

WHITE COUNTY BOARD OF COMMISSIONERS

MINUTES OF THE REGULAR MEETING HELD

MONDAY, JUNE 13, 2011 AT 4:30 P.M.

On Monday, June 13, 2011 at 4:30 p.m. the White County Board of Commissioners held a Regular Meeting in the Grand Jury Room of the White County Courthouse. Present at the meeting were: Chairman Travis Turner, Commissioner Terry Goodger, Commissioner Lyn Holcomb, Commissioner Edwin Nix, Commissioner Craig Bryant, County Manager Carol Jackson, Finance Director Vicki Mays, and County Clerk Shanda Smallwood.

Chairman Turner called the meeting to order.

Following the Pledge of Allegiance, Rich Gallagher Executive Director of the Georgia Mountains YMCA, provided the invocation.

Upon a motion made by Commissioner Bryant, seconded by Commissioner Goodger there was a unanimous vote to adopt the minutes of the Regular Meeting held May 5, 2011, the Called Meeting held May 13, 2011, and the Public Hearing held June 1, 2011.

Chairman Turner reviewed the consent agenda.

Upon a motion made by Commissioner Bryant, seconded by Commissioner Nix there was a unanimous vote to remove Item 12 (consider adoption of a resolution increasing mileage reimbursement (Travel) from .445 to .51 per mile, effective July 1, 2011) from the consent agenda and to place this item on the next Work Session agenda.

Upon a motion made by Commissioner Nix, seconded by Commissioner Goodger there was a unanimous vote to approve the following consent agenda:

- Approval of the appeal to White County Code Part II (Official Code), Chapter 14 (Buildings and Building Regulations), Article III (Construction Codes & Enforcement), Division 4 (Recreational Park Trailer / Recreational Vehicle Parks), Section 14-133 (General Design & Development Requirements) & by Harvey & Brenda Dearing at Lot 57 Elkmont;
- Adoption of a Surplus Resolution (County Resolution No. 2011-14) for donation to the White County Board of Education of a 2000 Ford Super Duty Truck VIN 1FDWF36F0YEC24885 previously assigned to White County Emergency Medical Services;
- Approval of sponsorship of the 2011 Georgia Literary Festival from Hotel / Motel Tax Proceeds by a contribution of \$2,500.00 to be made payable to White County Public Library – Georgia Literary Festival Fund;

June 13, 2011 Regular Meeting (continued)

- Approval of a change order to siren location previously designated for the Skylake Community and covered by the current Hazard Mitigation Grant to Mt. Yonah Elementary School;
- Adoption of a Transmittal Resolution (County Resolution No. 2011-15) to Georgia Emergency Management Agency (GEMA) approving the submittal of the White County Volunteer & Commodities Management Plan;
- Approval of the purchase of Crisis Management Software – with a 50% grant through the Federal Office of Homeland Security and the 911 Fund Balance (FY 11);
- Adoption of a Surplus Resolution (County Resolution No. 2011-16) for White County EMA’s surplus of a 1997 Ford Power stroke Diesel Wheel Coach Ambulance, formerly used as a Mobile Command / Communications Unit and the surplus of 11 radio units with surplus sale funds to be designated to EMA for improvements to a Mobile Communications Vehicle;
- Appointment to the YMCA Governing Board for a one (1) year term beginning July 1, 2011 – being Rev. John Yarbrough;
- Approval of awarding the contract for bids received for White County Fire Department (6 County Fire Stations) driveway/ parking area repair & resurfacing – to Hamilton Contracting, Inc. in the amount of \$84,490.00 (micro-seal application) to be paid by the White County Fire Fund;
- Approval of the White County Fire Department’s purchase of radios in order to meet FCC requirements from Mobile Communications in the amount of \$32,525.00 (State Contract Price) with funding from the 2011 Fire Fund Budget;
 - i.
- Adoption of a Surplus for Trade Resolution (County Resolution No. 2011-17) for 5 Motorola HT750 portable radios from the White County Fire Department; and
- Adoption a Resolution (County Resolution No. 2011-18) amending the White County Personnel Management System – Vehicle Usage Policy – based on recommendations of Local Government Risk Management Services (LGRMS).

