



Cherokee County Board of Commissioners WORK SESSION MINUTES

June 17, 2014

3:00 p.m. | Cherokee Hall

The Chairman began at 3:05 p.m. with all Commissioners present.

1. Proposed Millage Rate Options

Ms. Janelle Funk began by reviewing the three steps taken in calculating the millage rate. Step One is to build a Zero-Based Budget for FY2015. Step Two is to forecast all non-property tax revenues available to support ZBB Expenditures in FY2015. Step Three is to calculate 2014 millage rate using latest tax digest. Ms. Funk explained the variances for the FY2015 Budget Expenditures for the General Fund. She also indicated the expenditures do not include a COLA increase. The Chairman asked how much 1% represents for COLA. Ms. Funk responded it represents approximately \$460,000. The Chairman stated that he didn't understand the Economic Development Costs for Airport Lease. Ms. Funk explained the amount typically spent on the lease but because the lease ends during FY2015, they are only budgeting for a couple of months for that. She also clarified that it is for the land. Ms. Funk went over the risks to the plan including EMS risks, healthcare claims, and aggressive revenue planning. Ms. Funk indicated that a potential upside to the plan is the lease of the recycling plant.

Ms. Funk went over the revenue forecast for FY2015. She explained the variances for the categories showing changes. Ms. Funk reviewed the Tax Digest. She stated that the first assessment notice, before appeals, shows the digest went up 9.92%. She forecasted the expected end, after appeals, as if everything was the same as last year. Ms. Funk then explained the calculations for the millage rate which shows the balance to be recovered by taxes to be approximately \$39.9 Million. She stated there will be a reduction of Birthday Tax Revenue so we need to make sure our taxes cover that expected reduction and will therefore need to increase the revenue plan which equals to about \$40.6 Million. The calculated millage rate is 5.515. For a point of reference, Ms. Funk included that the millage rate would be 5.703 at 3% and 5.641 at 2% COLA, excluding risk. She also provided the calculated millage rate to include net risk of \$465K which equaled to 5.579; 5.766 at 3% and 5.704 at 2% COLA.

Ms. Funk showed a comparison of millage rates and stated that at the end of the Work Session, they would need to choose the millage rates they want to advertise in Sunday's Cherokee Tribune in order to start with the necessary Public Hearings.

Ms. Funk shared the differences in the rollback rate in the event the tax digest is different than forecasted. She said based on where she believes we will end up, the rollback rate will be 5.515, however if there is no change, then the rollback rate will be lower because the digest is higher.

Ms. Funk went over the Zero-Based Budget Expenditures for the Fire Fund and explained the variances. While the budget is proposing an increase, the tax impact to the average homeowner is about \$7.00 annually. The recent ISO rating improvement will decrease homeowner insurance premiums by 3-5%. For an annual policy of \$1,500, this is a savings of \$45.00-\$75.00; however in some situations, the savings could be up to \$150.00. The Chairman asked about the changes in benefit plans. Ms. Funk stated that we have 53 more participants enrolled in the insurance and benefits plan than the budget had assumed and the drivers are the Fire and EMS Funds. She then went over the Fire Fund Revenue forecast. She stated it is not changing significantly but that the main change is the TAVT. The calculated millage rate for the Fire Fund is estimated at 3.304; 3.380 for 3% and 3.355 for 2% COLA. She stated that 1% equals to about \$140,000.

Ms. Funk provided calculations for the Parks Bond Debt Service Fund millage rate as .819. She then showed a comparison of millage rates as well as a comparison of the millage rates combined. Ms. Funk provided a table showing options for the millage rate. The average homeowner impact with the average home assessment of about \$182,000 under the current rate pays about \$695.15 for the County portion of the millage rate. If we did a full rollback, the homeowner would pay \$33.38 less. She also showed the at-risk rate including the possible 2% and 3% COLA.

Ms. Funk explained the breakdown of services that are provided by an average homeowner's contribution of annual taxes into the General Fund. She stated that the next steps, if the General Fund rollback rate is chosen, is to advertise the proposed M&O rate in the Sunday, June 22nd, Cherokee Tribune; hold a public hearing on Tuesday, July 1st; adopt County operation rates on July 15th; then on July 24th, adopt all County rates after the School Board adopts their millage rate. If a rate other than the General Fund rollback rate is chosen, then we will need to have three public hearings. They would still need to advertise the proposed rate in the Cherokee Tribune on Sunday, June 22nd. She said she estimated that the first public hearing would be July 1st and the second would be July 15th. The third public hearing could be at the July 24th meeting and they can adopt all County

rates at that time. Ms. Funk added that they are allowed to have two public hearings on the same day if they choose to do so. She asked the Commissioners to provide feedback on the rate they decide to use for the advertisement. The Chairman asked Ms. Angie Davis if it would be more likely to amend the agenda to give direction to Ms. Funk rather than talk around it. Ms. Davis stated that it would be fine to talk to have some idea of where they are headed and that it would be appropriate to have an official vote on what rate is to be advertised to give a clear official action to proceed on advertisement.

Commissioner Nelms suggested including some form of COLA in the millage rate. The Chairman stated that the "at-risk" are more likely. Further discussion ensued regarding the possibility of adding the COLA with risk and still be able to lower the millage rate. Commissioner Gunnin offered his thoughts on adding employees to certain departments that have been lacking due to the recession. Commissioner Nelms stated he would like to be able to do something for the employees and still reduce the rate. Commissioner Johnston commented that the Sheriff's Office seems to be the most challenging area in regards to employee retention. He feels another option is a slightly less COLA and target increases for retention problem areas. He asked to keep in mind the County employees working in libraries as well. Commissioner Johnston stated he understands that once they advertise they can't approve anything higher without starting the process over; so they would advertise the higher rate and they can lower through the hearing process. He feels they are moving toward the "At-Risk with 2% COLA". He suggests eliminating the risk, bringing the rate down slightly. Commissioner Poole stated he would like to see the employees be able to receive a raise of some kind. Commissioner Johnston commented that they need to find a way to get the 2% or as close as possible. The Chairman stated that could be a direction to give County management.

