

**THE MORGAN COUNTY COUNCIL MET IN A REGULAR SESSION ON MONDAY,
SEPTEMBER 3, 2013 AT 6:30 P.M.**

MEMBERS PRESENT: KENNY HALE, BOB O'NEAL, PAUL PRATHER, VICKIE KIVETT, AND RYAN GOODWIN. ALSO PRESENT WERE BRENDA ADAMS, MORGAN COUNTY AUDITOR, DEB VERLEY, ADMINISTRATIVE ASSISTANT, AND PETE FOLEY, MORGAN COUNTY ATTORNEY. JEFF QUYLE WAS ABSENT AND BRYAN COLLIER WAS LATE.

PLEDGE OF ALLEGIANCE

PRAYER (*Kenny Hale*)

Minutes

Ryan Goodwin made a motion to approve the August 1, 2013 minutes as presented. Motion seconded by Paul Prather. Motion carried 5-0. (Jeff Quyle was absent and Bryan Collier was late.)

Additional Appropriation:

- *Sheriff*

Robert Downey, Morgan County Sheriff, requested an additional appropriation of \$21,000 from the General Fund (1000) or Public Safety (1170) or Rainy Day Fund (1186) into the Extra Help line item. Sheriff Downey stated that he had to train additional part time jail staff recently. Ryan Goodwin made a motion to approve the additional appropriation of \$21,000 into Acct #1170-000-4121 (Extra Help) from the Public Safety Fund. Motion seconded by Vickie Kivett. Motion carried 5-1. Bryan Collier was opposed.

- *Coroner*

Annett Rohlman, Morgan County Coroner, stated it is difficult to forecast the need for autopsies and requested an additional appropriation of \$30,000 for autopsies from either the General Fund (1000) or the Rainy Day Fund (1186). Vickie Kivett made a motion to approve the addition appropriation from the Rainy Day Fund (1186) into Acct #1186-000-4312.30 (Autopsy). Motion seconded by Kenny Hale. Motion carried 6-0.

- *Health Department*

Jeanne LaFary sent a letter requesting an additional appropriation from the Local Health Maintenance Fund (1168) as follows: \$3,500 into Acct #1168-000-4114.10 (Public Health Preparedness Coordinator), \$300 into Acct#1168-000-4165.10 (FICA), and \$600 into Acct #1168-000-4398 (Dues). Ryan Goodwin made a motion to approve the additional appropriation totaling \$4,400. Motion seconded by Paul Prather. Motion carried 6-0.

FEMA / CDBG Grants

Kenny Hale handed out a spreadsheet showing all the FEMA/CDBG grant funds totaling \$7,106,054 that have been received to purchase flood properties. FEMA has offered an opportunity for Morgan County to submit a grant for leftover funds. Mr. Hale is gathering information in order to submit the grant by September 9th. The public meeting has been held and a budget for \$1,527,867.71 has been submitted. Mr. Hale stated that the county has been very fortunate to receive the grants and to have an opportunity to submit another one. Mr. Hale does not anticipate that there will be a CDBG match, but they will be able to use an in-kind match using the properties for fire training purposes, demolition using county equipment and personnel, and SWAT team training. Discussion followed regarding flood insurance, new flood zone mapping and property maintenance. Vickie Kivett made a motion to allow Mr. Hale to submit the grant. Motion seconded by Bryan Collier. Motion carried 5-0-1. Kenny Hale abstained.

Levy Freeze Options - Discussion

Dan Bastin, C.P.A Settlement Director from the State Auditor's Office, was present to answer questions regarding the options for the LOIT levy freeze. There are three options for this: Option 1 – adopt the DLGF certified income tax rate (.3193%) and keep the property tax levy frozen, Option 2 – keep the income tax rate the same and keep the levy frozen, Option 3 – keep the income tax rate the same and allow the levy growth to come from property taxes (thawing the freeze). Mr. Bastin handed out a spreadsheet showing the total CAGIT distribution from the state since 2008 and stated that starting in 2011, the amount of money coming in from the .2% income tax rate is less than what is needed to fund the levy freeze. The difference is being taken from the stabilization fund. By 2015 there will not be enough in the fund to make up the difference if there is no change in the tax rate. If in 2014, the Council decides that for 2015 they are not going to fund the 2015 levy increase from the CAGIT funds, they will “thaw the freeze” and any levy increase will be funded by property tax. If they thaw the freeze and don't adopt a rate increase, the shortfall will be taken from every taxing unit and the units will not get 100% of their levy from the income tax. If the 2014 levy increase is funded from property tax for the

next two years, at some point, they will have to increase the income tax rate to fully fund the levy increase. The increase is approximately \$575,000 every year (\$210,000 of this is controlled by the county) and includes all the taxing units. The amount needed for 2013 is \$3.9 million and the current income tax rate brings in \$2.7 million. In order to fully fund the increase with income tax, the rate would need to increase to 0.2798%; by 2015 the rate would need to increase to 0.3615%. Bryan Collier stated that the income tax rate is one of the highest in the state and he would rather cut services or raise property taxes rather than raise income taxes. Mr. Bastin stated that there is a two-year lag time in the time the taxes are collected and distributed. The county will not be able to fully fund the shortfall with property taxes alone. Ryan Goodwin stated that they need to keep from increasing the income tax. Mr. Bastin stated that if the Council chooses Option 3, at some point in time they will either not fully fund the levy increase or raise income tax.

Group Insurance Trust

Bryan Collier stated that he has not received any complaints and the Group Insurance Trust balance is looking good.

Adjournment

Paul Prather made a motion to adjourn the meeting. Motion seconded by Ryan Goodwin. Motion carried 6-0.

MORGAN COUNTY COUNCIL

Kenny Hale

Robert O'Neal

Bryan Collier

Paul Prather

Jeff Quyle

Vickie Kivett

Ryan Goodwin

ATTEST:

Brenda Adams, Morgan Co. Auditor