



MACON COUNTY BOARD OF COMMISSIONERS
JUNE 19, 2023
CONTINUED SESSION MINUTES

Chairman Higdon called the meeting back to order at 6:00 p.m. and welcomed all in attendance. All Board Members, County Manager Derek Roland, Deputy Clerk Tammy Keezer, and Finance Director Lori Carpenter were present, as were a number of county employees, media, and citizens. County Attorney Eric Ridenour was not present.

ADMINISTRATION OF OATH OF OFFICE FOR DEPUTY CLERK TAMMY KEEZER – Macon County Clerk of Superior Court Shawn Lamb accompanied by County Manager Derek Roland who held the Bible, administered the oath of office to Ms. Keezer, a copy of which is in the office of the Clerk to the Board.

At 6:04 p.m. Chairman Higdon requested a five-minute break stating the meeting would reconvene in Courtroom A on the fourth floor of the Macon County Courthouse. Chairman Higdon reconvened the meeting at 6:08 p.m.

DISCUSSION AND CONSIDERATION OF RECOMMENDED FISCAL YEAR 2023-24 BUDGET – Chairman Higdon gave an overview of the discussion from the June 13, 2023, regular meeting including that a motion was made to approve the proposed budget and failed with a vote of 3-2 with Commissioner Young, Commissioner Shields, and Commissioner Higdon voting in favor of the motion, and Commissioner Antoine and Commissioner Shearl voting in opposition of the motion. Commissioner Antoine read a statement which included that the last meeting was not the finalization of the budget and that nothing is set in stone until passed by a majority vote. In his statement, Commissioner Antoine said he is in favor of the proposed four-and-a-half percent increase for the employees. He mentioned the growth rate which will help but will also require more services as people move here. Commissioner Antoine said there are pros and cons to having the lowest tax rate in the state, mentioned maintenance needs, and said he would like to add covering the pool to make it available to the Franklin F.A.S.T. swim team, Franklin High School swim team, and the community year around. Commissioner Shearl made a motion to approve the budget with the

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exception of a few items. He requested to remove funding for the Molar Roller, the Highlands School soccer field, the Animal Control truck and dog box, the Animal Control Officer position, and the proposed fee increases at the Macon County Landfill and Highlands Transfer Station. Commissioner Shearl requested the addition of \$100,000 for grading at Zachary Park for practice fields, \$165,377 for Phase II and Phase III for the Highlands School project, and \$200,000 for a body scanner at the jail. He also stated that the employee raises will be for Fiscal Year 2023-24 and should be non-recurring. Commissioner Shearl proposed decreasing the millage rate as the revenue source to balance expenses. Mr. Roland explained that the majority of these additions are capital items and the millage rate is used to cover operating expenses rather than capital expenses. Commissioner Shearl proposed a millage rate of .2604. Ms. Carpenter asked for clarification about the Cost of Living Adjustment (COLA) and the Step increases in regard to Commissioner Shearl's use of the term "recurring" and explained how the COLA and Step work. She clarified that we will consider both at the next budget cycle again and decide whether a COLA and Step will be given and not take them away. After a short discussion about how the private sector and public sector differ in regard to pay increases, Commissioner Shearl said he wants to see a pay scale with a merit system. Ms. Carpenter shared the new calculations based on Commissioner Shearl's motion request as a reduction in the contingency fund in the amount of \$286,717, removing the Highlands soccer field in the amount of \$873,658, removing the Molar Roller in the amount of \$869,983, removing the Animal Control truck and box in the amount of \$61,859, removing the Animal Control Officer salary and fringe benefits in the amount of \$56,644, adding the design, development, and construction document portion of the Highlands Pre-K for the Highlands Middle School addition project in the amount of \$165,377, the addition of \$200,000 for the body scanner for the jail, and the addition of \$100,000 for Zachary Park improvements resulting in a new budget of \$62,883,494. She indicated the revenue reductions would include Medicaid Cost Settlement in the amount of \$566,378 for the Molar Roller and a tax rate of .2612 cents. After additional discussion, Commissioner Young asked for procedural order for a motion on the floor. Commissioner Antoine seconded the motion made by Commissioner Shearl. Commissioner Shearl began talking about solid waste and said he believes we can save the taxpayers money by sending garbage to Homer, Georgia. Commissioner Young said he would like to see the Molar Roller in the budget and that is his division on the motion. Chairman Higdon called for a vote. The vote was 3-2 with Commissioner Antoine, Commissioner Shields, and Commissioner Young voting in opposition to the motion and Commissioner Shearl and Commissioner Higdon voting in favor of the motion. Commissioner Shields made a motion, seconded by Commissioner Young, to adopt the proposed budget as presented on June 13, 2023. The vote was 3-2 with Commissioner Shearl, Commissioner Higdon, and Commissioner Antoine voting in opposition to the motion. Discussion continued regarding various budget items and thoughts among board members. Mr.

