

Monroe A. Miller Jr.  
19 Big Spruce Lane  
Waynesville, NC 28786  
June 26, 2014

**Subject:** E-mail Dialog with Julie Davis, attempting to extract information about the Funding Formula.

Julie Davis cooked the books when computing the Haywood County Schools “Funding Formula” during the years 2008-2009, 2009-2010, 2010-2011 and 2011-2012 by falsifying values for PPA (Per Pupil Appropriation). Julie Davis denied Haywood County Schools access to about \$15 Million Dollars by falsifying PPA data.

See <http://haywoodtp.net/pubII/140616CrackedTheCode.pdf>.

Late Monday evening (6/16/2014), after the smoke cleared from the County Commission Meeting, Vicki Hyatt, the Mountaineer’s News Editor and top county Liberal Hack, must have burned up the phone lines getting interviews so that her Character Assassination Hit Piece could make the Wednesday June 17<sup>th</sup> on-line edition and the June 18<sup>th</sup> print edition. Commissioners and the Mountaineer immediately circled the wagons around Julie Davis. It is interesting to note that the Smoky Mountain News will not be doing a story on Julie Davis.

See: <http://themountaineer.villagesoup.com/p/frequent-county-critic-levels-more-accusations/1199490>  
[Frequent county critic levels more accusations, By Vicki Hyatt, Jun 17, 2014](#)

Additionally, Vicki Hyatt and Jonathan Key were not finished and created an Editorial, another Hit Piece for the Friday edition.

See: <http://themountaineer.villagesoup.com/p/questions-are-ok-vicious-attacks-cross-the-line/1200559>  
[Questions are OK; vicious attacks cross the line, Let's disagree respectfully. Jun 19, 2014 \[unsigned\].](#)

Both of these pieces of work appear at the end of this document.



Vicki Hyatt

I will address both of these articles shortly in a later piece. The one thing I will say here and now about this Editorial, is that this comes straight from the Democrat play-book. Commissioners and Hyatt are attempting to discredit me through Character Assassination and change the direction and topic of discussion, which they would like to focus on me, the messenger, much as Obama does when he gets into trouble. Unfortunately, the play-book didn't work, and I remain focused on Julie Davis.

I was interested to see what possible angle commissioners and Julie Davis were going to concoct to defend her altering the PPA values. The revelation came immediately in Vicki Hyatt's Hit Piece, when Davis, who declined to comment after the meeting, referred to an e-mail she had sent to Ira Dove and County Commissioners the day after I exposed her fraud with my e-mail of June 12<sup>th</sup>, very coincidentally one day before her e-mail to Dove.

[**Editors Note:** I have made a Request for Public Information from Ira Dove for Julie Davis' June 13<sup>th</sup> e-mail].

Quoting Julie Davis from the Mountaineer:

“Since you all have been copied on the MM [Monroe Miller] emails regarding the school formula, I wanted you to be aware of what is in my spreadsheet,” the email states. “The years MM has referenced below and asked for my calculations, years 08-09 through 11-12, were years that we did not use the formula for appropriations due to the economy. From his perspective, out of ignorance, the calculations aren't working. Of course they aren't, since we did not calculate those years, just allocated what the county could. This explanation was included in the spreadsheet that I last sent to MM.”

There it was!

- “The years MM has referenced below and asked for my calculations, years 08-09 through 11-12, were years that we did not use the formula for appropriations due to the economy.
- From his perspective, **out of ignorance**, the calculations aren't working. Of course they aren't, since we did not calculate those years, just allocated what the county could. This explanation was included in the spreadsheet that I last sent to MM.”

The first bullet, she spreads the blame. There is a “we”, not I. Julie Davis is not going to take the fall for this alone. Who was that “we”? Was it the bookkeepers in the Haywood County School System? The current bookkeeper, Bob Phillips, indicated to me that he did not check the formula's presented by Julie Davis, he presumed they were correct. In fact, no one that I have been able to determine has ever understood these formula's from within the Haywood County School System. Bob Phillips explained that he has been the bookkeeper for a couple of years, and I do not have the name of any prior bookkeepers at this point. Anyway, I figure, the “we”, was none other than Mark Swanger, since this whole “Funding Formula” thing was his baby [re: <http://haywoodtp.net/pubII/140616CrackedTheCode.pdf> ].

