

Cherokee County Board of Commissioners
Worksession
April 24, 2023

Board members present: Cal Stiles, Chairman; Jan Griggs, Vice-Chair; Randy Phillips, member; Ben Adams, member; and, Dr. Dan Eichenbaum, member.

Others present: Randy Wiggins, County Manager; Maria Hass, Asst. County Manager/Clerk to Board; Candy Anderson, Finance Director; and, Darryl Brown, County Attorney.

Time: 6:30 P.M.

Location: Cherokee County Courthouse, Room 342.

Call to Order

Invocation - Randy Wiggins

Pledge of Allegiance

Reading of Ethics Statement

Modification of Agenda

Motion made by Commissioner Phillips and seconded by Commissioner Eichenbaum to add a resolution for a NC Rural Center Building Reuse Grant for Valley River Dentistry. Motion passed unanimously.

Motion made by Commissioner Phillips and seconded by Commissioner Eichenbaum to add a budget revision to purchase two fuel sump systems for the airport fuel tanks. Motion passed unanimously.

Motion made by Commissioner Phillips and seconded by Commissioner Adams to remove the code enforcement fee schedule from the agenda. Motion passed unanimously,

Agenda Adoption

Motion made by Commissioner Adams and seconded by Commissioner Griggs to adopt the agenda. Motion passed unanimously.

Budget Revision for Individual Fuel Sump Systems for Airport Av Gas Tank and Jet Fuel Tank

Motion made by Commissioner Phillips and seconded by Commissioner Eichenbaum to approve a budget revision in the amount of \$6,000 for the two fuel sump systems. Motion passed unanimously.

NC Rural Center Building Reuse Grant for Valley River Dentistry

Motion made by Commissioner Phillips and seconded by Commissioner Eichenbaum to approve

a resolution and a budget revision in the amount of \$3,125 for the 5% match. The \$3,125 will be reimbursed to the county by Valley River Dentistry. Motion passed unanimously.

Capt. David Williams – Cherokee County Sheriff’s Office request for FY 23 COPS Hiring Program Grant

After presentation, a Motion was made by Commissioner Phillips and seconded by Commissioner Eichenbaum to allow Capt. Williams to apply for the grant to help fund two deputy positions, with the understanding that these two positions would replace two of the positions the sheriff requested in his FY budget. Motion passed unanimously.

Cherokee County Schools

Stephanie Hass, Finance Officer and Dr. Keevin Woody, presented the Board of Education’s local expense budget request in the amount of \$8,253,532, a \$483,036 increase over last fiscal year. Mrs. Hass explained that the increase is directly related to state mandated salary and benefit increases, and retention of locally funded positions. Commissioner Adams questioned why maintenance issues are not being addressed, when the Board of Commissioners have set aside money for facility maintenance. He used the Andrews Middle School roof leaks and Murphy Elementary School mold issue as examples of neglected projects.

Modification

Motion made by Commissioner Phillips and seconded by Commissioner Griggs to modify the agenda to go into closed session at the end of the regular business. Motion passed unanimously.

Update on GAP Bills, Property Canvassing and 2026 Property Revaluation

The tax assessor, Teresa Ricks, told the Board that the 2019 GAP vehicle bills are now caught up. Concerning property canvassing, Chairman Stiles asked why properties are being looked at now and asked if properties are being taxed now, or just being re-assessed now in preparation for the 2026 revaluation. Mrs. Ricks said it is her understanding that the last revaluation of property in 2020 was supposed to be a full list and measure, but according to a Bi-Tek report, 13,128 parcels had not been appraised. She said in talking to Chris Ferris, who was contracted to assist with the 2020 revaluation, he said it could be that the properties were appraised but the appraisers failed to enter the information into the Bi-Tek system. She said from the Bi-Tek report, she picked properties prior to 2018 and assigned them to the appraiser by neighborhood for field canvassing to update the tax records. Mrs. Ricks said many of the properties had not been appraised and updated since 2007. She said it is a common legal practice, allowable by N.C. General Statutes, that allows the office to update tax records, as needed, if there are improvements that have not been recorded. She said current findings would not be billed until 2024. Commissioner Adams said some of the properties had “quadrupled” in value and asked, “are they being appraised at the 2020 reval rate, or being appraised at the current market today?” Mrs. Ricks said, the 2020 reval rate. Commissioner Adams said there had been no building permits pulled on the property he referenced in the last four years and asked what would make the value “jump \$300,000” when there had been no major improvements made to the property. She said she wasn’t sure what parcel he was referencing, but many properties had not been assessed since 2007 and said a lot has changed with the market since 2007. Chairman Stiles asked if all the property owners, for the properties recently visited and re-valued, had been

