

MACON COUNTY BOARD OF COMMISSIONERS
January 8, 2019
MINUTES

Chairman Tate called the meeting to order at 6:00 p.m. and welcomed those in attendance. All Board Members, the County Manager, Deputy Clerk, Finance Director, County Attorney, members of the news media and interested citizens were present.

ANNOUNCEMENTS: There were no announcements.

MOMENT OF SILENCE: Chairman Tate asked those in attendance to observe a moment of silence.

PLEDGE TO THE FLAG: Led by Commissioner Gillespie, the pledge to the flag was recited.

PUBLIC COMMENT PERIOD: There was no public comment.

ADDITIONS, ADJUSTMENTS TO AND APPROVAL OF THE AGENDA: Upon a motion by Commissioner Beale, seconded by Commissioner Shields, the board voted unanimously to approve the agenda as adjusted, as follows:

- To add appointment of Mr. Ross Dodge to the Board of Health, item 13B per Chairman Tate.
- To add Item 11G, "Discussion of Liaison appointments", per Chairman Tate.
- To add item 9B "Impacts of federal government shutdown on DSS" discussion by DSS Director Patrick Betancourt, per the County Manager.

AUDIT PRESENTATION FOR FISCAL YEAR 2017: Carrie Dunlap with the firm of Martin Starnes & Associates, CPAs presented a PowerPoint presentation of the county's annual financial report for the year ended June 30, 2018. Among the highlights of Ms. Dunlap's presentation:

- The county received an "unmodified opinion," which is "clean" and the "best you can receive," along with her thanks for a "cooperative staff."
- The total fund balance for the general fund grew by \$2,450,278 to a new total of \$28,660,749, which serves as a measure of the county's financial resources available.
- The "available" fund balance position for 2018 was \$24,849,551, up from \$22,202,775 in 2017, an increase of \$2,646,776. Ms. Dunlap noted that the county has roughly 6.5 months of financial "supply" on hand.

- In terms of the general fund summary, revenues decreased by less than 1% over prior FY and expenditures increased less than 1% in 2018.
- The top three revenues in the general fund are ad valorem taxes, restricted intergovernmental and local option sales tax, with ad valorem taxes holding the biggest share at 56 percent. These three together comprise 89% of the county's revenue.
- The top three expenditures in the general fund were public safety, human services and education. Combined, these account for 73 percent of total expenditures.

In closing Ms. Dunlap pointed out a lot of increased audit hours have come as a result of new compliance standards, which took place in 2018. According to Ms. Dunlap, more changes will be coming down from the Office of the State Auditor in 2019. A copy of the FY 18' Audit Presentation is attached (Attachment 1) and is hereby made a part of these minutes. No action was taken.

IMPACTS OF FEDERAL GOVERNMENT SHUTDOWN: Patrick Betancourt informed the board that no reduction in service provision was expected in the near future due to the federal government shutdown, as partial federal funding had been received in advance of the shutdown. Betancourt gave a brief history of previous federal government shutdowns and the impacts they have had on Macon County. In closing, Betancourt noted that Macon County DSS does have a contingency plan in place for government shutdowns and they have "gotten that plan down, dusted it off and began reviewing it." Should the government shutdown continue, Macon County would more than likely not feel an impact until March or April according to Betancourt, "so keep your fingers crossed that this ends soon." No action was taken.

UPDATED COMPREHENSIVE PLAN: Planning Board Chairman Joe Deal presented a draft of the updated Comprehensive Plan for consideration by the Board of Commissioners. Deal stated that the Planning Board has worked diligently for three years to complete the Comprehensive Plan Update. Deal thanked planning board members past and present, as well as sub-committee members and Commission Liaisons who have given their time and input during this process. Deal noted that much time and effort had been put into making the document as concise yet thorough as possible. After a short question and answer period, Chairman Tate thanked the Planning Board and acknowledged the board was now ready for a new task. The updated plan which has been attached (Attachment 2) and hereby made a part of these minutes, will be placed on the county website for public viewing. No action was taken.

SCHOOL RESOURCE OFFICER GRANT: Sheriff Holland informed the board that the Sheriff's Department in partnership with the Macon County School System has received a grant from the Department of Public Instruction to fund two SRO positions at 50% for one year. The Sheriff did note that as long as the

Sheriff's Department and School System followed the terms and conditions of the grant, we would more than likely receive funding for more than one year. According to the Finance Director the grant was for \$66,667 but it would only net \$26,000 in new revenue during FY 19', as the Nantahala SRO grant of \$39,722 which Macon County had received for four consecutive years, was budgeted in FY 19' but was not received. As a result, \$30,807 in additional funding would be needed to bring the two additional positions on for the remainder of FY 19'. The County Manager presented to the board possible options within the FY 19, Budget from which the \$30,807 in additional funds could be taken. After a brief discussion on the SRO program, Commissioner Ronnie Beale made a motion to appropriate from fund balance the \$30,807 needed to match the grant and fund the two SRO positions for the remainder of FY 19', seconded by Commissioner Shields, the motion passed unanimously.

DISCUSSION CONCERNING THE INDUSTRIAL PARK SOCCER FIELD CONCESSION STAND: The County Manager informed the board that he had received a quote from Sprinkle Surveying in the amount of \$1250 to complete a drawing which can be used to create a lease between Southwestern Community College and Macon County for the portion of property which contains the concession stand area at the industrial park soccer field (Attachment 3). The aforementioned property is more particularly described as PIN # 657339944 according to records furnished by the Macon County Tax Office (Attachment 3). Acting on the advice of their legal counsel, Southwestern Community College originally planned to gift the portion of property to Macon County, who is its primary user, for the purpose of limiting SCC's future liability. Upon further research by the County Attorney, it was found that "giving" the property to Macon County was prohibited due to general statutes which placed limitations on SCC and this piece of property. Commissioner Tate questioned if the lease could be long term and the County Attorney responded that this would be possible. Upon a motion by Commissioner Gillespie, seconded by Commissioner Shields, the board voted unanimously to take the \$1250 needed to complete the drawing from the contingency fund.