-End of Consent Agenda-

Mr. Kevin Hamby, CHA / White County SPLOST Manager, reviewed the 2008 SPLOST Program Presentation as dated June 13, 2011 (see attached) and recommended the Board of Commissioners adopt the presentation which contained a summary of all votes utilizing 2008 SPLOST Funds to date. Mr. Hamby explained this document would be revised periodically in order to reflect the Board of Commissioners’ decisions regarding the utilization of SPLOST Funds, the status of associated projects, and the current cash flow of the 2008 SPLOST.

June 13, 2011 Regular Meeting (continued)

Upon a motion made by Commissioner Holcomb, seconded by Commissioner Nix there was a vote to approve the 2008 SPLOST Program Presentation (dated June 13, 2011) – with Commissioner Goodger and Chairman Turner voting in favor of this motion and Commissioner Bryant opposing.

Dr. Paul Shaw, Superintendent of the White County School System, presented a Partnership Agreement between White County Community & Economic Development and the White County School System for the Race to the Top Innovation Fund. Dr. Shaw stated that school system was applying for a grant to assist the elementary grade students and teachers to strengthen education in the areas of science, technology, and math (\$350,000.00 per year for three years) – which would include partnering with White County Economic Development. Chairman Turner asked if there would be any cost to the County associated with this agreement. Dr. Shaw confirmed there would be no cost to the County other than Mr. Tom O’Bryant’s time.

Upon a motion made by Commissioner Goodger, seconded by Commissioner Holcomb there was a unanimous vote to approve the Partnership Agreement with the White County School System and White County (Economic Development) for the Race to the Top Innovation Fund Grant.

Mr. O’Bryant stated that if the Race to the Top grant funds were awarded to the White County School System this would not only improve education; however this program would also make use of the new fiber optic infrastructure, improve workforce development within White County, and would be a benefit in economic development by demonstrating to industries that White County is committed to developing the needed skills within the future workforce.

Chairman Turner reviewed the bid received from Yancey Brothers for trading the two motor graders and one backhoe with the option to participate in buyback program. Commissioner Nix confirmed with Doug Dockery, Director of Public Works that within the bid being considered the outstanding repair invoice in excess of \$11,000.00 would be deferred. Mr. Dockery confirmed this was correct and that the two motor graders would need new tires within the next year (approximately \$14,000.00) and the 2001 Backhoe was inoperable at this time. Mr. Dockery stated the biggest benefit of the buyback program would be the containment of equipment maintenance costs since the leased equipment would remain under warranty. Chairman Turner asked how the cost of the equipment lease would be funded. Commissioner Nix stated this expense could be funded from the 2008 SPLOST. Commissioner Bryant stated that if SPLOST was used for the equipment lease that would be less funds available for future SPLOST projects.

Chairman Turner asked for a motion in consideration of bid received for trading two motor graders and one backhoe with options to participate in a buyback program.

Chairman Turner stated that with no motion being made, the item would be tabled. Chairman Turner asked the Yancey Representative if Yancey would be willing to offer the same lease / buyback program for one piece of equipment. The representative indicated that he would have to research that option since the bid was structured for three (3) pieces of equipment. Chairman Turner stated the bid would be discussed further at the next work session.

June 13, 2011 Regular Meeting (continued)

Judy Walker, President of the White County Chamber of Commerce, presented the Board of Commissioners with a summary of the Chamber's 2010-2011 Hotel / Motel Expenditures, program, products, services, FY 10 Audited Financial Statements, and samples of advertisements.

Chairman Turner stated that over the past few years there had been a lack of communication with the Chamber of Commerce. He stated the Board of Commissioners had received several commitments regarding the Chamber of Commerce not being open on Saturdays in order to serve the tourists passing through town on the weekends and he would like to see the Chamber open for a few hours each Saturday on a trial basis with documentation showing the amount of service provided.

Ms. Walker stated she was not opposed to opening on Saturday's, however the thought had always been that the Welcome Center in Helen fulfilled the role of greeting tourists over the weekends. She further stated that most Chamber's throughout the state are not open on Saturday's unless they serve as the official Welcome Center for the County.

