

October 21, 2003

**CALLED MEETING**  
**FLOYD COUNTY BOARD OF COMMISSIONERS**  
**October 21, 2003** **12:00 P.M.**

**PRESENT:** Chairman Garry Fricks, Commissioners Tom Bennett, Chuck Hufstetler, Jerry Jennings and John Mayes.

**OTHERS**

**PRESENT:** County Manager Kevin Poe, County Attorney Tom Manning, Deputy Clerk Monnie Toole, and Assistant County Manager Sammy Rich.

**CALL TO ORDER:** Chairman Fricks called the meeting to order.

**INVOCATION:** Commissioner Mayes led the Invocation.

**DISCUSS FY2003 BUDGET REVISIONS.**

Commissioner Hufstetler stated that on a few salaries and other items they need more information. He stated that Comptroller Al Leonard had wanted to have comparisons available. Chairman Fricks suggested that they have the Department Heads, where there are questions, attend the Caucus Session for discussion. Commissioner Hufstetler referred to Page 3, of the Budget Revisions, and Lease Purchase, which is being paid out of Excess Funding, and mentioned that there is a drop which is of course helping.

On Page 7, looking at the Forum, it is roughly on budget with what they had set up overall. The \$400,000 is the transfer from the General Fund. The \$235,000 in Depreciation is a non cash-flow item. On Animal Control, that \$11,000 is one he would like to exclude. The \$11,115 on salaries he would like see what the plans are there.

On Page 9, mainly for a point of information, the \$50,000 grant they received is for the additional Recycling truck, so under equipment they have an additional \$76,000. He stated that utilities are real high with a \$27,000 increase ,and additionally, the salary item. County Manager Poe stated that on the utilities he could give a complete breakdown. All of the Tipping Fees were being paid out of the Solid Waste Budget instead of being assigned to each department, such as the Forum has a dumpster they should be paying for, the Jail has a dumpster they should be paying for. Solid Waste was paying for everybody's and because they were just signing off on the bill and giving it to Finance without splitting it out. They have assigned the Tipping Fees that are generated at the Recycling Center from the waste disposal to that facility now and that was not included. Commissioner Bennett stated, "Not catching everybody's Tipping Fees." County Manager Poe stated that the Solid Waste Fund was catching everybody's Tipping Fee so they are trying to assign them to the proper funds. Commissioner Bennett asked if, in the \$27,000, there are Tipping Fees included. County Manager Poe replied that he could break it down exactly how much it would be. Commissioner Bennett stated that was a question he was going to ask was. Wouldn't it be a lot more informative if this is distorting this budget

that much? It actually could be a controllable item. He stated that one thing that came up at one of the Solid Waste meetings about that being such a big expense down there, even for those that they are actually using, was to try and pull some of that recyclable out of our solid waste material. He had come up with a suggestion for that and he does not think they have done that. County Manager Poe stated that they had implemented the suggestion. It is not exactly the way he had suggested, but they are pulling it out and what it is resulting in. He needs to get numbers from them, if it is one less box they are having to pull per week/month. Commissioner Bennett stated that it seems to him that on the financial statements to maybe create an account number 54501 or something like that. County Manager Poe stated that they probably need to do that next year, since this was not done until mid-year and they can't generate a new line item within the budget. He stated that next year that should be separated out.

