

# **WHITE COUNTY BOARD OF COMMISSIONERS**

## **MINUTES OF THE CALLED MEETING**

**HELD FRIDAY, AUGUST 14, 2009 at 8:30 A.M.**

The White County Board of Commissioners met in a Called Meeting on Friday, August 14, 2009 at 9:00 a.m. in the Board of Commissioner Conference Room at the White County Courthouse Cleveland, GA. Present at this meeting were Chairman Travis Turner, Commissioner Joe Campbell, Commissioner Craig Bryant, Interim County Manager Jean Welborn, Tax Commissioner Cindy Cannon, Finance Director Vickie Neikirk, and County Clerk Shanda Smallwood.

Chairman Turner called the meeting to order.

Chairman Turner stated that he had asked Tax Commissioner Cindy Cannon to research the County's options in addressing the State of Georgia's failure to fund the Homeowner Tax Relief Grant (HTRG) for the 2009 Tax Year to either allow the County to issue a check to the state for the amount received by White County from the Grant prior to tax bills being processed or issuing a refund check directly to citizens for this amount after the tax bills were processed. Chairman Turner asked Ms. Cannon to present her research findings.

Cindy Cannon explained the State of Georgia would not allow local governments to use taxpayer funds to continue the Homeowner Tax Relief Grant (HTRG), without a citizen vote, as this would be taking funds from one respective group and giving the benefit of these funds to another respective group, and this type of action would be prohibited by the State Constitution.

Chairman Turner expressed that the Board of Commissioners understood Ms. Cannon's explanation – although that was not what the Board had hoped to hear, as they did not intend to pass the tax bill increase (County Portion), resulting from the State of Georgia's failure to fund the Homeowner Tax Relief Grant (HTRG) for the 2009 tax year, onto the taxpayers of White County.

Chairman Turner stated that when the Board of Commissioners voted in March 2009 to temporarily suspend the County's contribution to the Employee Retirement Plan – which resulted in a reduction to the County Budget of approximately \$324,000.00 – it was the Board of Commissioners intent to take a proactive measure for the County to absorb the funds needed as a result of the State of Georgia not providing the Homeowner Tax Relief Grant (HTRG) Funds to the County without the citizens of White County having to absorb the County's portion of this Grant. Chairman Turner said it was unfortunate that at this point, being August 14, 2009, the Board of Commissioner were just learning that what they were planning to accomplish was not going to be possible.

Chairman Turner informed that he had met with State Senator Chip Pearson and relayed this situation to him and expressed the Board's frustration with the limitations put on the Board of Commissioner in this situation. He stated that Senator Pearson commended White County for being proactive in this circumstance and further as a matter of brainstorming said there may be an option to have citizens to not pay the Homestead Exemption amount in their 2009 tax bill and in January or February ask the State Legislature to allow White County to fund this portion of the property tax revenues.

Commissioner Bryant asked if White County could include the amount previously covered by the Homestead Exemption on the 2009 tax bills and then provide a refund to those citizens who paid this portion once tax bills have been processed. Ms. Cannon, stated that would be considered unconstitutional – in giving funds from one tax entity to another without voter's approval.

Commissioner Campbell asked Ms. Cannon if the tax bills had been printed. Ms. Cannon replied that the tax bills were ready to be printed; however she had not yet printed these. She further stated that the cost to the County at this point, if the Board of Commissioners elected to make a

change in the tax bills, would not be significant – other than the reprinting of her digest books and some programming issues.

Commissioner Campbell asked Ms. Cannon what would be the best manner to proceed at this time, considering what the Board of Commissioners wished to accomplish. Ms. Cannon informed that the State of Georgia will only allow the County two options at this point in time – with a millage having been approved – to continue with the processing of tax bills at the millage rate which was approved or to lower the millage rate, which would not require advertising since this would involve a reduction in the rate. However, Ms. Cannon emphasized that reducing the millage rate would result in a tax reduction for all taxpaying citizens, not just those who have applied and qualified for the homestead exemption. She stated the only avenue which would have been available to the Board of Commissioners, in order to accomplish the continuation of the reduction in the relative tax bills, would have been to introduce legislation at the State level during the 2009 Legislative Session, have the legislation approved by two-thirds of the General Assembly, and have a vote on the local legislation. However, Ms. Cannon stated that with the Homeowner Tax Relief Grant (HTRG) funds being taken away from the Counties so late in the legislative session, she did not think that option would have been feasible prior to the end of the session.

