

COUNTY OF HAYWOOD BUDGET MESSAGE FISCAL YEAR 2017-2018

Commissioners and Haywood County Residents,

On behalf of the employees and myself, I thank you for allowing us to serve you and I present to you the recommended budget for the Fiscal Year 2017-2018. The budget has been prepared in accordance with the North Carolina Local Government Budget and Fiscal Control Act and other applicable laws. All funds within the budget are balanced and all revenues and expenditures are identified.

A number of factors have allowed this budget to be substantially larger than last year's. First, several revenues have increased that will not remain in the General Fund. The Occupancy Tax is projected to increase by \$359,874; the sales tax that is held for Haywood Community College and Haywood County School capital is up \$417,343; and the excise tax from the Register of Deeds is up, which includes \$47,000 that must be remitted to the state. Several expenses also require an increased budget. Voting machines must be replaced, at an estimated cost of \$890,000 as required to comply with North Carolina law. Funding to the schools, based on the funding formula, will increase \$485,209. All these factors combined account for an increased budget of \$2,199,426 before accounting for any other items. And, due to a combination of factors including, but not limited to, increased demands on public safety services, the overall budget has continued to grow. The other recommended changes in spending are noted below.

In 2017, Haywood County had a general reappraisal of real property. State law requires that units of local government, publish a revenue-neutral tax rate in the budget immediately following the completion of the general reappraisal of real property. The purpose of the revenue-neutral tax rate is to provide citizens with comparative information. The revenue-neutral tax rate, as defined by G.S. 159-11(e), is the rate that is estimated to produce revenue for the next fiscal year equal to the revenue for the current fiscal year if no reappraisal had occurred. The rate is then adjusted by a growth factor equal to the average annual percentage increase in the tax base due to improvements since the last general reappraisal. The reappraisal produced a tax base of \$7,346,224,297 for Haywood County. The growth factor since the last general reappraisal is 1.15%. Using the formula mandated by state law, the revenue-neutral tax rate for Haywood County is 58.51 cents per hundred, this budget used a slightly lower

rate of 58.50 cents per hundred. The proposed property tax rate for FY 2017-2018 is 58.50 cents per hundred, which represents a little less than the revenue-neutral rate as compared to the property tax rate of 56.61 cents for FY 2016-2017.

In addition, a fund balance appropriation of \$2,150,000 for capital projects was used to balance the budget. The recommended budget is \$79,511,717. It is balanced and provides for sufficient capital to allow for a sustainable county.

The remainder of the budget message examines the governmental goals of the budget; economic trends; the real property reappraisal; revenues; expenditures (summary and detailed) with explanations of the features and activities anticipated in the budget; and concludes with overall recommendations.

BUDGET GOALS

The Board of Commissioners held two work sessions at which significant discussions occurred that shaped this budget. The first session on February 14, 2017, which focused on the needs of the county government departments, the Commissioners identified five general goals: Best Education for residents of all ages; Economic Development; Countywide Broadband; Public Safety and County Infrastructure.

The second work session on April 6, 2017, focused on the needs of the Haywood County School System and Haywood Community College. From these sessions, the following governmental goals are recommended for Fiscal Year 2017-2018:

1. Provide increased funding to the Haywood County Schools (Best Education Goal);
2. Provide increased funding to Haywood Community College (Best Education Goal);
3. Provide adequate maintenance of County owned facilities (County Infrastructure Goal);
4. Provide for economic development activities (Economic Development Goal);
5. Provide for an increase of the public safety workforce, based on review of the increased demand for these services (Public Safety Goal);
6. Continue to provide safe, convenient service in solid waste in compliance with all regulations including specific projects such as the Francis Farm remediation and upgrades to convenience centers;
7. Expand current levels of service to the public through a modest increase in Library system hours (Best Education Goal);
8. Maintain funding to community clubs;
9. Maintain the Wellness Center and health benefits for employees;
10. Maintain the 401K contribution;
11. Continue merit pay increases (0-2%); maintain holiday and longevity pay; and
12. Maintain adequate contingency.

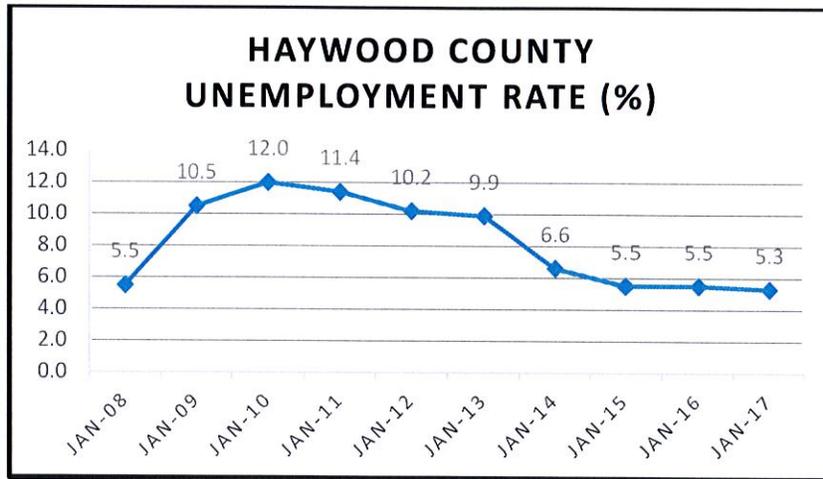
ECONOMIC INDICATORS

Overall Outlook

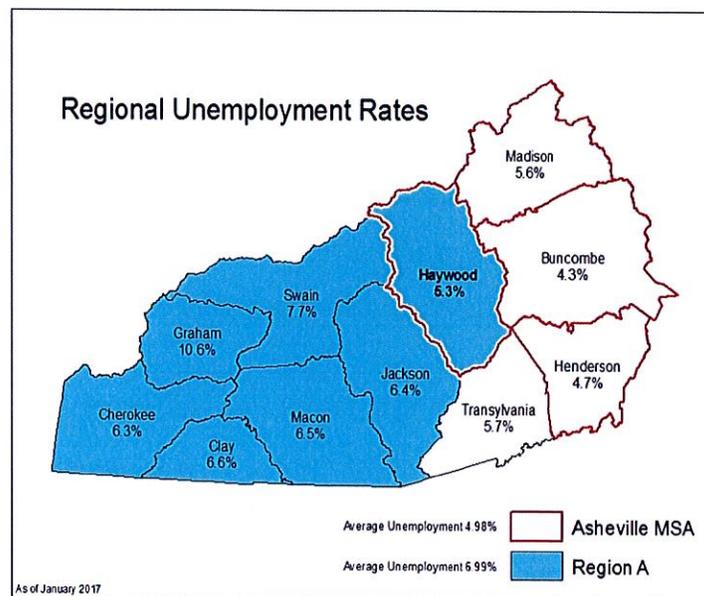
There are encouraging signs that the county continues to recover from economic downturn. Though the overall economic outlook is optimistic, key indicators such as median home sales prices and local tax revenue, have not yet returned to pre-recession levels.