Commissioner Nix stated the County's economic dependency on the tourism industry is greater than ever and everyone with the County needs to work together to do all they can to promote the area and all it has to offer.

Chairman Turner complimented Ms. Judy Walker on her leadership of the White County Chamber of Commerce.

Ms. Holly Hunt, member of the White County Chamber Board of Directors, stated that if the Chamber experienced budget cuts during the upcoming fiscal year that a part time employee would have to be reduced from the staff and volunteers would have to be utilized for Saturdays and she did not know if the Chamber could continue with plans to sponsor the Christmas in the Mountains event in downtown Cleveland.

Chairman Turner stated the Board of Commissioners is currently faced with a clear message from taxpayers that the County has to do more with less and be more efficient.

Mr. Tom O'Bryant, Director of Community and Economic Development, provided a summary of the disbursement requirements of the 8% lodging tax collected by White County. He stated that 50% of the additional 3% had to be distributed to Designated Marketing Organization (DMO) which is the White County Convention and Visitors Bureau (CVB) and the remaining 50% of the 3% was designated for tourism product development which was project based as identified by a list of eligible construction type projects adopted by a prior resolution. Mr. O'Bryant explained further that the remaining 5% collection was divided by a 50% collection refund back to the State of Georgia (DNR) as required by law, contribution to the White County Chamber of Commerce, additional contribution to the White County CVB, and a portion to the County for designated projects / activities.

June 13, 2011 Regular Meeting (continued)

Chairman Turner presented the FY 12 lease agreement with the Georgia Department of Human Resources – Division of Family & Children Services, for continued lease of 3,633 square feet of office space at the Mauney Building and in the amount \$29,390.97 per year.

Upon a motion made by Commission Nix, seconded by Commissioner Holcomb there was a unanimous vote to approve the FY 12 lease agreement with the Georgia Department of Human Resources – Division of Family & Children Service.

Chairman Turner stated the low bid (\$184,000.00 from Daunch & Hirschi Contracting) received for the construction of the White County Convenience Center on Hulsey Road greatly exceeded what he had anticipated for the budget of the project. He asked Luke Williams, the Project Engineer, to discuss possible alternatives for cost savings design on the project. He stated that major costs of the project were meeting Department of Transportation Driveway Design Standards, storm water management with a detention pond and necessary piping – along with grading and asphalt. Mr. Williams outlined some possible design changes which could potentially save \$5,000 - \$6,000. Chairman Turner asked if there was any way to reduce the project cost by \$50,000.00. A representative of Daunch & Hirschi stated there was not that much possible savings in the project. Commissioner Nix asked how the size of the proposed site compared to the previous site. Mr. Harry Barton stated the amount of usable area was nearly the same size as the previous site –with the proposed site being a few feet wider in order to accommodate the area needed for large truck turnarounds. Mr. O’Bryant also stated that the proposed design had to include concession for the Department of Transportation right of way and the Georgia Power easement. Chairman Turner asked Mr. Barton, Mr. O’Bryant, Mr. Williams, and the contractor to get together and evaluate reducing the number of lanes and the fence height from 8’ to 6’ for possible cost savings.

Upon a motion made by Commissioner Nix, seconded by Commissioner Holcomb there was a unanimous vote to table the discussion regarding bids received for the construction of the White County Convenience Center on Hulsey Road.

Ms. Bonnie York, Director of Senior Services, stated she had reviewed the FY 2011 contract addendum #2 with Legacy Link for nutritional services at the White County Senior Center. She stated the addendum would provide a little extra funding for nutritional services at the Senior Center.

Upon a motion made by Commissioner Goodger, seconded by Commissioner Bryant there was a unanimous vote to approve the FY 2011 Contract Addendum #2 with Legacy Link for nutritional services at the White County Senior Center.

Ms. Carol Jackson explained to the Board of Commissioners that a resolution amending the Lodging Tax Ordinance needed to be considered by the Board in order to clarify the 8% lodging tax collection. She stated this would not affect how the operators collect and remit this tax; however this would clarify the language which affects how the funds can be disbursed.

