

HAYWOOD COUNTY COMMISSIONERS

REGULAR MEETING – May 16, 2016

CALL TO ORDER

Chairman Mark S. Swanger convened the regular meeting of the Haywood County Board of Commissioners at 5:30 p.m. in the Historic Courtroom at the Haywood County Historic Courthouse, Waynesville, North Carolina, with Chairman Mark S. Swanger, Vice-Chairman J.W. “Kirk” Kirkpatrick III, Commissioners L. Kevin Ensley, Michael T. Sorrells and Bill L. Upton present. Staff members present were County Manager Ira Dove, Asst. County Manager, Stoney Blevins, County Attorney Leon M. “Chip” Killian, III, Finance Director Julie Davis and Deputy Clerk Candace Way.

PLEDGE OF ALLEGIANCE

Chairman Swanger led the Pledge of Allegiance.

INVOCATION

Commissioner Sorrells offered the invocation.

PUBLIC HEARING

Chairman Swanger stated that the first order of business is a public hearing for the consideration of the Fiscal Year 2016-2017 budget and recognized County Manager, Ira Dove.

Mr. Dove thanked staff and the department heads, particularly Finance Director, Julie Davis, for the many hours and hard work in the preparation of the budget. In the power point provided to the Board, he stated that the budget process began with a work session in February. Following the work session, there was a February department head kick-off meeting and an April budget work session with presentations from the Haywood County Schools and Haywood Community College.

He noted that the economy is recovering; unemployment is at 5.5% which is at the 2008 level, building permits are increasing and home sales are up 100 over last year.

He discussed:

Goals Fixed by the Budget.

- Provides increased funding to the Haywood County Schools and Haywood Community College
- Provides adequate maintenance on the facilities owned by the County
- Takes into account the review of the work force in public safety areas, and focus on increasing them
- Maintain adequate salaries of Haywood County employees to keep them competitive
- Focus on increasing the information technology infrastructure supporting the county workforce
- Provides service in Solid Waste and complies with all regulations; specific projects include the Francis Farm remediation and upgrades to convenience centers. He noted that Francis Farm successfully completed the gas remediation which was approved by the Department of Environmental Quality.
- Maintains current levels of service to the public, including maintenance of current operations schedule
- Increase economic development activities
- Maintains funding to community clubs
- Maintains the Wellness Center and health benefits for employees
- Continues merit pay 0-2%; maintain holiday and longevity pay

He said that the tax rate is proposed to remain the same at 56.61 cents per \$100 valuation. The fund balance is proposed to be used on capital projects to balance the budget - \$817,000. General Fund expenditures are proposed to increase by \$2,285,964.

Revenues –

- The County budget is a mix of revenues from Federal, State and local sources, including taxes, permits, fees and inter-governmental revenues
- Some revenues are restricted and can only be spent on certain items such as monies for the WIC program or subsidized child care
- Ad Valorem property taxes – projected growth in this tax base.
- He noted that the increase in the sales tax is the largest increase, which is a 7.7% increase over the current year budget

Expenditures -

- He noted that items that have been deferred in the past are coming in now. These trends include increased need for vehicles, technology and facility repair.
- **Education** – increase of \$320,295 to the Haywood County Schools, and an increase of \$223,341 to Haywood Community College
- **General Government** – He noted that in Elections, there are going to be changes in the law concerning the types of ballots used which will require an increase of expenditures in that department. Revaluation has begun. This overall budget has an increase of \$272,188.
- **Central Services** – Mr. Dove said that the County is trying to get the Information Technology capabilities up to where they need to be. There are necessary repairs that need to be made to County buildings which will require necessary funding for Facilities and Maintenance. Most are fund balance related.
- **Public Safety** – replacement of 7 Sheriff patrol vehicles – 3 from fund balance to replace older vehicles with over 120,000 miles
Mr. Dove noted that he had received 18 requests for positions from various departments, however none can be done at this time. He explained that for three budget cycles, the County has reviewed additional staffing needs in the Detective Division. After a comparison to other counties, and assessing the needs of court security, there is an additional proposed detective position and an additional court bailiff. There is an increase of \$822,228 to the proposed budget for Public Safety.
- **Economic & Physical Development** – the agreement with the Chamber of Commerce continues, additional County project funding is proposed in the amount of \$60,000.
- **Health & Human Services** – An additional \$290,000 is needed for the agency, but it is still a decrease overall in the amount of \$102,870. He noted that there will be some frozen positions. He said that Medicaid is up dramatically, however other services are more flat. He said that Food and Nutrition services are decreased.
- **Cultural & Recreation** – He said that the County will need to look at Library needs carefully next year.
- **Debt Service** – Mr. Dove said that there is an increase of \$318,443, reflecting the estimated new debt service for the Public Services Training facility at Haywood Community College, the Emergency Services building and an estimated amount for the Animal Services building.
- He explained that the County is self-insured and health insurance costs have increased to the County.
- **Tax** – Mr. Dove explained that the tax rate is a function of the population, evaluation of the property and of the level of service the County provides. Jackson County parcel values are about double Haywood County. Haywood County has a \$42 million dollar tax levy.
- **Solid Waste** – The first year of total integration to private public partnerships with the White Oak Landfill, Material Recovery Facility and Convenience Centers being managed by private entities is complete. The Notice of Violation was eliminated from the NC Department of Environmental Quality for gas exceedances at Francis Farm Landfill. Upgrades at the convenience centers have begun, and the County has received a recycling grant for crates and bins. The recommended availability fee remains at \$164.00. The first cap maintenance at the Francis Farm Landfill has been completed since the closure in 1993. Next year, the County will update oil disposal containment systems at all sites, replace old fencing at the convenience centers, complete expansion of the Mauney Cove Convenience Center, move Fines Creek Convenience Center and study the Bethel and 110 convenience centers.

