



Cherokee County Board of Commissioners WORK SESSION MINUTES

July 1, 2014

3:00 p.m. | Cherokee Hall

The Chairman began at 3:06 p.m. with the Chairman and Commissioners Poole and Gunnin present. Commissioner Nelms was out of the country on business and Commissioner Johnston was running late. Chairman Ahrens read an excerpt from Mac Anderson's "Successories" about attitude ending, with a quote from Lou Holtz.

Note: Commissioner Johnston arrived at 3:29 p.m.

1. Employee Service Recognition by Steve McClure.

Mr. Steve McClure recognized employees who have achieved service milestones. He awarded those with 10, 15, 20, and 25 years of service. Chairman Ahrens thanked the employees for their years of dedication and outstanding service.

2. 2014 Proposed Millage Rate Review by Janelle Funk.

Ms. Janelle Funk gave a brief overview of the presentation from the previous meeting. She reviewed the steps that are taken to set the millage rate. She then went over the Zero-Based Budget Expenditures and indicated that the numbers do not include the COLA increase. Ms. Funk stated that the EMS Risk and Healthcare Claims are items that they definitely need to plan on in the budget and the Aggressive Revenue Plan may be left out of the budget. The Chairman asked the probability of holding back the 4.5% inflation under Healthcare Claims and what control do we have over that. Ms. Funk responded that part of it is additional enrollees and medical inflation. She added they have spoken with the broker to help manage those costs. Ms. Funk pointed out that with the risk built in, it is extra money that the County would be putting into the fund to cover those costs but the Insurance and Benefits Fund is still going to need to rely on its reserve in order to cover the cost next year. She added there is a potential upside to the plan with the lease of the recycling plant.

Ms. Funk reviewed the Revenue Forecast for 2015 and mentioned that it has not changed. She stated that the Sale of Assets is not as big of a hit to the budget as it seems since the Sale of Assets in FY2014 was budgeted to improve the

Unincorporated County Service Fund reserves and not to fund General Fund operations. She then went over the Tax Digest. She said she spoke with Mr. John Adams and he said they have received about 2,100 appeals which is less than last year. He agreed that we should be planning that the Tax Digest will decrease from the first digest. Ms. Funk indicated the proposed millage rate assumed the final digest would be 7.54% above prior year.

Ms. Funk showed that for the General Fund Millage Rate the balance to be recovered by taxes is about \$39.9M and we will need to increase that by \$700K because that is the expected decrease next year with the "Birthday Tax" that declines as the TAVT is more implemented. Property taxes must equal to approximately \$40.6M next year.

Ms. Funk provided calculations based on discussion during the previous Board meeting leading to setting the millage rate higher in order to accommodate a COLA increase and some targeted increases for the Sheriff's Office. The proposed millage rate comes to 5.730. It decreased but not at the full rollback rate.

Ms. Funk went over the Fire Fund Expenditures and explanations for variances indicating primary drivers are the 7 new employees, additional enrollment and changes in benefit plan selections and operating costs. There are no big changes in Revenue other than an increase in the TAVT. Calculating the millage rate for the Fire Fund shows a balance of \$17.4M to be recovered by taxes and the needed increase to cover for the Motor Vehicle Tax reduction and the Commissions on Tax Collections (COTC) must total \$18M. Ms. Funk also provided calculations using the estimated end for the Tax Digest and the proposed millage rate total the tax levy for 2015. Including a 2% COLA increase, the millage rate comes to 3.355.

Ms. Funk reviewed the calculations for the Parks Bond and Debt Service. The balance to be recovered by taxes is \$6M and increasing it by \$244,126 for Motor Vehicle Tax reduction and COTC which must total \$6.3M. The calculated millage rate comes to 0.819. The average homeowner assessment is \$182,000 for this year. Using the proposed millage rate, the average homeowner would pay a total of \$692.36. Ms. Funk again showed the services a homeowner receives with their taxes.