Upon a motion made by Commissioner Holcomb, seconded by Commissioner Nix there was a unanimous vote to rescind the language in the Code of Ordinances for White County, Chapter 66

June 13, 2011 Regular Meeting (continued)

Taxation, Article III Lodging Tax, Section 66-85 Repeal of Prior Tax Rate and Effective Date of New Rate.

Upon a motion made by Commissioner Goodger, seconded by Commissioner Nix there was a unanimous vote to adopt County Resolution No. 2011-19, correcting by amendment the Code of Ordinances for White County, Chapter 66 Taxation, Article III Lodging Tax, Section 66-85 as follows:

WHITE COUNTY BOARD OF COMMISSIONERS

WHITE COUNTY ORDINANCE NO. 2011-19

AN ORDINANCE TO CORRECT BY AMENDING THE CODE OF ORDINANCES FOR WHITE COUNTY, GEORGIA BY THE REVISION OF CHAPTER 66, TAXATION; ARTICLE III, LODGING TAX

WHEREAS, the White County Board of Commissioners wishes to correct by amending Chapter 66 – Taxation, Article III Lodging Tax, of the Official Code of White County;

NOW, THEREFORE, the White County Board of Commissioners hereby establishes the following amendments to the Official Code of White County:

Section 66-85. – Repeal of prior tax rate and effective date of new rate.

~~The eight percent excise tax imposed herein shall become effective on the first day of the second month following the passage of this ordinance by the County Board of Commissioners. The prior five percent excise tax levied under the previous sections of the White County Code shall continue in effect until the effective date of the eight percent excise tax, and then the prior five percent excise tax shall be repealed.~~

Section 66-85. – Effective date of additional rate.

The additional three percent excise tax imposed herein shall become effective on the first day of the second month following the passage of this ordinance by the County Board of Commissioners. The prior five percent excise tax levied under the previous sections of the White County Code shall continue in effect.

ADOPTED, this 13th day of June 2011.

WHITE COUNTY BOARD OF COMMISSIONERS

s/Travis C. Turner
Travis C. Turner, Chairman

s/Terry D. Goodger
Terry D. Goodger, District 1

s/Lyn Holcomb
Lyn Holcomb, District 2

s/Edwin Nix
Edwin Nix, District 3

s/Craig Bryant
Craig Bryant, District 4

Attest: s/Shanda Smallwood
Shanda Smallwood, County Clerk

-End of Resolution As Adopted-

Ms. Vicki Mays, Finance Director, presented the Board of Commissioners with a resolution regarding new requirements for the reporting of Fund Balance. These new requirements were issued by the Government Accounting Standards Board in statement #54 and the County needed to adopt this resolution in order to be in compliance.

Upon a motion made by Commissioner Goodger, seconded by Commissioner Nix there was a unanimous vote to adopt County Resolution No. 2011-20 as follows:

WHITE COUNTY, GEORGIA

**RESOLUTION ESTABLISHING A REVISED POLICY STATEMENT ON FUND
BALANCE & SPECIAL REVENUE FUNDS**

COUNTY RESOLUTION 2011-20

WHEREAS, the White County Board of Commissioners believes it is in the best interest of County operations to establish policies to ensure sound financial management; and

WHEREAS, the Governmental Accounting Standards Board (GASB) issued Statement No. 54, Fund Balance Reporting and Governmental Fund Type Definitions, to address issues related to how fund balance was being reported; and

WHEREAS, White County wishes to be compliant with GASB Statement No. 54 and the Georgia Department of Audits;

NOW, THEREFORE BE IT RESOLVED that the White County Board of Commissioners hereby repeals the existing *Fund Balance Policy* adopted in 2005 and establishes a revised policy on fund balance attached hereto and incorporated herein by reference.

RESOLVED this 13th day of June, 2011.

