

Regular Meeting – June 18, 2019

The Graham County Board of Commissioners met Tuesday, June 18, 2019 at 5:30 p.m. in the Graham County Community Building located at 196 Knight Street Robbinsville, NC for their regular monthly meeting. All board was present.

1. Chairman Wiggins called the meeting to order.
2. Chairman Wiggins asks Commissioner Cody to give the Invocation.
3. Chairman Wiggins asks Commissioner Orr to lead the Pledge of Allegiance.
4. Chairman Wiggins asks for approval of the agenda. Manager Garland stated that we need to delete Item #6; delete Releases and Discoveries and add Request from Historical Society to Item #11 and add Attorney Coward to Item #12 for closed session. Commissioner Eller made the motion to approve the agenda with the stated changes. Commissioner Orr seconded this motion. Vote unanimous.
5. Chairman Wiggins asks for approval of the minutes for Budget Meeting – May 17, 24, 31, June 7, Continued Budget Meeting – May 28, Workshop Session – May 21, Regular Meeting – May 21, June 4 and Emergency Meeting – May 24. Commissioner Eller made the motion to approve the minutes as stated. Commissioner Orr seconded this motion. Vote unanimous.
6. Chairman Wiggins asks Beth Booth, Health Director to speak. Director Booth stated that she was here to give an update on the changes that will take place to the health department due to Medicaid Transformation. Director Booth stated that she and Attorney Coward had met to look at the services that will be required under Medicaid Transformation and they agree that there are many uncertainties and it will be a very unstable time for local health departments. Director Booth stated that our facility cannot provide services (24) hours a day (7) days a week and this is one of the conditions. Director Booth stated that there are many guidelines to follow and she does not have a good feeling where services are concerned. Director Booth stated that they would keep the Essential Services, which include Family Planning, BCCCP and Environmental Health. Director Booth stated that she has been talking with Harris, Urgent Care and Tallulah Health Center on the changes that are coming with the Medicaid Transformation. Attorney Coward stated that if the department kept the current services it would cost the county twice as much as their budget now and this is way outside what the county can afford. Commissioner Orr asks if other counties are going a different direction. Director Booth stated that Swain County is out, Cherokee County is going in, Macon County is on the fence and Clay County will go in but worries due to Union County and Erlanger opening facilities in their area, Transylvania County is out, Haywood County is out and Henderson County is in. Chairman Wiggins stated that it makes sense to wait and see what changes Medicaid Transformation will bring. Director Booth stated that we get many “no answers” when we ask questions.
7. Chairman Wiggins asks Brandy Cook, Tax Assessor to speak. Ms. Cook stated that she would ask Nikki Stewart, Assistant Tax Assessor to speak due to her knowledge on the property due to her absence of the meeting. Ms. Stewart stated that Mr. Hill had appealed two properties belonging to Fred/Mildred Hill and it is the recommendation of the assessor’s office to do the following:
 - a. Parcel 5652-00-00-1645-0 The office corrected the foundation on this home to piers; a dock was added to the property value; the Elderly Exemption will be removed for Tax Year 2020, the Value prior to the appeal was \$83,900.00 and the value after the changes were applied is \$84,120.00.
 - b. Parcel 5569-02-00-1646-0 The office recommends the discovery of approximately 3.98 acres. This lake view property does not have enough buildable space with the drive being in the center of the property to be considered usable so the office adjusted the lot price to reflect this change according to the Schedule of Values. The value prior to the appeal was \$61,920.00 and the value after the appeal is \$33,000.00.
 - c. Discovered approximately 3.98 acres. The office has found that approximately 3.98 acres needs to be discovered for a piece of land adjoining Parcel 5569-02-00-1646-0 and we have calculated the value of this parcel as \$30,000.00. There is no power/septic on this property; however, a home could be built with a nice lake view. The office also took into consideration that this would involve the removal of an old home site and removal of some trees that are currently blocking the view of the lake.

Chairman Wiggins asks for approval of the recommendations from the tax assessor's office. Commissioner Eller made the motion to accept the recommendations as stated for the Hill properties. Commissioner Orr seconded this motion. Vote unanimous.