Commissioner Hufstetler stated that one of the problems there is is that these things hit a year later than what you... So you can be looking at some numbers last year and thinking that we are doing pretty good. They, in Administrative/Finance, have talked to Larry (*Johnson*) about getting with Al (*Leonard*) and put in some projects based on what they have. They never know for sure what it is going to end up costing, but go ahead and put something in there instead of waiting until it hits them. He stated that the falls at the Jail have been one of their big items that has caused that increase. Commissioner Mayes stated that you can't control people falling or getting hurt on the job. What you can control is how you control the cost after the person gets hurt or how you deal with those people. He stated that sometimes, and this actually happened with his company, his lack of sensitivity to this person being hurt, because he did not think the person was hurt, caused that person to increase the cost. His company was not sensitive to this person's needs while they were going to the doctor and their ability to come to work or not come to work, all of the different things that happened between the time that they got hurt and the time the claim was ultimately closed. The claim was probably triple or quadruple the cost because of their lack of understanding in dealing with the claim. Commissioner Mayes stated that there are probably companies that help oversee this. County Manager Poe stated that they have a Third Party Administrator who handles that. Commissioner Mayes asked if they are intimately involved or is it just mechanical. County Manager Poe stated that they go, and when necessary, make presentations to Administrative Law Judges. Sometimes you win and sometimes you lose, but they manage the cases. Commissioner Bennett stated that (*the County needs to help them*) if they need a wheelchair or try to get them a doctor's appointment if they are not happy with the doctor. It goes to a different degree depending on who they hire to do that, but that has become a procedure that the insurance companies have with a Workers Comp claim that involves lost time and they do go and try to make sure that everything is being done. County Manager stated that it hard to compare how good a job they are doing. We have used the same Third Party Administrator since we have been self-insured on that and it might be time that it is put out for bids. Commissioner Mayes stated that is not a profit center, but there is an opportunity there. If a person doesn't feel like they are being dealt with properly, they will double the cost of their Workers Comp claim. That is human nature. Commissioner Hufstetler stated that if the Third Party Administrator feels like they are not as concerned, then they are not going to push as hard as they might with another company they have. He agreed that they probably should look at that as well.

Commissioner Hufstetler stated that on Page 13 there are just a couple of big things. The transfer from the General Fund was going to be decreased into the Capital Management Fund to try to help out a little bit. County Manager Poe stated that they still have enough money in that fund to go ahead with projects that are on the books and ready to move. This would just mean that there would be less of a Fund Balance carried over from one year to the next.

On Page 14, Commissioner Hufstetler stated that there is a \$20,000 increase there of which he thinks \$5,500 is the oven they are voting on today. He stated that he did not know the specifics of that one quite as much.

On Page 16, just as a point of information, the Greenspace money as you can see is pretty much being used.

On Page 18, the revenue was \$128,286 and now \$50,000 for expenditures that we don't expect, other than the insurance, which is a little bit below the \$20,000. They don't expect that to be there. It is just budgeted. Commissioner Hufstetler noted that this is a separate fund. County Manager Poe stated that, if they felt more comfortable, he did not anticipate doing anything between now and the end of the year and they could change that over. Commissioner Hufstetler stated that it is a Special Revenue Fund and is not that big of a deal. Commissioner Bennett stated that it is staying in the fund so the fact that they might cut it at this point, doesn't mean that they will take the money away from it. It stays in the fund. It just gets it more realistic what is going to actually be. County Manager Poe stated that if they want it more realistic than that, they can come up with one, but he feels that it is not going to be relative to the whole fund itself. Commissioner Bennett asked if the expenditure goes over into the General Budget and effect ... County Manager Poe stated that they just carry over more. They will carry over more than \$78,000. Commissioner Bennett asked if the GAP requires them to expense that if they budgeted it at the end of the year. County Manager Poe stated that they just want to make sure that if something comes up they have it in expenditures and they don't have to go back for another revision. He stated that he does not anticipate anything. County Manager Poe stated that it doesn't mean that they can transfer less out of the General Fund. This is self-supporting fund so it is not that important.

On Page 1 under the detail, you will see the way the Millage Rate was shifted around, the \$1.1 million increase to the General Fund at the top and, under Local Option, he noted the \$350,000 decrease. He stated that the \$192,050 is the LARP funding. Due to delay by the State they will not get the projects done and it affects this year's budget. Commissioner Bennett asked if they were showing a decrease in Public Works expenditures and will they keep spending. County Manager Poe stated that they will keep spending. This is on a reimbursement basis and they did not quit paving because they did not have LARP contracts. He stated that actually this year they did more County paving. They still were able to work within their budget, they are just getting not as much reimbursed. But, next year if they come back with LARP on the normal time, they will probably end up with ... This number will be bigger and they will be doing more

State paid paving than County paid next year and it will work to their benefit, if they give it to them like they normally do. Commissioner Hufstetler noted a roughly \$800,000 hit between the sales tax and the funding from the State.