WHITE COUNTY BOARD OF COMMISSIONERS

s/Travis C. Turner
Travis C. Turner, Chairman

s/Terry D. Goodger
Terry D. Goodger, District 1

s/Lyn Holcomb
Lyn Holcomb, District 2

s/Edwin Nix
Edwin Nix, District 3

s/Craig Bryant
Craig Bryant, District 4

ATTEST:s/Shanda Smallwood
Shanda Smallwood, County Clerk

**Fund Balance Policy; and
Statement on the Establishment of Special Revenue Funds**

PURPOSE

The purpose of this policy is to set forth the different classifications of fund balance, the level of authority required to assign or commit it and the order in which fund balance will be used. This policy also establishes:

- Rules that govern the minimum balances to be retained in the County's Rainy Day Fund and the requirements for its use
- Rule outlining the establishment of special revenue funds

The County believes that sound financial management principles require that sufficient fund balance be retained by the County to provide a stable financial base at all times. Maintaining an appropriate level of Rainy Day Fund Balance:

- Demonstrates the County's commitment to sound financial management.
- Reduces the need for urgent and significant increase in County tax rates.
- Provides the ability to effectively react with existing resources to emergency situations and unanticipated events.
- Avoids the need to issue short-term debt such as revenue anticipation notes for cash flow purposes.
- Maximizes the County's credit rating.
- Maximizes investment earnings.

DEFINITIONS

1. *Governmental funds' net operating revenues* – For purposes of this policy, governmental funds' net operating revenues equals general fund revenue plus special revenue funds.
2. *Fund Equity* – A fund's equity is generally the difference between its assets and its liabilities.
3. *Fund Balance* – An accounting distinction is made between the portions of fund equity that spendable and nonspendable. These are broken up into five categories:
 - a. *Nonspendable Fund Balance* – includes amounts that are not in a spendable form or are required to be maintained intact. Examples are inventory or permanent funds.
 - b. *Restricted Fund Balance* – includes amounts that can be spent only for the specific purposes stipulated by external resource providers either constitutionally or through enabling legislation. Examples include Special Local Option Sales Tax and general obligation bond proceeds.
 - c. *Committed Fund Balance* – includes amounts that can be used only for the specific purposes determined by a formal action of the government's highest level of decision-making authority. Commitments may be changed or lifted only by the government taking the same formal action that imposed the constraint originally.
 - d. *Assigned Fund Balance* – comprises amounts *intended* to be used by the government for specific purposes. Intent can be expressed by the governing body or by an official or body to which the governing body delegates the authority. In governmental funds other than the general fund, assigned fund balance represents the amount that is not restricted or committed. This indicates that resources in other governmental funds are, at a minimum, intended to be used for the purpose of that fund.
 - e. *Unassigned Fund Balance* – is the residual classification of the general fund and includes all amounts not contained in other classifications. Unassigned amounts are technically available for any purpose.
4. *Rainy Day Fund Balance Ratio* – Rainy Day Committed Fund Balance / Governmental funds' net operating revenues.
5. *Structural Budget Deficit* – A long-term imbalance between the growth rate of revenue and the growth in the cost of basic services.
6. *Special Revenue Fund* – Special revenue funds are used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditure for specified purposes other than debt service or capital projects.

PROVISIONS

1. **Committed Fund Balance** - The Board of Commissioners (the County's highest level of authority) has authority to set aside funds for a specific purpose. Any funds set aside as Committed Fund Balance requires the passage of a resolution. The passage of the resolution must take place prior to the end of the applicable fiscal year. If the actual amount of the commitment is not available by the end of the fiscal year, the resolution

must state the process or formula to calculate the actual amount as soon as information is available. Commitments may be changed or lifted only by the Board taking the same formal action that imposed the constraint originally. Examples of committed fund balance include the County's Rainy Day Fund details of which are listed below.