Summary of Recommendations by Fund –

- Budget for the General Fund - \$75,225,318
- Special Revenue Fund - E911 - \$503,919
- Special Revenue Fund – Solid Waste - \$6,248,987
- Special Revenue Fund – Road Districts - \$196,556
- Special Revenue Fund – Fire Districts - \$3,766,713
- Special Revenue Fund – Junaluska Sanitary District - \$218,372
- Special Revenue Fund – Law Enforcement Officer Separation - \$65,000
- Southwestern Child Development Center Fund - \$3,500,000
- Internal Service Fund - \$6,084,250

Mr. Dove stated that he has received letters from some of the judges and court officials requesting another bailiff at the Justice Center. He said that he also received a public comment that the Sheriff's Office needs to be paid more. He said that public comment is welcome at the June 6th regular Board meeting, and again at the June 20th Board meeting where the Board will vote to adopt the budget. Public input may be sent to comments@haywoodnc.net or dropped off or mailed to the County Manager's Office.

Chairman Swanger commented that the County is still looking for a site for the 209 convenience center. He asked if anyone has property that they would like to sell in that area, please contact the County Manager's office, noting that the present site is unsafe and the County needs to change it. He said that the fund balance is to be used for capital improvements which is necessary to maintain at 24.5%. If it drops below that, the County can eliminate capital improvements at that point.

Commissioner Upton thanked the staff for their hard work, and said that hopefully sales tax will start going up so the revenue coming into the County will increase.

There were no public comments and Chairman Swanger closed the public hearing.

PUBLIC COMMENT SESSION

Chairman Swanger opened the public comment session. Comments are generally limited to three minutes per individual, unless the speaker is representing a group for which the comment period may be extended to five minutes.

There were no public comments.

CONSTITUENT CONCERNS

There were no constituent concerns.

ADMINISTRATIVE/AGENCY REPORTS

Smoky Mountain Center Fiscal Monitoring Report – Julie Davis, Finance Director
Chairman Swanger recognized Ms. Davis. She explained that this report is required to be submitted to the Board once she receives it. She said that the revenues through March 31, 2016 were \$287,738,385, expenditures were \$279,466,012 for a net increase of \$8,272,373.

DISCUSSION / ADJUSTMENT TO AGENDA

There were no discussions/adjustments to the agenda.

CONSENT AGENDA

Commissioner Upton made a motion to approve the consent agenda as presented. Commissioner Ensley seconded, the motion carried unanimously.

1. Approval of May 2, 2016 regular meeting minutes.
2. Request approval of April 2016 Refunds, Releases, Amendments and Discoveries – Greg West, Real Property Tax Administration
Mr. West stated that there was nothing out of the ordinary this month.
3. Request approval of April 2016 Tax Collections Update – Joretta Ezell, Deputy Tax Collector. Ms. Ezell explained that collections are half percent off from last year, which is about \$656,000. She said they hope to see collections rise since it has been a month after the advertisement has been posted and they can now pursue foreclosures on the 2015 taxes.
4. Budget Amendment – Julie Davis, Finance Director
 - a. General Fund - Health & Human Services Agency - \$15,049
Ms. Davis explained that this is a two part amendment, the first is to recognize federal funds for education for prevention of sexually transmitted diseases and the second part is to recognize the state grant funds received for strategies to lower infant mortality rates.