On the next page, Commissioner Hufstetler noted the continued decrease in the fines and forfeitures in Superior Court, the \$50,000 there. On Page 3, obviously with interest rates at rock bottom, the interest earned continues to decline in every category. He stated that they had \$100,000 in there for sales proceeds for the land there. They were told at the last meeting that they should be able to get that number and potentially more than that with some of the excess land that is being auctioned off. He noted that the telephone commissions are down. They are up at the Prison \$110,000, but they are down \$125,000 at the Jail. County Manager Poe mentioned that they are looking into that. He stated that he has copies of some correspondence to BellSouth and once they get some information from BellSouth they will go back to the Sheriff's Department. He anticipates at some point to probably turn it over to Finance and the Auditor. They are trying to make sure that BellSouth hasn't made some ... He stated that one thing BellSouth came back with initially was that maybe the number flip-flopped and the commissions at the Prison should be \$145,000 and the commissions at the Jail are only down from \$270,000 to \$200,000. From the Jail prospective that doesn't make sense whatsoever and the Prison would have increased. He stated that they are just making sure that it is all being done properly. Chairman Fricks asked if this change has only taken place since April. He stated that Michele (*Fountain*) had asked them if ... Commissioner Hufstetler stated that they had gone with somebody that was giving them a better price so all things should be equal. County Manager Poe stated that initially when she (*County Clerk Fountain*) called the Sheriff's Department, they said that it was because when they lost some out-of-county, boarding inmates. But the thing is, if Cherokee County opened up their Jail and the Cherokee inmates went back to Cherokee, they turned around and replaced them with others. The issue is that the same beds have been occupied the whole time and whether they are from out of town or Floyd County, we know that Floyd County inmates haven't increased that much. Even if they have a few less out-of-towners, it shouldn't reflect this huge of a drop, particularly when we negotiate a better deal on our commissions. Commissioner Mayes stated that when they call outside the Jail, they pay even if they are calling across town. Commissioner Hufstetler stated they had asked Michele at the meeting last week to spearhead this since she was involved in the telephone contract and, like County Manager Poe stated, it is going to take Finance, Auditing, and BellSouth and everybody to work on that.

Commissioner Hufstetler stated that on Page 7, Superior Court, the \$23,000 up, the biggest part of that was \$17,000 to Martha Amos who had retired and drew all of her sick pay since she was under the old system. They have also had two temps there as well. He stated that he was awaiting detail on the supply item listed on the same page, and would like to hold off until they can get the detail and get a better understanding of that.

On the next page, regarding the Sheriff's Office, the Salaries are up \$11,260 projected and on Page 9 at the Jail \$129,256. Commissioner Hufstetler stated that is two of them that he thinks they should hold off on and find out what happened and what time

and what the plans are. He noted that this is the one that said the schedule had changed down there to 12-hour days and he is hearing that at some point they are looking at going back but he does not know that directly. Commissioner Mayes noted that Pension Expense seemed to be up substantially in a lot of areas. County Manager Poe stated that they had preliminary information, but all Pension Plans, just because of investment income made off the Pension Plans is just not what it has been in a few years. Commissioner Mayes asked why they are supposed to make up the loss. County Manager Poe stated that they still figure everything based on ... You don't want to adjust all of your assumptions when actuaries go in. If you turn around and adjust those on how the economy is going, at some point you are going to be further out of line so you try to keep some consistency. But, the investment income, and this is all over the country, with the Pension Plans, you are just not making the investment income. Commissioner Mayes stated that private business doesn't have the money to put in it. County Manager Poe stated that they are in a plan, that they have commitments and they need to ... Still, if they look at how much would fully fund the Pension Plan, that percentage is going down. They were up to 90% and now they are getting close to in the 70's. With the economy, hopefully that will turn around. Commissioner Hufstetler stated that the Market is up this year and they think next year is going to look better. Commissioner Bennett stated that they had gotten the benefit in the past years of the Market doing so well and the actuary was probably lower than what they needed to. Major companies are doing it too, they just accrue it on ... County Manager Poe stated that the County Pension Plan has done better than most other public Pension Plans. They try to diversify the investments as much as they can to try to work through downturns in the economy. They have minimized the negative impact the best they can. County Manager Poe stated that they did receive a preliminary number, which they had been given last year until actually the year was through and they had to estimate a number when they put the budget together. This year based on the 2001 number actually, and then 2002 ended up being higher than what they anticipated so it was kind of compounded when they put together their numbers for this year's budget, but they have done things different and they have gotten preliminary numbers for what it should be so they are in a better situation in trying to predict what the actual cost will be for this year.