8. Chairman Wiggins asks Manager Garland for the Finance and Manager's report. Manager Garland stated that the county ended the month with an \$8,451,804.96 cash balance, which is \$606,954.67 ahead of this time last year. Manager Garland stated that our current tax collection for the month is \$29,946.99 and prior year \$3,086.95 for a total of \$33,033.94. Manager Garland stated that our DMV collection for the month is \$47,133.11. Manager Garland stated that year to date tax collections is \$6,220,960.75 and our DMV is \$444,389.60. Manager Garland stated that our tax collection rate is 96.6%, which is below this time last year due to our levy. Manager Garland stated that we have collected \$51,408.44 in current past due taxes.
9. Manager Garland stated that our Revenues was \$832,383.23 and our Expenditures was \$1,517,903.69 giving us a deficit of \$685,520.46. Manager Garland stated that one reason for the deficit is the school bond payment was made in May instead of June. Manager Garland stated that our year to date revenues is \$13,854,104.33 and our year to date expenditures is \$13,035,392.42 giving us a surplus of \$818,711.91. Manager Garland stated that last year our surplus was larger but we had unexpected expenses on garbage trucks and renovations this fiscal year.
10. Manager Garland stated that our sales tax collection was \$186,082.53, which is up from \$159,429.75 from this time last year.
11. Manager Garland stated that we should be at 8% in our remaining budget but we are holding at 18% and this is very good. Manager Garland stated that she will be paying June bills which will make the percentage go down but in all we are doing very well. Manager Garland stated that we would be having a public hearing on June 25 at 5:30 p.m. for the Fiscal Year 2019-2020 Budget.
12. Manager Garland stated that the budget was laid out to the Clerk of the County Commissioners on June 11, 2019 and she has sent a synopsis of the budget to the paper. Manager Garland presented some highlights of the budget. Manager Garland stated that 2019 is a budget revaluation year and the new property values were submitted to the taxpayers in January 2019 in advance of the billings and budget for the 2019-2020 budget year. Manager Garland stated that overall the assess valuation of property in Graham County fell by \$5,953,672.00 in value and this has caused the revenue neutral tax rate to rise to 59.5 cents. Manager Garland stated that the revenue neutral tax rate is the rate required to keep the property tax levy in the budget to remain stable from prior year's levels. Manager Garland stated that revenue amounts from the federal and state governments are projected to fall by \$382,000.00. Manager Garland stated that these shared revenues support health and human services programs including transportation grants for senior citizens, and payments in lieu of taxes from TVA and USFS. Manager Garland stated that the federal government did not reauthorize USFS Secure Rural Schools funding. This represents a loss in revenues of close to \$150,000.00. Manager Garland stated that these funds were distributed in the past to our schools and our volunteer fire departments. Manager Garland stated in order to sustain these programs, county government revenues are required to offset the losses. Manager Garland stated that we are proposing a tax rate of 65 cents; this is 5.5 cents above the revenue neutral tax rate. Manager Garland stated that we have maintained our budget at 5 cents above the revenue neutral rate for the past 8 years.
13. Manager Garland stated that we are facing some significant challenges in the years to come.
 - a. Planning for the construction of the courthouse and justice facility as mandated by Superior Court Judge.
 - b. Maintaining a budgetary allocation for re-housing court in Cherokee County for criminal trials at a cost of \$33,000.00 per week.
 - c. Public Safety and Human Services concerns caused by substance abuse in our community.
 - d. Need for safe facilities in which we serve the public.
14. Manager Garland stated that Graham County's tax rate has been lower than the median state tax rate for many years and for the 2018-2019 budget year, the tax rate in our county was 87% of the median tax rate of .67 cents. Manager Garland stated that our tax rate being below the state median tax rate hurts the schools. Manager Garland stated that Graham County Schools is eligible for "low wealth funding". Manager Garland stated that this is calculated based on our funding of the school system and our tax rate. Manager Garland stated that when our tax rate falls below the state median tax rate, Graham County Schools lose funding. Manager Garland