HAYWOOD COUNTY
BUDGET ORDINANCE AMENDMENT
FISCAL YEAR 2015-2016 PER: _____
JNL: _____

BE IT ORDAINED by the Board of Commissioners of Haywood County that the following amendment be made to the budget ordinance for the fiscal year ending June 30, 2016:

Section 1. To amend the General Fund, the expenditures are to be changed as follows:

Department line item	Account Number	Current Budget	Increase (Decrease)	Amended Budget
HEALTH - Health				
Southwestern Child Development Center				
- Operating Expense	11010-24800	2,275	49	2,324
- Material Health	11010-24800	1,826	15,000	16,826

which will result in a net increase (decrease) of \$ 15,049 in the expenditures of the General Fund.

To provide the additional revenue for the above, the following revenues will be increased as the money has been received:

Revenue	Acct. No.	Current Budget	Increase (Decrease)	Amended Budget
Intergovernmental Revenue				
- Community Health Services (grants)	11000-40110	23,857	15,000	38,857
- Material Health grants	11000-40110	27,365	15,000	42,365
			30,000	

Section 2. Copies of this budget amendment shall be delivered to the Budget Officer and the Finance Officer for their direction.

Adopted this the 16 of May, 2016.

Mark Savage
Chairman
Haywood County Board of Commissioners

ATTEST: *[Signature]*
Clerk to the Board

Explanation:
To increase the total funds for 2016 purposes for operating, building, construction, contract, treatment and education, specifically to provide the services of the child development center.
This is to increase the total grant funding received for the administration of medical health services provided to the community health center, and to increase the overall health of the county.

b. General Fund - Health & Human Services Agency - \$55,000
Ms. Davis explained that this is to increase the administration line for Southwestern Child Development Center. This is the administrative cost for the pass through funds that is reimbursed by the state.

HAYWOOD COUNTY
BUDGET ORDINANCE AMENDMENT
FISCAL YEAR 2015-2016 PER: _____
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Section 1. To amend the General Fund, the expenditures are to be changed as follows:

Department line item	Account Number	Current Budget	Increase (Decrease)	Amended Budget
HEALTH - Health				
Work Force - Admin. costs	11012-21800-SWCDC	60,000	55,000	115,000

which will result in a net increase (decrease) of \$ 55,000 in the expenditures of the General Fund.

To provide the additional revenue for the above, the following revenues will be increased as the money has been received:

Revenue	Acct. No.	Current Budget	Increase (Decrease)	Amended Budget
Intergovernmental Revenue				
- Admin. Reimbursement	11000-40100	6,025,827	55,000	6,080,827
			55,000	

Section 2. Copies of this budget amendment shall be delivered to the Budget Officer and the Finance Officer for their direction.

Adopted this the 16 of May, 2016.

Mark Savage
Chairman
Haywood County Board of Commissioners

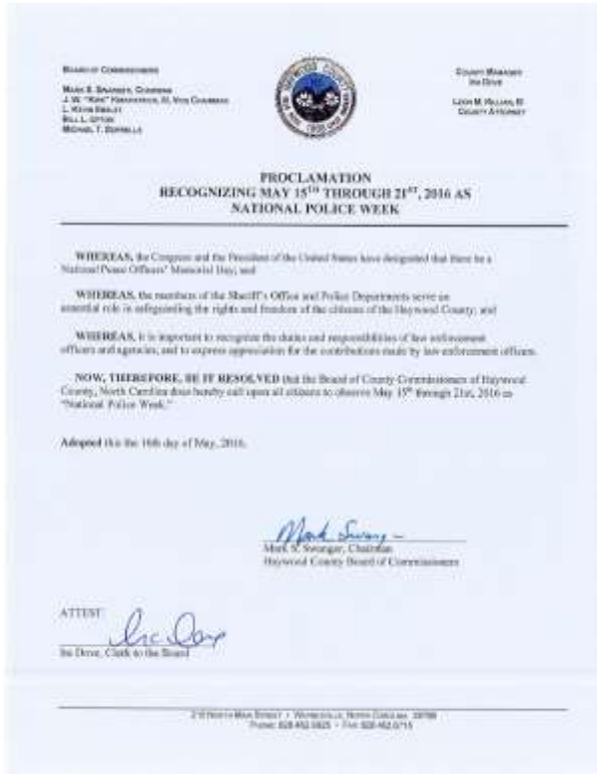
ATTEST: *[Signature]*
Clerk to the Board

Explanation:
To appropriate the increased amount expended to cover the administrative costs of the Work Force Development Center program.
These funds are reimbursed through the state.