Ms. Funk stated that the next steps require Public Hearings. The first is scheduled for the Regular Meeting tonight, then the last two will be on July 15th and July 24th. Chairman Ahrens asked if she had received any public inquiries. Ms. Funk replied that she had not. The Chairman then asked the Commissioners if they had heard from anybody. They said they had not. Commissioner Gunnin stated he received

an email asking why the County implemented the TAVT and he explained to her that it was done at the State level, not the local level.

3. Discussion of Regular Agenda Items.

PUBLIC HEARING

2014 Proposed Millage Rate Review by Janelle Funk.

All concerned citizens are invited to the three public hearings on this tax increase to be held at the Cherokee County Administrative Building and Conference Center, 1130 Bluffs Parkway, Canton at the indicated times: **July 1, 2014 at 6:00p.m.**; and July 15, 2014 at 6:00p.m.; and July 24, 2014 at 6:00p.m.

COMMISSION BUSINESS

COMMISSION DISTRICT 3

Brian Poole

A. Various Subjects

- Commissioner Poole began with a question for Mr. Bryan Reynolds regarding the horseshoe pit at Hobgood Park. He indicated he was afraid that a child would get hurt on the stakes and asked about the decision to remove the volleyball net and replace it with horseshoes. Mr. Reynolds replied that they did not see a lot of people using the volleyball court. The horseshoes are most often used by people who rent the pavilions. He mentioned he had a discussion with one of the Advisory Board members about it. Mr. Reynolds stated they can restrict the access around the stakes to make sure children can't run into them. The stakes are large making it difficult to be seriously injured, but they can make it safer. He added there are other horseshoe pits at other parks as well. Commissioner Poole commented that through his line of work he has seen people killed in ways he didn't think were possible. He asked that Parks and Recreation keep an eye on it.
- Commissioner Poole then addressed emails he received regarding those leaving the Sheriff's Office. He asked Mr. Cooper how long it has been since a compensation report had been done for the County. Mr. Cooper responded that it has been about five or six years. Commissioner Poole asked how often they are supposed to be done. Mr. Cooper replied he would like to have another study done but hasn't done so due to the recession. Commissioner

Poole commented that he would like to have something done to get the pay competitive and there is clearly an issue we need to try and correct. Commissioner Poole then asked about how raises work in the County. Mr. Cooper responded that for general raises across the board, they are allocated to the departments. He added that he asks department heads to justify why an individual may receive below or above the percent average. Commissioner Poole stated that he did a review of pay scales of employees and noticed that a couple got some pretty hefty raises during the past couple of years, including one with a 34% increase. He stated he would like to be updated when raises are going to be given out. Commissioner Poole added that his door is open to anybody if they would like to call or email him. Chairman Ahrens commented that we have had our hands tied in the past several years just because of the revenue base but this addresses a policy issue. He added there are circumstances when individuals get a legitimate promotion. The Chairman asked the Board if they want to know if there is a certain level of compensation change that is not incorporated into the budget. Commissioner Poole commented that he thinks that's fair. Commissioner Johnston agreed they should know within some parameters, specifically something unusual. He added that it is also a sort of checks and balance. The Chairman added that it would have to be done during the Regular Session. Commissioner Johnston interjected that it could be during Executive Session if it targets a particular employee. The Chairman stated that is something they can certainly look at and decide what parameters to consider.

