

Haywood County "Toeprints"

April 19, 2011

Vol. #2 Issue #16 (Subject: **Public Comments - Revaluation, Killian, Swain County**)

www.haywoodtp.net

What's Happening?

The purpose of this newsletter is to inform Haywood County Taxpayers of what transpires at the bi-monthly County Commission Meetings. This newsletter will be written from the perspective of a casual observer, myself. Any opinions expressed will be mine or the County Attorney's.

County Commission Meeting, April 18, 2011.

County Commissioners conducted a Public Hearing paving the path at the next county commission meeting for pencil whipping an additional \$350K of debt without a public vote. This amount of this loan application for \$350K does not even cover the \$430K commissioners approved and dipped into the General Fund to fix up the Fairgrounds Arena Building, nor the \$337K they dipped into the General Fund earlier to bail out the Fairgrounds Board so their buildings did not fall to foreclosure.

It was disclosed (confirmed by **Ensley** [R]) that the Fairgrounds is now renting out Haywood Fairgrounds facilities to a church (Cowboy Church?). Golly. Will we Haywood County Taxpayers ever see a cent of this rent money? I suppose we will have to ask **Mary Ann Enloe**, chairman of the Haywood County Fairground, Inc., because any revenue collected by the Fairground Board goes to the Fairground Board, not the County. So let me get this straight - the county commissioners just dipped into the General Fund for \$767,000 (\$337K + \$430K) to spend on the Fairgrounds Buildings, and we taxpayers don't get a single penny from the Cowboy Church? How much rent are they paying? Is this fair to all the other churches in town? Is the county now subsidizing churches on County owned property? Are more churches interested in getting in on this deal? Contact your local County Commissioner or **Mary Ann Enloe**.

Public Comment Session.

County Commissioners must have seen the Cruso Haywood County Tax Petition posted on www.haywoodtp.net, as **Chip** (a.k.a. **Leon**) **Killian** [D] was primed and ready to go with yet another opinion.

[**Editors Note:** I don't believe I've been to a meeting where the commissioners appear to have been so shook up about an upcoming topic, i.e., they knew this was coming, that they had the county attorney speak and pre-admonish the taxpayers before a public comment session began. The following is a

transcript from my recorder of the exchange **Swanger** had with **Killian** prior to the Public Comment Session. There are plenty of sections marked [unintelligible], as comments were unintelligible. This again brings light to the fact that the acoustics in this courtroom are abysmal. See my later Editors Note on this regarding **Dale Burris** [U].]

Begin Transcript.

Swanger: "I've been told by several of you in the audience that the subject matter of the comments will be regarding the request to repeal the recent revaluation of the county property that has just been concluded. So I'm going to deviate a little bit from our normal procedure and ask our county attorney to brief us on the legal status of the request. It may have some bearing on the comments [unintelligible]. Chip..."

Killian: "Mr. Chairman, it came to my attention that [unintelligible] were asking that the reval process be repealed. Of course I did some research, reviewed the statues, reviewed the attorney general opinions, spoke to the property [unintelligible - tax division?] and it's my strongly held opinion that such a move would be unlawful. It would bring probably a lawsuit by the attorney general acting on behalf of the property tax community or the Department of Revenue and would be expensive to [unintelligible] the lawsuit which [unintelligible] would probably loose. So it's my opinion that this not be considered. The schedule of values was adopted back in September after a Public Hearing, [unintelligible]. Following that Public Hearing, [unintelligible] the Schedule of Values was adopted for the process to begin - continue to [unintelligible] properties in the county, public notices had gone out [unintelligible] for us to, now, repeal the revaluation and go back to the values of the previous year."

Swanger: "[unintelligible] I believe that was the opinion of the attorney general."

Killian: "The opinion of the attorney general in '09 which had to do with another county, the same fact as we have exactly here [unintelligible]."

End transcript.

Some Comments.

Everything **Killian** said was an opinion. As I have said before, lawyers give opinions, judges make the rulings. With all his advance prep time, **Killian** failed to cite one substantive reason or site a specific ruling, general statutes, etc., that would prohibit a repeal. In fact, the one thing **Killian** did not bother to offer, was that Swain County repealed their revaluation because they were having so much trouble with it.

In fact, from a UNC School of Government, Local Government Law Bulletin, Number 121, September 2009, The Revaluation Revolt of 2009, by Christopher B. McLaughlin:

“... The one bill that eventually passed was a modified version of H 1530. The final provision authorized any county, not just the three counties that had already done so, to repeal its 2009 revaluation so long as its board of county commissioners voted to do by June 30, 2009. Beyond Caldwell, Rockingham, and Stanly counties, only one additional county took advantage of this new authority. **Swain County, which had abandoned its 2009 revaluation in favor of its previously existing tax valuation without passing a formal ordinance to that effect, formally repealed its 2009 revaluation in mid-June. ...**”

So there, Mr. **Killian**. Why didn't you bring this up?