Commissioner Hufstetler stated that on Page 13, part of the decrease in Recycling is that Public Roads are down. He guessed that they have been using people from there and now charging them out. So, part of the \$50,000 will be attributed to that. He noted the \$230,000 Lease Purchase pulled out, \$115,000 on Page 14 for the Asphalt Plant pulled out. Commissioner Hufstetler asked, on the Asphalt Plant, the charges for purchase of asphalt were a part of that figure. County Manager Poe stated that they are not producing any asphalt. Commissioner Jennings stated that in materials, \$1,190,000 was mostly the purchase of asphalt. County Manager Poe replied, "Correct." He stated that next year they need to look at ... He noted that they did not lay anybody off. One of the employees in the Asphalt Plant retired and he was a 30-year employee. It is kind of like in the Clerk of Court, it was a big payoff when he went out. They have since downsized that job and it is not making as much money. All of those people who used to work in the Asphalt Plant have been allocated to other places but they have not laid anybody off. Commissioner Jennings asked if that whole category will change next year.

County Manager Poe replied that it would. Chairman Fricks stated that Mr. Byars is now allocated towards Recycling, but it hasn't been removed from Asphalt. County Manager Poe stated that he thought about \$12,000 of his salary has been charged out to Recycling and it will be more as the year goes on. He stated that he is sure that when Al (*Leonard*) went back and looked at his salaries, Mr. Byars probably still showed up in the Asphalt Plant and he projected that on it. They should come in under that number plus they have downsized some jobs. They still have all of the positions that they started out with the first of the year and that is what he is using to make his projections. Commissioner Bennett stated that he had gone back to August to try to figure out where they can get an indication of what is going on in the salaries and they should be at 67% in the Asphalt Plant. Actually they were running about 2% over. There is about a 69.6% as opposed to the Sheriff's Department, which they are trying to figure out, and it was running on right on the money, looked like it was perfect. He is trying to figure out how it hit them from there to the end of the year. He did know when those changes were made. He and County Manager Poe had discussed the odd pay periods and in a month you could wind up with three pay periods. It was noted that October had three pay periods. County Manager Poe also mentioned the positions that have been promoted from Jail Officer to Deputy Sheriff and people who have gone from Deputy Sheriff to Senior Deputy and that will be reflected in their pay for the rest of the year and their longevity. He stated that is not all of it, most of it has gone to the 84-hour workweek and projecting that they will be fully staffed, but again this is like worse case scenario. It is rarely that the Sheriff's been fully staffed, but he understands that at this point in time he is pretty much fully staffed. Commissioner Bennett asked if, to try to keep that in line, could they say don't fill anymore staff positions unless it is an emergency deal or without interfering in his ability to run his department. He stated that they don't need to tell him to not fill a position that he really has to have. County Manager Poe stated that when you tell them not to fill positions... they have had hiring freezes before but it has never been applicable to Public Safety because you have the Jail which is 24-7, the Prison is 24-7, you have to keep Patrol Officers out there. The biggest thing is getting him to go back to an 80-hour workweek. Chairman Fricks stated that County Manager Poe was saying that that shift was made in the second part of the year but didn't he (*Sheriff*) say that that started a year and a half or two years ago. Commissioner Hufstetler stated that in the paper it said a year ago. County Manager Poe stated that when he went through budget, he did not make that known. He did not know when he was going through the budget that he was supposed to on his behalf throw in another \$120,000+ for overtime ... He did not know that. Whether Larry (*Johnson*) or Al (*Leonard*) did, he is not sure. County Manager Poe stated that he thought that was something that they need to do from here on out. Each Department Head, when they come before them from now on in the Budget Hearing, needs to give them their salary numbers up front. If they have an issue with the salary numbers or if they are going to say they still have this person who gets \$15,000 overtime every year and they haven't budgeted for them, and they really need it, at that point in time we can decide, yes, they are going to get it or, no, they are not. If they are not, we know up front that we are not going to keep that in their budget and they will have to live within what we allocate. Or they agree and they go back and make the adjustments so that this issue doesn't come up at the end of the year. Commissioner Bennett stated that he was just trying to adjust it and also address it in this budget, but what can they do?