Chairman Turner emphasized that the White County Board of Commissioners did not raise taxes, however the increase citizens will see on their tax bill is a direct result of the State of Georgia not funding the Homeowner Tax Relief Grant (HTRG) and leaving the Counties without feasible options to absorb this portion of the tax bills. He further explained that Senator Chip Pearson stated the legislature would be voting each year on whether to fund the Homeowner Tax relief Grant (HTRG) or not. Ms. Cannon explained that the legislation which was passed discontinuing the funding of the Homeowner Tax Relief Grant (HTRG) stated that state revenues must be at least three-percent (3%) above the cost of living before the State would consider reinstating the HTRG funds.

Sheriff Neal Walden addressed the Board of Commissioners by asking if, based on the present understanding, discontinuing the County contribution to the Employee Retirement Plan was of any benefit to the County.

Chairman Turner stated that this expense reduction was a benefit to the County – although the Board of Commissioner were not able to follow through with their intention to absorb the funds provided by the Homeowners Tax Relief Grant (HTRG) - as White County is operating in the black as compared to many of the surrounding counties who are struggling financially. He stated that in the future he asks there be better communication during the budget process.

Commissioner Bryant stated that he would like for Cindy Cannon to be involved in the budget process in the future and he apologized for not calling on her during this time, however never expected this circumstance. Commissioner Bryant asked Vickie Neikirk if the funds represented by the HTRG were a part of the budget which was passed for the 2009-2010 budget year. Ms. Neikirk responded that these funds were not contained in the budget, as she was directed by the Board of Commissioner to not include the approximately \$400,000 in the budget since the Board did not want the taxpayers to be responsible for the tax amount previously funded through the HTRG. Ms. Neikirk further explained she had prepared calculations based on a reduction in the millage rate and in preparing the required advertisements she was instructed by former County Manager Alton Brown to not reduce the millage rate and any reduction in the millage rate would not have made up for the HTRG entirely since a millage reduction would have reflected the county's portion only of the HTRG and would have been applied to all tax bills; therefore making only a difference of approximately \$17.00 per tax bill as opposed to the full \$75.00 reduction provided on county taxes by the HTRG and tax bills would have still been higher than the previous year.

Commissioner Bryant stated there had obviously been a great deal of confusion in what the Board of Commissioners had directed the staff to accomplish in the 2009-2010 Budget and asked for clarification as to whether the Board of Commissioners could reinstate the Employee Retirement Plan contribution at this time, since the \$400,000 reduced in the budget for the HTRG was still going to be reflected on the tax bills. Vickie Neikirk stated that the employee retirement contribution had not been included in the budget and recommended the Board of Commissioners evaluate the status of revenues and the possibility of reinstating the contribution

in December 2009. Commissioner Bryant said he thought the retirement contribution could be reinstated at this time due to \$400,000 in property taxes being collected - with the taxpayers being responsible for the amount previously funded by the HTRG – above the amount budgeted to be collected. Ms. Neikirk stated, that even with this projected excess in tax collections, she would recommend postponing the evaluation of reinstatement of the employee retirement contribution in order to see if other revenues would decrease beyond what was projected in the 2009-2010 budget.

Chairman Turner emphasized the suspension of the employee retirement contribution was done on a temporary basis and he realized the importance of benefits to the County Employees. He stated he would like to see the Board of Commissioners review the reinstatement of the employee retirement contribution in December 2009.

Vickie Neikirk asked the Board of Commissioners to communicate directly with her during upcoming budget preparations.

Cindy Cannon informed the Board of Commissioners, that when legislation was passed by the Georgia State General Assembly, to no longer fund the HTRG, the wording of the bill specifically restricted the language which could be included on the tax bills regarding the HTRG. However, Ms. Cannon did say she had prepared an insert to be included with the tax bills, explaining the increase in the tax bill was due to the lack of funding of the HTRG by the State of Georgia. Ms. Cannon further explained the standard Homestead Grant amount was \$192.72, which included the exempt portion from county, school, and state taxes, and of the \$192.72, \$73.52 was the exempt portion from county tax.

Commissioner Campbell stated that he felt the Board of Commissioners were very clear in their instructions to base the budget and the millage on the County absorbing the \$400,000 which would normally come from the State of Georgia as the HTRG. Ms. Cannon asked the Commissioners how they thought that action would have been accomplished. Chairman Turner stated that as the Board of Commissioners makes policy decisions, they expect the staff to take care of how the objective will be accomplished or to let them know if it is not possible to meet the objective. Commissioner Bryant asked to go on record as having not indicated that he wanted to cut the 2009-2010 budget and did not support a reduction on the 2009 millage. Vickie Neikirk explained the only manner in which to reduce the taxes would have been to reduce the millage. Chairman Turner stated these details were not explained to the Board of Commissioners.