notified of the changes and the ability to appeal to the Board of E & R. Mrs. Ricks said, yes, notices had been sent and notice of Board of E & R hearings had been published in the newspaper. Commissioner Griggs asked, "So, all of the properties that have been looked at again, if theirs was increased or decreased, because it's a change in value, a notice has been sent out?" Mrs. Ricks said, "Yes, should have, automatically from our system they put in a notice and it auto generates a letter for them." Commissioner Phillips asked if the 533 parcels, recently visited, were picked out of the 13,128 parcels that were missed during the last reval. Mrs. Ricks said that was correct. Commissioner Phillips asked how the department came up with these specific 533 parcels. Mrs. Ricks said they were taken from the Bi-Tek report. Chairman Stiles said he thought that values could not be changed on a property except during a revaluation. He asked if there have been changes to all of the properties that triggered changes to the value. Mrs. Ricks said that what her department is doing is no different than past assessors and it is common practice. Commissioner Griggs cited §105-287 and §105-286 and asked "if a tax payer has not made any improvements since the 2020 reval, what would be the authority to increase the tax value of that property?" Mrs. Ricks said "These specific properties were not visited during the 2020 reval, they weren't properly assessed during the reval. Our records are showing a lot of these properties have not been properly assessed since 2007, or prior to 2018, that's why they are on the report." Commissioner Griggs referenced her property at 210 Guy Eller Road, saying it was appraised in 2020, and asked why it was looked at again. Mrs. Ricks said it was revisited because it was not correct and that there were several structures that were found that were not on Commissioner Griggs record card. Commissioner Griggs said they were on the record card and that she had a copy of the old record card. Mrs. Ricks said the record card was not correct, so they corrected it. Commissioner Griggs said they were correct and that she had an appeal that she did with the former assessor. Commissioner Griggs then asked what constitutes a campsite. Mrs. Ricks said it is determined by the Schedule of Values (SOV), and depends on whether it has things like water, sewer, power. Commissioner Griggs said power would require a permit. Mrs. Ricks said it should. She said she had given the board a copy of the SOV, which shows how campsites are valued and rated. Commissioner Griggs asked Mrs. Ricks if an extension cord to a battery charger is considered "power" for tax valuation purposes. Mrs. Ricks said she didn't know, and asked if there was a post or a meter. Commissioner Griggs said no, and asked what constituted that it had power. Mrs. Ricks said the appraiser saw that it had electric to it, and asked Commissioner Griggs if she appealed it. Commissioner Griggs said she never received a notice for 210 Guy Eller Road or 534 Guy Eller Road, and that no improvements had been made to her properties. Commissioner Griggs then asked Mrs. Ricks, "What constitutes an unfinished garage basement?" Daniel Woodall, Tax Appraiser, said, "It is basically an unfinished garage that's in your basement, attached to your basement." Commissioner Griggs then asked, "Then what makes it a finished garage basement?" Mr. Woodall said a finished garage basement has finished walls and ceiling. Commissioner Griggs then questioned why hers had been changed from unfinished to finished, when she has block walls. Mr. Woodall said he did not see the inside, and that he would have to look at his paperwork. Commissioner Griggs said she has four structures on her property, but the property record card now shows six, saying one is a campsite that doesn't exist. Commissioner Griggs then questioned Mrs. Ricks as to when she pulled her electric permit for her RV site. Mrs. Ricks said she didn't know, that she doesn't handle those things. Commissioner Griggs then asked Mrs. Ricks why she waited until all of this came to light to send an appraiser out to her own property. Mrs. Ricks said "Because this all came up, and I

