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Subject: Hit Piece on Mike Matthews, Tax Collector, by Vicki Hyatt and Jonathan Key, Mountaineer.

In a continuing and unrelenting barrage of Hit Pieces aimed at Mike Matthews, Haywood County Tax Collector, by Vicki Hyatt and Jonathan Key of the Mountaineer, this one is going to get blown apart. In my view, the source of these hit pieces is the dirty work of David Francis, Ira Dove, and outgoing County Commissioner, Mark Swanger. It has been unrelenting.

By the way, in discussions with David B. Baker, Director, Property Tax Division of NC Department of Revenue, he indicated that in all of the one hundred (100) counties in North Carolina that have a Tax Collector and a Tax Assessor, Haywood County is the only county that has a separate Tax Administrator. That is, on all other 99 counties, the Tax Administrator is either the Tax Collector or the Tax Assessor. Why the [expletive deleted] did Swanger and the other commissioners appoint David Francis (who was thrown out of office) as a Tax Administrator that was not the Tax Collector or the Tax Assessor?

From the Mountaineer,

<http://themountaineer.villagesoup.com/p/tax-collector-grilled-by-commissioners/1580995>

Tax collector grilled by commissioners, By Vicki Hyatt, Oct 05, 2016

Haywood County Commissioners, concerned about the 29 percent collection rate on delinquent taxes, invited Tax Collector Mike Matthews to Monday's board meeting to discuss his collection plan.

Commission Chairman Mark Swanger said he asked Ira Dove, the county manager, to gather information on delinquent collection rates and to break the statistics down by category.

Dove's report showed that at the end of the June 30, 2016, fiscal year, the tax collector's office had collected \$721,000 out of \$2.52 million in overdue taxes. The previous fiscal year, the county collected nearly \$1.1 million through enforcement action, which represented a 40 percent collection rate at the end of the fiscal year.

The difference between a 40 percent and 29 percent tallies \$250,000 in funds to just the county, ...

Mike Matthews was hit cold with this "document" by Ira Dove during the October 3, 2016 County Commission Meeting. On the face of it, it looks bad for Mike Matthews, and standing there before county commissioners looking at this document for the first time, there was no way to respond. Vicki Hyatt, led by the nose and salivating in the audience, lost no time creating the above hit piece.

We are going to analyze this document, just as we did the Funding Formula, where we found that Julie Davis cooked the books (i.e. falsified the calculation) and denied School System \$15 Million Dollars and should have resigned or been fired. [re: <http://haywoodtp.net/pubII/140616CrackedTheCode.pdf>].

Let's take a look at what Ira Dove sprung on Mike Matthews on October 3, 2016.

7/1/2014							NOV 4 2016
	County (EC)	All	County (EC)		All		
2013	1,304,308	1,734,642	Del. Bal 7/1/14	- 2,774,907	Del. Bal 7/1/14	3,881,810	
2012	483,051	682,273	LESS: Collected Enfor.	- 1,097,172	LESS: Collected Enfor.	1,546,142	
2011	214,693	330,690	LESS: Collected Unenf	- 224,386	LESS: Collected Unenf	139,394	
2010	147,402	239,071	ADD: 2014 Delinq Txs	+ 1,004,884	ADD: 2014 Delinq Txs	1,365,608	
2009	119,221	186,734					
2008	114,177	173,223	Delinq Txs - 7/1/15	2,458,233	Delinq Txs - 7/1/15	3,561,882	
2007	101,396	144,429					
2006	99,964	137,048					
2005	102,563	135,480					40%
2004	88,132	118,219					
		3,881,810					
7/1/2015							
	County (EC)	All	County (EC)		All		
2014	1,004,884	1,365,608	Del. Bal 7/1/15	2,458,233	Del. Bal 7/1/15	3,561,882	
2013	412,881	630,136	LESS: Collected Enfor.	- 720,629	LESS: Collected Enfor.	1,062,102	29%
2012	247,713	368,278	LESS: Collected Unenf	- 375,533	LESS: Collected Unenf	396,993	
2011	156,062	249,386	ADD: 2015 Delinq Txs	+ 1,160,025	ADD: 2015 Delinq Txs	1,678,384	
2010	129,731	211,898					
2009	109,631	173,350	Delinq Txs - 7/1/16	2,522,096	Delinq Txs - 7/1/16	3,781,171	
2008	107,559	164,224					
2007	96,085	137,251					
2006	95,132	131,224					
2005	98,555	130,526					
		3,561,882					

