



# Cherokee County Board of Commissioners WORK SESSION MINUTES

**April 15, 2014**

**3:00 p.m. | Cherokee Hall**

The Chairman began at 3:05 p.m. with all Commissioners present. The Chairman started by mentioning that this weekend and throughout the week, ACCG is celebrating its Centennial year. There was representation from all 159 counties in the State at the annual ACCG Conference. He described the events of the Opening Ceremony. The Chairman also mentioned the class he took on Ethics stating it was very interactive and thought-provoking.

1. FY2013 Audit & CAFR Overview by Janelle Funk; FY2013 Audit Agenda by James Bence of Mauldin & Jenkins.

Ms. Funk began by giving an overview of the purpose of the presentation. She went over reasons why the CAFR is done and how it is done. It is State law as well as a Federal requirement. Ms. Funk explained how the auditors conduct the audit. She stated that they do not examine every little detail but examine on a test basis the amounts and disclosures in the financial statements. They assess accounting principles and significant estimates used. They test internal controls and evaluate the overall financial statement presentation. Ms. Funk stated that it is the auditor's duty to obtain reasonable assurance that the financial statements are free of material misstatement. They must also report on the County's compliance with the A-133 requirements. Ms. Funk briefly went over the process that is followed for the audit. The finance team closes financial statements at the end of the fiscal year. The auditors then perform an audit on closed financial statements. The auditors discuss their concerns with the finance team and recommend adjustments. Finance then makes the adjustments to the statements. At that time the County's General Ledger reflects the final, post-audit results and then the CAFR is prepared. Ms. Funk stated there are three types of audit opinions. The first is an unqualified, or clean, opinion. The second is the qualified opinion which is not necessarily negative. It's just limited in scope they are unable to verify information. Finally, an adverse opinion indicates serious problems with the audit and can be very damaging to a county's reputation. The Chairman asked if the auditing group had had any adverse opinions before. Mr. Bence responded that he had never been involved in an audit with an adverse opinion in all the years they had performed audits for the County and he felt it would be very rare. Ms. Funk stated that the County did receive an unqualified, clean audit.

Ms. Funk stated the CAFR is now on the County website and has been submitted to several entities such as the State Department of Audits and Accounts and the Georgia Department of Human Services. She said they will be submitting the CAFR to the GFOA to be considered for GFOA's Certificate of Achievement for Excellence in Financial Reporting. Also, the State of Georgia should issue a letter in May indicating acceptance of our audit and corrections.

Ms. Funk gave a quick overview of the CAFR. The CAFR is a 162 page document, mostly comprised of very technical accounting information. The purpose of the CAFR is to provide consistent reporting and to be able to compare county-to-county the same type of consistent reporting. However, the downside to the CAFR is that it doesn't necessarily give internal management information to know if we have run operations according to budget. Ms. Funk said she took pieces of the CAFR that would be more meaningful for the audience. She went over Funding Sources. So far, total funds for revenue were \$7.9 Million better than budget. Ms. Funk stated there is no consolidated report comparing the budget to actual results in the CAFR. She added they include this information in their CAFR Transmittal Letter. The biggest drivers for the positive variance are the General Fund which includes the TAVT, property taxes, and mortgage-related taxes; the Unincorporated County Services Fund which includes insurance premium taxes and building permit fees; and SPLOST. Ms. Funk commented that almost all funds met or exceeded the revenue budget, or if not, trimmed expenditures to match revenues. She moved on to the Expenditures and Other Funding showing that expenditures were \$14.2 Million under budget. The County reports these funds as Operating and Capital Funds. The Capital Funds are not true savings. Those reflect timing of projects and the spending related to the timing and those funds carry over to a future year to be spent. The Operating Funds shows each department is very rigid in managing their budgets and only spending what is truly needed. While total fund balances decreased, this was due to spending on planned capital projects and debt service repayments. Ms. Funk stated that our fund balance for total funds has decreased \$5.5 Million. She commented that the positive is that the Operating Fund increased by \$10.9 Million and the General Fund increased by \$5.4 Million. She feels that when the bond rating companies are reviewing our CAFR, that this is something they are going to pick up on and be glad we are improving our balances. Commissioner Johnston commented that he understood that this is close to a cash basis because we are not accruing revenues. Ms. Funk responded that this is very close to our cash balance. Our fund balances are either meeting or exceeding the recommended levels.