- stated that their funding fell to about \$29,000.00 in 2018-2019 because we failed to meet the benchmarks of funding and tax rate and for tax year 2019-2020, they will get ZERO funding.
15. Manager Garland stated that a property owner with their home and land valued at \$100,000.00 would receive a tax bill of \$650.00 on their property under the tax rate of .65 cent. Manager Garland stated that this represents an increase of \$65.00 annually.
 16. Manager Garland stated that Graham County is proposing a total budget of \$16,818,749.00 in the general fund and the increases from the 2018-2019 budget are as follows:
 - a. Retirement rate increases of 17% as mandated by the NC State Treasurer.
 - b. Budgeted \$100,000.00 for court proceedings in Cherokee County as mandated by the NC Superior Courts.
 - c. Needed relocation of the Election Board due to security and safety concerns. The Election Board will be located in the Community Building and will require renovations as directed by the NC Department of Homeland Security. Manager Garland stated that \$100,000.00 has been budgeted for necessary security upgrades and renovations.
 - d. \$240,000.00 for an ambulance with a power stretcher and upgraded equipment. Graham County did not purchase an ambulance in Fiscal Year 2018-2019.
 - e. Increases in foster care budget for Social Services due to increases in the number of foster care children in the County due to substance abuse. Public safety programs will continue to become more challenging due to the rise in substance abuse.
 - f. Due to the deteriorated conditions and environmental concerns in the courthouse annex building that housed Administrations, Recreations and the Election Board (the building is falling off the side of the hill, the presence of mold and sewer gas), it will be imperative to relocate recreation which we budgeted to construct a recreation building. This will provide a safer facility for families to visit for recreational services and will house staff and storage of recreational supplies and materials.
 - g. Due to the deteriorated condition of the cemetery building which houses the cemetery commission's equipment a new cemetery storage building was budgeted.
 - h. The cost of dumping our garbage in the landfill in Georgia will increase due to mandated surcharges by the State of Georgia. In addition, existing trucks are aged and requiring higher repair costs and potential replacements of at least one truck.
 - i. School current expense funding will remain at \$1,000,000.00 in order to enhance low wealth funding opportunities from state revenues.
 - j. Implementation of a para-medicine program, which will provide important follow-up in-home care for chronic disease management.
 - k. There were be no pay increases for the staff for the 2019-2020 Fiscal Year.
 - l. Except for the necessary expenditures, all departments were maintained at previous years' levels due to the loss of expected revenues from the federal and state government.
 - m. Staff are actively seeking grants to help cover expected shortfalls in shared funding revenues. Grants, however, are highly competitive and have become scarcer over time.
 - n. Commissioners have names for a sanitation committee to study and spend the next year researching better, more efficient solutions to managing solid waste in Graham County. As landfills get more restrictive about the waste they will accept and as State governments impose higher surcharges, the cost of solid waste removal will continue to rise. Graham County must work to become more efficient and cost effective in service delivery.
 17. Manager Garland stated that the budget cycle has presented some stiff challenges being faced with shortfalls in expected revenues coupled with the mandated needs for better and secure facilities, as well as taking a proactive approach to addressing the substance abuse problem; the commissioners had tough decisions to ensure the safety and security of the people.
 18. Manager Garland stated that Commissioner Eller and Sanitation Director Gavin Colvard met with a representative from the NC Sheriff's Association regarding security in the current courthouse and provided resources as we plan for the new facility. Manager Garland stated that the county will get a written report over the next few weeks and some of the issues that we can immediately address are adding lighting to the exterior of the building, creating a standing committee for courthouse security, which should include a commissioner or commissioner representative, county manager, facilities manager and a member of the Bar. Manager Garland asks if the board wanted to place a security committee. The board agreed to the committee. Manager Garland will present the names at the next meeting.