went straight to the appraiser and said, I want you, what do you have as my campsite, that was how the conversation, what do you have as my campsite.” Commissioner Griggs then said, “So prior to this, as the tax assessor, campsite was not on your tax card?” Mrs. Ricks said, “No ma’am it was not, but I made sure it got corrected properly, when I found out it was not on there.” Mrs. Ricks husband, David, was in the audience and said, “We ain’t trying to hide nothing.” Commissioner Griggs said, “Well, I’m just trying to get to the bottom of it, that’s the bottom line.” Commissioner Griggs then questioned why her property at 534 Guy Eller Road was assessed with having heart pine floors, when the floors are simple wood flooring. Mrs. Ricks said it was her understanding that Commissioner Griggs did speak with Mr. Woodall to verify the elements. Commissioner Griggs said when she spoke to Mr. Woodall, that they did not verify the elements of the house at that time. She said she had a lot of questions that day, but none of those questions were asked. Commissioner Griggs then said her 534 Guy Eller Road property doesn’t have three bedrooms, but two, and has two bathrooms, not one. Commissioner Griggs questioned why mistakes are still being made, when the intent was to correct mistakes from the 2020 revaluation. Mrs. Ricks said the mistakes she was referring to for the 2020 revaluation, was that no one visited the properties. Commissioner Griggs said her property at 210 Guy Eller Road was visited in 2020. Mrs. Ricks agreed, but said “he (the appraiser) was back out there again because of the tiny, little sliver where the 210 encroached.” Commissioner Griggs said, “The sliver does not have my home or anything else on it.” Mrs. Ricks said, “It has a building encroached on it, but once he got out there to take, to mark that off his neighborhood checklist, he found the building, it was not on your property record card correctly from what I understand, and that’s what opened the door for him to...” Mr. Woodall said, That was the one that didn’t have the sketch, it was a technical error.” He said, “My initial reason for pulling up the 210 property was because I wanted to know if that barn was on that property already, or if it was on the small parcel, because I didn’t want to charge you twice, so I clicked on the adjacent 210 property, then noticed it was on there, however it was not sketched, the home was not sketched, so I went ahead and sketched it and happened to pick up a few things.” Commissioner Griggs asked, “Even though, my card, even though that sketch was missing, the card still showed that it had been visited by number 88 on 1/17 of 2020?” Mr. Woodall said, yes, because the sketch was missing. He said when he got back to the office and pulled it up that the sketch was there, but that there were still some corrections to the measurements and shape of the house, so he went ahead and fixed it. Commissioner Griggs said, “So, but once again, there was truly no reason to visit 210, because it had been evaluated.” Commissioner Griggs then asked about a property listed on the Bi-Tek spreadsheet, questioning why the property value on the spreadsheet is different than what is on the property record card. Mrs. Ricks explained that the value on the spreadsheet is for the 2024 tax card, it is not the current property record card. Commissioner Griggs questioned multiple properties on the Bi-Tek report. Commissioner Griggs asked why some property tax record cards are correct and some are not correct. She said her concern is that properties have been reappraised and something is still not correct in Bi-Tek. Mrs. Ricks said that may be a discussion to have with Bi-Tek. She said she has not had time to review the Bi-Tek report, due to performing multiple jobs and handling appeals, and that she passed the report on the Board as soon as she received it from Bi-Tek. Commissioner Griggs said she did an informal appeal with the former tax assessor and that she had the letters that were given to her. Mrs. Ricks said those would be nice to have, because there are no notes in the system. Commissioner Griggs then asked what happened to them. Mrs. Ricks said she couldn’t answer that because she wasn’t