7/1/2016		
	County	All
2015	1,160,025	1,678,384
2014	343,487	510,286
2013	200,203	324,534
2012	180,747	278,101
2011	126,234	209,929
2010	116,272	192,640
2009	104,967	166,520
2008	103,065	158,275
2007	94,203	134,617
2006	92,892	127,885
	2,522,096	3,781,171

On the right side of the top spreadsheet, there is in item: "LESS: Collected Enfor." for 2014 and 2015. Ira's point was that in 2014, 40% of the collected taxes by Enforcement was 40%, while it dropped to 29% the next year. Swanger demanded - Why? Mike had no response and Vicki Hyatt pounced.

Mike Matthews had never seen this data prior to it being sprung on him at the meeting.

Let's start to look at things. This methodology will be similar to that of the Funding Formula Investigation and the Closure of the Central Elementary School by Anne Garrett and the School Board. As before, spreadsheets of data will be resolved into a graphical, easy to comprehend (except by Vicki Hyatt) format. This means I have to dig into my supply of very expensive green engineering graph paper. When I have to dig into my very expensive green engineering graph paper, someone is going down. In this case, we project Ira Dove, David Francis and the outgoing Mark Swanger. [I tell you, we are not getting rid of this guy soon enough].

Let's look at collections first. This data came from Mike Matthews, Haywood County Tax Collector.

**FY 2015-2016
COLLECTIONS AS OF June of each year**

NOV 4 2016

Fiscal Year	Tax Year	Property Tax Levy Collected**	% of Property Tax Levy Collected*	Receivable Still Due	% of Levy Still Due
2015-2016	2015	37,371,413.16	97.00%	1,159,917.81	3.00%
2014-2015	2014	35,334,692.88	97.23%		
2013-2014	2013	34,999,305.61	96.79%		
2012-2013	2012	34,752,130.92	96.60%		
2011-2012	2011	34,396,452.75	96.35%		
2010-2011	2010	33,541,388.58	96.74%		
2009-2010	2009	32,904,544.60	96.35%		
2008-2009	2008	31,091,094.08	96.38%		

*Unaudited numbers subject to change

** Does not include any motor vehicle collections

There are two trends we can see from this data.

- Property Tax Levy Collected generally increases from 2008 through current.
- % of Property Tax Levy Collected seems steady from 2008 - 2013 (the years David Francis was Tax Collector) and increases the last two years.