19. Manager Garland stated that part of the challenges we faced in the budget for 2019-2020 was increases in the cost of handling solid waste. Manager Garland stated that we received a letter from Waste Management of Georgia stating that the State of Georgia will increase surcharges to any privately held solid waste company and this is being passed on to us for an increase from \$1.00 per ton to \$2.50 per ton.
20. Manager Garland stated that the Duke Endowment Grant was submitted on Friday, which will be a three-year grant. Manager Garland stated that she would be working with Robyn on finalizing the job description so we can begin the advertisement process. Manager Garland stated that we have had two paramedics to indicate interest but we want to make sure we follow our policies and put advertising in the paper and social media. Manager Garland stated that we have planned a stakeholder meeting to include other medical providers in our county and the region regarding our para-medicine program. Manager Garland stated that the NC Office of Rural Health would coordinate the meeting.
21. Manager Garland stated that the Urgent Care renovations are progressing and we are on schedule and on track to meet the Certificate of Need deadline. Attorney Coward, Juanita Colvard and Manager Garland will need to commence working up the lease agreements on the equipment as per the Golden Leaf Foundation regulations.
22. Chairman Wiggins asks for public comment. Chairman Wiggins asks Kevin McCracken to speak. Mr. McCracken stated that he was concerned about the cleanup at the old Stanley plant. Manager Garland stated that we have applied for a grant for an EPA Assessment and North Carolina has allowed us to put the Brownfield as inactive that will require cleanup. Manager Garland stated that they recognize our resources are limited and we have to find out what kind of chemicals were dumped to know if we can cover the site or if we will have to remove the contents for disposal. Mr. McCracken asks if the county knows what the cost will be. Manager Garland stated that we do not know the cost at this time. Manager Garland stated that once we know the contents and the way we do the cleanup then we will apply for grants to help with the expense. Mr. McCracken stated that this area would be a great place to have a Fun Factory similar to the one in Franklin. Chairman Wiggins stated that the property belongs to Jimmy Lee and that will be his decision.
23. Chairman Wiggins asks Connie Gross to speak. Ms. Gross stated that she is a member of the Regional Library Board and they have recently hired a new librarian Franklin Schnook from Murphy. Ms. Gross stated that he has a Master's Degree from WCU and stated that she will call later to be put on the agenda so he can meet the board. Ms. Gross also stated that the Animal Advocates have donated a microchip wand to the Sheriff's Department that can be used by the health department when responding to calls to make sure the animal is relocated with its family in the event they have installed a chip. Ms. Gross also stated that the Santeetlah Volunteer Fire Department is seeking donations for their fireboat restoration project and are hosting a Fund Raiser on Saturday, June 22 starting at noon at the Santeetlah Volunteer Fire Department. Ms. Gross stated that the boat could assist the lake homes in the event of a fire.
24. Chairman Wiggins stated that the board would now go to the discussion items. Chairman Wiggins asks about the Stecoah Lease. The board was concerned about the number of years for the requested lease making sure that Graham County will retain ownership. Attorney Coward stated that this was fine because the county has a lease to allow them to occupy.
25. Chairman Wiggins stated that the board needed to approve a poll for Insurance Award to Gibson Insurance. Commissioner Cody made the motion to approve the poll. Commissioner Orr seconded this motion. Vote unanimous.
26. Chairman Wiggins asks about the appointment of the Sanitation Committee. Commissioner Orr wanted this tabled to the July 2 meeting to give the board time to review the members that previously sat on this committee. Commissioner Cody seconded this motion. Vote unanimous.
27. Chairman Wiggins asks about the Animal Ordinance. Clerk Crisp stated that Beth Booth, Health Director had requested that the board define the definition of nuisance versus dangerous dogs. Director Booth stated that the policy is not clear and she has to seize dogs and this is becoming an issue with folks. Director Booth stated that people who have moved into this area are not accustomed to animals running wild and they are calling on nuisance dogs and not dangerous dogs. Director Booth stated that she needed direction and clarification from the board. Chairman Wiggins asks that she and the Sheriff sit down and define what needs to be responded to. Chairman Wiggins would also like to know the amount of money that is being spent on responding to these type calls that were nuisance instead of dangerous. Commissioner Orr stated that this is not new to our county and we have had complaints of these types forever.

Director Booth stated that she is responsible for responding to these calls and she needs to know what authority she legally has when it comes to seizing a dog. The board asks Attorney Coward to define the language in the ordinance on what to respond to and what not to respond to. Attorney Coward stated that the ordinance states that all animals shall have shots and collars. Director Booth stated that the ordinance is just too broad at this time and she is not comfortable when she has to take someone's dog.

28. Chairman Wiggins asks Commissioner Orr about the request for the Historical Society. Commissioner Orr stated that the Historical Society is requesting the remaining funds of their appropriation. Commissioner Orr stated that the amount should be \$4,632.00. The board gave a directive to Manager Garland to give the remaining appropriation to the Historical Society.
29. Chairman Wiggins stated that the board would need to go into closed session under G.S.143-318.11(a) (1) (3) (5) (6) for privileged or confidential information, attorney-client privilege, personnel and contracts and asks for a motion. Commissioner Eller made the motion to go into closed session as stated. Commissioner Orr seconded this motion. Vote unanimous.
30. Commissioner Orr made the motion to go back into open session. Commissioner Nelms seconded this motion. Vote unanimous.
31. Chairman Wiggins stated that we would need to continue this meeting to Tuesday, June 25 at 5:30 p.m. for a public hearing on the 2019-2020 Budget. Commissioner Nelms made the motion to continue the meeting as stated. Commissioner Orr seconded this motion. Vote unanimous.

Dale Wiggins, Chairman, Graham County Board of Commissioners

Lynn Cody, Vice-Chairman, Graham County Board of Commissioners

Keith Eller, Member, Graham County Board of Commissioners

Jacob Nelms, Member, Graham County Board of Commissioners

Connie Orr, Member, Graham County Board of Commissioners

ATTEST:

Kim Crisp, Clerk to the Board