Ms. Funk invited Mr. Bence to review the FY2013 Audit Agenda. Mr. Bence provided a background of Mauldin & Jenkins. They perform audits of about 250 government agencies throughout the Southeast; a majority of those being in Georgia. He reiterated the "clean opinion" received by the County. Mr. Bence stated the County prepared CAFR goes above and beyond what is required for the State of Georgia. He mentioned the Certificate of Achievement for Excellence in Financial Reporting that the County was awarded the previous year and expects the County to receive it again for this year's audit. He gave a brief overview of the statements. The primary interest to the County is the General Fund which shows the primary revenue source is through taxes. The General Fund expenditures are more heavily used by the public safety and judicial services.

Mr. Bence highlighted the government-wide level which is where all the infrastructure assets are reported, where the General Fund is brought and combined with all funds. The County's assets decreased approximately \$10,005. Liabilities also decreased from approximately \$159,003 to \$152,723. Mr. Bence went over some required communications. He pointed out there were no difficulties working with management and they do a good job responding to their requests for necessary information to complete the audit in a reasonable amount of time. He referenced the audit adjustments and included them in the agenda and had incorporated them into the financial reports and had posted to the County's accounting system.

Mr. Bence stated they are an independent firm contracted to give an opinion of the presentation of financial statements. Appropriation of the financial statements is the responsibility of the County. Mr. Bence referred to Ms. Funk's mention of the one finding. He said the County has done a great job at working to increase the control structure and increase procedures to minimize the findings. Mr. Bence stated they went over the recommendations with management. He shared new accounting standards to make the County aware of what is to be expected. Mr. Bence pointed out Statement #68 which brings on pension liabilities. He said this would affect the County's FY2015. It determines annual contributions and the long-term requirement for funding for the plan. He said one thing to keep in mind is it doesn't necessarily change the funding requirement but it will become a liability as your statement in that position. It does not affect the fund balance.

Mr. Bence stated they offer free continuing education credits for their clients. Classes are webcasts as well as on-site training. He opened the floor for questions. The Chairman asked for guidance as to how they need to be auditing our assumptions from the standpoint of the County on investment returns and on the formula and criteria for setting those. Mr. Bence responded that since the County is part of a multi-agent plan, there's not going to be as much of a requirement as

with a sole provider. ACCG is required to account for the new changes in 2014, before the County is required to. The only requirement from the County is to get the report from ACCG. The Chairman asked to what degree the ACCG assumptions have been audited and passed. Mr. Bence replied they are waiting to see what ACCG, as with multi-agent plans, come up with. In the end, they are going to have to prove these assumptions they use now and they are waiting to see where the assumptions go before they determine what they need from them.

## 2. Discussion on Indication of Roundabout.

Mr. Morton began by stating there was a push last December at GDOT to look at doing roundabout feasibility in various locations throughout the State. Pickens County had put in a request for a roundabout at Howell Bridge Road exit off I-575 with a roundabout at each ramp. It was agreed that it would not be appropriate spots for them. Mr. Morton commented that this request is likely to fail. The Chairman mentioned the request for one at Highway 369 and Highway 372. Mr. Morton stated that one is a go. It is in the preliminary plan development stage. Commissioner Johnston asked Mr. Morton how a roundabout would function at an onramp of an expressway. Mr. Morton replied that is something GDOT is looking at and so far every one they looked at is not working. They are going through a feasibility analysis. The Chairman interjected that they are asking for a consideration to handle maintenance and electrical and lighting. Mr. Morton stated his initial reaction is to disregard the request and if they truly want something they will be more concise and tell us what they are looking at. Discussion ensued regarding strategic placement of roundabouts. Mr. Morton stated that he would call Pickens County and let them know their request is not feasible.