Request approval of Proclamation of National Police Week in Haywood County

Chairman Swanger recognized County Manager, Ira Dove. Mr. Dove read the proclamation to the Board. He stated that on Thursday, May 19th beginning at 5:30 p.m., there will be a Fallen Officer ceremony in the Historic Courtroom.

Commissioner Sorrells made a motion to approve the proclamation as presented. The motion was seconded by Commissioner Upton and passed unanimously.



Request approval of an agreement with Haywood County Schools for the Haywood Community Learning Center

Chairman Swanger recognized County Manager, Ira Dove. Mr. Dove explained that the County had received a letter on May 6th from the Board of Education Chairman, Chuck Francis requesting funding for the Haywood Community Learning Center. He then contacted Haywood County School Superintendent Dr. Anne Garrett to discuss the request. He said that there are 154 students served by the Center. He noted that it is a very valuable part of the education system, one of which consistently helps to lower the dropout rate. He said that after discussion with Dr. Garrett, they agreed that a fair number of pupil slots to fund would be 16 full time equivalents. This total would be \$32,354.40.

He recognized Mr. Francis and Dr. Garrett. Mr. Francis thanked the Board for the funding formula, noting how well it is working. He explained that they had initially thought the center would be funded through grants. He said that their board had already voted in January to cut \$2.4 million dollars out of their budget. He said that their board will not be in the habit of asking for more money, and that this would be a one-time request. The total need is \$61,000, they are requesting the \$32,354.40 from the County and they will be able to fund the rest.

Dr. Garrett explained that their budget cuts have hit every program they have. She said they need to keep their fund balance at a healthy amount for various expenses. She said that some programs are federally and grant funded. She said that they do not have the grant funding that they thought would be there for the Center. The director of the Center, Kyle Ledford, will be going back to Raleigh to try to get some more of the funding. She said that the school system is committed to keep the funding going for the program.

Mr. Ledford addressed the Board, stating that he has been invited by Senator Davis to testify for the dropout prevention program, hoping that it will be implemented across the state. He hopes to be able to draw funding then. He said that the students in this program work at their own pace, they have to progress at an A or B level or they are stopped and receive remediation. He said that he thinks the key is to be able to award the diploma from the Center rather than having to go back to Central Haywood.

Commissioner Ensley commended Mr. Ledford for the remarkable program. He said that it has made a change in so many young people's lives. He noted that some don't have the chance to get their education, and this has created a solution.

Commissioner Sorrells agreed, stating that he has been very involved with it since its inception. He said that these students should be counted in the ADM, and hopes that the State will work towards that. He said that the Board will be working on it as well. He said that these students are not only receiving the academic part of this program, they are also receiving the social part in the form of transportation, training for work, food and childcare if needed.

Commissioner Upton commented that the drop out situation has been discussed for years. He said that at one time, the schools received good funding. These funds have dissipated and now they have to go out and find it themselves. He said that he appreciated the job that Mr. Ledford is doing and the results speak for itself. He said that when enrollment decreases, the money decreases. He said that he is worried about next year and the years to come with declining enrollment. He said that the budget will have to be revisited and look outside the box to see if there is a better way to make some cuts.

Vice-Chairman Kirkpatrick asked several questions; how many students were served, where do they start, where do their diplomas come from and how is that student counted? Mr. Ledford replied that they have served over 800 students and graduated over 500 since 2007 with a 95% success rate. Their diplomas come from Central Haywood High, and they have to be enrolled at the beginning at a high school. Their ADM's is in the school where they started. The ADM comes in the form of a teacher's position. The money does not go with the student when they go elsewhere.

Chairman Swanger commented that there is no way to prorate the ADM for these students. He noted the importance of the program, and how important it is to try to break the cycle that they may be in that is preventing them from completing their education.

Mr. Dove stated that this agreement does have conditions and Mr. Francis and Dr. Garrett have agreed to them. Chairman Swanger reviewed the conditions stated in the letter.