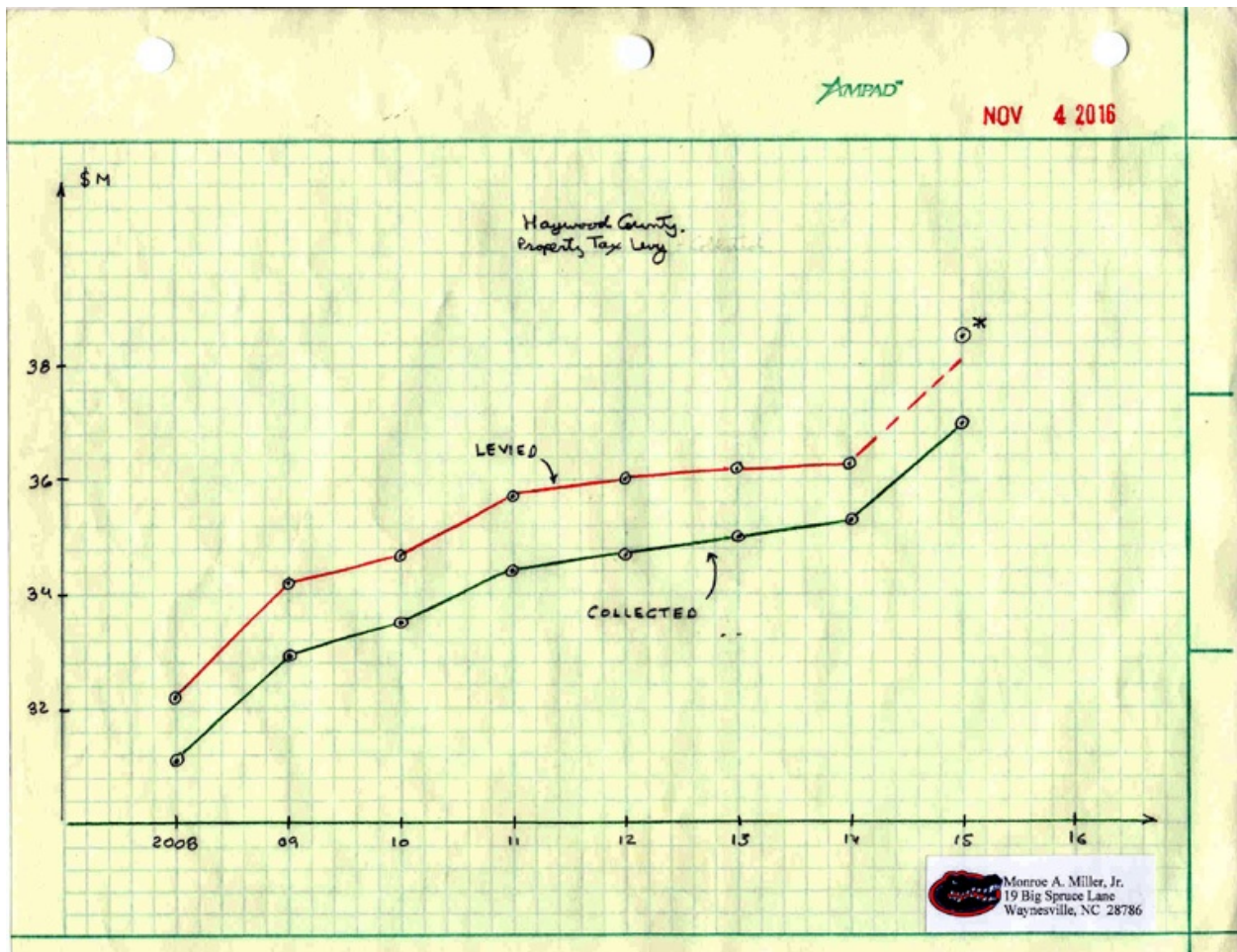
An additional bit of information which would be nice, is the actual Levied Property Tax. I reverse computed this number from the collected amount and the % Tax Levy collected, and is shown in the next spreadsheet.

Haywood County Taxes

Tax Yr	Levied	% Collect	Collected	UnCollected
2015	38,527,230	97.00%	37,371,413	1,121,142
2014	36,341,347	97.23%	35,334,692	978,771
2013	36,160,043	96.79%	34,999,306	1,123,478
2012	35,975,291	96.60%	34,752,131	1,181,572
2011	35,699,484	96.35%	34,396,453	1,255,471
2010	34,671,686	96.74%	33,541,389	1,093,449
2009	34,151,059	96.35%	32,904,545	1,201,016
2008	32,258,865	96.38%	31,091,094	1,125,498

The computed Levied Tax is shown in the second column. It may be different than the actual values listed in the CAFR (Certified Annual Financial Report), but should be close enough for all practical purposes.

Now the graph of plotted Levied vs. Collected values.