Nine (9) people spoke during the public comment session. Be sure to see the video of the public comment session on cable broadcast TV or when the video is posted on the county website.

The first speaker, Adam King, may have been the key to begin the unraveling of this whole revaluation fiasco.

[**Editors Note:** I have spent considerable time with David Francis, Judy Ballard, Greg West, on-line research, and speaking with numerous property owners, to come to the conclusion that this revaluation, headed by Ron McCarthy, a consultant hired by the County Commissioners, is fatally flawed, and, in fact, should be repealed.]

Adam King, a young guy, had purchased a mobile home for \$22K. It had been previously assessed for \$65K. After the revaluation, the new assessed value was \$91.1K. Adam King asked the commissioners - “What method are you using to come up with this assessment?” Of course, Adam King did not receive a response. I dare say, at this point, the commissioners were clueless as to how to respond, even though **Mark Swanger** is the head of the Board of Equalization and Review.

In my book, a mobile home is like an automobile. Once you purchase it, it begins to depreciate. It **does not** appreciate! Adam King's mobile home was not new. Adam King's experience is not isolated.

This is nuts!

The only response **Mark Swanger** could muster was the commissioners rote response (which he used many times subsequently), that there was an avenue for Adam King to pursue. First, file an informal request, then go to the Board of Equalization and Review, etc., etc., etc...

Let's review...

Swanger is on the Board of Equalization and Review! If **Swanger** didn't know the answer to Adam King's question during this county commission meeting, what is **Mark Swanger** going to do between now and the first meeting of the Board of Equalization and Review, where he sits as the top guy on that board - take a quick crash course in property appraisal from the Ron McCarthy school of Property Assessment?

This goes to the heart of one of the speakers comments, Jonnie Cure, when she asked: “What are the qualifications of these people on the Board of Equalization and Review?” Who are these people to tell me what my property is appraised at?

The Board of Equalization and Review?

Who are these people?

Mary Ann Enloe [D]

Wade Francis [D]

Carroll Meese [D]

Mark Swanger [D]

Evelyn Cooper [D]

Bill Upton [D]

Mary Ann Enloe is, of course, the current chair of the Haywood County Fairgrounds, Inc., Board of Directors. We all remember her famous comment from the minutes of HCAAC Board Meeting, September 9, 2010 [re: Toeprints, vol 2, Issue 4]

“Chairman Enloe explained that when Haywood County commissioners took over the financial responsibility for the fairgrounds properties, the new board was established as a public board to act as the fiduciary conduit through which large amounts of public monies flow from the Board of County Commissioners for the management of the Fairgrounds. Fairgrounds property and buildings belong to the taxpayers of Haywood County,, and not to a private corporation. Loans being applied for are backed by taxpayer dollars.”

Someone will have to explain to me how any of these people are qualified to make decisions regarding the accuracy of the four (4) assessors who assessed nearly 1,000 “neighborhoods”, all under the direction of Ron McCarthy, the consultant hired by the County to do the revaluation.

Have they all gone to “Learn how to become an instant expert in property valuation” school?

[**Editors Note:** It’s been often asked of me, ‘How did the Commissioners fair with this new Revaluation?’ Well, now you can find out. Go to www.haywoodtp.net and click on “[SpreadSheet Analysis - Will Commissioners pay More or Less Tax after the 2011 Revaluation? 4/19/2011...](#)”. Coming up soon, a new analysis of how the folks on the Board of Equalization and Review fared with the revaluation.]

Other speakers during the Public Comment Session.

[**Editors Note:** I attempted to (strained) to hear **Mark Swanger** as he called people up to speak at the podium, but, as so many times before, could not make out the names from the audio system. Who is responsible for the notoriously bad acoustics in this room? None other than **Dale Burris**. Early on, I had asked who was responsible for this system, and was referred to **Dale Burris**. I contacted **Dale Burris**, and he told me the system was fine. He had overseen the installation when it was put in. He had made a quick check and found that a speaker had been wired backwards, and now everything was all better. I had suggested a more comprehensive audio frequency scan monitored with a spectrum analyzer, and it became clear to me that he did not understand what acoustical engineering was. Rather, I was blown off and treated with condescension. Mr. **Burris**, you and I will have to get together and revisit this issue sometime in the future, as the complaints are still coming in...]

Some key thoughts (as best as I could hear and understand)

Horace Edwards spoke. Indicated he thought there was a violation of the First Amendment. Taxpayers have the right to petition under regress (countering **Killian’s** opinions). He indicated County Commissioners have authority to rescind anything, including this revaluation. **Swanger** blew him off, saying that commissioners have to follow the law. Basically, county commissioners were digging in their heels again, and **Swanger** did was he seems to be best at doing, when he sees a problem, looks the other way. [re: recording].