- Commissioner Poole asked the Board's opinion regarding the situation with the deputies in the Sheriff's Office and what they can do to retain and recruit deputies. Commissioner Johnston commented that they have been thinking about it a lot, thus the reason for discussing the higher tax rate than the full rollback so they can approve an across the board salary adjustment of a small amount and a more substantial increase for targeted retention and recruitment needs, primarily in the Sheriff's Office. He asked Commissioner Poole what else he would suggest. Commissioner Poole asked Chief Vic West how short the County is in regard to where they need to be with the numbers. Chief West replied that starting pay is about \$35,000 once they complete the Academy and it takes about a year to do that. He added that we have lost our competitive edge. Chief West indicated that we are competitive at the start but not after they become certified. Commissioner Johnston asked Chief West what he thinks it would take to put us in a competitive position that would fundamentally solve the problem. Chief West responded that it would take 15%-18%. Commissioner Johnston calculated that to equal approximately 0.5 mils and added they would have to call for

another public hearing if they wanted to consider it. Mr. Cooper added that they can have two public hearings in one day but they would need to know fairly soon to allow time to advertise the rate prior to the public hearings. Commissioner Poole commented that Chief Tim Prather also wanted to speak. Chief Prather stated they are having the same issues though not as severe as the Sheriff's Office. The Fire Department has lost about 120 in six years. Chief Prather commented that it takes so long to train replacements when they lose people. He added that they usually lose a driver and it takes two years to replace a driver. Commissioner Poole stated he agreed with Chief Prather and that our number one priority should be public safety. Commissioner Johnston commented that we have taken pride in having one of the lowest tax rates in the State. He suggested that we do target increases that would ultimately cost less. If we start doing substantial raises in one area, it's not going to stop there. Commissioner Poole asked about adding raises for just the Sheriff's Office and Fire Department for this year and then add another department or two next year and so on. Commissioner Johnston stated that would result in substantial tax increases. Chairman Ahrens stated that you can't necessarily solve the whole problem in one shot. He said they need to look at specifics for alternatives over a one, two, or three-year period. Mr. Cooper commented that they don't have much time in terms that they have to advertise the millage rate and then have three public hearings. The Chairman asked how much time is needed before a public hearing. Mr. Cooper replied they would need seven days. Their decision would need to be made in two days in order to advertise in the Sunday Cherokee Tribune. Commissioner Johnston stated that for perspective, the proposed increase of 2% and 4.4% totaling 6.4% is about half of the figure Chief West just stated. That would be for Sheriff's only. Mr. Cooper stated that the figure of 4.4% is the actual total. Commissioner Johnston commented that a mil would equal to about \$7M in the General Fund and would go far but not as far as they would need it to. Commissioner Gunnin asked Chief West if he has something in mind that he would like to do that's workable. Chief West stated that if they could do something over the next several years, maybe 10% now look at 5%-7% next year, etc., to show their folks they are working in the right direction. Commissioner Gunnin commented that we have a huge problem right now and we've got to find a way to overcome it. He added he understands the cost issue but also doesn't want to see us lose what we've built over the years.

Mr. Cooper went over one item under the **Consent Agenda** portion:

- 1.1 Authorize Budget Amendment reducing federal grant monies in the amount of \$13,157.00 for the Juvenile Reinvestment Grant Program (JRGP) administered by the Governor's Office for Children and Families (GOCF).

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

- 2.1 Award Professional Service Agreement to Bound Tree Medical in the amount not to exceed \$260,000.00 annually for the purchase of Medical Supplies (non-pharmaceuticals).
- 2.2 Award Professional Services Agreement to the lowest priced and highest scored proposer, Xybix Systems, for new E-911 Dispatch Consoles in the amount of \$168,742.02 and authorize ancillary work needed to disconnect and reconnect the communications equipment not to exceed \$23,812.00.

Commissioner Johnston confirmed that this would come out of SPLOST. Commissioner Gunnin asked Chief Dan West how the shortage is on the pharmaceuticals. Chief West replied that it has gotten much better. Commissioner Gunnin mentioned that for those who are not aware, there are several pharmaceuticals that the EMS use that are in short supply and we can't get. They are working with a medical director to come up with alternatives. He indicated that it is a national shortage.

Adjourn

Hearing no further items, Commissioner Johnston made a motion to adjourn to Executive Session at 4:06 p.m. to discussion individual personnel matters, property acquisition and disposition, and pending litigation. Commissioner Gunnin seconded and the motion was unanimously approved.