESSEE AUTHORIZING THE ISSUANCE, SALE, AND PAYMENT OF SERIES 2009 CAPITAL OUTLAY NOTES NOT BE EXCEED $3,538,969.00: R-08-6-806-SS:***

Consideration of a Resolution of the Commission of Knox County, Tennessee authorizing the issuance, sale, and payment of Series 2009 Capital Outlay Notes not be exceed $3,538,969.00 was before the Board of Commissioners.

Commissioner Mark Harmon moved to approve R-08-6-806-SS - Consideration of a Resolution of the Commission of Knox County, Tennessee authorizing the issuance, sale, and payment of Series 2009 Capital Outlay Notes not be exceed $3,538,969.00. Commissioner Norman seconded the motion and upon roll call vote Commissioners McKenzie, Strickland, Mark Harmon, Norman, Ivan Harmon, Davis, Daniels, Hammond, Leuthold, Briggs, Rountree, Smith, Ballard, Wright voted aye. Commissioners Moore, DeFreese and Pinkston voted no. Commissioners Campen was absent from the meeting and Commissioner Lambert was absent from the vote. The motion carried 14-3-0-2.

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**IN RE: ADJOURNMENT:**

There being no further business to come before the Board of Commissioners, Commissioner Strickland declared the meeting adjourned.

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THOMAS STRICKLAND, CHAIRMAN