



Cherokee County Board of Commissioners WORK SESSION MINUTES

December 17, 2013
3:00 p.m. | Cherokee Hall

The Chairman began at 3:05 p.m. with all Commissioners present. Note: County Attorney, Ms. Davis arrived shortly after the meeting began and Ms. Christy Divine was in for County Clerk, Christy Black.

1. Preliminary update on FY2013 financials by Janelle Funk.

Ms. Funk began by stating she has good news and reminded everyone that the numbers are preliminary and have not yet been audited. For County-wide results, the revenues were better than budget by \$8.2M. Expenditures and transfers were \$16.5M below budget. Ms. Funk stated that while this is good news, it is important to look fund by fund, account by account to understand the County's true position. She added she will focus primarily on the more significant funds that drive the variances. The \$5.7M General Fund revenue variance was due to TAVT, mortgage-related taxes, prior year property tax collections, and court fines. The Unincorporated County Services fund was better by \$1.1M due to insurance premium tax and an increase in building permits. While the reported results for Transportation reflected revenues less than budget, there was no impact on operations; the variance shown on the slide was only due to the delayed delivery of replacement buses. CDBG had a similar explanation to Transportation - meaning, expenditures were not incurred so reimbursement revenue was not received. EMS is higher in revenue, not because of operational revenues but because governmental accounting requires SPLOST transfers (used to purchase ambulances) as a source of revenue. The negative revenue variance in the RRDA Fund is a true negative impact since the County did not find an operator for the recycling center.

Capital Funds shows an increase in revenues. New development led to an increase in impact fees. The Parks Bond doesn't actually have an increase in revenue; however, reimbursements from the cities must be recorded as miscellaneous revenue. SPLOST collections exceeded budget by \$1.2M but was

partially offset by lower receipts of Commerce Boulevard reimbursements; however, the Commerce Blvd reimbursements will be received in 2014.

Ms. Funk presented three slides to explain the positive revenue variances in the General Fund. Ms. Funk presented a slide by ACCG from the GGFOA conference in October regarding TAVT. She said that as of May 2013, 112 counties reported they were receiving more from TAVT than prior year and 45 were receiving less. Ms. Funk stated that Mr. Dave Wills from ACCG reminded them that they will need to look at several months of data to get a more precise indication of the effect of TAVT. The mortgage related taxes is \$700,000 over budget. The reason is due to a combination of mortgage refinancing as well as a sudden turnaround in the real estate market. Court fines also affected the General Fund revenues. They vary year-to-year depending on number and nature of court cases.

Ms. Funk proceeded to review expenditures in Operating Funds. The General Fund was over budget due to the forensic audit, an increased transfer to the RRDA Fund, and other departments were \$0.9M under budget which helped offset these negative variances. Combined, the total overage was \$0.3M over budget. Fire was under budget by \$0.9M. CDBG had a reduction in spending due to delays in projects. For EMS, cash operating expenses was under budget but bad debt expense was higher due to recent lower collection rate. The budget for the RRDA Fund only included debt service; however actual expenditures included legal fees and utilities. The total expenditures came to \$2.9M under budget. Commissioner Johnston asked if the expenditures included the purchase of the ambulances. Ms. Funk replied that she will check on that to be sure. The Chairman asked if the County would be writing off the bad debt under EMS. Ms. Funk said they would not really write it off but set up an allowance for it.

The Chairman asked how the Aquatic Center was doing. Mr. Reynolds stated that for FY2013 they were at 98.9% of the revenue budgeted. They thought they would lose in the first year but are in the positive.

Referring back to the presentation, Ms. Funk stated the Capital Funds are just all based on project timing. When reviewing the significant funds with permanent variances, expenditure results are still positive, but not as optimistic as actual reported results.

Total cash decreased \$3.9M from 2012 to 2013; but when broken out by type of fund, our operating funds cash balance has increased by \$10.4M. Under the Insurance and Benefits Fund, Ms. Funk stated that even though the County decided to cancel the CHN Wellness Program due to performance, the fund still achieved its budget.

The Chairman asked if the reserves are good enough to cover possible downsides in 2014. Ms. Funk replied that yes, we are in a position where we can rely on reserves.