Commissioner Sorrells made a motion to approve the agreement between Haywood County and Haywood County School system as to the Average Daily Membership numbers for the Haywood Community Learning Center in the amount of \$32,354.40. Commissioner Upton seconded and the motion passed unanimously.

Request approval of support for the Town of Canton's Aquatic Fitness Center and approval of the county manager to write a letter of support to the USDA

Chairman Swanger recognized County Manager, Ira Dove. Mr. Dove explained that the Town of Canton is applying for a \$1,295,000 loan from the USDA for the new Aquatic Fitness Center. This requires a vote of support from the Board along with a letter of support to the USDA.

Commissioner Ensley made a motion to approve support for the Town of Canton's Aquatic Fitness Center project and approval for the County Manager to write a letter of support to the USDA. The motion was seconded by Vice-Chairman Kirkpatrick and passed unanimously.

Request approval to award required special inspection to Bunnell-Lammons Engineering, Inc. for the Haywood County Emergency Medical Services/Emergency Management Base

Chairman Swanger recognized Facilities & Maintenance Director, Dale Burris. Mr. Burris explained that the 2012 North Carolina State Building Code requires a third party special inspection by the owner for emergency services facilities. Haywood County sent a scope of work for the special inspections to Bunnell-Lammons Engineering, Inc. (BLE) and the Kessel Engineering groups. BLE gave the lowest proposal in the amount of \$12,125.

Commissioner Sorrells asked if we had every used Kessel before and Mr. Burris replied that DOT uses them, we may have in the past in soil testing.

Request approval of reappointment of Frank Powers to the Haywood Health Authority Board

Chairman Swanger recognized County Manager, Ira Dove. Mr. Dove stated that the hospital has requested that Mr. Powers be reappointed to the Haywood Health Authority Board. He noted that Mr. Powers has served on this board for a number of years.

Commissioner Sorrells made a motion to approve the reappointment of Frank Powers to the Haywood Health Authority Board. Commissioner Ensley seconded and the motion passed unanimously.

Request approval of appointment of Lorinda Whaley to the Haywood County Library Board of Trustees

Chairman Swanger recognized County Manager, Ira Dove. Mr. Dove reviewed the application, stating that the position had been advertised and one application was received.

Chairman Swanger said that the Board had interviewed her prior to the meeting, and she was very qualified.

Vice-Chairman Kirkpatrick made a motion to approve the appointment of Lorinda Whaley to the Haywood County Library Board of Trustees. Commissioner Ensley seconded and the motion passed unanimously.

Request approval of one appointment to the Haywood Community College Board of Trustees by required vote

Chairman Swanger recognized County Manager, Ira Dove. Mr. Dove stated that seven applications were received for the appointment; Mary Ann Enloe, Gordon Goodgame, Seth Hendler-Voss, David McCracken, H.R. "Bucky" Dykes, Doris Hipps Greene and Dr. Janet Banks. As Mr. Dove passed out ballots, Chairman Swanger spoke of the highly qualified applicants received for this appointment.

County Manager Dove reported that Mary Ann Enloe received four votes. Ms. Enloe was re-appointed by receipt of majority vote.

Chairman Swanger, Commissioners Ensley, Sorrells and Upton voted for Ms. Enloe. Vice-Chairman Kirkpatrick voted for David McCracken.

Announcement of Budget Work Session

Chairman Swanger announced that there is going to be a budget work session to follow the regular 9:00 a.m. Board of Commissioners meeting June 6, 2016 in the Historic Courtroom of the Historic Courthouse.

Announcement of Groundbreaking Ceremony

Chairman Swanger announced that there will be a groundbreaking ceremony for the Haywood County Emergency Medical Services/Emergency Management base on Wednesday, May 25, 2016 at 4:00 p.m. at 141 Hemlock St., Waynesville. The public is invited.

CLOSED SESSION

Vice-Chairman Kirkpatrick made a motion to enter into Closed Session for:

Attorney/Client Privilege – G.S. §143-318.11(a)(3)

Personnel – G.S. §143-318.11(a)(6)

Economic Development – G.S. §143-318.11(a)(4)

Commissioner Upton seconded and the motion carried unanimously.

The Board returned from Closed Session

ADJOURNMENT

Chairman Swanger asked if there was any further business.

With no further business, Vice-Chairman Kirkpatrick made a motion to adjourn the regular Board meeting. Commissioner Upton seconded; the motion carried unanimously.

The time of adjournment was 8:24 p.m. The DVD is attached by reference to the minutes.

CLERK

CHAIRMAN

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