RESOLUTION AND LEASE AGREEMENT WITH GEM AND MINERAL SOCIETY: The County Attorney informed the board that he had prepared a resolution and lease agreement between Macon County and the Gem and Mineral Society. The proposed lease has a one year term and the parties will revisit the agreement prior to the renewal date with the understanding that the next renewal could be for a longer time period. Commissioner Beale made a motion to approve the resolution and lease agreement as presented, Commissioner Gillespie seconded, motion passed unanimously. The resolution and lease agreement have been included as (Attachments 4&5) respectively and are hereby made a part of these minutes.

OCCUPANCY TAX PENALTY WAIVER REQUEST FROM FRANKLIN HOME

STORE: April Moore of Franklin Home Store was present to request a waiver in occupancy tax penalties which were imposed by Macon County for failure to file and pay occupancy taxes in a timely manner. Jones informed the board that under the occupancy tax local bill, they are authorized for “good cause shown to compromise or forgive penalties imposed under this sub-section”. Jones noted that Mrs. Moore had provided to the finance office a letter spelling out the extenuating circumstances which had prevented her from paying the penalty fees. This documentation has been included in the agenda packet as (Attachment 6) and is hereby made a part of these minutes. Finance Director Lori Hall then informed the board that while the actual tax had been paid by Mrs. Moore a penalty fee in the amount of \$5,158.43 was still owed (\$10 per day penalty -\$4,340, 5% interest-\$818.43). Discussion among board members then turned to the occupancy tax collection system in Macon County including enforcement and collection by the Finance Office, enabling legislation which authorizes the collection of occupancy tax, the role of the county commission in penalty forgiveness and the fact that revenue generated from occupancy tax penalties goes to the school system.

Mrs. Moore approached the Board of Commissioners and stated that the circumstances which had prevented her from paying the penalties had “gotten worse”. Mrs. Moore reiterated that she was willing was to pay the 5% interest fee in the amount of \$818.43 as stated in her previous letter, but would request for the penalty fee amount of \$4,340 to be waived. A motion was made by Commissioner Beale to accept payment of the 5% interest amount of \$818.43 and waive the \$10 per day penalty fee amount of \$4,340 for good cause shown as presented by Mrs. Moore. Motion was seconded by Commissioner Shields and passed unanimously. In closing, Chairman Tate requested that Mrs. Moore provide the information which she claims to possess of individuals and businesses that are renting properties but failing to pay occupancy taxes.

SCHEDULE BUDGET “KICKOFF MEETING”: The County Manager proposed Thursday, February 7, 2019 at 12:00 pm in the Commissioners Boardroom located at 5 West Main Street, Franklin NC, 28734 for the annual budget kickoff meeting. Commissioner Tate indicated that he expected some “hearty discussion involving the tax rate and revenue generated being it is a revaluation year as well as our previous year’s expenses.” Consensus was reached to recess current meeting as proposed by the County Manager.

LIAISON APPOINTMENTS: Chairman Tate indicated that no changes would be made to liaison assignments in the coming year. Next year however, Chairman Tate will be suggesting that we “change things up” “to give board

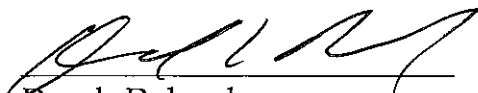
members the opportunity to provide different thoughts and perspectives on the different boards and committees we are responsible for.”

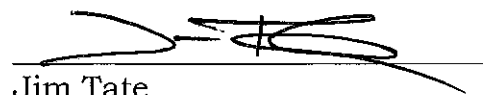
CONSENT AGENDA: Upon a motion by Commissioner Higdon, seconded by Commissioner Shields, the board voted unanimously to approve the items on the consent agenda as follows: the minutes of the December 11, 2018 regular meeting; the following budget amendments: #112 Foster Care Donation of \$100 Social Services; #113 Emergency Overdose/Opioid Crisis Grant \$75,660 Health Department; #114 Funding restored under agreement addendum FY 18-19’ for 351 Child Health \$3,500; tax releases for the month of December in the amount of \$947.65; and the monthly ad valorem tax collections report (no action necessary).

APPOINTMENTS: Community Advisory Committee for Long Term Care: Upon a motion by Commissioner Beale, seconded by Commissioner Shields, the board voted unanimously to appoint Helen Burnette, Dorothy Crawford, Pam Goldsmith, Rev. Gene Hawkins, June Hawkins, Lisa Henry and George Taylor to the Community Advisory Committee for Long Term Care. **Health Board:** Motion was made by Commissioner Beale and seconded by Commissioner Shields to appoint Ross Dodge to fill the general public seat on the Health Board. Motion passed unanimously.

CLOSED SESSION: Upon a motion by Commissioner Beale, seconded by Commissioner Gillespie, the board voted unanimously to go into closed session at 7:41 p.m. for the purpose of preserving the attorney client privilege. At 8:07 p.m., upon a motion by Commissioner Higdon, seconded by Commissioner Beale, the board voted unanimously to come out of closed session and return to open session.

RECESS: With no other business, at 7:42 p.m., upon a motion by Commissioner Beale, seconded by Commissioner Shields, the board voted unanimously to recess the meeting until Thursday, February 7, 2019 at 12:00 pm in the Commissioners Boardroom located at 5 West Main Street, Franklin NC, 28734 for the annual Budget Kickoff meeting.


Derek Roland
Ex Officio Clerk to the Board


Jim Tate
Board Chairman