County Manager Poe stated that when the Sheriff comes back and he will look at his County Budget and he is on 12-hour shifts. They should have allocated another \$120,000. They talked about that in January when they were trying to set the Budget and have that understanding. Commissioner Bennett stated that is the question he was asking. Could they set any of those policies if they say, "Okay, you went ahead and went to 82 or 84?" Can we say, "Adjust it back to 80?" County Manager Poe replied that he thought they could strongly recommend it. Commissioner Bennett stated "Not command, but he is trying to say that they all get in there and try to get this back in line." Assistant County Manager Sammy Rich stated that he was under the impression from talking with Al that the Jail was going back to 80. County Manager Poe stated that he had heard that also, but they need to hear that directly. Commissioner Hufstetler stated that for the Asphalt Plant in general they need to have them go through and straighten that out. Commissioner Bennett stated that they need to make that adjustment too and reallocate that next year for comparable purposes. County Manager Poe stated that he thought they could hold off on that one because he did not think that it will come out to \$2,000, even if they catch it the way it was.

Commissioner Hufstetler stated that Magistrate Court was over \$21,000, of which \$6,000 was a payout to Prissy Caldwell where they had a ruling that you can only have so many hours of Comp Time and to pay the excess and so she was paid the excess. He stated that it was a State decision and then the overtime is just real high there. He stated that there was a part-time Constable added, but they have really not seen any decreases in any overtime. County Manager Poe stated that is one area where they have one particular position that gets all of the overtime, so if they are just looking at their staff and figure out what the annual salary is but is never reflected that that one person gets so much overtime. He thinks that is something that he (*Judge Wood*) needs to come up front to them again and try to convince them that it is cheaper to do it that way, or that is the only way they can do it. He thinks that it needs to be known up front that you either add the money and let them do it that way up front or they just say here is what you got and here is what you are going to live with up front.

On Page 20 Commissioner Hufstetler noted the Floyd Medical Indigent reduction in pay that they are giving to them. He stated that the same thing on County Clerk that Monnie (*Toole*) hit the same compensation thing where the Comp Time accumulated was over the amount. On Page 25 he noted the decrease in transfer to some of the other funds to try to help the General Fund Budget out. He stated that is about it and he guessed that the salaries and other items they need a better understanding of are on a list prepared by County Manager Poe. County Manager Poe stated that what they are looking to do is to adopt the revisions as presented excluding: Recycling Salaries and Utilities line items, Animal Control Salaries line item, District Attorney Supplies line item, Sheriff's Office Salaries line item, Sheriff's Jail Salaries line item, Asphalt Plant Salaries line item, and Magistrate Court Salaries line item. Commissioner Hufstetler stated that he made that in the form of a MOTION. SECOND by Commissioner Bennett. Commissioner Jennings stated that our plan is to seek further information on why these are coming in this way. Chairman Fricks asked how they wanted to go about doing that, if it is an emergency that they do, do they want to have them come to the Administrative/Finance or do they want

to have them come to Caucus or how do they want to do that? Commissioner Hufstetler stated that he did not care either way. They can go to Administrative/Finance or it might be helpful to have them at Caucus for the whole Commission. Commissioner Jennings stated that he thought they all need to hear what is said. Chairman Fricks stated that in groups they would have Recycling, Animal Control, Magistrate and Sheriff. Commissioner Hufstetler replied, "Yes." Commissioner Bennett stated that in making these projections on payroll, he knows that they don't do it by every, individual employee, but how do they anticipate the budget item that they access? It is an extension of position times pay. How does Al come up with that? Commissioner Hufstetler stated that it usually is and so you should actually come under it. Commissioner Bennett stated so they should be able to go back and compare it and ask what happened. Commissioner Hufstetler noted that if they have somebody off, then it helps their budget. Commissioner Bennett stated or to be able to trace it down as to how they made their calculations and what reality is. If it is a mistake, it is a mistake, but if there is some discretion involved, then maybe they could adjust it. County Manager Poe stated that there are some things, like they do not know exactly how many new Patrolmen will be hired that will become Patrolmen First Class within that year, so it did pay to have a small variance factor. They used to have a larger one. And in putting budgets together there is a variance factor for some people on longevity. He is not sure how accurately they do it, but sometimes going from 11 years of service the first part of the year and their anniversary date is in September, whereas their longevity pay will be figured on 2% of your salary in June and December because they have gone from the 11 year mark to the 12, you then get 3% of your base salary plus \$50 a year. Commissioner Bennett stated that if they don't have credibility in your budgeting process, then it is hard to hold anybody accountable. He stated that he is not saying that they take every person down to that. He knows they can't. They can't calculate overtime and there may be some other things like Comp Time that they just did not know about, but they have a reason as to why it happened instead of us sitting here saying, "How did that happen?" Commissioner Hufstetler stated that Al has pretty good detail in his budget. He has the people, the positions. He puts in their longevity pay. He puts in an overtime figure. Commissioner Bennett stated that answers the question. It seems to him that they could go back and do an earnings record card that has the printout there that say, go down, it may be 20 people or ...