here. Commissioner Adams asked if the 164 properties sent to the commissioners was some of the ones that Mr. Woodall did. Mrs. Ricks said they are all ones he did. Commissioner Adams then asked, of the 533 parcels, how many resulted in a taxable value up or down. Mrs. Ricks said that information was provided to the board in an email. Mrs. Ricks said, "140 were increased and 23 were decreased". Commissioner Adams then asked about the 336 not answered for. Mrs. Ricks said that was because they were unchanged. Commissioner Adams asked when the Bi-Tek report was produced and when Mr. Woodall began visiting properties. Mrs. Ricks said that was also answered in an email, but said the Bi-Tek report was produced September 2nd, 22 and the first neighborhood was assigned to Daniel Woodall, October 6th, 22. Commissioner Griggs referred back to the Bi-Tek report, and questioned previous market values and after market values and questioned why some "coincided" with what's on the tax record cards and some do not. Commissioner Griggs said, "My concern is that you've gone out, you've reappraised these, and something is still not happening correctly in Bi-Tek." Commissioner Griggs questioned why some are correct on the tax record cards and others are not. Mrs. Ricks said she didn't know and that is a question for Bi-Tek, if there is a problem with the list. She said she has not personally reviewed the list. A member of the audience, Chuck Hoesch, said "of course not." Mrs. Ricks replied, "Of course not, yes sir." Chairman Stiles asked if Mrs. Ricks needed a break. She said, "I'm done, and he's done too (referencing her husband who was leaving the room) with the personal harassment that's going on." Commissioner Griggs said, "I believe we're just here trying to get questions (inaudible)." Mrs. Ricks said, "And that's what we're trying to do, but little Jekyll and Hyde back here (referencing Mr. Hoesch), that always talks, never gets called down." Commissioner Phillips called for a short break, but Mrs. Ricks said she was fine to keep going. Chairman Stiles shared his concerns that values are being changed outside of a revaluation year, mid-stream, and questioned if it is necessary to change the values now. Mrs. Ricks said she understands his concern and she had the same concern, so she called the Department of Revenue and has checked on the legality of it. She said the problem is that many of the properties in question have not been appraised since 2007, and asked how that is fair to the property owner whose property hasn't been assessed since 2007, and to all the other property owners who have. Mrs. Ricks agreed that the process isn't fair, but said, "that's how the process runs." Chairman Stiles said he is trying to understand the process and asked for clarification, if the appraisers are only visiting the properties that had not been visited in 2020, and some even 10 years prior, and asked if the office is simply bringing those properties up to the adopted 2020 Revaluation Schedule of Values. Mrs. Ricks said, "Yes, sir." Chairman Stiles then asked if property owners, whose properties are being visited, are being informed of why their properties are being visited now. Commissioner Griggs said her property at 534 Guy Eller Road had not been appraised in 2007 and that she did not have a problem with that, but she did have a problem with her 210 Guy Eller Road property, because it had been visited in the last revaluation and she successfully appealed it at that time. Commissioner Griggs said, "So when a taxpayer does an appeal and appeal is granted and there's letters sent out, you shouldn't be able to go back and change it." Mrs. Ricks said, "Had there been proper documentation in your account", Commissioner Griggs interrupted, saying, "that's certainly not the taxpayer's responsibility for the tax office to have proper documentation." Mrs. Ricks said, "The burden of proof is always on the taxpayer, ma'am, always." Commissioner Griggs said she has copies of everything. Mrs. Ricks said her office would love to have them so they can update their records correctly. Commissioner Griggs said, "Well, I'll give it to the county manager to give to you, since you