Another taxpayer in Cruso said his tax doubled, and asked **Swanger** who David Francis reported to. Swanger answered that Francis was elected.

[**Editors Note:** Note to **Swanger**. The next time a taxpayer asks who David Francis reports to, check out the county Organizational Chart in the CAFR (Certified Annual Financial Report), and you will see that the elected Tax Collector reports to the County of Haywood Board of Commissioners, who by the way, report to the Citizens of Haywood County.]

Denny King spoke, and reminded commissioners that an assessment should match the value of the property. If you put the property up for sale, it should sell in a reasonable period of time.

There have been properties that have had a For Sale sign up for ages, have not sold, and those folks have had their assessment **increased!**

Finale.

After getting beat up during the Public Comment Session, **Swanger** checked with other commissioners to see if they had any additional comments. For whatever reason, **Kirkpatrick** [D] felt obligated to start defending the revaluation. One woman stood up and left, visibly shaking with apparent anger. As **Kirkpatrick** continued to drone on, another person stood up, turned his back on **Kirkpatrick**, and walked out. Then, two other people got up and walked out, **Kirkpatrick** continuing, not phased. More people got up, turned their backs on **Kirkpatrick** and walked out. It then became a steady stream of people, each getting up individually, and with complete disgust, turning their back on **Kirkpatrick**, and walked out. **Kirkpatrick** finally realized what was going on. The expression on his face was priceless, just like the MasterCard commercial.

These commissioners simply did not get it.

This was one of those moments in recent County Commission Meeting History that goes down in the books, as the moment a packed courtroom full of people silently rose to their feet as Michael Rogers stood up to make a public comment regarding the Permit Application for the Quarry. But, today’s action will never be mentioned by the local media.

[**Editors Note:** **Becky Johnson** [?] from the SMN, and Vicki Hyatt from The Mountaineer were both present at this meeting].

Here is the problem.

There are simply too many things wrong with this revaluation, that I now believe that this whole revaluation should be rescinded / repealed.

We are going to be running up against some hard deadlines.

The main deadline is when County Commissioners have to approve the 2011 - 2012 Budget, now set for Monday, June 20, 2011. Before that is done, Julie Davis must know the total of all taxable property, so that she can complete the line item under revenue for ad valorem taxes. That means that all of the complaints have to be resolved by then. The Board of Equalization and Review is only scheduled to meet on 13 days, with the last day concluded on June 13, a week before final Budget Approval. That does not take into account the process of people that are not satisfied with the Board of Equalization and Review, and decide to take the review process to next levels.

Since this is a revenue-neutral revaluation, the current tax rate of .514/\$100 will need to be re-adjusted to match whatever the new total assessed property are valued at, and everything could still be in flux at June 20th. This does not even take into consideration the instability of what the state government in Raleigh is doing regarding funds that they are approving to be sent to county governments.

The potential is great for someone getting screwed here, and if this is not watched very carefully, the easiest person to screw will be you, the Haywood County Taxpayer.

The simplest solution, in my view, is to cut this revaluation loose, take a little more time and get it right, and do it in 2013 or 2014, as David Francis originally recommended. Who knows, the economy might have settled down a little by then.

By the way, the decision to push forward with the revaluation occurred at the Budget Work Session almost exactly one (1) year ago, on April 19, 2010. The initial recommendation was made by David Francis to move the revaluation off to 2013, but was dismissed by two commissioners at the time - **Curtis [D]** and **Swanger**. The reason, **Swanger** said - we are losing grant money from the state (utilities), and we are in this (revaluation) too deep. I didn't really understand at the time what that last reason was, until I inspected the contract between the County and Ron McCarthy, the consultant hired to do the revaluation. That contract was signed 9/22/2009, a full six (6) months into revaluation before the Budget Work Session Meeting of April 19, 2010. So if you want to thank someone for this revaluation fiasco, you can thank **Curtis** (retired), and **Swanger** (who we can all force into an early retirement at the next election).

[**Editors Note:** The Power Point Presentation of the Budget Work Session is now posted on www.haywoodtp.net.]

Day Counter for Mountaineer and SMN.

This new feature shows the days since 3/30/2011 since either The Mountaineer or the Smoky Mountain News will have anything to say about the Haywood County Fairgrounds Arena Building Contract fiascos.

- The Mountaineer 21 days
- Smoky Mountain News 21 days

Legend: If any name is in **bold**, it can't be a good thing. Brackets following a name in **bold** with [D], [R], or [U] denote the individuals party affiliation, **D**emocrat, **R**epublican or **U**naffiliated. re: Haywood County Election Office - all voters 11/18/2010.]

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