Unemployment

Current economic data from the North Carolina Department of Commerce show the County's unemployment rate was 5.3% in January 2017, this was below the level in January 2008 at the start of the recession. The unemployment rate dipped even further in February 2017 to 4.8%. Haywood County's January 2017 unemployment rate was also below the statewide average of 5.5%.

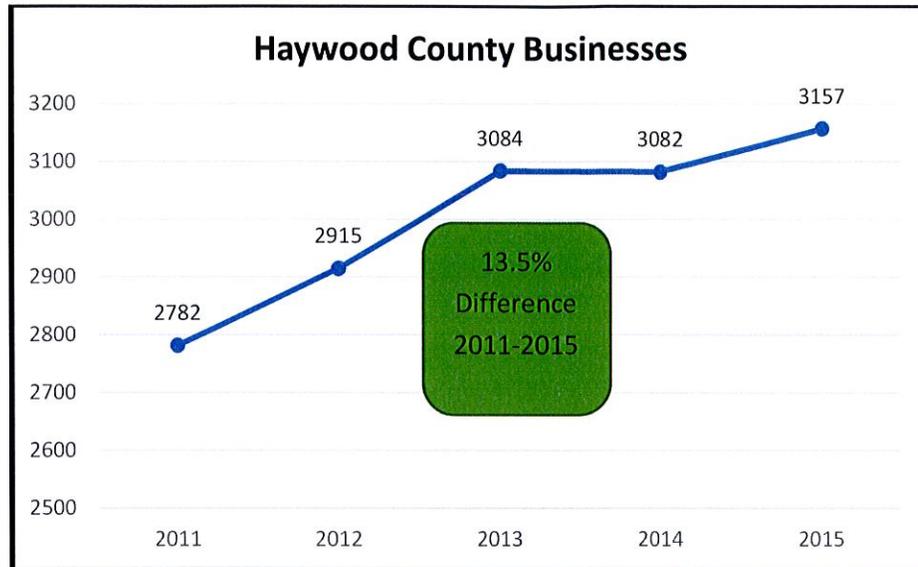


Source: Labor and Economic Analysis Division, D4 database, retrieved 4/18/2017



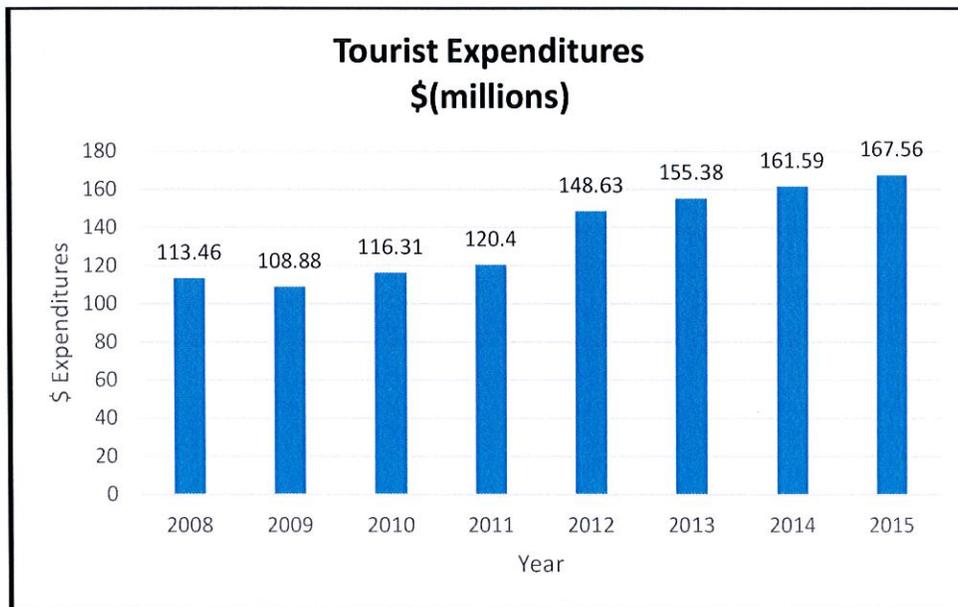
Economic Activity

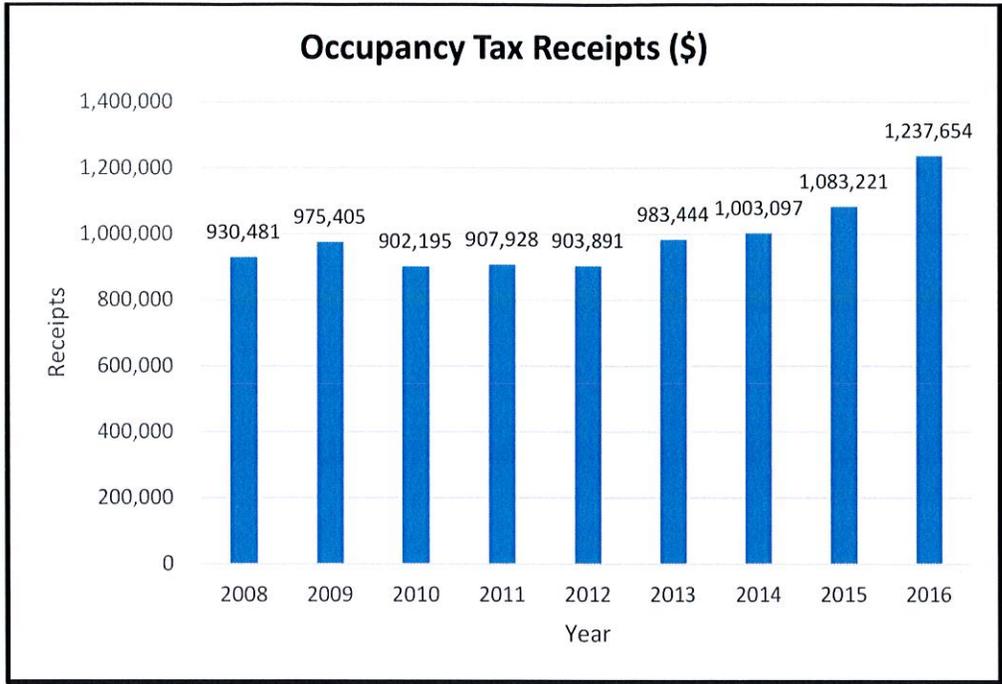
The number of businesses in Haywood County continues to rise. In 2011, at the depth of the recession, there were 2,782 businesses, and in 2015, the latest date for which data is available there were 3,157 businesses, reflecting a 13.5% increase.