still feel, I'm not sure what, so." The county attorney asked Mrs. Ricks to explain how the workflow process works for her office and how appraisers know where to go during the day. Mrs. Ricks said neighborhoods are assigned by code numbers and that she pulls one neighborhood at a time and assigns the neighborhoods to the appraiser through workflow. Once that neighborhood is complete she can go into workflow and assign another neighborhood. The attorney asked if workflow is done through the Bi-Tek system, and Mrs. Ricks said "It is." He then asked what criteria she used to decide which neighborhood gets picked. She said they started at one end of the county and go to the other in end. The county attorney said, "Ok, so you started in the west?" Mrs. Ricks said yes. Chairman Stiles, allowed Mr. Woodall to speak. He said that anytime he goes to a house, he introduces himself and lets the property owner know why he is there, and explains that their property was missed in 2020 and that he is there to update the tax records. He said if the property owner is not there, that he leaves a door hanger on the door. Commissioner Eichenbaum said he understands what has been said and what's going on, He said, "Obviously, it appears that, uh, there've been some issues for a long number of years. If you had parcels that have not been revaluated since 2007, I mean, that is an awful long time, and so obviously you have difficulties in the systems that were being used and (inaudible)". He said his concern is that we had a revaluation in 2020, and that it is reasonable to bring those parcels up to that point, but said the most important thing from his point of view is that when any parcel is revaluated that there needs to be a discussion with the property owner and they need to have the ability to appeal and for errors to be corrected before tax bills get released. He said if a property owner has not had the opportunity to question an increase, that they should not be billed for the increase. Commissioner Eichenbaum said, "It is possible for values to go up even if you do nothing on your property, because when you look at what's happened with property values and house values in the county over the last five years, you wouldn't have to put one stick of wood up on your house for the value to go up." He said, even still, property owners should be able to come in and question the increase, and the tax office could then explain it. Mrs. Ricks said, "You made an excellent point with what you said about, for them to have the opportunity to appeal, and that may be why common practice in the office previously has been put it on the next year, because in January all of your new value notices come out, appeal time starts, that does give a perfect opportunity for the people to do it, but again, when reading in state statute it says you go from this day forward ." Commissioner Eichenbaum said for all intents and purposes, what you are doing is going to have to be pushed off until the next reval. Mrs. Ricks said what the office is currently doing is for the next billing cycle and tax record card for 2024. Mrs. Ricks said the new statements of values go out in January of 2024 and property owners would then have January through April to appeal their values. The county manager, said, 'So, this is why, the question may be, about why you've not received a notice of a change. Mrs. Ricks said, "because they're on 2024 tax year." The county manager asked, "So when January 1, 24 hits, that triggers something in the system that changes, updates those property tax cards, that now has the new date on it and any of those that have changed in value in any way, boom, it triggers that individual, that owner/owners get a copy of a notice that these changes have been made?" Mrs. Ricks said, "Yes." Mr. Wiggins continued, "and an opportunity to appeal before the billing then hits?" Mrs. Ricks said, "Yes, that following August." Chairman Stiles asked how many property owners, for the properties looked at since October, have come in to appeal. Mrs. Ricks said "None." Commissioner Phillips questioned if the Board could allow the appraisers to visit the 13,000 plus properties that have not been visited, but not to implement the new values until after

