

**MACON COUNTY BOARD OF COMMISSIONERS
CONTINUED SESSION
JANUARY 25, 2014
MINUTES**

Chairman Corbin reconvened the meeting at 9:05 a.m. in the conference room of the Cecil L. Groves Center on the Macon campus of Southwestern Community College at 44 Siler Farm Road in Franklin as recessed from the January 21, 2014 regular meeting. All board members with the exception of Commissioner Haven, the County Manager, Deputy Clerk, Finance Director, County Attorney, members of the news media and interested citizens were present. The purpose of the meeting was to hold a mid-year work session.

County Manager Derek Roland presented a PowerPoint presentation that highlighted events from 2013, noting the county commission's commitment to the community, children and the future and how past projects have embodied those three values.

Economic Development Director Tommy Jenkins also presented 2013 in highlights from the perspective of the Economic Development Commission (EDC). Mr. Jenkins recounted the efforts in the transition from Whitley Products to Franklin Tubular Products, gave an update on the five tenants in the county's Business Development Center, and recapped the events of BizWeek 2013. He also updated the board on the county's status as a Certified Entrepreneurial Community as well as the manufacturing base, healthcare, technology, tourism and outdoor recreation, the Macon County Airport and retail business, noting that Macon County continues to be the retail sales leader in the six far-western counties of the state. Mr. Jenkins provided data on the drop in the county's unemployment rate from 13.3 percent in January of 2013 to 7.2 percent in November, as well as figures on the estimated cost of new construction in the county over the past seven years. A roster of the

EDC members and meeting schedule were also provided to the board. No action was necessary.

Finance Director Lori Hall gave a PowerPoint presentation that provided a mid-year financial review. She indicated that sales tax revenue, ad valorem and vehicle taxes, General Fund revenues and General Fund expenditures for the current fiscal year were on the same pace as Fiscal Year 2012-13. In the upcoming fiscal year, the county will have roughly \$5 million in debt service payments, compared to \$6.2 million in the current year. At this time, the county has total debt of \$43.7 million, of which 88 percent is school system related. Ms. Hall told the board that while some debt capacity will open up, the county has already refinanced all of the debt that it can. In closing, she gave the board some preliminary numbers on 10-year and 15-year loans to borrow \$2.7 million to finance the construction of the Parker Farms Recreational Complex. No action was taken.

The County Manager presented the Fiscal Year 2014-2015 Budget Calendar for the board's information, a copy of which is attached [\(Attachment 1\)](#) and is hereby made a part of these minutes.

Chairman Corbin and Commissioner Beale offered comments on the legislative goals of the North Carolina Association of County Commissioners (NCACC) for the upcoming "short session" of the General Assembly, which begins May 14th.

Tax Administrator Richard Lightner discussed tax collection issues with the board before providing an update on the 2015 tax revaluation. He started by explaining that the county had never used forced collections of delinquent taxes, even through the commissioners passed a resolution in mid-2004 directing the tax office to do so. After a 10-year period and three different county attorneys, these taxes are still an issue, he said. He asked the board to allow the County Manager to approve a contract with Ridenour & Murphy, PA to contractually provide the services needed to collect these back taxes, and by consensus of the board was given approval to proceed. Mr. Lightner then provided a timeline for the adoption of a schedule of values and the notification of those values to the taxpayers, a copy of which is attached [\(Attachment 2\)](#) and is hereby made a part of these minutes. Based on his projections, Mr. Lightner said that, overall, the county has lost 25 percent of its property value, with the total taxable value having decreased approximately \$2 billion. With revenues and expenditures remaining the same, the revenue neutral tax rate would be 38 cents per \$100 valuation. In terms of growth projects, he told the board that the land values experienced in

2007 will not be realized again for five to 10 years, possibly longer. He then gave the board a list of revaluation budget needs for 2014-15. He closed by going over the need for a major update to the tax office computer system.

With new media representatives present, Chairman Corbin asked for introductions from Ryan Hanchett, the new reporter for The Franklin Press, and Holly Kays from the Smoky Mountain News, and in turn introduced the members of the board of commissioners and county staff.