The red line is the levied values, and the green line is the collected values. There are a couple of things to note:

- There is a constant increase in property tax, thanks to David Francis and his ever expanding property value spread sheet.
- The difference between the red line and the green line is uncollected, or delinquent tax.
- There is a sharp increase in the last year of both levied and collected tax. This is the Tax Increase proposed by Ira Dove in the last budget, and approved by Kevin Ensley and the other commissioners last year.
- The delinquent tax (i.e. difference between the red and green lines) appears less during the last two years, when Mike Matthews was elected Tax Collector and David Francis was thrown out of office.

Let's take a closer look at Delinquent Tax [re: Mike Matthews pulling this data out of the CAFR].

**Schedule Ad Valorem – Delinquent Tax
Coming out of the CAFR**

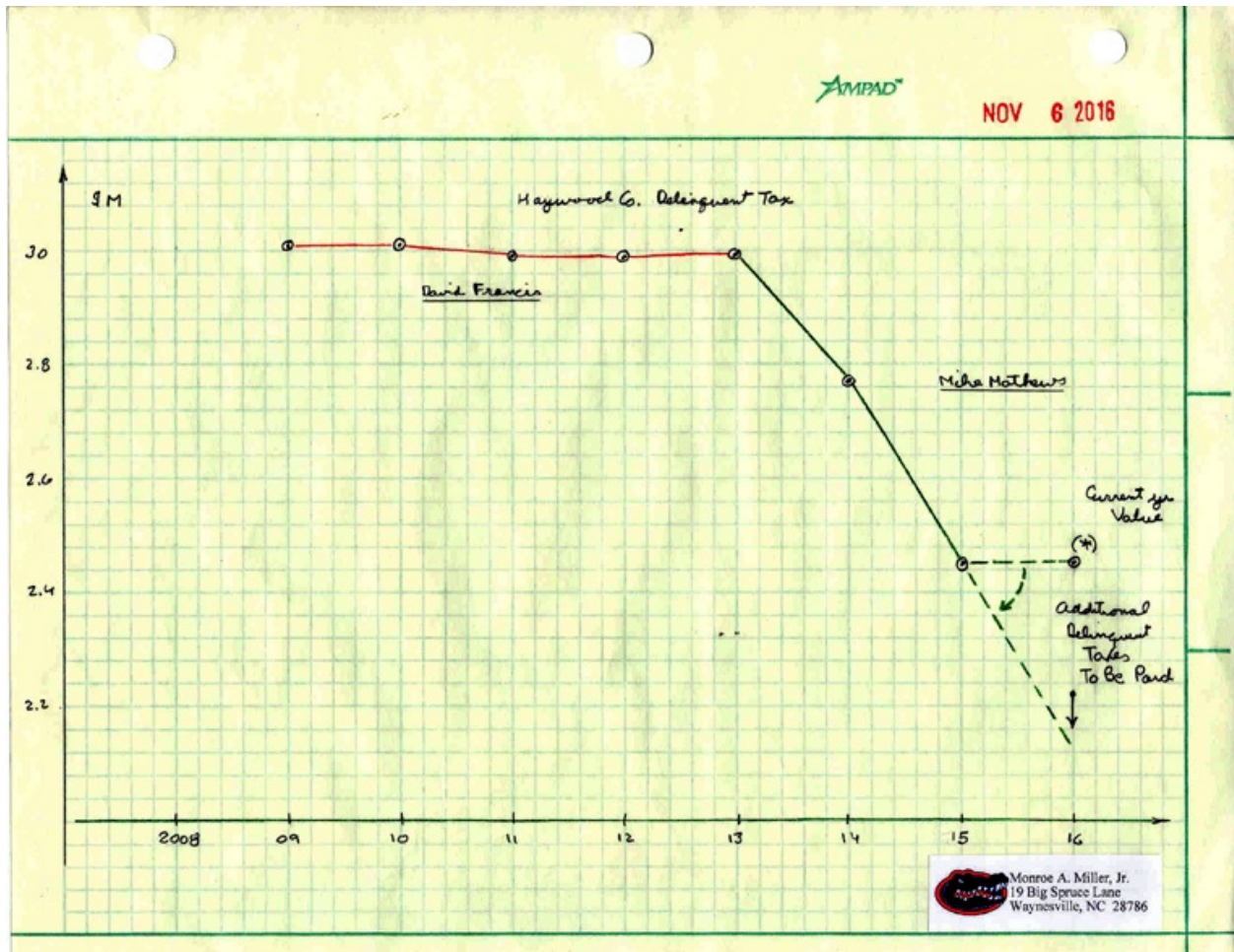
NOV 4 2016

Year	Amount	Page
2016	2,522,096	-
2015	2,458,233	-
2014	2,774,907	-
2013	2,969,352	Pg. 144 - 116
2012	2,922,046	Pg. 142 - 116
2011	2,965,284	Pg. 159 - 118
2010	3,129,277	Pg. 147 - 119
2009	3,038,026	Pg. 159 - 107

Delinquent Taxes start to drop beginning in 2014.

Additionally, Mike is still in the process of collecting delinquent taxes for 2016, so the number Ira Dove took a snapshot of when he sprung his spread sheet on Mike Matthews, is actually a work-in-process number, and in all likelihood, is going to continue to be reduced.

We are now at a point we can look at this data graphically.



Well, this is dramatic!

For emphasis, data in red is while David Francis was running the show, and turns green (which means good) when Mike Matthews started collections.

As you can see, there is a steady drop on delinquent tax from 2014 on. The last data point for 2016 is, as I mentioned, a work in progress number. Rather than stay at the snapshot point of where it was when Ira Dove attempted to sandbag Mike Matthews, it is likely to continue downward at the same rate, or slope. That is the nice thing about looking at this data graphically.

So even though the Tax Levy has gone up, delinquencies are on a downward trend! It stands to reason that with less delinquencies, the percentage of "LESS: Collected Enfor." is going to decrease also. What does Ira Dove think the Taxpayers of Haywood County are: Stupid? When Dove pulls a stunt like this, and Vicki Hyatt and Jonathan Key hop on this bandwagon, it makes them look like a bunch of idiots.