## 3. Discussion of Regular Agenda Items.

Prior to listening to the zoning cases, the Chairman asked Commissioner Poole his reasoning behind his "Nay" vote regarding the postponement of making a decision on the zoning request made by Chatham Neighborhoods during the April 1<sup>st</sup> Regular Meeting. Commissioner Poole stated that he had received phone calls from different people in the County who wanted to get a vote on it today and that's why he voted "Nay." The Chairman mentioned that most who vote against something will usually state the fact ahead of time as well as the reason for it.

## **ZONING CASES**

**1. CASE NUMBER**

APPLICANT : **14-04-004**  
ZONING CHANGE : William R. Morris  
LOCATION : R-40 to R-20 and AG  
: Wiley Bridge Road and Cox  
Road  
MAP & PARCEL NUMBER : 15N30 – 197, 197A, 198, 198A  
ACRES : 12.06  
PROPOSED DEVELOPMENT : Residential Uses  
COMMISSION DISTRICT : 2  
FUTURE DEVELOPMENT MAP : Suburban Living  
PLANNING COMMISSION RECOMMENDATION : Approval

Commissioner Gunnin stated that it should not be an issue as he has not received any communication from anyone concerning this request.

**2. CASE NUMBER**

APPLICANT : **14-04-005**  
ZONING CHANGE : CCL Associates  
LOCATION : R-40 to OI  
: Hickory Flat Hwy and Scott Rd  
MAP & PARCEL NUMBER : 14N24 – 133  
ACRES : 4.31  
PROPOSED DEVELOPMENT : Commercial-medical office  
COMMISSION DISTRICT : 1  
FUTURE DEVELOPMENT MAP : Traditional Corridor over  
Country Estates  
PLANNING COMMISSION RECOMMENDATION : No Recommendation

Commissioner Johnston stated he would like to discuss this. He said technically it conforms to the land use plan. However, it does not conform to the predominant surrounding land uses that are in existence today. It would be a classic spot zoning from that standpoint. He feels a medical office would be appropriate but doesn't feel it fits with the nearby hospital development and residences in the area. Commissioner Johnston mentioned several citizens in the area have written letters in opposition and several who have written in favor of the medical office. He asked what other options are there that would be more appropriate for the neighborhood. He said someone pointed out that a medical office would be one of the better uses of the area in the long-run. He added he was reluctantly leaning to approval. He asked for thoughts from the rest of the Commissioners. Commissioner Nelms said he agreed with the statement that a medical office would be the better choice for the area. The Chairman agreed also. Commissioner Gunnin asked if any road improvements were planned for that intersection or if it will stay as-is. Commissioner Johnston stated there were improvements in the

area not too long ago and would be adequate for what is there now. Commissioner Gunning commented he didn't think the intersection to be conducive to a residential area but would be fine for O&I. He is also leaning toward approval.

<b>3. CASE NUMBER</b>	<b>:14-04-006</b>
APPLICANT	: Lisa Meyer
ZONING CHANGE	: LI and R-20 to GC
LOCATION	: Cumming Highway
MAP & PARCEL NUMBER	: 03N23A – 37, 38
ACRES	: 1.2 +/-
PROPOSED DEVELOPMENT	: Retail Store
COMMISSION DISTRICT	: 1
FUTURE DEVELOPMENT MAP	: Neighborhood Village
PLANNING COMMISSION RECOMMENDATION	: Approval