Chairman Turner said the Board could possibly consider making a request to the state legislature in January 2010 for a one year exception to allow the County to refund the amount of the HTRG to the taxpayers who would have been eligible to receive the Homestead Exemption – however he would still be in favor of waiting until December to make any decision in order to evaluate revenues county wide to determine if this refund would be possible.

Sheriff Walden asked if he was correct in understanding the taxpayers would still be receiving a higher tax bill for 2009, due to the State not funding the HTRG, regardless of what was cut from the 2009-2010 budget. Chairman Turner responded that Sheriff Walden's understanding is correct. Sheriff Walden stated he felt the employees had been penalized by ceasing the employee retirement contribution. Vickie Neikirk stated that the total budget reduction from the 2008-2009 budget year to the 2009-2010 budget year was \$977,000.00.

Cindy Cannon stated that she understood the Board of Commissioners intentions were good, however the employees could view their retirement contribution was taken away to offset a credit for a homeowner who was already given a savings.

The Commissioners were in agreement to include the possible reinstatement of the employee retirement contribution on the December 2009 meeting agenda.

Jean Welborn stressed to the Board of Commissioners the importance of keeping a tight rein on the extra (approximately) \$400,000 – which was based on the approved millage rate and in excess of the tax revenues included in the budget – if the Commissioners plan on reinstating the employee retirement contribution.

August 14, 2009 – Called Meeting Minutes

Commissioner Bryant stated that he was sure this would be done and that Cindy Cannon, as the Tax Commissioner, would be included in the budget process.

Commissioner Campbell stated that he would like to see the \$400,000 set aside, to possibly offset the millage rate for the 2010 tax year.

Chairman Turner asked if the excess funds could be rolled over from one budget year to the next. Jean Welborn stated that this could be done, in rolling over the budget fund balance, however she did not know about the legalities of having a budget set based on one amount and a millage set on another amount. She stated that she did know in a normal year - when the millage and budget coordinate- if the County received more revenue than expenses, the excess funds can be allocated to the fund balance. Chairman Turner asked Vickie Neikirk to research whether or not there were legalities with the funds being collected based on the approved millage being in excess of the budgeted tax revenues.

Doug Dockery, Public Works Director, presented the bids received at the bid opening on August 13, 2009 for the paving of a portion of NOK Drive. Mr. Dockery indicated that he recommended the contract be awarded to the low bidder, Martin Construction, in the amount of \$107,485.00.

Upon a motion made by Commissioner Campbell, seconded by Commissioner Bryant there was a unanimous vote to award the contract for the paving of a portion of NOK Drive to Martin Construction in the amount of \$107,485.00.

Chairman Turner presented the names of the three engineering firms, which the Board of Commissioner had selected to interview for the Detention Center Expansion Project. The firms selected were Piper, Goldberg, and Clemsons / Rutherford. Chairman Turner asked Jean Welborn to schedule the interviews with these firms.

Doug Dockery asked the Board of Commissioners for guidance in determining the County's participation in the Georgia Department of Transportation's LARP (Local Assistance Road Program) projects. Mr. Dockery stated that often times when projects are approved and evaluated, it costs the County more to prepare the roads to standard for resurfacing by the Department of Transportation than it would cost for the County to use the triple surface treatment for the entire road. The Board of Commissioners instructed Mr. Dockery to use his best judgment on a case by case basis with the LARP funding.

Jean Welborn provided the Board of Commissioners with an update on the Joint Resolution with the City of Cleveland in relation to NOK Drive. She stated she had been working with City Attorney Grant Keene and she was hopeful that an agreement on the joint resolution would be reached soon.

Upon a motion made by Commissioner Bryant, seconded by Commissioner Campbell the meeting was unanimously adjourned.

The minutes of the August 14, 2009 Called Meeting are approved as stated this the 14th day of September, 2009.

WHITE COUNTY BOARD OF COMMISSIONERS

s/Travis C. Turner

Travis C. Turner, Chairman

s/Joe Campbell

Joe R. Campbell, Post 1

s/Craig Bryant

Craig Bryant, Post 2

s/Shanda Smallwood

Shanda Smallwood, County Clerk