Commissioner Mayes asked that, at a time when they are counting pennies, how do Department Managers justify their seminar and conference expenses? He stated that they have some small departments, like Finance and Data Processing, that have \$11,000 to \$15,000 in Seminar and Conference Expense and then they have other departments that are spending \$700 for the year. County Manager Poe stated that regarding Finance, when most of the Finance Department is off in a Seminar, they are doing Munis training and the whole system revolves around Munis. For us to effectively run the Munis Program, they need to make sure that we have good trained employees so they are off getting training and with that you have to go to an offsite location. All of the Munis users in the Southeast or whatever go to one location, so in that case, training our employees to do a better job is something that they have to put in for. Commissioner Mayes stated that they are all over the board, you have different very large departments and they may be spending \$4,000 or \$5,000, Public Works or Prison or something. He asked how they

knew if they are getting enough or they are just spending too much. County Manager Poe stated that might be something they need to quiz them on more when they come to them on Budget Hearings. As an example, the Warden spends money pretty much on a monthly basis because there are statewide Warden Meetings that she is almost mandated to go to. In the Tax Appraiser's Office there is also some mandated training. He stated that some of it is mandated and some of it is discretionary and he guessed that they need to try to look at the discretionary type spending. Do they need to go to the National Conferences? He stated that he thought on a State level, trying to interact and get information, sometimes it makes the employee a better employee, but for discretionary type seminars and conferences, we probably need to clamp down on it a little bit more. Commissioner Mayes stated that in a private business, especially in a tight year, nobody might not go anywhere except for where they have to go when things get tight. County Manager Poe stated that anything that is discretionary they need to scrutinize a little closer. Do they need to spend that money and what is the benefit of it, particularly in tight budget years? Commissioner Bennett stated that back to the original budget process to try and screen that a little bit too. County Manager Poe stated that he tried to screen through that when he went through it. Chairman Fricks stated that in the Budget Hearings that was a pretty common question that they asked everybody last year. County Manager Poe stated that they have cut back and it is unbelievable how much of it is mandated. They have to have so many certification hours. Commissioner Bennett asked if these are State or Federal mandates. County Manager Poe replied that they are State and it is very rarely under a Federal mandate. Commissioner Bennett stated that maybe they need to make a list of that next time and go down and see their legislators and see why. Is there some requirement on them? It is good to have training. He thinks every professional recognizes you need to keep up with the times, but some of this could be a little over the top maybe. Commissioner Mayes stated that some of that training could be sent to the location and given in-house. He is not sure they already do that. Commissioner Bennett stated that it is a very minute thing to the total budget, but here a billion, there a billion adds up. Commissioner Mayes stated that every time somebody goes somewhere, there is an opportunity cost that they could be doing something else. Chairman Fricks stated that there was a Motion and Second and he called for a vote. VOTING:

YES

NO

Commissioner Hufstetler

" Mayes

" Jennings

" Bennett

Chairman Fricks

Motion Carried

**REQUEST FROM PRISON FOR  
EMERGENCY PURCHASE OF A  
CONVECTION OVEN AT A COST**

**OF \$5,500.**

County Manager Kevin Poe stated that attached to the Agenda was a memo from Warden Anne Brinkley regarding a purchase of a Convection Oven. He stated that one of the ovens they have has become inoperable. They received cost to replace it. County Manager Poe stated that his proposal is that, they had tried to get by with that unit by transferring it from the Old Prison to the New Prison, but instead of having it come out of their general operating budget, there is still a little left over in the Prison Construction Fund, that they purchase the oven out of that budget. He stated that this is something that they use on a daily basis and is a critical piece of equipment in the kitchen operation. MOTION was made by Commissioner Mayes to accept the Manager's recommendation. SECOND by Commissioner Hufstetler. VOTING:

YES

NO

Commissioner Hufstetler

" Mayes

" Jennings

" Bennett

Chairman Fricks

Motion Carried

#### **OTHER BUSINESS.**

Commissioner Mayes asked if they wanted to have some general discussion on Chieftains. Chairman Fricks stated that one thing that he was told, and his understanding is that actually if there were any changes or anything that they needed to do prior to closing, it really needed to be done last week or could maybe squeeze it in the first of this week. He stated that he did not know if they had any progress on ... Commissioner Mayes stated that they had not made any progress, but he had a general recommendation which may or may not fly, but he was going to put it out there. He stated that he thinks that it is important that they be caretakers of this Greenspace money and get the biggest bang for their dollar. At the same time, we are dealing with a non-profit that had brought the deal to them. They are partnering with them to get this land to preserve it. Regarding the land that we have sliced out between the private business and what the Chieftains is going to be taking, he recommended that they allow the Chieftains to negotiate the sale of that property and possibly work some type of arrangement with us to, whatever they want to do, move the line down further, whatever, so that the County can have access to their property and they take the proceeds of that sale and utilize it within their organization. He stated that was basically their deal. Commissioner Bennett asked if he knew that there is one (*a deal*). Commissioner Mayes stated that if there is not a deal, the land is valuable and if they moved the line down far enough so that piece is marketable, they could move it down as far a 200 or 300 feet. All they need is an access. If they move it down 500 feet, it would not matter to him, so that they could market the property on the far end for their purposes. He would be happy if they got access to the property they are purchasing with their \$200,000. Commissioner Hufstetler stated that our point with the Greenspace

money is to get the maximum amount of land we can under Greenspace and he thought one of the things on the other deal was that there was going to be the potential that they could swap that for some additional land perhaps a lot cheaper land and get more acres. Under this, it sounds like that option would then be gone and in addition we would be left with an even less valuable piece of property, which he is not sure that is true to the intent of Greenspace. Commissioner Mayes stated that they could work an agreement to get some of those proceeds or get some of the benefits from any sale that they make. There still could be an agreement to work within that. Commissioner Bennett stated that he could give a follow-up as to where it is and to answer their questions, other than that latest written communication they had received, there has been no further. He had called and left word but had not received any response to that. He had not pressed that. To basically address what Commissioner Mayes was saying, it was his thought at the time, not knowing that there was something else going on that it would be of benefit but would enable the people of Floyd County to possibly capitalize and get additional land. That was the whole basis for him voting to go along with that transaction because it seemed to be that we were buying some potentially pretty valuable commercial property, which if that is a good use of Greenspace maybe it is. Also in that discussion, it seemed, from the indication he was getting is they didn't want any development going on so he does not know the benefit if now that we are trying to trade out, we get the Greenspace, the Greenspace being getting land that is of no value. Commissioner Mayes stated that he had asked the question if they had a contract signed saying that they could not market that property and they said they did not want to do that. Commissioner Bennett stated that he was not picking up those nuances at all. He was not aware of anything except that this was a very expensive piece of ground per acre and that there may be a way to salvage value back for Floyd County taxpayers or whoever it is that came up with the Greenspace money, and while it may not be a transaction that would take place right now, in the future, if that piece of property was sold, then it would be. He doesn't know where they would move their line to. It either has to be adjacent to that piece of property or it has to be that they leave some adjacent to that piece of property and we have a line running through the middle of it, which is a resubdivision of it. Commissioner Bennett stated that he guessed that it is according to what you operate under, are they trying to maximize for the general community in buying land or what? He stated that both of them are good causes, he does not mean to give a different impression. Chairman Fricks stated that in actuality, if they go on the assumption, say that the potential sale of that property is completely gone, and if they are going on the assumption that they are trying to maximize the amount of land purchases or acreage per dollar per acre, the first scenario with the 60-foot right of way is really where they would be doing the better job on that. Commissioner Hufstetler stated that if they were going on that pretense, they would not have bought it to begin with though. He stated that he looked at that, but the alternative was that with that wider they would have the potential to swap that out for a lot more acreage in the future and that was really about the only reason he could vote for it. Commissioner Jennings stated that if somebody wants to come to them with a proposal, they will listen to it, but other than that he thinks that they had agreed upon the increased buffer, 170 foot buffer, and the documents have been drawn. If somebody wants to talk with them about it, that would be great, but he does not see them changing from what they have done to this point. Chairman Fricks stated that the discussion today is basically