Tourism

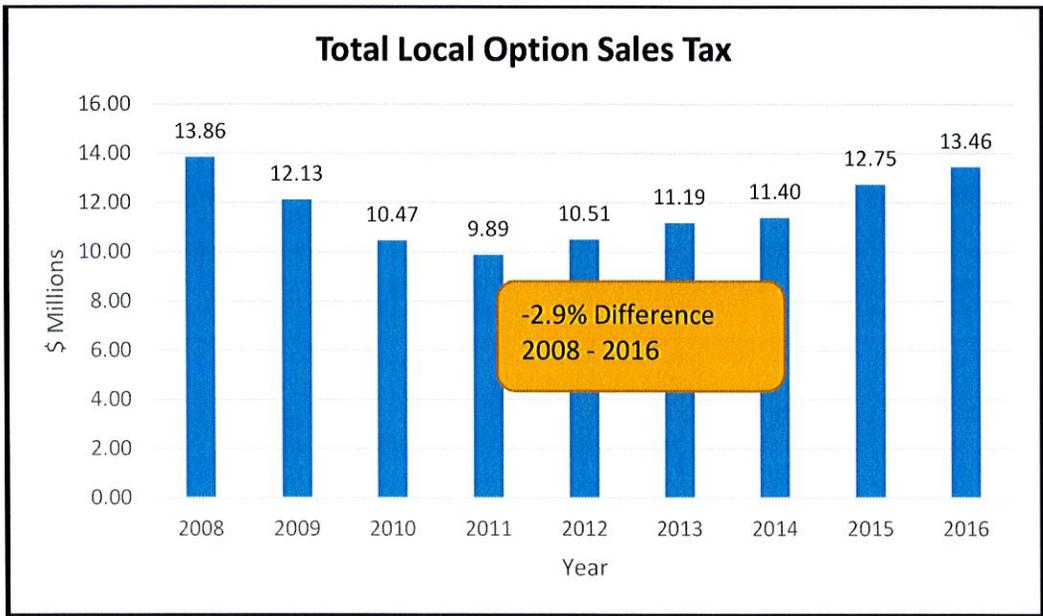
Haywood County continues to raise its profile as a tourism destination, despite the economic downturn. Tourist expenditures in 2015 were \$167.56 million, a 47.7% increase over the 2008 level. Haywood County ranked #18 in the state for the change in expenditures between 2015 and 2014 with a 3.7% increase (\$5.97 million). Occupancy tax receipts grew to \$1.24 million in 2016.





Local Sales Tax Revenue

Local sales tax revenues are nearing pre-recession levels, with a steady upward trend. Revenues in 2016 at \$13.46 million were 2.9% below 2008 (\$13.86 million). A portion of this revenue is allocated to Haywood Community College, at the discretion of the Board of County Commissioners, while North Carolina law sets aside a certain percentage for school capital outlays.



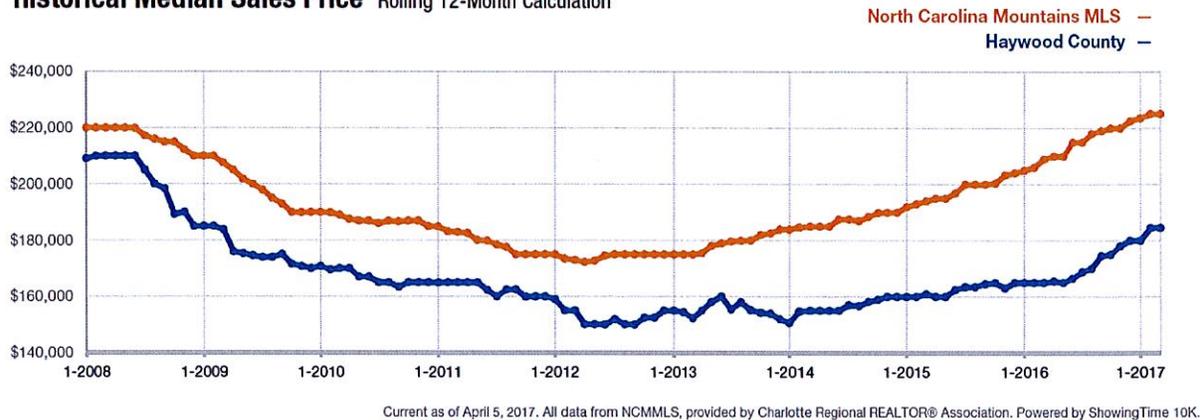
Real Estate Sales and Development

The median sales price of a single family home in the County continued to rise, increasing from \$168,000 in March 2016 to \$173,500 in March 2017, a 3.3% increase. There were 94 closed sales in March 2017, a 32.4% increase over 2016 (71 closed sales).

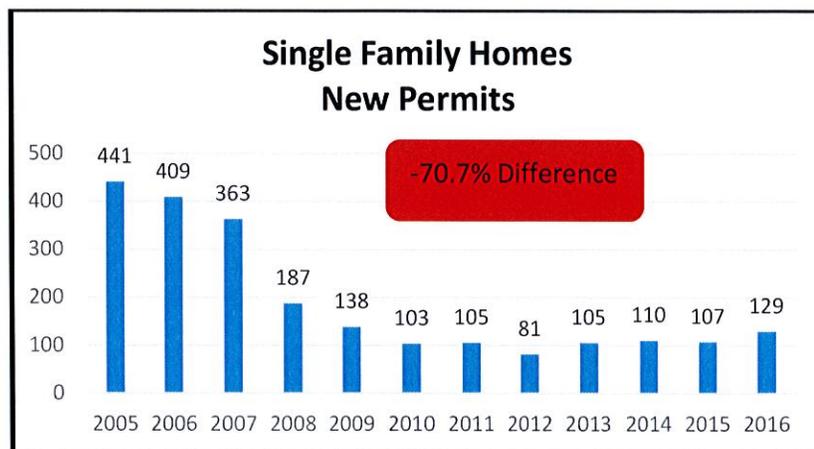
There are additional indications that the local real estate market is heating up. Cumulative Days on Market Until Sales decreased 14.5% between March 2016 and March 2017, from 181 to 166 days. At the same time, inventory of homes for sale decreased from 703 in 2016 to 552 in 2017, a 21.5% decrease.

A longer term analysis shows that median home sales prices in the county have not yet reached the pre-recession level, but have increased steadily in the past 18 months.

Historical Median Sales Price Rolling 12-Month Calculation



Though home prices are on the rise, the value of undeveloped land decreased significantly during the 2017 reappraisal, losing \$166 million in market value between 2016 and 2017. Indeed, property development lags far behind the high reached during the 2005 economic boom. The number of single family permits issued in 2016 was 129, a large decrease (-70.7%), from 2005.



Finally, another indicator that the land market may be increasing in Haywood County is the total number of documents filed in the Land Records Office. The amount of filed documents from 2015 to 2016, which represent activity in the market, grew by 11%, the largest increase since 2005. This was the first year since 2008 that more than 5,000 documents were filed. Documents processed in Land Records are still below the pre-recession levels from 2007.

Real Property Reappraisal

North Carolina General Statute 105-286 requires the reappraisal of real estate at least once every eight years. Real property includes land, buildings, structures and other improvements. Haywood County had been on a four year reappraisal cycle, but conducted its last reappraisal in 2011. Due to the economy, Haywood County postponed this latest reappraisal until the sixth year. Haywood County plans to return to a four-year cycle in 2021.

North Carolina General Statute 105-283 requires that real property be valued at its true value in money or, for tax purposes, market value. Properties were appraised at market value based on sales that took place prior to the reappraisal date of January 1, 2017. Haywood County used mass appraisal to reappraise almost 50,000 parcels.