Commissioner Johnston stated this rezoning had a little controversy around it. He stated that the store was once a factory and was rezoned to LI for that purpose but was never rezoned back after it closed. He stated the issues have been, as part of the deal to acquire the store, that the owner is required to buy an adjacent residence. That was the only way she could get the store. She doesn't want the house and doesn't know what to do with it. Commissioner Johnston stated he feels it would serve well to be rented out or used as an office. He has been met with some resistance from neighbors asking not to rezone the house. His solution would be to rezone the house to OI and the store to General Commercial with the condition that the Planning Commission allows the house to be used as a residence or office. Another bit of opposition comes from neighbors concerned that the barbecue truck moving with the store. Mr. Watkins stated they have a meeting with the owner of the barbecue truck about relocating to Marietta Highway. Commissioner Johnston stated he was inclined to include a condition that states no outdoor cooking with the exception on an occasional basis, not more than one day of any calendar month. Commissioner Gunnin asked if the store owner was okay with the idea. Commissioner Johnston replied that she wasn't completely as she wants the fullest options available on the residence as possible but is okay with the cooking aspect. The Chairman asked who would actually facilitate the house for a business as opposed to a residence. Commissioner Johnston replied that he could see it as an office though the question is finding someone who needs an office. The Chairman asked if it was possible for the store to be zoned NC instead of GC and still function. Commissioner Johnston stated he didn't think it exceeded the maximum amount of square footage, but he didn't object to the GC.

<b>4. CASE NUMBER</b>	<b>:14-04-007</b>
APPLICANT	: John H. Pruet, Jr.

ZONING CHANGE	: R-40 and R-20 to R-20
LOCATION	: Bells Ferry Road
MAP & PARCEL NUMBER	: 14N12A – 093
ACRES	: 2.65
PROPOSED DEVELOPMENT	: Residential Use
COMMISSION DISTRICT	: 2
FUTURE DEVELOPMENT MAP	: Suburban Living
PLANNING COMMISSION RECOMMENDATION	: Approval

**5. CASE NUMBER**

**:14-04-008**

APPLICANT	: Development Auth. Cherokee Co.
ZONING CHANGE	: R-20 to LI
LOCATION	: Old Alabama Road
MAP & PARCEL NUMBER	: 21N05 – 247, 248A
ACRES	: 35.28
PROPOSED DEVELOPMENT	: Business Park
COMMISSION DISTRICT	: 3
FUTURE DEVELOPMENT MAP	: Suburban Growth
PLANNING COMMISSION RECOMMENDATION	: Denial

Mr. Jeff Watkins gave a brief summary of the case. Commissioner Nelms stated he had spoken to the owners and the applicant. He commented that he had also spoken with neighbors who expressed concerns including the need for an earthen berm; the need of vegetative screening; and long-term road damage from construction trucks moving in and out of the area. Commissioner Nelms said he understands the County needs to be cognizant of the citizens and their opinions. He suggested that if they can meet the criteria he mentioned earlier, both sides would be well and better served. Commissioner Johnston confirmed the criteria suggested. The Chairman asked the results of the Planning Commission’s vote on the issue. Mr. Watkins replied that it was a split vote. Discussion ensued regarding the earthen berm. Commissioner Poole asked the latest update regarding potentially acquiring land from a homeowner who will be affected by the development. Ms. Misti Martin responded that they had not met but have discussed.

**6. CASE NUMBER**

**:14-04-010**

APPLICANT	: Tricia Breckenridge
ZONING CHANGE	: R-40 to GC
LOCATION	: Highway 92 and Justin Drive
MAP & PARCEL NUMBER	: 15N18 – m109
ACRES	: 2.13

PROPOSED DEVELOPMENT : Residential Use  
COMMISSION DISTRICT : 4  
FUTURE DEVELOPMENT MAP : Suburban Living  
PLANNING COMMISSION RECOMMENDATION : Approval of NC

Mr. Watkins briefly went over the case. Commissioner Nelms stated he had spoken with the store owner and that he had no plans to change the décor of the façade. He agrees with the Planning Commission's recommendation.

## **CHAIRMAN**

### A. Ethics Board Vacancy

The Chairman indicated one of the members is moving. He has a short list of possible replacements from resumes he received for the last vacancy. He asked to have the replacement name by the next meeting on May 6, 2013. He mentioned Ms. Natalie Bergeron had been named as a back-up from the earlier vacancy that was filled. All Commissioners agreed that Ms. Bergeron would be the best choice for the position.