Mike Matthews created a letter to the citizens of Haywood County to explain what is going on, and is found at: <http://haywoodtp.net/pubII/161115StatementFromMikeMatthews.pdf>.

Conclusion.

I attempted to explain this graphical approach and result to Jonathan Key, owner of the Mountaineer, at the end of a recent county commission meeting, but he looked dazed, and said he did not have his glasses on. It is apparent to me that he does not understand what is going on here. It would be like talking to a brick wall to attempt to explain this to Vicki Hyatt. He instead wants to wait a couple of months for additional data to roll in and have Vicki write a new article, perhaps in January. The problem is, this stink-pot of a hit piece remains in taxpayers mind with no correction from the Mountaineer. This character, Jonathan Key, is really a piece of work.

Mike Matthews explained that instead of using heaving handed tactics as his predecessor used, he has been working with delinquent taxpayers with payment plans that they can afford and live with. There have been hardly any foreclosures, while with David Francis, Haywood County led the state with the number of foreclosures (a money making scheme for some people around here).

Instead of continuously harassing Mike Matthews, he should be given the hero of the year award.

You will never hear this from the Mountaineer, nor the Smoky Mountain News, only from www.haywoodtp.net.

The last election produced a Republican Sweep in Haywood County. Never happened before. Brandon Rogers replaced Mark Swanger, and so we have a Republican on the County Commission now. We still have the RINO, Kevin Ensley.

As with Donald Trump, this county commission needs to drain the swamp. Since David Francis will lose his cover when Swanger leaves, and I don't believe the other democrats on the commission will put up with him for very long, I expect to see Francis leaving us soon.

Next on the chopping block is Ira Dove. He can't get fired soon enough.

Next is Julie Davis. I happen to know an extremely qualified replacement for Julie Davis, and will be talking about that as the smoke settles after Swanger is gone.

I expect Swanger and his wife will be spending more and more time down at their quarter of a Million Dollar Condo in Panama City Beach that they only paid \$10 for.

Monroe A. Miller Jr.
Haywood County Taxpayer.