The second bullet is interesting, when Julie Davis calls me “ignorant”. Was this supposed to be common knowledge that Julie Davis did not calculate those years, just allocated what the county could?

Where was this ever told to any single person in this county? Perhaps Vicki Hyatt can look in the Mountaineer archives and print out where Julie Davis indicated, well - we are not going to bother using the funding formula for 2008-2009, 2009-2010, 2010-2011 and 2011-2012. By the way, Julie Davis still used the formula in all the information she provided to me, even during those years, but made the calculations with falsified PPA values.

The last change in the “Funding Formula” was signed off by Kirkpatrick in 2009, a year after she started falsifying the PPA values. If there was an acknowledged problem at that point, and they decided not to use the formula any longer during the bad economy, why didn't they simply change the formula to modify the PPA calculation?

BECAUSE NO ONE KNEW SHE WAS COOKING THE BOOKS (except for the “we” person).

Unfortunately for Julie Davis, there is an e-mail trail between her and I that debunks most everything she claims. These e-mails start from the point in time that I first learned of the existence of a “Funding Formula” up to the point and past where I exposed the exact fraudulent PPA values she concocted, and jammed those values down her throat on June 12<sup>th</sup>, one day before she wrote her June 13<sup>th</sup> e-mail to Ira Dove and the County Commissioners.

These e-mails are appended to this document, starting with the sequence of the first e-mails, ending with the most recent.

While you are reading this e-mail dialog, keep in mind the two bullets above, and all of the thinly veiled attempts by commissioners and Vicki Hyatt to keep Julie Davis afloat. Julie Davis could have, at any point in time during these e-mails, come right out and said: “The years MM has referenced below and asked for my calculations, years 08-09 through 11-12, were years that we did not use the formula for appropriations due to the economy.”

I will summarize some of the salient points of the Editorial and the Hit Piece here as bulleted items, in no particular order, so keep these all in mind as you are reading these e-mails.

- The public officials are accessible, forthcoming with information and are, more often than not, delighted to talk issues with people who have taken the time to inform themselves about what is happening in their county.
- A small group of extremists ...
- ... a voluntary school funding formula ...
- ... the funding formula had been suspended in 2008 following the deep recession that hit Haywood and other portions of the nation. In the quest for the minutia of the exact calculations for the formula, the question of whether the formula was even in use was overlooked.
- ... it would have required a 6 to 7 cent tax hike.
- ... publicly attacking an official without all the facts is inappropriate and crosses the line of the decency...
- ... defended the county’s finance officer against allegations they resoundingly said were unfounded.
- ... Bill Nolte, associate superintendent of the school. “We’re funded in a very fair and reasonable way. Some counties provide no extra funds and some provide more, but we’re glad to have had the formula.”
- “I’ve heard him make inaccurate, misleading and inflammatory statements before, but I believe he has topped himself with this,” Chairman Mark Swanger said in reference to Miller’s statements, which he called “utter nonsense.”
- Ensley noted there are plenty of checks and balances, including the school system finance personnel and auditors, and said both the school and leaders have amicably approved budgets based on the voluntary formula.
- ... Sorrells said in meetings across the state, Haywood’s school funding formula is a frequent topic ...
- “We’ve not had an issue with either board,” Sorrells said. “Of course, they would like more money, and we would like to give more money, but to meet Mr. Miller’s figures, we’re talking about a 6- to 7-cent tax increase.”

- Upton said ... noted making sure it worked the way it was supposed to was the responsibility of both the county and the school system.
- To accuse only the county finance officer of wrongly computing the formula is misguided, he [Upton] indicated, especially considering that all the numbers to be plugged into the formula were provided by the school system, and the many levels of review for the formula.

**[Editors Note:** The PPA values that Julie Davis falsified were not supplied to her by the school system. They were based on a part of the formula that was free-running and independent of the school system, based on the prior six (6) years of PPA before the first “Funding Formula” was ever agreed on in 2003. It is clear Upton does not know what he is talking about].