2. Discussion of Regular Agenda Items

ZONING CASES

CASE NUMBER	: 14-06-013
APPLICANT	: Oak Hall Companies, LLC
ZONING CHANGE	: AG to R-15
LOCATION	: 3051 Trickum Road
MAP & PARCEL NUMBER	: 15N22, 135
ACRES	: 68.46
PROPOSED DEVELOPMENT	: Single Family Neighborhood

COMMISSION DISTRICT : 2
FUTURE DEVELOPMENT MAP : Suburban Living

As a result of the public hearing held on June 3, 2014, the Cherokee County Planning Commission voted to recommend APPROVAL of zoning case 14-06-013 Oak Hall Companies, LLC to rezone from AG (Agricultural) to R-15 (Single Family Residential) on 68.46 acres for a single family neighborhood with the following conditions:

- 1) Trickum Road is improved to a minimum of 20 feet wide from the development entrance to Arnold Mill Road
- 2) Improve the vertical geometry of Trickum Road to meet a 25 mph design speed in locations where they are currently insufficient
- 3) A 150 foot left-turn land is constructed on eastbound Arnold Mill Road and the traffic signal is upgraded to include protected/permissive phase for this movement
- 4) Maximum of 85 lots
- 5) Minimum lot size of 15,000 square feet
- 6) Amenity area to be located interior to development
- 7) Conform to stream bank buffers, streetscape enhancements, earth and berm along Trickum Road 4-6 feet with 3-rail horse fence, enhanced buffers along lots 81, 69, 65, 66 and 67 as shown on revised site plan dated June 2, 2014
- 8) Recorded plat to note stream bank buffer encroachments into platted lots.

Commissioner Gunnin stated that the main concern was to get the road fixed. The County Manager is working with the development group to get a contribution. Commissioner Johnston commented that while it is going under R-15, it is more like an R-20 level which is compatible with the land use plan for that area. Commissioner Gunnin added there had been a request for a road to cut through the Farmington Subdivision but Mr. Jeff Watkins had indicated that after all the necessary engineering was completed, there would be about a 20 foot difference in road heights and would be difficult to get the road cut in there.

COMMISSION BUSINESS

VICE CHAIR/COMMISSION DISTRICT 1

HARRY B. JOHNSTON

- A. Consider approving the County to pursue the final \$22.8M of Parks Bonds, primarily for the construction of East Park, Patriots Park, and the Woodstock Trails.
- B. Consider acceptance of Deer Lane, in as-is condition, for County Maintenance; 0.33 miles.

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

- 1.1 Requesting authorization to surplus one (1) County-owned Ricoh MP 3010 copier, Equipment ID # 10667652, from Judge Canon's Office.
- 1.2 Approve of donation of ten (10) LWRCI M6-G AR 15 Carbines to the Georgia State Patrol.

Commissioner Johnston asked about the County donating to the State Patrol. Chief Vic West replied that during the recession we lost 25 officers and 27 officers this year. They decided to put the guns in the hands of the State Patrol who can help respond to calls. Commissioner Johnston asked how things were going since State Patrol moved their office to Pickens County. Chief West stated they are receiving good cooperation but they have 10 troopers total for two counties. He added he is losing officers to other agencies due to Cherokee County being about 15-18% below the market. He predicts the trend will continue.

- 1.3 Approve submittal of grant application for Local Hazard Mitigation Plan Update for the Cherokee Sheriff's Office Division of Emergency Management.
- 1.4 Authorize budget amendment for the Sheriff's Office increasing the FY14 General Fund revenues and expenditures in the amount of \$11,430.00 for reimbursement and utility costs.
- 1.5 Authorize County Manager, on behalf of the Board of Commissioners, to sign and accept the federal JAG grant contract in the amount of \$11,135.00 from the Department of Justice and approve Budget Amendment increasing the Multiple Grant Fund revenues and expenditures for FY14.
- 1.6 Permission to accept CJCC grant in the amount of \$70,000.00 to be used in the implementation of the Cherokee County Mental Health Court and approve Budget Amendment; there is no County match required.
- 1.7 Authorize Chairman, on behalf of the Board of Commissioners, to sign and accept the federal grant contract in the amount of \$17,480.00 administered by the Criminal Justice Coordinating Council (CJCC), authorize Vicki Benefield to sign as the Authorized Official/Project Director and approve Budget Amendment increasing the Multiple Grant Fund revenues and expenditures for FY14.

- 1.8 Amendment: Approval of CJCC Accountability Court Grant J13-8-006 Supplemental Mini-Technology Grant Award and budget amendment in the amount of \$3,800.00. No match required.

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

- 2.1 Consider easement agreement for locating amenities in the right-of-way between Cherokee County and the BridgeMill Community Association, Inc.
- 2.2 Requesting award of bid in the amount of \$44,700.00 to the lowest bidder, Cummins Crushing and Recycling, for the crushing of concrete and asphalt waste material for Roads and Bridges.
- 2.3 Amendment: Millage rate advertisement.

Adjourn

Hearing no further items, Commissioner Johnston made a motion to adjourn at 4:06 p.m. Commissioner Nelms seconded and the motion was unanimously approved.