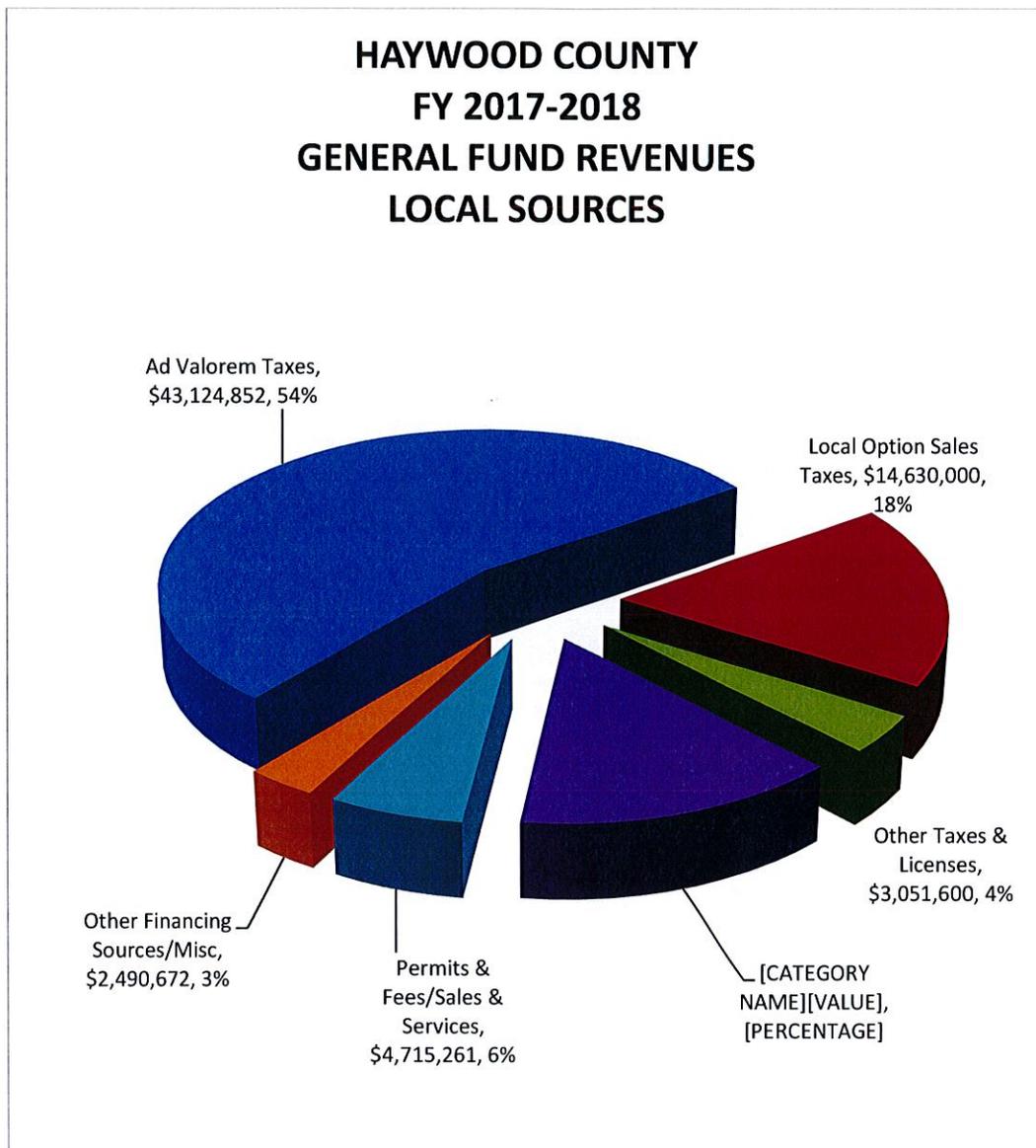
A mass appraisal groups similar properties together to establish values. Various factors are considered when completing the appraisal such as: location, cost, age, replacement value, and zoning of commercial or residential. During the course of the reappraisal, all parcels were reviewed in 936 residential, 80 commercial and nine industrial neighborhoods. The reappraisal process begins by examining vacant land sales, the sales price of vacant land also can affect properties with improvements (dwellings, buildings and structures).

Based on sales of residential vacant land, the value of 7,507 properties increased, the value of 16,314 residential land properties remained the same, and the value of 17,582 properties decreased. When improvements, residential housing, are factored in, the value of 23,112 properties decreased, 12,685 properties increased in value and 5,605 properties remained the same with most being vacant land.

So what is the impact of the reappraisal? The total market value of properties in the county fell \$167 million between 2016 and 2017, including residential, commercial and industrial properties. Real property taxes are the primary source of revenue for Haywood County at 85% of taxable property; in 2016 property tax represented about 56% of Haywood County revenue. The reappraisal has led to a substantial revenue loss.

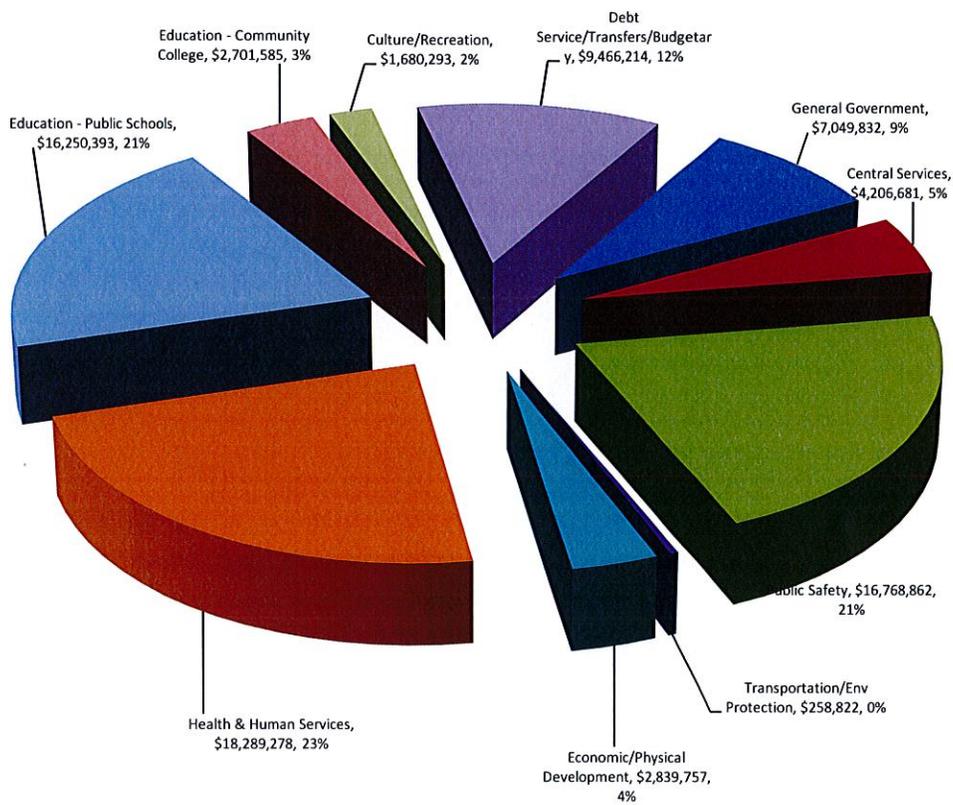
REVENUES AND EXPENDITURES

WHERE DOES THE MONEY COME FROM?