2. Discussion of Regular Agenda Items.

The Chairman addressed the ARC Board's presentation on the impact of federal cuts and aging in Georgia. He asked Mr. Brandon if he had any dialogues on this. Mr. Brandon stated that Mr. Blomquist of ARC told Agency Directors he would prefer to wait until the State makes a final decision about cuts before he directs us to make budget amendments. He and Mr. Cooper have discussed how the County could fund programs to avoid a cut in Nutritional Services (Meals-on-Wheels).

Commissioner Poole went over items under the **Commission District 3** portion:

- Amendment: Discussion on Aquatic Center issue and Falls of Cherokee residents.

Commissioner Poole began by stating Mr. Bryan Reynolds and Mr. Bill Echols met with the residents of the Falls of Cherokee HOA meeting to discuss lighting and noise issues. Regarding the noise issue, Commissioner Poole said he feels the sound test should be conducted prior to the purchase of the new motors. Mr. Echols said he is a bit concerned, after talking with the acoustic consultants, that because it is an outdoor area there are several unknown factors and that an attempt to model may not be the best use of the County's money. It was determined that it's more about the pitch than the level of the noise. If they go with the variable drive fan controls, the machines only ramp up to what is actually needed and then goes back down. Mr. Echols added that the HOA admitted that now that we are in winter mode, the noise went away, but when the trees lost their leaves the lighting became an issue. Mr. Echols described in detail the testing and results provided by the electrical contractor, Ferguson, and were able to come up with a way to diminish the brightness of the lighting of the indoor pool area artificially. For the outdoor lighting, they can't cut any of those off due to warding off vandalism, but Ferguson believes they can get a shield that would diminish the light enough on the ones directly facing the neighborhood and the rest can be adjusted. Mr. Echols said his

recommendation would be to engage Ferguson on an hourly basis to address the outdoor pool lighting only.

Commissioner Johnston asked what causes the change in the use of the pool packs. Mr. Reynolds replied that during the summer, the pool packs help cool the building. The Chairman asked if the lights go off at any point. Mr. Echols responded that the parking lot lights go off at eleven o'clock. We are under the environmental health ordinance that we have to maintain ten foot candles on average. There's not much they can do for the indoor lights. They addressed possibly changing the glass but it would be very costly. Commissioner Johnston asked about using a film on the glass. Mr. Echols stated that with the high humidity he wasn't sure how it would handle that and he would have to talk to Cooper Carry about it. He added that he feels the best way to deal with the outside lights would be to do it by adjusting the light source. Further discussion ensued regarding other possible solutions for both the noise and lighting. Mr. Echols suggested that since there are several more months of cold weather that they focus on the lighting at this time. Commissioner Poole asked about the noise issue upon spring and what is the next step. Mr. Echols said his suggestion would be to put in the new motors.

Announcements

- Delegation Town Hall meeting from 6:00 p.m. to 7:00 p.m. at the Bluffs, Cherokee Hall.
- Special election for House District 22, Tuesday, January 7, 2014.

The Chairman went over items under the **Chairman's** portion:

- Appointment to Region 1 EMS Board to fill the position of Billy Hayes whose term expires on January 23, 2014.
- Resolution regarding re-routing truck traffic.

The Chairman stated the City of Ball Ground is asking the County to support the issue. Mr. Morton said he had spoken with the GDOT Engineer, Dewayne Comer, and he said the State/GDOT cannot restrict truck traffic on a state route since the roadway was built with and is maintained by state taxpayer dollars. The Chairman stated he would

support a resolution in support of the City of Ball Ground's effort for truck re-routing.

There were no items to consider under the **Consent Agenda** portion.

