

CHEROKEE COUNTY BOARD OF COMMISSIONERS

Pre-meeting work session

**MAY 18, 2010
3:00 p.m.
Cherokee Hall
MINUTES**

Chairman Ahrens opened the Work Session at 3:07 p.m., with a reading from Jack Welch book on a chapter called "Managing Less". By the time he had finished reading, Commissioner Johnston had arrived, so all were present. The Chairman then asked to go ahead with the Financials.

1. April 2010 Financials

Mr. Cooper said before he began, he would like to introduce the new CFO, Janelle Funk, to the board and other attendees. Mr. Cooper then started the review of the April financials saying that he had told Mrs. Funk that he would do them again this month, but next month she would be giving them; and she was making changes that would improve the readability of the reports.

After giving the figures for the revenues in the General Fund, comparing them to the same period last year, expenditures were next. He stated that this was \$900,000 more in revenues and about \$1.5 million less in expenditures. This was a more positive position to be in. After going over the other fund balances, revenues and expenditures, he reviewed the Insurance and Benefit Fund which had revenue of \$482,000 compared to expenditures of \$790,000. He told the board that he had a question into the representative asking why the amount of revenue was so much lower than the average of \$580,000 a month. A few more figures and he told the board that the goal was to get the reports to them a week prior so they would have plenty of time for review. There was some further discussion regarding the Insurance and Benefits Fund, the Stop Loss revenue funds and Mr. Cooper said that there is a process going on now regarding changes to the Insurance and benefits program.

The Chairman said that he wanted to add a couple of things to the Agenda, one being a report from Jeff Watkins and Ana Silbernagel on Single Family Residential building permits to mid-May, there were 107 to 65 for the same period last year. Total permits for the same period year-to-date mid-May was 909 versus 722 or 26% difference.

2. Discuss SPLOST timelines... renewal, possible TSPLOST, ELOST renewal, Regional Transportation in 2012 – Chairman

Chairman Ahrens said he wanted to bring this topic to the forefront for beginning a discussion on the timeline for renewal of the SPLOST for the County so as not to step on the toes of the school district, when the reimposition of their SPLOST was up for a vote.

Mr. Cooper mentioned that the County's current SPLOST will expire in 2012; that it was on the ballot in November, 2004 to begin in 2006.

3. Update re tax digest – Chairman

Chairman said he had an interesting conversation with John Adams from the Assessor's office who was saying that they had been receiving phone calls since the new assessments had gone out from people who were equally complaining about their property values going down, as they were complaining about the values going up. Mr. Adams said that these same people who were upset that the value had gone down wanted to file an appeal and get the value raised up again. This would mean they would have to pay more in property taxes.

4. Discussion of Regular Agenda items

When the Chairman began the review of agenda items, after mentioning the Announcements, he asked Mrs. Davis about the public hearing for the Adult Entertainment Establishments Ordinance. Mrs. Davis said that unless the board members had any questions, there was no point in going over too much at the Work Session. However, if there are any questions, Joseph "Tripp" Peake from her office is here to answer questions. Commissioner Johnston asked what the core of the revised version of the ordinance was and said he was aware that there could be no alcohol sales where nude dancing occurs. He said he felt like the revised version was based solely on location.

Mr. Peake said that they tried to, as much as possible, use some of the regulations in the old version of the ordinance; that they didn't want to globalize it too much. He said that they tried to look at where the old ordinance was weak and could be subject to a constitutional challenge and strengthen those chapters. And to insert language in the correct areas that were not covered in the old version, such as "sex shops". Chairman Ahrens asked if we knew what the distance requirements were in the cities such as Canton or Woodstock after Commissioner Johnston asked Mr. Peake if they were to focus on the 750 feet distance requirement. Mr. Peake said he was not sure about the cities.

There was further discussion with input from Margaret Stallings and Jeff Watkins, who stated that the ordinance should state, "A distance requirement of 750 feet from any parcel of land on which a church, school, college campus, public park, cemetery or children's daycare or playground facility is located." Commissioner Johnston added that it should also say "as well as 750 feet from any residentially zoned property." Mr. Watkins said that some of the things that had been included in this ordinance which were not included in the previous version was a specific process that an applicant would have to go through in order to open one of these businesses. Commissioner Johnston asked how the Community Buildings were treated; Mr. Peake said that they had included the Community Buildings as government buildings and taken them completely out.