Sheriff Robert Holland also provided the board with a PowerPoint presentation, which touched in the number of calls, non-emergency calls and walk-in visits to the Sheriff's Office during 2013. He also pointed out that the number of involuntary commitments rose to 218 last year, with each requiring an average of 40 employee hours per incident at a total personnel cost of \$203,275. As to the upcoming budget, the sheriff said his priorities would be school resource officers, maintaining his vehicle fleet, and repair of the roof at the detention center, which is expected to cost between \$20,000 and \$30,000. He said he also planned to make a request for additional "special funds" that are used for drug purchases in undercover operations, and the sheriff and the board discussed this at some length.

The sheriff told the board that he had applied to the Safe Schools Task Force for grant funds for a school resource officer, and had learned just the day before the meeting that his application was approved. He explained that the county would be responsible for one-third of the cost, or \$18,185, with the remaining \$39,722 coming from the grant, and that this would allow him to place a school resource officer at Nantahala. Following discussion, and upon a motion by Commissioner Beale, seconded by Commissioner Tate, the board voted 3-1 to approve the request as presented and to take the \$18,185 from contingency and to appropriate the \$39,722 in grant funds that were awarded, which will come from Macon County Schools, for a total budget amendment of \$57,907. Commissioners Beale, Corbin and Tate voted in favor of the motion, with Commissioner Higdon opposing. It was noted that this is a one-year grant.

Emergency Management Director David Key outlined a number of requests for his department, including additional personnel to assist the fire marshal, the ongoing radio communications survey and 911 phone switch upgrade projects, the need for two additional personnel in 911 communications, the need for four additional emergency medical technicians and two new ambulances. A copy of his report is attached

(Attachment 3) and is hereby made a part of these minutes. Commissioner Tate asked questions as to why recently purchased ambulances were not yet in service, and Mr. Key responded that they were awaiting special connecting cables available only from Kenwood Corporation, which Commissioner Tate deemed “unacceptable.”

Chairman Corbin declared a recess at 12:01 p.m.

Chairman Corbin called the meeting back to order at 12:13 p.m.

Macon County Schools Superintendent Dr. Chris Baldwin presented the school system’s capital outlay priorities for the coming year, with a focus on energy conservation. Dr. Baldwin said that the system had made it through a very difficult year financially. New issues facing the schools included determining how to provide pay increases for the top 25 percent of the system’s teachers. He also touched on the movement toward digital textbooks in the near future and the need to “refresh” school technology by moving to iPads. The 2013 School Safety Act will require the installation of a panic alarm system in every North Carolina school that connects with the nearest local law enforcement agency, and the cost for Macon’s 11 schools will be \$23,500. Also, the county has purchased no cars for the school system in the past five years for staff travel or driver’s education, and all of the driver’s education cars now have in excess of 150,000 miles. Dr. Baldwin said he planned to meet with each principal in the near future to discuss individual school needs. He and the board members then held a lengthy discussion regarding the impact of upcoming third grade tests that may result in a number of students being retained at that level.

Department of Social Services Director Jane Kimsey gave the board an update on NCFAST, including a “briefing paper,” a copy of which is attached (Attachment 4) and is hereby made a part of these minutes. Ms. Kimsey explained that her agency will be receiving additional administrative money for NCFAST due to the impact of the federal Affordable Care Act on the program, and that she planned to use the funds to hire part-time staff and pay overtime in order to get NCFAST implemented.

In the final presentation of the day, Information Technology Director Andy Muncey gave the board a detailed overview of a data storage infrastructure project that he was proposing, focusing mainly on data that is now stored on a SAN, or Storage Area Network, saying that limitations with this system coupled with increased demand “have led us to near gridlock.” He then took the board members through an explanation of the new hardware and effort needed to solve the problem.

In closing, he said, "In serving the public, our organization is a massive consumer and producer of data. We are entrusted with it, and rely upon it in all of our work. We must handle it with care."

The County Manager said that he would take the goals of the commission back to the departments. Chairman Corbin reiterated that there is no willingness on the part of the board to raise taxes, and that the board's priorities continue to be education, public safety and human services.

With no other business, and upon a motion by Commissioner Higdon, seconded by Commissioner Tate, the board voted unanimously to adjourn at 1:26 p.m.

Derek Roland
Ex Officio Clerk to the Board

Kevin Corbin
Board Chairman