kind of like they are on the deadline. He stated that one of the potentials, the easiest method, if there was a method, if there was a potential sale of the property or anything else, they need to make the revisions now. If they want to continue on, he thinks they put that under consideration and widening the buffer on the basis that they had a potential sale. Commissioner Bennett stated that he did not think they did. As far as he was concerned, he did not know that they had a potential sale. He stated that somebody may might be able to straighten him out on the fact there was a potential sale there. He approached it as a business person observing the other facility that possibly, because of some right of way that got appropriated, there could be a problem there. He approached it as a possibility that businessman, for no other reason except that he did not think that businessman, because of the circumstances, could adversely effect his business. He stated that he had no contact there, did not know anything about it, but he said, if that occurs, then they would be in a position to benefit Floyd County by being able to take a piece of property that would have a lot of value to it and trade it for a big tract of land. That was his thinking. It had nothing to do with thinking they would go over there and sell that. None of that entered into his thoughts at all. If there is something going on that he was not aware of, if there was some subtlety here, he is completely ignorant of that fact. Chairman Fricks stated that is the reason they appointed a Committee to negotiate that. It identified that as a potential possibility. Commissioner Bennett stated that was not what was in his mind, and that was a reality, so if it doesn't happen, then it doesn't happen so the thought that we had could help this other business with them not having ask us for help. That was an assumption that it may occur, if it did, not only with a current business owner, but maybe a future tract because that tract is pretty well limited and his first thought was that it would really be a shame to take this property out of the pool if they were a business owner in Floyd County and you lock it up forever. He stated that nobody talked to him about wanting to buy the property or anything. He just looked at the piece of ground and said, "Hey this is a deal." Commissioner Jennings stated that unless somebody comes to them, he thought they would just go ahead with the transaction. Chairman Fricks asked if everybody was happy with the 170-foot frontage on the tract. Commissioner Bennett stated that he was. Chairman Fricks asked if they wanted to keep it like it was basically proposed. Commissioner Bennett stated that in thinking of that, in trying to give a clue, that may happen 20 years from now, 15 years from now, that in recording that tract that they subdivide that piece of property that they have to show 110-foot frontage and 60-foot frontage. There is no need to do it because it is all coming in, except that that sends a signal in case one of us in not here, that if that piece of property changed hands, it is now a tract of ground setting there with commercial use. It was noted that this is possible, but it will be hard to do. Commissioner Bennett stated that for example, if he were on a Greenspace Committee and somebody walked in there and said there is 100 feet of frontage up here and I have been thinking about buying this piece of property, tell you what I will do, I'll give you "X" number of dollars for it. I look and see that we can still meet the subdivision regulations, we still have 60 feet, how much will you give and he makes an offer, hey that sounds pretty good, let us go find some ground and we will trade you for it, that transaction takes place 20 years from now instead of today. The property becomes no less valuable to that business, if it has any value at all. Chairman Fricks stated that he thought the stipulations on Greenspace are that you have to increase that land value by 10%. Commissioner Bennett stated that he

thought that would be easy. Chairman Fricks stated that you also have to have three adjacent property owners . . . Commissioner Bennett stated that he would hope the adjacent property owners would not object to that. Commissioner Bennett stated that he agrees with Commissioner Jennings, if somebody wants to come and make them a proposal, he is not closed out to that, if there is something specific going on and they want to do it.

**ADJOURNMENT:**

There being no further business to come before the Board, MOTION was made by Commissioner Hufstetler, SECOND by Commissioner Bennett, that the meeting be adjourned. VOTING:

YES

NO

Commissioner Hufstetler

" Mayes

" Jennings

" Bennett

Chairman Fricks

Motion Carried

**COMMISSIONERS**

**CHAIRMAN**

**FLOYD COUNTY BOARD OF**

**GARRY E. FRICKS,**