Geoff Morton came up to explain the request to advertise a public hearing for revisions requested by the State on the Soil Erosion and Sediment Control Ordinance; he said that this came up about every 2 years.

On the Chairman's items, he said that he just wanted to highlight a couple of things about the ARC's LINK trip to Phoenix this year. For the update from Cherokee Water and Sewerage Authority on Capital Projects, he said this had now become a process that would require a motion accepting the report.

Mr. Cooper reviewed the one Consent Agenda item and after much discussion of the lack of a standard procedure for requesting "No Parking" signs on subdivision streets, that are public roads; a decision was made to postpone until the June 1st meeting, in order to get further information and develop a standard process or procedure for this type of request.

When Mr. Cooper began going over his portion of the agenda, he said that of the 9 items under his portion the last 6 should have been on the Consent Agenda. Commissioner Good asked if the insurance had been verified on the first item; Mr. Cooper stated that it had. Commissioner Good also asked if they understood the affidavit regarding non-authorized workers; Mr. Cooper said they did and had executed the affidavit. Commissioner Good then said that he would request, per the Ordinances, that there be follow-up to verify that there are no non-authorized persons allowed to work on the project. Mr. Cooper said that would be done from day one.

Mr. Cooper said on the next item, the goal of the Recovery Zone/Facility Bonds was to provide financing for various projects in the areas that are in need of stimulation and to get some projects moving. Mr. Cooper said that a project that had been identified was *The Villages at Sixes Ridge*. This was a medical office complex, partially built, with clients who wanted to move in; and it was a matter of completing the construction and getting financing in place to do so. Mr. Cooper said that the Development Authority had reviewed this project and identified as a candidate for the Recovery Zone funds. There is no risk on the part of the County; 100% of the risk is borne by the one who uses these funds and that is Vince Merolla Enterprises. Mr. Cooper said that Bryce Holcomb, from Citi Group was here to answer any questions the board might have about the bonds.

Commissioner Johnston said that he would like to be certain that there was no liability on the part of the County or the Development Authority. Mr. Holcomb said that there is absolutely no liability on the County or the Development Authority, if Mr. Merolla defaults, they will not look to the County for repayment. There would be nothing on the County books. Mr. Holcomb went on to explain that the funds of \$11 billion dollars were originally sent to the State from the ARRA passed in February, 2009 and in August 2009, the State divided it between the 159 counties; because Cherokee County is one of the larger counties, your share is \$16,150 million, and this is strictly for private use.

Mr. Holcomb said that the Resolution the board is being asked to approve is to assign the Facility bonds to Vince Merolla Enterprises and declares that the census tract where this particular project is located as a "Recovery Zone". He also said that on Friday, the State came out with a memo saying if the counties did not wish to lose their part of the Facility bonds, they would have to meet 5 criteria which are 1. Have the local Development Authority adopt a Resolution, which will occur on May 24; 2. Hold a TEFRA hearing that cannot happen until the Resolution from the Development Authority is adopted; 3. Have a legal opinion written by the bond counsel saying that the project of Vince Merolla will qualify for these bonds; 4. Have a letter written by, in this case, Citi Group of the intent to work with Mr. Merolla for the financing; 5. Sign the form that is a Notice to Hold an additional 60 days through August 31, 2010. Mr. Holcomb said that he believed that Mr. Merolla getting the financing to complete this project will bring in several hundred jobs. Commissioner Johnston asked if it was a "use it or lose it" situation; Mr. Holcomb said yes, the deadline to use it is June 30, but by meeting the criteria given by the State, there is an additional 60 days.

After several minutes discussion regarding the \$10,767,000 designated as Economic Development bonds which can be used by the County, Mr. Holcomb said if there were any other questions, please let him know.

Mr. Cooper said that on the next item, it was planned to put the Training Facility adjacent to the jail, where the Parks and Rec Maintenance facility is now and to move them to Hwy. 20 in Buffington where the Fire Tower is, which is County property anyhow.

During the beginning of the review of the last items under the County Manager, Commissioner Bosch asked if the last 6 could be moved to the Consent Agenda by Amendment. Mr. Cooper said yes, the agenda could be amended to move item 5 through 7c to the Consent Agenda.

After this, the Chairman asked if there was any other business to discuss, when there was none forthcoming, Commissioner Hubbard made the motion to adjourn to Executive Session at 4:57 p.m. to discuss personnel, pending litigation and property acquisition. Commissioner Bosch seconded and the motion was unanimously approved.

These Minutes were approved at the regular meeting on June 1, 2010.