- a. **Rainy Day/Stabilization Plan**
 - i. **General:** Maintaining a financial stabilization or Rainy Day Fund to meet unexpected revenue shortfalls or financial emergencies is a necessity for sound financial management and fiscal accountability. The Board of Commissioners has the authority to establish a Rainy Day Fund and has exercised this authority through the passage of this resolution.
 - ii. **Level to Maintain:** A fund balance target is established for the General Fund based on its level of operating expenses. The amount set for the General Fund is based on the predictability of revenues, volatility of expenditures, and liquidity requirements and should be reviewed periodically. The fund balance target will include the total of the amounts accounted for as unassigned fund balance. In calculating the ratio of unassigned fund balance to proposed expenditures, the latest audited Annual Financial Report shall be compared with the budget in effect when the Annual Financial Report is released. The current year budgeted expenditures will be compared with the prior year's unrestricted fund balance. The fund balance target for the General Fund shall be not less than 17% of regular general fund operating revenues or regular general fund operating expenditures.
 - iii. **Restoration:** Any proposed appropriation that would result in the balance of the fund falling below the minimum fund balance ratio must be accompanied by a restoration plan that brings the fund back to the minimum within 3 years.
2. **Assigned Fund Balance** - Assigned Fund Balance consists of amounts that are intended to be used by the County for a specific purpose. Intent can only be expressed by the Board of Commissioners or their designee. Assigned Fund Balance differs from Committed Fund Balance in that assignments do not require a resolution. An assignment of fund balance requires the majority vote of the Board however the Board has authorized the County Finance Director to automatically assign fund balance in the following situations.
 - a. If upon passage of a budget resolution, any fund balance is used to balance a future budget, the amount used will be automatically recorded as Assigned Fund Balance.
 - b. If any unspent funds for an ongoing capital project remain at fiscal year end, these funds will be automatically recorded as Assigned Fund Balance until the project is complete.
 - c. If any residual fund balance exists in a special revenue fund, they will be automatically recorded as Assigned Fund Balance.

3. **Unassigned Fund Balance** - Unassigned fund balance is the amount of fund balance in the General Fund which is not classified as either nonspendable, restricted, committed or assigned. It represents resources available for immediate appropriation by the Board. No use of Unassigned Fund Balance is permitted without approval of the Board of Commissioners. The County will make every effort to use unassigned funds for the following purposes (listed in order of priority):
 - a. To maintain the County's Rainy Day Fund at the prescribed level.
 - b. To address unexpected revenue short-falls or expenditures encountered in the current fiscal year.
 - c. To fund non-recurring capital expenditures. Unassigned fund balance will not be used to fund recurring expenditures or to compensate for structural budget deficits.

4. **Order of Fund Balance Use** – When multiple categories of fund balance are available for expenditure, the County will start with the most restricted category and spend those funds first before moving down to the next category with available funds. For example, if a construction project was being funded by bond proceeds and assigned fund balance, the County would first use the bond proceeds to pay expenditures since use of bond proceeds is more restrictive than use of *assigned fund balance*.

5. **Reports to the Governing Body** – The County Finance Director shall present, on at least an annual basis, a report detailing the amounts of spendable fund balance available. This report may be integrated into the Annual Financial Report, Interim Financial Reports or as a stand-alone document.

6. **Special Revenue Funds** – The county Finance Director shall be charged with maintaining a listing of all special revenue funds reported by the County. This listing shall include the purpose of the fund and the significant restricted or committed revenue stream(s) that is (are) the basis for establishing the fund.

-End of Resolution As Adopted-

Ms. Vicki Mays, Finance Director, presented the Monthly Financial Status Report for April 2011 (see attached report).

Chairman Turner opened the floor for citizen participation.

Mr. John Jordan asked when the new jail was expected to open.

Commissioner Goodger stated substantial completion of the project was expected by April 2012 and the facility would most likely open in May or June 2012.

Following announcements and upon a motion made by Commissioner Nix, seconded by Commissioner Goodger there was a unanimous vote to adjourn the Regular Meeting and enter into the second Public Hearing regarding the proposed Fiscal Year 2012 Budget.

June 13, 2011 Regular Meeting (continued)

The minutes of the June 13, 2011 Regular Meeting of the White County Board of Commissioners are hereby approved as stated this 27th day of June, 2011.

WHITE COUNTY BOARD OF COMMISSIONERS

s/Travis C. Turner

Travis C. Turner, Chairman

s/Terry D. Goodger

Terry D. Goodger, District 1

s/Lyn Holcomb

Lyn Holcomb, District 2

s/Edwin Nix

Edwin Nix, District 3

s/Craig Bryant

Craig Bryant, District 4

s/Shanda Smallwood

County Clerk