WHERE DOES THE MONEY GO?

HAYWOOD COUNTY FY 2017-2018 GENERAL FUND EXPENDITURES



EXPENDITURES BY AREA

EDUCATION

On April 6, 2017, Haywood County Schools presented their budget to the Commissioners. This is the third year of the latest version of the funding formula agreed upon by the Board of Commissioners and Haywood County Board of Education. The original formula, developed in 2003, has been revised a few times. At this point, both the Board of Commissioners and Haywood County School Board wish to maintain the current funding formula.

Based on the funding formula, Haywood County Schools will receive an allocation of \$15,517,883 for FY2017-2018, up from this fiscal year's original budget of \$15,032,674, an increase of \$485,209. These County funds can be applied to any school funding needs, with the exception of Capital Outlay expenses covered by other County revenues, based on priorities determined by the Board of Education and the school system. The local School Capital Outlay is \$700,000 compared to the FY 2016-2017 amount of \$675,000.

Haywood Community College has completed construction for the Public Services Training Facility (PSTF). This facility will assist in the Public Safety Goal as it will serve as a training center for all of the Public Safety personnel in the County. Haywood Community College is requesting \$127,370 for expenses related to the PSTF, including support for a full time coordinator position for the facility and other associated expenses. Overall, HCC is requesting an additional \$177,916 and this is recommended.

HCC is also requesting \$116,000 for capital, down from FY 16-17 budget of \$135,000. For the past few years, HCC has requested less capital than the set aside would allow in order to build a fund for paving. It is anticipated that next year's capital request will be significantly higher. This budget recommends \$2,701,585 for current operating expenses, an increase of 6.2% over FY 2016-2017.

Education

FY 2016-2017	FY 2016-2017	FY 2017-2018	FY 2017-2018
REVISED BUDGET	ORIGINAL	DEPARTMENT	ADMIN.
(March 31, 2016)	BUDGET	REQUEST	RECOMMENDED
\$18,305,598	\$ 18,305,598	\$ 18,951,978	\$ 18,951,978

GENERAL GOVERNMENT

There is a substantial increase in the General Government function over the prior year's budget. The largest single increase in the budget overall is due to the need to purchase voting equipment to comply with North Carolina law. The new voting system is anticipated to add an excess of \$890,000 to the Department of Elections budget this year. Fortunately such purchases only occur infrequently.

In addition to increases in election costs, General Government line items will be higher primarily due to increases in insurance costs. Over the past few years, employee health insurance costs have remained higher than past levels. In 2017-2018 an additional \$275,000 is needed to bring the plan in line with the cost projections, and \$23,000 additional is needed for retiree Health Insurance. Haywood County is self-insured. The Wellness Center helps to offset the overall costs of the plan and will need an additional \$21,800 for increased costs of medical supplies, flu shots and other related expenses. In addition, updates to the audio equipment used to record the Commissioners' meetings and modulate the sound in the court room are expected to be about \$10,000.

The Addressing function and Geospatial Information Services have been relocated from the Information Technology Department to the Land Records Department to consolidate related services. One staff member was relocated from the Information Technology department to Land Records, which accounted for most of the increase in this budget. Addressing is an essential function for the safety of residents by maintaining addresses for 911 and assigning addresses for the US Postal Service. In addition, all street signs are made, installed and maintained for the entire county. Consolidating these functions in Land Records should lead to increased efficiency and resulted in an increase in the General Government budget and a related decrease in the Central Services Budget.

In FY 2017-2018 the focus in the Tax Assessors' Office will shift from the completed real property reappraisal to handling appeals. An additional \$60,000 is budgeted for lawyers and expert witnesses. In an effort to increase efficiency and more fully utilize the existing mapping software, iPads are recommended for field staff. The approximate cost, including data plans, is \$9,000. Additionally, \$13,500 is recommended for the implementation of a new software program called the Collector that will allow creation of a digital archive of structures in the county.

There is a significant increase in the Register of Deeds budget as increased revenues have meant that the County will remit an additional \$47,000 in excise tax to the State.

General Government

FY 2016-2017	FY 2016-2017	FY 2017-2018	FY 2017-2018
REVISED BUDGET	ORIGINAL	DEPARTMENT	ADMIN.
(March 31, 2017)	BUDGET	REQUEST	RECOMMENDED
\$6,109,645	\$5,865,573	\$7,154,256	\$7,049,832

CENTRAL SERVICES

The Central Services budget will see another significant increase in this coming fiscal year to support the Commissioner's goals to provide County Infrastructure. This is the second year of implementing a three year information technology improvement schedule. The Information Technology Department is transitioning to a cloud based solution, prompted by changes in Microsoft licensing. This is the most reasonable solution for current technology needs, the resulting line item will increase by about \$150,000.

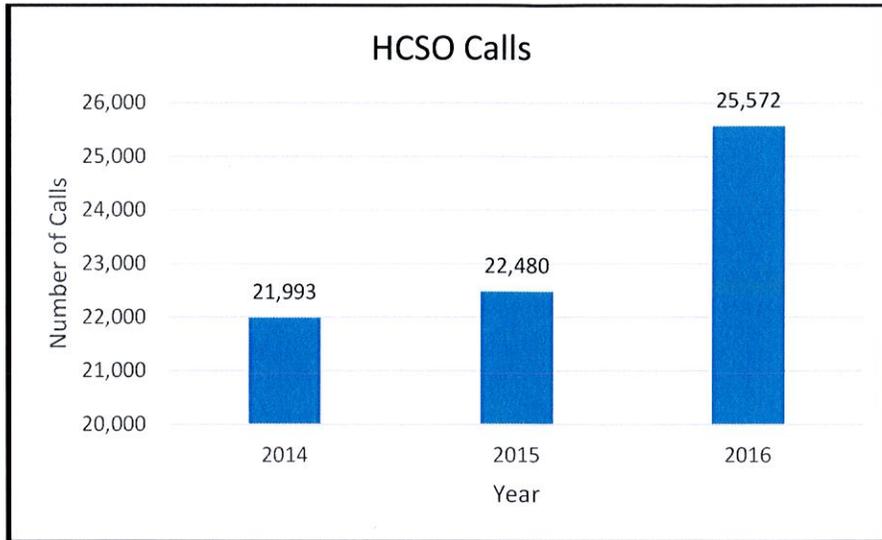
In the Facilities and Maintenance Department, there is an increase in the overall budget. In FY2017-2018, the parking lot of the Canton library will be repaved. The roof on the Wellness Center needs to be replaced. Due to damage at the detention center by inmates, a new sprinkler system and plumbing system are being sought that will be less susceptible to such damage; the projected cost is around \$86,000. The boilers at the detention center also need to be replaced.