Roland inquired if the issue was about getting the overall budget number down, and if so, would the board consider a reduction in investment earnings as we are talking mostly about capital and that is a capital source of revenue. He said the tax rate is what is the most consistent source of revenue and that is critical to the operation of this organization. After additional discussion, Ms. Carpenter clarified if she was to recalculate and put the Molar Roller back in the budget. After consensus from the board members, Ms. Carpenter recalculated the changes as \$64,566,978 original proposed budget minus the Animal Control Officer position in the amount of \$56,644, the Animal Control truck and box in the amount of \$61,859, and the Highlands soccer field in the amount of \$873,658, reducing contingency in the amount of \$285,657, adding the design, development, and construction document portion of the Highlands Pre-K addition of the Highlands Middle School in the amount of \$165,377, a full body scanner in the amount of \$200,000, and Zachary Park improvements in the amount of \$100,000 for a net reduction of \$812,441 making the new budget \$63,754,537. She said if the board wanted to lower the tax rate it would now be .2636 cents. Commissioner Young made a motion, seconded by Commissioner Shields, to approve a revenue-neutral budget at the tax rate with growth of 27 cents and reduce investment earnings by \$812,441 with a bottom-line budget of \$63,754,537. Commissioner Young reminded the board that we are the lowest tax rate in North Carolina and asked members to please not lose sight of that. Commissioner Shields said we are looking at getting a grant for Franklin High School and if we lower the tax rate then that is going to be looked at negatively and will look like Macon County has the ability to pay. The vote was 4-1 with Commissioner Higdon, Commissioner Shields, Commissioner Young, and Commissioner Antoine voting in favor of the motion and Commissioner Shearl voting in opposition of the motion. Ms. Carpenter said she will modify the budget ordinance [Attachment 1].

REPORT FROM THE BROADBAND COMMITTEE - Removed.

ADJOURN: With no other business, at 7:21 p.m., upon a motion from Commissioner Shields, seconded by Commissioner Shearl, the board voted unanimously to adjourn.



Derek Roland
Ex Officio Clerk to the Board



Paul Higdon
Board Chair

Attachment 1

MACON COUNTY, NORTH CAROLINA
BUDGET ORDINANCE
Fiscal Year 2023-2024

BE IT ORDAINED by the Board of Commissioners of Macon County, North Carolina:

SECTION 1. The following amounts are hereby appropriated in the General Fund for the operation of the county government and its activities for the fiscal year beginning July 1, 2023, and ending June 30, 2024, in accordance with the chart of accounts heretofore established for this county:

Governing Board	\$	216,630
Administration		564,969
Finance		746,938
Tax Supervision		786,771
Mapping		211,032
Tax Assessment		535,359
Legal		130,000
Human Resources		388,254
Board of Elections		330,092
Register of Deeds		365,993
Information Technology		2,565,700
Garage		434,695
Buildings & Grounds		2,433,097
Sheriff		518,187
Crime Prevention		2,252,802
Support & Professional Regulations		2,022,221
NC Forest Service Contract		90,820
Investigations		1,093,828
School Resource Officers		974,072
Detention Center		3,215,965
Permitting, Planning, and Development		742,552
Emergency Medical Service		4,920,111
Emergency Management Services		1,829,557
E911 Addressing		175,690
Fire Task Force		324,075
Animal Control		391,750
Airport		33,650
Economic Development		95,036
Cowee School		38,375
Transit Services		1,764,133
Soil Conservation		190,631
Cooperative Extension		300,994
Health Department		6,682,889
Social Services		6,111,755
Mental Health/Handicapped		168,993
Juvenile Crime Prevention Council		146,382
Veterans Services		159,714
Senior Services		978,958
Library Services		1,101,860
Recreation		2,097,181
Education		11,383,028
Transfers to other funds		2,453,531
Special Appropriations		171,000
Non-Departmental		<u>1,615,267</u>
Total Appropriations	\$	63,754,537

SECTION 2. It is estimated that the following revenues will be available in the General Fund for the fiscal year beginning July 1, 2023, and ending June 30, 2024:

Tax Collections	\$	34,864,836
Gross Receipts Tax		42,000
Local Option Sales Tax		14,133,859
Payments in Lieu of Taxes		418,000
Service Fees		3,890,372
Health Programs		3,066,395
JCPC Grants		113,126
Social Services Revenues		4,089,859
Transit Services Grants & Fees		1,337,055
Veterans Affairs		2,200
Senior Services Revenues & Fees		387,070
Recreation Fees		53,000
Interest Earnings		987,559
Rentals		63,000
ABC Funds		17,000
Miscellaneous Income		135,874
Fund Balance Appropriated		-
Grants		153,332
Transfers from other funds		-
Total Estimated Revenues	\$	<u>63,754,537</u>

SECTION 3. The following amounts are hereby appropriated in the Debt Service Fund for the payment of principal and interest on the outstanding and anticipated debt of the county and the fees relating thereto for the fiscal year beginning July 1, 2023, and ending June 30, 2024:

Macon Middle School Renovations (2021 LOBS)	\$	790,625
2008 School Issue		1,095,200
2010 Iotla Valley School		935,127
QZAB - Nantahala		133,755
South Macon Elementary Addition		239,700
Little Tennessee Sewer Project		114,000
Union Academy/Highlands QZAB		199,058
Fiscal Agency Fees		3,000
Debt service reserve		<u>2,716,259</u>
Total Appropriations	\$	<u>6,226,724</u>

SECTION 4. It is estimated that the following revenues will be available in the Debt Service Fund for the fiscal year beginning July 1, 2023, and ending June 30, 2024:

Transfer from General Fund	\$	2,077,634
Transfer from Schools Capital Reserve Fund		3,650,260
Subsidy Refunds		163,034
Town of Franklin		35,796
Lottery		300,000
Fund balance appropriated		-
Total Estimated Revenues	\$	<u>6,226,724</u>

SECTION 5. The following amounts are hereby appropriated in the Schools Capital Reserve Fund for the fiscal year beginning July 1, 2023, and ending June 30, 2024:

Transfer to Debt Service Fund	\$	<u>3,650,260</u>
Total Appropriations	\$	3,650,260

SECTION 6. It is estimated that the following revenues will be available in the Schools Capital Reserve Fund for the fiscal year beginning July 1, 2023, and ending June 30, 2024:

Local Option Sales Tax	\$	3,575,260
Interest Earnings		<u>75,000</u>
Total Estimated Revenues	\$	3,650,260

SECTION 7. The following amounts are hereby appropriated in the Fire District Tax Fund for the fiscal year beginning July 1, 2023, and ending June 30, 2024:

Franklin	\$	1,247,456
Clarks Chapel		371,016
Otto		528,465
Cullasaja		353,303
West Macon		339,793
Scaly Mountain		161,532
Burningtown/Iotta		276,525
Cowee		357,048
Nantahala		245,549
Highlands		1,118,729
Mountain Valley		<u>144,436</u>
Total Appropriations	\$	5,143,852

SECTION 8. The following tax rates, based upon the various estimated collection rates, are hereby levied for the Fire Tax Districts for the fiscal year beginning July 1, 2023, and ending June 30, 2024. Rates are per \$100 of assessed valuation of taxable property.

<u>Fire District</u>	<u>Tax Rate</u>	<u>Estimated Valuation</u>	<u>Estimated Collection Rate</u>	<u>Levy</u>
Franklin	0.0524	2,342,761,086	98.44%	\$ 1,208,456
Clarks Chapel	0.0538	678,718,987	98.32%	359,016
Otto	0.0690	758,727,770	98.27%	514,465
Cullasaja	0.0480	726,451,920	98.74%	344,303
West Macon	0.0487	680,790,718	99.17%	328,793
Scaly Mountain	0.0418	378,307,300	99.62%	157,532
Burningtown/Iotta	0.0782	347,772,302	98.37%	267,525
Cowee	0.0780	445,879,824	98.35%	342,048
Nantahala	0.0487	496,550,945	97.82%	236,549
Highlands	0.0191	5,827,004,070	99.62%	1,108,729
Mountain Valley	0.0839	170,141,485	98.38%	140,436
Prior Years Taxes				<u>136,000</u>
Total Estimated Revenues				\$ 5,143,852

SECTION 9. The following amounts are hereby appropriated in the Emergency 911 Surcharge Fund for the fiscal year beginning July 1, 2023, and ending June 30, 2024:

911 Program	\$	<u>864,679</u>
Total Appropriations	\$	864,679

SECTION 10. It is estimated that the following revenues will be available in the Emergency 911 Surcharge Fund for the fiscal year beginning July 1, 2023, and ending June 30, 2024:

911 Revenues	\$	568,103
Interest Earnings		6,000
Fund balance appropriated		<u>290,576</u>
Total Estimated Revenues	\$	864,679

SECTION 11. The following amounts are hereby appropriated in the Solid Waste Fund for the fiscal year beginning July 1, 2023, and ending June 30, 2024:

Administration	\$	697,811
Convenience Centers		1,289,919
Landfill Operations		1,429,006
Highlands Transfer Station Operations		560,488
Recycling		894,461
Solid Waste Processing		538,877
Debt Service		1,095,129
Transfers to Closure/Post-closure Reserve		<u>452,459</u>
Total Appropriations	\$	6,958,150

SECTION 12. It is estimated that the following revenues will be available in the Solid Waste Fund for the fiscal year beginning July 1, 2023, and ending June 30, 2024:

Landfill Fees	\$	3,000,000
Tipping Fees		1,982,750
Recycling Sales		300,000
State Revenues		132,400
Other Revenues		63,000
Fund Balance Appropriated		<u>1,480,000</u>
Total Estimated Revenues	\$	6,958,150

SECTION 13. The following amount is appropriated in the Old Sites Closure/Post-Closure Fund for the fiscal year beginning July 1, 2023, and ending June 30, 2024:

Post-Closure Expenditures	\$	<u>71,359</u>
Total Appropriations	\$	71,359

SECTION 14. It is estimated that the following revenue will be available in the Old Sites Closure/Post-Closure Fund for the fiscal year beginning July 1, 2023, and ending June 30, 2024:

Transfer from Solid Waste Fund	\$	<u>71,359</u>
Total Estimated Revenues	\$	71,359

SECTION 15. The following amounts are appropriated in the Cell I Closure/Post-Closure Reserve Fund for the fiscal year beginning July 1, 2023, and ending June 30, 2024:

Closure Reserve	\$	313,500
Post-Closure Reserve		2,500
Remediation Reserve		<u>65,100</u>
Total Appropriations	\$	381,100

SECTION 16. It is estimated that the following revenue will be available in the Cell I Closure/Post-Closure Reserve Fund for the fiscal year beginning July 1, 2023, and ending June 30, 2024:

Transfer from Solid Waste Fund	\$	<u>381,100</u>
Total Estimated Revenues	\$	381,100

SECTION 17. The following amount is appropriated in the Self-Insured Health Insurance Fund for the fiscal year beginning July 1, 2023, and ending June 30, 2024:

Insurance Claims/Premium/Administration	\$ 5,092,412
Total Appropriations	\$ 5,092,412

SECTION 18. It is estimated that the following revenues will be available in the Self-Insured Health Insurance Fund for the fiscal year beginning July 1, 2023, and ending June 30, 2024:

Contributions from Other Funds	\$ 4,889,834
Cobra/Retirees Contributions	26,832
Interest Earnings	13,990
Transfer from General Fund	61,756
Total Estimated Revenues	\$ 5,092,412

SECTION 19. The following amount is appropriated in the Economic Dev. Reserve Fund (fund 20) for the fiscal year beginning July 1, 2023, and ending June 30, 2024:

Transfer to general fund	\$ -
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SECTION 20. It is estimated that the following revenue will be available in the Economic Dev. Reserve Fund (fund 20) for the fiscal year beginning July 1, 2023, and ending June 30, 2024:

Interest/Fund balance appropriated	\$ -
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SECTION 21. The following amount is appropriated in the Occupancy Tax Fund (fund 28) for the fiscal year beginning July 1, 2023, and ending June 30, 2024:

Occupancy Tax	\$ 2,372,266
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SECTION 22. It is estimated that the following revenue will be available in the Occupancy Tax Fund (fund 28) for the fiscal year beginning July 1, 2023, and ending June 30, 2024:

Occupancy Tax Collections	\$ 2,372,266
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SECTION 23. The following amount is appropriated in the Representative Payee Funds for the fiscal year beginning July 1, 2023, and ending June 30, 2024:

Representative Payee Funds Expenditures	\$ 282,000
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SECTION 24. It is estimated that the following revenue will be available in the Representative Payee Funds for the fiscal year beginning July 1, 2023, and ending June 30, 2024:

Representative Payee Funds Revenues	\$ 282,000
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SECTION 25. The following amount is appropriated in the Fines and Forfeitures Fund for the fiscal year beginning July 1, 2023, and ending June 30, 2024:

Fines and Forfeitures Expenditures	\$ 220,000
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SECTION 26. It is estimated that the following revenue will be available in the Fines and Forfeitures Fund for the fiscal year beginning July 1, 2023, and ending June 30, 2024:

Fines and Forfeitures Revenues	\$ 220,000
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SECTION 27. The following amount is appropriated in the Deed of Trust Fund for the fiscal year beginning July 1, 2023, and ending June 30, 2024:

Deed of Trust Expenditures	\$ 70,000
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SECTION 28. It is estimated that the following revenue will be available in the Deed of Trust Fund for the fiscal year beginning July 1, 2023, and ending June 30, 2024:

Deed of Trust Revenues	\$ 70,000
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SECTION 29. The following amount is appropriated in the Relief Fund for the fiscal year beginning July 1, 2023, and ending June 30, 2024:

Relief Fund Expenditures	\$	-
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SECTION 30. It is estimated that the following revenue will be available in the Relief Fund for the fiscal year beginning July 1, 2023, and ending June 30, 2024:

Relief Fund Revenues	\$	-
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SECTION 31. The following amount is appropriated in the American Rescue Plan Fund for the fiscal year beginning July 1, 2023, and ending June 30, 2024:

American Rescue Plan Expenditures	\$	6,964,996
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SECTION 32. It is estimated that the following revenue will be available in the American Rescue Plan Fund for the fiscal year beginning July 1, 2023, and ending June 30, 2024:

American Rescue Plan Revenues	\$	6,964,996
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SECTION 33. The Board of County Commissioners hereby levies a tax at the rate of 27 cents per one hundred dollars (\$100.00) valuation of property listed as of January 1, 2023, for the purpose of raising revenue included in "Tax Collections" in the General Fund in Section 2 of this ordinance.

This rate of tax is based upon an estimated total valuation of property for the purpose of taxation of \$12,825,780,728, and an estimated collection rate of 98.94% for real/personal and 100% for motor vehicles.

SECTION 34. The Board of County Commissioners hereby levies a per unit assessment fee for the fiscal year beginning July 1, 2023, and ending June 30, 2024, on solid waste disposal based upon the following schedule:

Residential Household/Mobile Home	\$	108.00
Commercial Buildings	\$	108.00

The Board of Commissioners authorizes the assessment amount to be printed on the Macon County Property Tax statement. The assessment is authorized to be collected in the same manner as property tax.

SECTION 35. The Board of Commissioners hereby levies a charge of \$66.00 per ton for non-residential tipping fees for demolition and commercial waste. A charge of \$10.00 per ton is levied for Materials Useful and a charge of \$35.00 per ton is levied for brush and stumps. A charge of \$12.50 per ton is levied for Highlands transfer fee to Macon County Landfill.

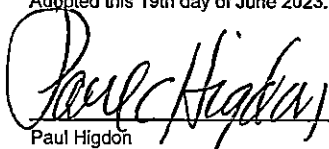
SECTION 36. The County Manager and/or Finance Director are hereby authorized to transfer appropriations within a fund as contained herein under the following conditions:

- a) The Finance Director may transfer amounts between objects of expenditure within a department or between revenue line items.
- b) The County Manager may transfer amounts between departments.
- c) The funding for approved reclassifications may be transferred from the budgeted reserve with the approval of the County Manager.
- d) No revenues may be increased, no funds may be transferred from the Contingency account in the General Fund, and no transfers may be made between funds unless formal action is taken by the Board of Commissioners.

SECTION 37. The County Manager is hereby authorized to accept grant funding which has been previously approved for application by the Board of Commissioners, including any local match involved. The County Manager is authorized to execute any resulting grant documents. Also, the County Manager is authorized to enter into contracts for purchases of apparatus, supplies, materials, or equipment as described in G.S. 143-129(a) up to the limits stated therein for informal bidding which are within budgeted appropriations. The County Manager is authorized to enter into routine service contracts in the normal course of county operations within budgeted appropriations. Change Orders for capital project contracts previously approved by the Board of Commissioners may be approved by the County Manager up to the informal bidding limits referred to above, provided that sufficient funding is available. All contracts authorized by this ordinance are approved for signature by the Chairman of the Board of County Commissioners, the County Manager, and/or the Clerk to the Board of Commissioners as appropriate.

SECTION 38. Copies of this Budget Ordinance shall be furnished to the Clerk to the Board of Commissioners and to the Budget Officer and Finance Director to be kept on file by them for their direction in the disbursement of funds.

Adopted this 19th day of June 2023.


Paul Higdon
Chairman, Board of Commissioners


Derek Roland
Clerk to the Board of Commissioners