

**MACON COUNTY BOARD OF COMMISSIONERS
NOVEMBER 17, 2009
MINUTES**

CALL TO ORDER: Chairman Beale convened the meeting at 6 p.m. and welcomed everyone present. All Board Members, the County Manager, Deputy Clerk, Finance Director, County Attorney, members of the news media and interested citizens were present.

ANNOUNCEMENTS: Chairman Beale announced he would be attending the Health and Human Services Committee meeting in Raleigh on November 19th, work continues on the 160A application, and Region A will meet on Monday, November 23rd.

INVOCATION: Commissioner Kupperts gave the invocation.

PLEDGE OF ALLEGIANCE: The pledge to the flag was recited.

ADDITIONS/ADJUSTMENTS TO THE AGENDA: Chairman Beale advised items 8B, 9A and 11B would be combined, that a closed session would be needed for property acquisition and the Finance Officer advised she had a financing resolution and a budget amendment to add to the agenda. Upon motion of Commissioner Kupperts, seconded by Commissioner McClellan, the Board unanimously voted to approve the agenda with the noted adjustments.

FY 08/09 AUDIT PRESENTATION: Chris Costner with Martin-Starnes and Associates presented the audit findings for FY 08/09 stating audit highlights were an unqualified opinion, no findings or questioned costs, no material internal control weakness identified and a cooperative staff. He reviewed revenues, expenditures, fund balance, etc. No action was necessary. (A copy of the audit is on file in the County Finance Office.)

TAX DEPARTMENT: Releases – Tax Supervisor Richard Lightner explained the majority of tax releases which were for Ultima WNC Development LLC were the results of a 2008 tax appeal process. Upon motion by Commissioner Simpson, seconded by Commissioner Davis, tax releases in the amount of \$15,908.37 were approved as submitted. (Note: a print-out of releases is on file in the Tax Department and the County Manager’s Office.) **Tax refund** – A tax refund request from First Citizen’s Bank was discussed and was handled as part of the consent agenda. **Tax revaluation** – Mr. Lightner presented information on the county’s tax reassessment cycle noting that in January, 1998 the county adopted a four year cycle beginning with the January 1999 reassessment. Mr. Lightner explained the reasons for this change but further explained for the past three years Macon County’s sales ratio has been in the mid to upper 90’s. He advised that based on assessment standards a reassessment is not warranted unless sales change dramatically in early 2010. Mr. Lightner stated, in his opinion, the County needs to allow the market to stabilize in order to be able to verify market changes as it affects

each class of property and delay the reassessment until 2013. After discussion Commissioner Davis made a motion to delay the property reassessment until 2013. The motion was seconded by Commissioner McClellan and all favored with a note that a formal resolution would be on the December agenda.

HEALTH INSURANCE: Commissioner Davis gave a brief update on review of the county's health insurance and stated he met with Health Director Jim Bruckner and some of his staff to discuss the county's wellness program and how it relates to health insurance. Mr. Bruckner and Health Educator Becky Barr gave a brief presentation on the Wellness Program and presented a written proposal to provide health care to county employees. Commissioners Davis and McClellan were authorized to establish a task force to review aspects of the county's health insurance coverage.

SUBDIVISION ORDINANCE: Permitting, Planning and Development (PP&D) Director Jack Morgan explained the Planning Board's recommended amendments to the Subdivision Ordinance and requested scheduling of a public hearing on the changes. Upon motion by Commissioner Koppers, seconded by Commissioner Simpson, the Board unanimously voted to schedule the hearing for the January 25th meeting. Copies of the Subdivision Ordinance with proposed revisions will be available at the County's PP&D Office.

SCHOOL FACILITIES' FUNDING: Debt options for construction and renovation of school facilities were presented and discussed. The general consensus was to build the North Macon School and do renovations at Nantahala School and Franklin High School (option 7). The proposal for the North Macon project is to make application to USDA for a 25 year loan at an estimated interest rate of 4.25% to be combined with a Qualified School Construction Bond (QSCB) allocation in the amount of \$3,568,603 for a 15 year term at an estimated interest rate of 1.97%. Nantahala School renovations could be done in the amount of \$1,800,000 with a Qualified Zone Academy Bond (QZAB) allocation for 15 years at an estimated interest rate of 1.97%. The General Fund contribution to front the architectural and engineering costs would remain in the project without becoming part of the debt. If the proposed applications for debt were approved at the estimated interest rates, the annual debt service would require a one and one-half cent tax increase.

The proposal also includes renovations at Franklin High School campus not to exceed \$1,321,675. Those funds are currently in reserve for school projects and do not require issuing debt.

Commissioner Koppers stated for another one-half cent in new tax, a new FHS gym could be built and sports turf put on the football field (option 8). The estimated cost of those projects is \$5,500,000. Commissioner Koppers gave examples of the cost per week of that increase for the average tax payer. After a lengthy discussion Commissioner Koppers made a motion that the Board commit to option 7: construction of North Macon School, renovations to Nantahala School and Franklin High School (\$10,431,375/USDA funds for 25 years, \$3,568,603 QSCB for 15 years,

\$1,800,000 QZAB funds for 15 years and \$1,321,675 general fund reserve) with a request that the school facilities committee look at the feasibility of a new FHS gym and turf for football field as well as seeking cost estimates from the industry. The motion was seconded by Commissioner Simpson and all favored.

CONSENT AGENDA: Upon motion by Commissioner Davis, seconded by Commissioner Koppers, the following items on the consent agenda were unanimously approved: **Minutes** – Approved the minutes from the November 9th meeting. **Tax refund** – Accepted the recommendation of the Tax Supervisor to deny a tax refund request from First Citizens Bank for 2003-2007 taxes in the amount of \$2,540.23 due to a listing error by the bank. **Employee Christmas bonus** – Authorized payment of a one per-cent Christmas bonus for county employees which was included in the current year’s budget. **Funding resolution** – Approved a resolution approving financing terms for various county vehicles and equipment with BB&T in an amount not to exceed \$500,000 per attachment #1. **Budget revisions** – Approved the following budget revisions: revision #60, appropriating \$78,678 in state funding for H1N1 and revision #61, appropriating \$213,500 for 50% weatherization stimulus grant in housing. (Note: revisions with corresponding numbers attached.)

CLOSED SESSION: Commissioner McClellan made a motion to go into closed session to discuss property acquisition. The motion was seconded by Commissioner Koppers and all favored. During closed session the above referenced topic was discussed with no action being taken. Upon motion by Commissioner Simpson, seconded by Commissioner McClellan, the Board unanimously voted to return to regular session.

LUCILLE POTTS PROPERTY OPTION: The Board was advised the County entered into an option contract with Lucille Potts in December, 2007 for 0.667 acres located on Lyman Zachary Road in Highlands. Upon motion by Commissioner Simpson, seconded by Commissioner McClellan, the Board unanimously voted not to exercise the option to purchase the property and the County Manager was instructed to notify Ms. Potts of the decision. He was further instructed to notify Ms. Potts that the county would consider an exchange of a 1.74 acre tract of vacant land in the same area if she is interested.

ADJOURNMENT: Upon motion by Commissioner Koppers the meeting was adjourned.

Jack Horton, County Manager
Clerk to the Board

Ronnie Beale
Board Chairman