Central Services

FY 2016-2017	FY 2016-2017	FY 2017-2018	FY 2017-2018
REVISED BUDGET	ORIGINAL	DEPARTMENT	ADMIN.
(March 31, 2017)	BUDGET	REQUEST	RECOMMENDED
\$4,268,975	\$ 4,157,973	\$4,970,461	\$ 4,206,681

PUBLIC SAFETY

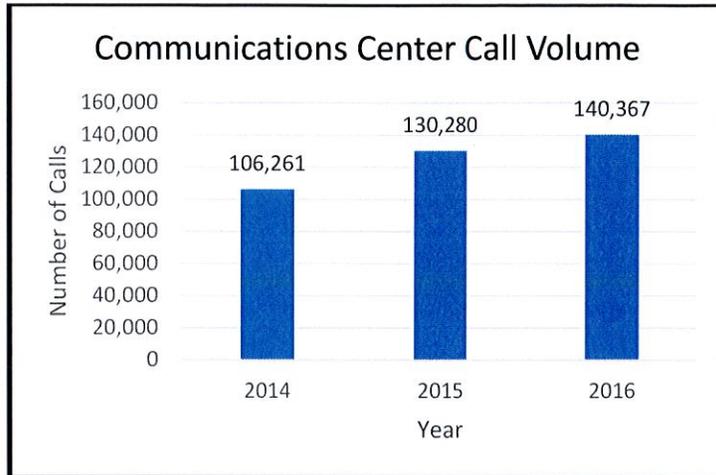
One of the stated goals for the budget is Public Safety. This area received a lot of attention in order to make residents feel safer and increase responsiveness to their needs. FY 2016-2017 saw high demand for the services of the county's public safety departments.



This year, the Sheriff's Office needs to upgrade and replace items of worn out equipment. The purchase of six new patrol vehicles, new TASERs and replacement dash cameras are recommended. The Sheriff requested four additional patrol deputies. Although this request is not fulfilled in this budget, it should be noted for next year and should be strongly considered at that time.

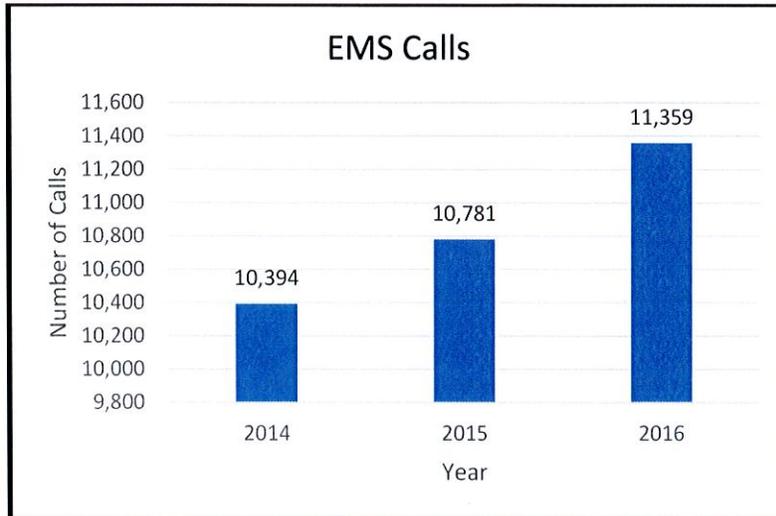
In 2016, the Haywood County Detention Center received a total of 3,365 inmates. While the detention officer schedule is comprised of four shifts, there are only three detention sergeants. The high number of involuntary commitments issued by judicial (642 in 2016) places a further strain on staffing at the center. Nearly every night detention officers are forced to assume a transport officer role to take inmates to the hospital, reducing coverage at the detention center. At times, a deputy (one of five covering the entire county during a shift) has been pulled off his/her patrol duties to assist with transport tasks. The addition of a fourth supervisory detention officer will alleviate some of the understaffing at the detention center. This budget includes \$42,500 for a new van, an additional detention lieutenant (\$68,000), new radios and tracking system (\$25,000) and increased inmate expenses of over \$50,000.

In 2016, the Communication Center handled more than 140,000 calls. The Center answers calls for four police departments, 15 fire departments (4 paid and 11 volunteer), three fire marshals, and county Emergency Services, to dispatch their seven paramedic-level Emergency Medical Services (EMS) units. As call volume has increased significantly each year for the past 3 years, additional staffing is needed to provide adequate coverage during peak hours.



Additional Ambulance Coverage

EMS calls for service in 2016 increased to over 11,000 each year, while continuing to operate 6 ambulances/24 hours per day. This represents a 7% increase from last year. It is now necessary to add a 7th ambulance in order to provide adequate ambulance coverage. This proposed 7th ambulance will be staffed using part-time employees. The staffing cost is \$46,000.



Three of the current ambulances in the fleet need to be remounted to extend their life and avoid the purchase of new, replacement vehicles at a much higher cost. All three of these remounts will be purchased with the Stryker power-load “safety lift” systems to improve patient and employee safety. Total cost is expected to be \$480,000, which is \$360,000 more than last year’s EMS vehicle line item.

Warning/Notification System

Haywood County must have the ability to provide accurate and timely information to residents and visitors during an emergency situation such as a wildfire. Through the Local Emergency Planning Committee (LEPC) the *Annex C: Alert and Warning of*

Haywood County Emergency Operations Plan is near completion. This plan will recommend that the County upgrade the extremely outdated notification system. Through a comprehensive emergency plan revision and a new cutting edge technology warning system, Haywood County can provide optimum warning and notification in the event of a major emergency. The increased cost is expected to be \$25,000 and this is highly recommended.

Health/Wellness

Funding for health and wellness initiatives in Emergency Services is intended to support an overall healthier workforce. Employees will receive annual physical examinations, administered through Haywood Regional Medical Center and will take courses including nutrition, ergonomics, and strength and conditioning. This will promote physical and mental health. The goal is not only to reduce illness and lost time injuries, but to improve overall employee wellness and fitness for duty. The cost to implement is \$27,000.

Animal Services

The new Haywood County Animal Services building will open in FY 2017-2018. There will be some slight increases in the costs of cleaning supplies, funding for part time personnel and replacement of a vehicle. Expenses are up slightly as the department continues to make progress towards the goal of maintaining the status of a low kill shelter. This status may open up grant opportunities and reinforces the notion that Haywood County cares about its animals, which is increasingly important as an economic and quality of life factor. In 2015 the department had the 5th highest live release rate in North Carolina among reporting shelters, at 86.5%. In 2016, the department's rank rose to 3rd, with a live release rate of 90.1%. All animals are now displayed on the Internet upon entry to the facility and all field officers received accreditation training from the National Animal Care and Control Association. The projected increase is \$109,202.

Public Safety

FY 2016-2017	FY 2016-2017	FY 2017-2018	FY 2017-2018
REVISED BUDGET	ORIGINAL	DEPARTMENT	ADMIN.
(March 31, 2017)	BUDGET	REQUEST	RECOMMENDED
\$ 16,002,668	\$15,449,531	\$17,290,012	\$16,768,862

TRANSPORTATION AND ENVIRONMENTAL PROTECTION

A significant portion of the county's population has limited or no access to transportation and rely on Haywood Public Transit, operated by Mountain Projects. This includes many senior residents who are unable to drive, as well as, those who cannot afford a vehicle. These residents depend upon public transportation to reach medical appointments or to

go grocery shopping. A budget increase is recommended due to increased costs of the Mountain Projects transportation program.