the proposed 2026 revaluation. It was explained by the county manager that there are things, like discoveries, that can be picked up outside of a reval year. He said the tax office has to determine what is statutorily justified outside of a reval year, and what can only be applied to the next tax billing, or next reval year. Commissioner Griggs explained to Commissioner Phillips that for properties that are being changed now, notices will go out for the 2024 tax year and property owners will have the opportunity at that time to appeal to Board of E & R. Commissioner Stiles said, "To me, what we're sitting here discussing right now, looks to me like there's somewhat of a significant, I hate to say this, but a failure on our part in our 2020, because if we missed 13,000 properties, I think the lesson to learn for this Board right now and for the tax office, we can't let this happen again, and if we have to extend it out until we get it done, then we've got to do it." Commissioner Eichenbaum said, "It goes back to 2007, I mean how many years is that, I mean, that is inexcusable. It's not on her, she wasn't tax assessor." Mrs. Ricks said, "You've actually had two reappraisals in that time." The county manager said, "Which means, there are properties out there that got missed in both of the last two revals." Mrs. Ricks said the ones that had not been hit in the last two revals needed attention first. She said the county has had two revaluations since 2007, those being 2012 and 2020, and nothing was recorded on those properties. Chairman Stiles asked, for the properties that were changed but not appealed, did any property owners come in to discuss the changes. Kathy Killian, tax appraiser, said yes, they did have some come in and that once it was explained why the changes were made, that "about 90-95%" understood that they had been getting a break for many years. Commissioner Adams asked, "Those that have been looked at for 2007, alright, we had a reval in 2008, 12, 20, I believe somewhere around those numbers, 2012, 2020. Does those 2007 ones jump right to 2020 or do they hit 2012 and then like the next year hit 2020?" Mrs. Ricks said, "They go straight to 2020." She continued, "all of our system right now is built on the Schedule of Values for 2020." Commissioner Griggs questioned again, the difference in market values from the Bi-Tek report and the tax cards, and again shared her concern about her property being visited again. Mrs. Ricks agreed that there may be a problem with the report and said they would look into it. Commissioner Griggs said, "If we're doing this, we have to make sure we're doing it correctly. We don't need another 2020, if there were all these problems then, we need to make sure it's done right. We owe that to these taxpayers. This is not, this is not harassment, this is our job. Our job is to take care of the taxpayers, and we have to do that, at least that's how I feel This is informative, answering questions, not harassment." Mrs. Ricks said, "when I said harassment, I wasn't referring to this, I was talking about the personal harassment I'm receiving due to this job, that if we need to bring that out, I'll be glad to talk about that as well." Chairman Stiles said, "Well, we'll just stay on these topics." Mrs. Ricks, said, "people who are throwing out keys with my personal phone number on it, using my personal identity, my email account, my home address, there's criminal activity that's going on (inaudible), to personally harass me, and that's what I was talking about, not this." Commissioner Griggs said, "I'm going to say this because you brought it up, I'm going to say this because you brought it up. In one of your emails you referred to this as a, and I quote 'a debacle'. Well, here's how it started, on the 14th of March you went to the Clerk of Court and filed papers and a three-page statement. Daniel showed up at my house on the 15th of March. In your statement, in your statement, you have made false allegations against me and my husband, false allegations. It did not seem coincidental at the time that that happened on Monday the 14th of March and the tax assessor, or appraiser, shows up at the commissioner's home on the 15th. That's what started all of the questions." Mrs. Rick's said, "Now it all makes sense, I was

wondering what it was, the only thing I could put together...(inaudible). Daniel Woodall asked to speak and told Commissioner Griggs that he didn't even know who she was. Commissioner Griggs told him she knew that, but said "that's what started the questions." Chairman Stiles called the meeting back to order, and called for a Motion to go into closed session.

Closed Session

Motion made by Commissioner Adams and seconded by Commissioner Phillips to go into closed session, pursuant to N.C.G.S. 143-318.11 (3) to consult with an attorney to preserve the attorney client privilege. Motion passed unanimously.

During closed session, the Board discussed a proposed contract from Holly Christy to provide legal services to Sheriff Dustin Smith, as well as an invoice for services in the amount of \$7,704 dated April 20, 2023.

While in closed session, the Board instructed the Assistant County Manager to reach out to the Wood Family and let them know that the Residential Through the Fence issue needed to be resolved by May 15th, or the Board would have to discuss its legal options.

Open Session

After returning to open session, a Motion was made by Commissioner Adams and seconded by Commissioner Phillips to approve a contract between Cherokee County Sheriff's Office and The Christy Law Firm for general legal services through June 30, 2023. Motion passed unanimously.

Motion made by Commissioner Phillips and seconded by Commissioner Adams to approve a budget revision in the amount of \$57,245 for Cherokee County Schools use of Article 40/42 sales tax for various school projects. Motion passed unanimously.

Motion made by Commissioner Phillips and seconded by Commissioner Eichenbaum to cancel the May 1st board meeting. Motion passed unanimously.

Motion made by Commissioner Griggs and seconded by Commissioner Phillips to schedule a budget worksession for May 23rd at 6:00 PM. Motion passed unanimously.

Motion made by Commissioner Griggs and seconded by Commissioner Adams to schedule budget worksession for May 30th at 6:30 PM. Motion passed unanimously.

Motion made by Commissioner Adams and seconded by Commissioner Phillips to move the June 19th meeting to June 26th. Motion passed unanimously.

Adjournment

Motion made by Commissioner Phillips and seconded by Commissioner Adams to adjourn. Motion passed unanimously.