

**MITCHELL COUNTY BOARD OF COMMISSIONERS**

**SPECIAL SESSION**

**MINUTES**

**JUNE 20, 2006**

**NORTH CAROLINA**

**MITCHELL COUNTY**

The Mitchell County Board of Commissioners met in Special Session on June 20, 2006 at 5:00 p.m. in the Commissioners' Conference Room, Administration Building, Bakersville, NC. Those present for the meeting were: Phil Byrd, Member; Mike Hensley, Member; Jim Saylor, Member; Ryan Whitson, County Manager and Kathy Young, CMC to the Board. Chairman Masters and Vice-Chairman Hollifield were not present for the meeting. Also present were Mavis Parsley, Finance Officer; Lloyd Hise, County Attorney; and Donny Wisor, Reporter with the Mitchell-News Journal, Roger Wilson, Danny Young, Mike Young, Josh Boone, Ed & Jana Reid, Doug Suddeth, Stephanie Wiseman and Tommy Singleton.

1. **CALL TO ORDER** – Commissioner Hensley called the meeting to order at 5:00 p.m.
2. **INVOCATION** – Commissioner Saylor led to invocation.
3. **ADDITIONS OR CHANGES TO THE AGENDA** - None
4. **PUBLIC HEARINGS/MEETINGS**
  - A. **Public Hearing on the Proposed Budget for FY 2006-2007** – Roger Wilson – On May 29, 2001, Bakersville Volunteer Fire Department came to the Board asking for assistance for their new fire department. The Board at that time gave them \$5,000 a year for five years to help them on their department. At that time we asked the Board about Spruce Pine's building and they told us at that time to wait and come back when we got ready to build. So we are ready to start moving sod now and we are here tonight to ask if you would do the same thing for us that you did for Bakersville on Spruce Pine's building.

Commissioner Byrd moved to give Spruce Pine Fire Department \$5,000 a year for five years. Commissioner Saylor seconded the motion and it carried unanimously.

County Manager Whitson – Mr. Chairman there has been some changes to the budget since I have submitted it to you. The Finance Officer has prepared a Memo for you. It reduces the budget by \$257,000. The following is a list of the changes.

- Henson Creek Grant – Carry over funds reduced
- Emergency Watershed Protection Grant – Increase in grant funding

- Entrepreneurial Assistance Grant – This grant is now closed, funding completed
- Planning Grant – Carry over funds reduced
- Emergency Management State Funding – New grant funds issued by the State
- Rental Income – This was originally reduced when the State Employee' s Credit Union was looking at the space vacated by Carolina First Bank
- Administration – This reduction was in insurance cost which was added to the Transportation Department (the state will pay for 85% of their insurance cost)
- Department of Social Services – The budget their Board approved was \$11,119 less so reductions were made in expenses to match theirs
- Contingency – The above changes allowed the contingency to be increased.

There are also some changes that are not on the Memo that just occurred or were worked out yesterday and Mr. Young is here to talk about that some. There was some mental health money that Mitchell County obtained in June of last year, about \$53,000 and the State feels that we need to allocate those funds to the Western Highland Board. There are several counties that are in that situation, Buncombe, Madison, Mitchell, and Rutherford. I have talked to some of those counties. They don' t think that money should go back. I have talked with Attorney Hise and he and I both feel that at some point that \$53,000 will be leaving Mitchell County. I am not sure if it will go to Western Highlands or to a project. It will probably end up at Western Highlands. That is \$53,000 that I wasn' t aware of that will be spent, that I just got a letter on a few days ago. Also some other funds that they had questions about that, we need to set aside some other funds for mental health to the tune of \$147,000 for a total of \$200,000 that needs to be set aside for mental health.

I met with Mr. Young and Rick Spurling yesterday. They are agreeable and feel that it is ok to reduce the heating and cooling system allocation that we made for capital outlay from 2.6 to 2.4 million. I think that Mr. Young talked with his Board last night.

Danny Young – They were receptive to the idea.

County Manager Whitson – Mr. Young informed me that on their operating expenses that because of energy costs and other fixed costs, he feels the 1.8 won' t hardly do. So he is request that it be increased from 1.8 to 1.85 and I told him the only way I could do that was for the capital outlay to go down another \$100,000 to 2.3. By lowering the capital outlay \$100,000 it will cover it for this year and next year.

There may need to be a little discussion on Mental Health. It might need to be a little bit more. Personally, I think \$200,000 will do. There probably needs to be some discussion on that.

Commissioner Byrd – I would like to see us appropriate the \$412,000. I think we need to prepare for that. I think we all got a letter from

Counsel on his position on the money. A copy of the letter is hereby attached and becomes a part of the minutes.

Commissioner Saylor – I would like to know more about it myself. This is new to me I just heard about just know.

County Attorney Hise – You have received two separate sources of funding from Blue Ridge. One was directly received as a result of the dissolution of the Authority. There is no question in my mind that money belongs to Western Highlands - \$53,000. The statute is very clear, that if we join another Area Authority the money belongs to that Authority. If we don't join another Authority the money has to be spent by us for mental health services. The other money, which is about \$340,000 roughly, did not come directly from the dissolution of the Blue Ridge Area Authority. It came from the dissolution of one of those non-profit corporations called BMMY. It was money that they had accumulated in hopes of building a facility of some sort. The statute says on that kind of funding is dissolved the portion that state mental health services appropriated to that is to be returned. I do not know how BMMY got their funding. But I do feel that we will have to repay this money.

Further discussion was held.

County Attorney Hise – This is a contingent liability that is out there and it needs to be disclosed to your auditors. I assure you that when the auditors write me and say do you know of any contingent liabilities that Mitchell County could be facing, I am going to disclose this.

By consensus the Board agreed to postpone making a decision on this until the next meeting.

Tommy Singleton – Appreciate what you all gave us this year, I think it was \$202,000.

County Manager Whitson – There is a stipulation on \$32,000. What we budgeted you was \$170,000 the same as last year and \$32,000 for a 3% increase for Mitchell County employees if your department does an increase.

Tommy Singleton – We have the increase budgeted. We haven't given an increase since 04. Appreciate it. I asked for \$275,000 from each county. I am listening to what you all are saying about not having any to give. Our budget has dropped this year from 9.9 million to 7.7 million. Avery County is giving \$225,000 and at my conversation with Yancey they were giving \$225,000 also.

**B. Public Hearing on Solid Waste Management Plan Update** – County Attorney Hise – This basically reduces some of your targets for recycling and waste reduction.

No public comments were received.

5. **BOARD COMMENTS** - None

6. **CITIZEN & AUDIENCE COMMENTS**

A. **Matters on the Printed Agenda**

B. **Matters not on the Printed Agenda**

7. **RESOLUTIONS/PROCLAMATIONS/ORDINANCES**

A. **Resolution to Approve the 2006 Mitchell County Solid Waste**

**Management Plan Update** – Commissioner Saylor moved adopt the Resolution to approve the 2006 Mitchell County Solid Waste Management Plan Update (a copy is hereby attached and becomes a part of the minutes). Commissioner Byrd seconded the motion and it carried unanimously.

8. **ADJOURNMENT** – Commissioner Byrd moved to adjourn the meeting. Commissioner Saylor seconded the motion and it carried unanimously.

The meeting adjourned at 5:41 p.m.

MITCHELL COUNTY BOARD OF COMMISSIONERS

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Keith Masters, Chairman

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Ken Hollifield, Vice-Chairman

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Phil Byrd, Member

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Mike Hensley, Member

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Jim Saylor, Member

ATTEST:

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Kathy Young, Clerk to the Board