Mr. Cooper went over items under the **County Manager's** portion:

- Consider awarding the County's Standard Professional Services Agreement to Power & Energy Service, Inc. for the annual service and maintenance of the County generators in an annual amount not to exceed \$31,945.00.
- Amendment: Consideration of Intergovernmental Agreement (IGA) between Cherokee County and Georgia Public Safety Training Center for joint use of the Law Enforcement Training Center and Shoot House.
- Amendment: Consider approval to purchase the following vehicles for the Marshal's Office out of SPLOST 2012 monies: three (3) equipped Ford Interceptors, two (2) Ford F-150 XLT's and ancillary equipment, bed units and decal work at a cost not to exceed \$144,000.00.
- Amendment: Approval of Purchase Agreement, as reviewed and approved by the County Attorney, for the acquisition of a 2-acre parcel located on Valley Street in Ball Ground for the price of \$67,000.00 (\$33,500 per acre), contingent upon satisfactory completion of due diligence.
- Amendment: Approve a Purchase and Sale Agreement between Cherokee County and Rooker Properties for the sale of a 39-acre parcel owned by Cherokee County located on Highway 92 for \$2,150,000.00 to accommodate a future business park.

Ms. Davis went over items under the **County Attorney's** portion:

- Annexation/rezoning notice received from the City of Canton for property located at Old Doss Road and Cumming Highway.

Ms. Davis stated the property covers .59 total acres and is currently zoned R-40/GC with the proposed zone to C2 for an unspecified mixed-

use project. She added there are no issues with respect to legal objections such as contiguity. Ms. Davis mentioned Mr. Watkins may want to ask for some conditions to make the zoning more appealing. Commissioner Johnston recalled another rezoning request in the same area for about 20 acres. Ms. Davis said that she was just reading from the one notice and it appears to consist of several pods. She then corrected the total acreage to be about 25 acres instead of the .59 acres.

Commissioner Johnston brought up the County maintenance takeover of a .2 mile portion of road. He recalled in years past that any commissioner could so designate and no vote would take place. He asked if it should be a vote. The Chairman stated there would be no harm in voting on it.

3. Discussion on topics for Cherokee Delegation Meeting

The Chairman began by referencing the draft he sent out on topics for the delegation meeting. He had them take off the non-partisan topic. He mentioned the topic of County Chairperson. He understood the Chairperson is considered full-time for the purpose of benefits. Commissioner Johnston stated all the commissioners are full-time. He added they can ask for a change in legislation for the County charter to define the position as full-time. The Chairman asked Ms. Davis if she had any background or thoughts into how these things are done. She does not. The Chairman stated there is no pattern. Ms. Davis recalled working for a county who amended their local legislation to change the Chairperson's status from part-time to full-time, but that was a unique situation because the Chair never got a vote as part-time. The Chairman stated that it is more attractive compensation level and would set an expectation level for the qualifications. Commissioner Johnston stated the politics of it would most likely be a factor. He said if he remembers correctly, they have to make the change prior to qualifying in an election year. Then it can't be effective until January subsequent to elections so some commissioners would have to stand for re-election with that pending. The Chairman stated they can research through a survey or ACCG in order to get an understanding of what's out there and define the expectation level. The Chairman said it is not time sensitive.

The Chairman touched on the topic of tax reform and legislation that need to be addressed and revised. He said the distressing part of it is the abuse of the LOST funds. He expressed the obligation they have to themselves and the community to inform the delegation about the Resource Recovery Development

Authorities and what we see as a way of providing guarantee that could possibly be relief from the State code.

The Chairman also addressed the 15 candidates for the Ethics Board vacancy. His goal is to get to a subjective short list. He also mentioned the topic of managing the downside and creating opportunities. He asked if anyone had any thoughts on a theme for next year and if so to let him know.

The Chairman thanked the Board, leadership, the County employees and their families for continued commitment and dedication and raising the level of professionalism. He wished all a happy, healthy, safe Christmas and New Year. Commissioner Gunnin also thanked everyone and the Commissioners for their help in his first year in office and wished everyone a Merry Christmas and Happy New Year.

The Chairman commented about the Highway 20 public information meeting. He said it was amazing and they had a great turnout. He asked Commissioner Johnston if he had been given any feedback. Commissioner Johnston replied that several did not like a route going through Macedonia. He said that what he heard most was they need to stick with the existing right-of-way except in places where it is impossible to do the minimum diversion to get around the obstacles as necessary, but ultimately do what can actually get done.

Hearing no further business, Commissioner Nelms made a motion to adjourn to Executive Session at 4:55 p.m. to discuss personnel, land acquisition or disposal, and pending litigation; Commissioner Gunnin seconded and the motion was unanimously approved.

Executive Session followed.