Mr. Cooper went over the five items under the **Consent Agenda** portion:

- 1.1 Removed: Consider approval of update to Personnel Policies Manual to comply with current Drug Free Workplace/Drug and Alcohol Program requirements as identified by FTA Triennial Review in December 2013.
- 1.2 Consider approval of Release Agreement between Cherokee County Board of Commissioners and Holly Springs Downtown Development Authority allowing Cherokee Fire & Emergency Services to demolish/burn an acquired structure for training purposes.

The Chairman stated there are several run down homes that citizens have mentioned that would be good for the fire training. Mr. Cooper stated that we are usually approached by the cities but would look into those. Chief Robinson commented that the EPD has certain requirements and that those homes are not going to work.

- 1.3 Consider approval of new part-time position for DUI/Drug Court Case Worker and budget transfer of 2014 funds in the amount of \$8,100.00 from Professional Services to Personal Services.

- 1.4 Consider approval of FY2013 Homeland Security Grant Program – State Homeland Security Grant Program funds and budget amendment in the amount of \$9,000.00 for grant period September 1, 2013 to December 31, 2014.

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

- 2.1 Consider approval of amendment to the Professional Services Agreement with AMEC Environment & Infrastructures, Inc., for additional design revisions and updates to the SR 140 and East Cherokee Drive intersection improvement project in the amount of \$33,264.00.
- 2.2 Accept bid and approve contract to lowest bidder, Summit Construction and Development, LLC, for construction of a pipe culvert replacement on Dudley Drive in the amount of \$97,898.69.
- 2.3 Consider awarding Professional Services Agreement for the printing and mailing of the County's Tax Assessment Notices to the highest evaluated proposer and lowest bidder, SouthData, Inc., in an amount not to exceed \$42,320.00.
- 2.4 Consider approval of grant application for State Accountability Court in the amount of \$215,949.00 grant funds. A 10% required match is satisfied with existing budget, no additional funds requested.
- 2.5 Consider proposal to amend current Professional Services Agreement with Top Tennis Group to include management of tennis courts at Hobgood and Kenney Askew Parks as recommended by the Recreation & Parks Advisory Board.

Commissioner Johnston asked about the charges for use of the courts. Mr. Bryan Reynolds explained the fees and the process for the general public use of the courts and reservations. The Chairman asked how Top Tennis fares financially and how that is figured. Mr. Reynolds explained that they have a set minimum amount or a percentage. The Chairman complimented the organization's youth program.

- 2.6 Approve the demolition of the old Fire Tower currently located at the former Georgia Forestry located on Hwy 20 East of Canton.

- 2.7 Consider approval of a 50% exemption of impact fees for the 45,000 square foot addition to Inalfa Roof Systems building. This exemption would be equal to \$12,973.63.

Commissioner Nelms asked what the total square footage would be with the additional footage. Ms. Martin replied that it would be a total of 200,000 square feet. She stated this would bring the total employees up to 400, up by 100.

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

- 3.1 City of Ball Ground Annexation Notice, Robert Bitz, 2.00 acres, Tax Parcel 03N01 065B.

Ms. Davis stated this property is zoned LI and is proposed to remain the same. There is no indication that there will be a land dispute resolution required.

- 3.2 City of Ball Ground Annexation Notice, Marion Spence, 72 acres, Tax Parcels 04N02050; 04N01A, 071, 072, 073, 074, 075, Heritage Court.

Ms. Davis stated this property is currently zoned as AG and R-30. The proposed zoning is for it to stay the same. She added there is no land use objection.

- 3.3 City of Ball Ground Annexation Notice, Jeff Banks, 98 acres, Land Lot 270 of the 4<sup>th</sup> District, 2<sup>nd</sup> Section, Heritage Woods Subdivision.

Ms. Davis stated that is property is zoned R-30 and is proposed to stay the same. She also said there nothing indicating anything that would indicate an increase in burden or issues with potential of dispute. Ms. Davis added that based on what's been presented there are no options for objections.

### **Adjourn**

Hearing no further business, Commissioner Johnston made a motion to adjourn to Executive Session at 4:34 p.m. to discuss personnel matters, property acquisition or disposition, and/or threatened or pending litigation; Commissioner Nelms seconded and the motion was unanimously approved.