The Erosion Control Department was merged with the Planning Department to form the new Development Services Department. The move is expected to create a small cost savings and to increase efficiency. The move and name change also recognize the importance of these areas to economic development.

Transportation and Environmental Protection

FY 2016-2017	FY 2016-2017	FY 2017-2018	FY 2017-2018
REVISED BUDGET (March 31, 2016)	ORIGINAL BUDGET	DEPARTMENT REQUEST	ADMIN. RECOMMENDED
\$238,222	\$393,029	\$221,067	\$258,822

ECONOMIC AND PHYSICAL DEVELOPMENT

Haywood County continues to follow the agreement with the Greater Haywood County Chamber of Commerce whereby the Chamber has responsibility for the Economic Development Council (EDC). The move to the Chamber has allowed this part of the budget to remain stable. It also supports two of the goals, Economic Development and Countywide Broadband. In the economic development area, the Economic Development Council accomplished the following non-exhaustive list items: hosting several business roundtable discussions to learn about the needs of local businesses; visiting local businesses to discuss needs; working with other counties to create the Mountain West Partnership to market and attract business to the region; work with local businesses to assist in finding resources to grow; assist in bringing Freightliner to Haywood; hosting the Broadband initiative; monitoring economic statistics and advising members of the same; continuing to meet with multiple persons interested in relocating businesses to Haywood County. In addition, the Chamber and EDC sponsor and support the Business Plan Contest to encourage Entrepreneurship, and Buy Haywood-Agricultural effort for the county through the Agritourism Guide.

The Economic Development Council sponsors the Broadband Initiative and facilitated a study of Haywood County's broadband needs that will soon be completed. Changes are anticipated in the North Carolina legislature that would allow counties to participate more in public private partnerships and to help with infrastructure as municipalities do. In the present budget, \$30,000 is set aside for potential use as grant matching funding to the extent allowable.

Haywood County has had a significant increase in tourism and associated increase in occupancy tax that will go to the Tourism Development Authority and further drive economic development in the tourism industry. It is estimated that the pass through dollars in this line item will be \$1,486,880, up \$386,254 from the current year.

The County continues to support agriculture and will maintain the level of service in the Soil and Water Conservation and Extension Programs.

Economic and Physical Development

FY 2016-2017	FY 2016-2017	FY 2017-2018	FY 2017-2018
REVISED BUDGET (March 31, 2016) \$2,683,795	ORIGINAL BUDGET \$2,371,139	DEPARTMENT REQUEST \$2,892,309	ADMIN. RECOMMENDED \$2,839,757

CULTURAL AND RECREATION

In 2016, the Haywood County Public Library System initiated a strategic planning process to identify needs across the library system. The Library Task Force sought input from the community through focus groups and a survey. Organizations that support the library such as the Friends of the Library and Library Board of Trustees were active participants in this process. While the strategic plan is still in development, two key community desires were identified: increased access to the libraries (additional weekend days, and longer hours) and a larger collection. This budget provides for additional staff to increase hours of operation and funds to expand the collection.

The Recreation and Parks Department continues to strive toward its mission of enhancing the quality of life in the county by coordinating and providing recreation programs and facilities. Over the past year 1,176 participants of all ages, attended a recreation program or event. Local Senior Games participants competed well, with 25% of them going on to compete in Raleigh at the State Senior Games. Haywood County athletes and Silver Arts participants brought home 10 gold medals, 9 silver medals and 2 bronze. One participant will represent Haywood County at the National Senior Games in the summer of 2017.

Perhaps the most exciting event in the department in FY 2016-2017, was a strategic planning process completed by staff and the Recreation and Parks Advisory Board. A plan was created to offer more athletic based activities and programs for residents in the upcoming fiscal year. A slight increase in the budget reflects this initiative.

Cultural and Recreation

FY 2016-2017	FY 2016-2017	FY 2017-2018	FY 2017-2018
REVISED BUDGET (March 31, 2016) \$1,577,420	ORIGINAL BUDGET \$1,539,493	DEPARTMENT REQUEST \$1,746,415	ADMIN. RECOMMENDED \$1,680,293

DEBT SERVICE, TRANSFERS AND BUDGETARY ACCOUNTS

Overall debt service in this budget decreased from \$7,943,554 to \$7,538,485, which includes the payments for the new Animal Services building. The line item is stable because of an increase of \$417,343 in the transfers of funds made up of sales tax revenue that is either restricted for the public school capital or it is committed to the community college capital. The amount of sales tax revenue estimated to come in next year is over the amount of capital budget allocated to those two entities.

Debt Service, Transfers and Budgetary Accounts

FY 2016-2017	FY 2016-2017	FY 2017-2018	FY 2017-2018
REVISED BUDGET (March 31, 2016)	ORIGINAL BUDGET	DEPARTMENT REQUEST	ADMIN. RECOMMENDED
\$8,693,348	\$9,365,044	\$10,059,249	\$9,466,214

HEALTH AND HUMAN SERVICES AGENCY

Haywood County provides a wide variety of services to residents in the area of health and human services. The Health and Human Services Agency, is comprised of the Public Health Department, Department of Social Services and many services from the former Council on Aging. Two affiliate departments, Recreation and Parks and the Veteran's Services Office also provide services.

The consolidated Health and Human Services Agency (HHSA) is now 3 years old, and continues to create efficiencies in operations while developing services from a "whole person" perspective. In addition, the HHSA is constantly looking for ways to partner with other community agencies to support a healthy, stable Haywood Community.

Major accomplishments for HHSA in 2016 include: establishing a Community Resource Unit to help families become more self-sufficient, increasing the monthly board rate paid to Haywood County foster parents, establishing children's reading rooms with free books in both waiting areas, creating a committee to focus on NAS (Neo-natal Abstinence Syndrome) drug exposure babies and participating in the state-wide survey of mosquito populations.

Numerous collaborative efforts extended HHSA's reach into the community. Activities include a Birth to Five Initiative in the county that involves multiple partner agencies, a partnership with the Micah Raelyn Foundation to obtain 100 Pack and Play cribs for

needy families, and a partnership with the Sheriff's Office, NC Works, and Career Connections to help those who owe child support payments find work.

The agency received official NC Public Health Accreditation Certificate and the 2015 North Carolina Surveillance and Investigation Award for the Camp Daniel Boone outbreak response. The Economic Services Section consistently met the 95% Food and Nutrition Timeliness goal; with 100% accuracy Active Case Error Rate and 100% accuracy Case & Procedural Rate through June 2016. The Child Support team met 100% of the incentive goals set by the State and The Women, Infant and Children program was recognized by NC Department of Health and Human Services for the highest breastfeeding initiation rate in the state.

The agency increased productivity by implementing an electronic medical record system in both the dental and health clinics, as well as, a new software system for food and lodging services. The training room was upgraded to better accommodate the needs of staff and the various community agencies who utilize it for training purposes. A workplace wellness committee was started with plans to launch a comprehensive effort in FY 2017-2018.

Almost all of the services offered by HHS receive some level of reimbursement through federal or state sources. The actual amount of reimbursement varies program by program. The total budget for all HHS programs is funded by approximately 43% county tax dollars and 57% federal, state and private funds. While the total budget for HHS will rise slightly in this coming budget year, the amount of county dollars required to fund the budget will actually decrease.

The Veteran's Services Office continues to provide valuable assistance to 2,940 Haywood County residents who formerly served in the armed forces; which is roughly 45% of the total veteran population in the county. Last year the Veteran's Services Office provided 1,146 home visits and office consultations; helping veterans submit 435 compensation claims and pensions. The Veteran's Services budget is static.

Health and Human Services

FY 2016-2017	FY 2016-2017	FY 2017-2018	FY 2017-2018
REVISED BUDGET	ORIGINAL	DEPARTMENT	ADMIN.
(March 31, 2017)	BUDGET	REQUEST	RECOMMENDED
\$18,262,223	\$17,864,365	\$18,354,218	\$18,289,278

SOLID WASTE

The Solid Waste Management Department oversees the public-private partnership that manages the White Oak Landfill, Materials Recovery Facility (MRF) and ten convenience centers. The County maintains the closed Francis Farm Landfill.

White Oak Landfill

The White Oak Landfill has been managed by Santek Incorporated of Cleveland, Tennessee since December 2011. In May 2014, Santek assumed total responsibility the landfill. The agreement between the County and Santek brought professional management and needed financial resources for future cell construction and all closure and post closure costs. Beginning this autumn, Santek will begin construction of a 4.4 acre cell totaling \$2 million dollars.

On July 1, 2017, Haywood County disposal cost per ton will increase by .55 cents to \$23.00 a ton of which \$2.00 is returned to the North Carolina Department of Environmental Quality for waste reduction programs.

Material Recovery Facility

Consolidated Waste Services (CWS) of Haywood County, North Carolina has been working with Haywood County since 2004 hauling waste and recycling from the convenience centers. CWS began management of the convenience centers in 2010 and management of the MRF in April of 2015.

Haywood County and CWS will focus on overall recycling efforts through education, new signage and closer monitoring of waste streams. A household hazardous waste collection containment area will be created at the MRF in the summer of 2017. Residents will now be able to properly dispose of pesticides, chemicals and paint throughout the year in one central location.

Litter and Abandoned Manufactured Homes

The Sheriff's Office and the Solid Waste Management Department has teamed together to clean-up roadsides in Haywood County, collecting over 7,200 pounds of litter in just seven months.

The County will begin an Abandon Manufactured Home removal program next year, which will hopefully reduce unsafe and uninhabitable structures in the county.

Convenience Centers

Haywood County is currently upgrading Cruso, Jonathan Creek, Beaverdam, Jones Cove and Bethel convenience centers with new fencing, signage and some asphalt repair work at a cost of \$100,000.


BEAVERDAM
 Convenience Center
 1520 N. Canton Rd.

Hours: 7 a.m. to 5 p.m.
Days Closed: Thursday, Sunday
Alternative Site:
 Thursday Hwy 110 (1301 Pisgah Dr. South of Canton)
 MRF Monday - Saturday 7 a.m. to 5 p.m.
 278 Recycle Rd. Clyde, NC 28721

NOTICE
 LEAVING TRASH AT THE GATE IS CONSIDERED LITTERING
 AND IS A CLASS 3 MISDEMEANOR SUBJECT TO A
 MAXIMUM FINE OF \$ 1,000.
 NC § 14-399



The Board of County Commissioners approved the expansion of Mauney Cove and a new convenience center next to the former Crabtree Elementary School at a cost of over \$1 million dollars for the two projects. Construction is underway with an anticipated opening date in the summer of 2017 for both sites.

The Mauney Cove Convenience Center is the busiest of the convenience centers with over 250,000 visits each year. In 2016, the site received 4,547,000 pounds of waste and 988,180 pounds of recycling. This is an average of 980 residents with 18,280 pounds of waste and 3,953 pounds of recycling daily. By adding additional lanes and compactors, traffic and wait times will diminish and residents will be able to place waste and recyclables in the containers without having to walk across the site.

The Crabtree Convenience Center was the culmination of an eight year search to replace the current road side site located on Hwy 209. The County, along with the Haywood County School Board, agreed to place the convenience center site next to the former Crabtree School. This site is larger and will allow residents easier access.



Beginning in July 2017, the Mauney Cove and Hwy 110 convenience centers will be open six days a week.

Francis Farm Landfill

This summer, the County will hold a public meeting to inform residents of the Assessment of Corrective Measures (ACM) for the Francis Farm Landfill located just outside the town limits of Waynesville. The unlined landfill opened in the mid 1970's and was closed in 1993.

The County committed to clean-up the landfill beginning in 2010 with a million dollar grant to construct a flare and methane capturing system to burn methane gas. Subsequent land purchases to extend the boundary of the landfill were made in 2014 and 2015 that brought the landfill into compliance as far as methane gas exceedances at the property boundaries were concerned.

Over 25 wells were drilled on the landfill and surrounding properties to define any containments and the plume of groundwater migration. Containment concentrations exceeding North Carolina groundwater standards were detected outside of the original landfill boundaries, thereby requiring remediation at the source.

The ACM has evaluated nine (9) different corrective action technologies as the potential remedy to address the environmental concerns at Francis Farm Landfill. The County will continue using landfill gas extraction and leachate recovery systems along with restrictive cover (dirt and/or synthetic liner) to eliminate or slow rainwater penetration into the landfill and groundwater table.

The County must develop and submit a Corrective Action Plan to the NC Department of Environmental Quality for approval. A proposed timeline is construction will begin in the spring of 2019 with an estimated cost of \$5 million dollars. The County has saved hundreds of thousands of dollars by acquiring dirt from road construction projects. The acquired dirt will be placed on the landfill to add additional layers to prevent rainwater from entering the waste and groundwater.

The proposed budget supports and continues the ongoing efforts in all solid waste programs.

SOLID WASTE

FY 2016-2017	FY 2016-2017	FY 2017-2018	FY 2017-2018
REVISED BUDGET	ORIGINAL	DEPARTMENT	ADMIN.
(March 31, 2017)	BUDGET	REQUEST	RECOMMENDED
\$6,967,198	\$6,248,987	\$6,182,987	\$ 6,182,987

SUMMARY OF RECOMMENDATIONS BY FUND

The recommended County of Haywood Fiscal Year 2016-2017 budget is as follows:

General Fund - \$79,511,717

Special Revenue Fund – Emergency Telephone System (E-911) - \$426,026

Special Revenue Fund – Solid Waste - \$6,182,987

Special Revenue Fund – Road Districts – \$227,220

Special Revenue Fund - Fire Districts – \$3,696,827

Special Revenue Fund – Junaluska Sanitary District – \$224,500

Special Revenue Fund – Law Enforcement Officer Separation - \$65,000

Southwestern Child Development Center Fund - \$3,500,000

Internal Service Funds - \$6,430,000

Overall, we are looking forward to a great year of service.

Collectively, this budget represents hours of work on the part of many people, across all Haywood County departments and offices. My deepest appreciation is extended to all of them. Especially at budget time, I appreciate the experience and wisdom of our Finance Director, Julie Davis.

Respectfully submitted,



Ira Dove, County Manager
Haywood County