- “Since you all have been copied on the MM [Monroe Miller] emails regarding the school formula, I wanted you to be aware of what is in my spreadsheet,” the email states. “The years MM has referenced below and asked for my calculations, years 08-09 through 11-12, were years that **we** did not use the formula for appropriations due to the economy. From his perspective, out of ignorance, the calculations aren’t working. Of course they aren’t, since we did not calculate those years, just allocated what the county could. This explanation was included in the spreadsheet that I last sent to MM.”

After reviewing the e-mails between Julie Davis and I, it is clear she was backed into a corner, had to concoct this nonsense of “Oh, I didn’t use the formula during 2008-2009, 2009-2010, 2010-2011 and 2011-2012”. Julie Davis stone-walled me with every response. Never did get a straight answer from her at any time.

You know what, we Haywood County Taxpayers hope and demand that these public servants do their job faithfully. This particular stunt that Julie Davis pulled was so sneaky, that it took reverse engineering to figure out what she did. She failed in her fiduciary responsibility as a Finance Director by denying access to Haywood County Schools of nearly \$15 Million Dollars, and I renew my call to have her resign or be fired.

Monroe A. Miller Jr.  
Haywood County Taxpayer.

----- Original Message -----

Subject: Formula Calculations for Funding Haywood School Current Expense - Request for Public Information  
Date: Mon, 28 Apr 2014 12:50:45 -0400  
From: Monroe Miller  
To: Julie Davis <jhdavis@haywoodnc.net>, Candace Way <ecway@haywoodnc.net>  
CC: Ira Dove <idove@haywoodnc.net>, Anne Garrett <anne@haywood.k12.nc.us>

Ms. Davis,

During the last Commissioner Budget Work Session, Swanger referenced a Formula for Funding Haywood School Current Expense. I now have this Formula and have posted it on [www.haywoodtp.net](http://www.haywoodtp.net):

<http://haywoodtp.net/pubII/140417HCSFormulaForFundingSchoolCurrentExpense.pdf>

Anne Garrett indicated that you can provide me with the Formula Calculations for Funding Haywood School Current Expense. Can you provide those?

Also, can you please acknowledge my request for TDA financial information? [re: How is it that you presented that report? Do you have the TDA financials in the Haywood County Chart of Accounts? If you do, can you please convert the current TDA financial activity to a pdf file and send it to me?]

Thank you,

Monroe Miller

----- Original Message -----

Subject: RE: Formula Calculations for Funding Haywood School Current Expense - Request  
for Public Information  
Date: Mon, 28 Apr 2014 23:03:02 +0000  
From: Julie Davis <jhdavis@haywoodnc.net>  
To: Monroe Miller, Candace Way <ecway@haywoodnc.net>  
CC: Ira Dove <IDove@haywoodnc.net>, Anne Garrett <anne@haywood.k12.nc.us>

Mr. Miller,

I will get the TDA financials and the funding formula calculation to you as soon as I can. I will need to scan these to pdf.

Julie

Julie H. Davis, Finance Director  
Haywood County  
215 N. Main Street  
Waynesville, NC 28786  
828-452-6724 phone  
828-452-6725 fax

----- Original Message -----

Subject: Re: Formula Calculations for Funding Haywood School Current Expense - Request  
for Public Information

Date: Mon, 28 Apr 2014 20:04:13 -0400

From: Monroe Miller

To: Julie Davis <jhdavis@haywoodnc.net>, Candace Way <ecway@haywoodnc.net>

CC: Ira Dove <IDove@haywoodnc.net>, Anne Garrett <anne@haywood.k12.nc.us>

Thank you.

----- Original Message -----

Subject: School funding formula calculations  
Date: Tue, 29 Apr 2014 22:58:57 +0000  
From: Julie Davis <jhdavis@haywoodnc.net>  
To: Monroe Miller  
CC: Candace Way <ecway@haywoodnc.net>, Ira Dove <IDove@haywoodnc.net>, "anne@haywood.k12.nc.us" <anne@haywood.k12.nc.us>

Mr. Miller,  
Please see attached spreadsheet with the calculations for the funding formula that we use.

Julie

Julie H. Davis, Finance Director  
Haywood County  
215 N. Main Street  
Waynesville, NC 28786  
828-452-6724 phone  
828-452-6725 fax

[**Editors Note:** This is the first spreadsheet I received from Davis (next page). It does not have any reference to using falsified data during the years - 2008-2009, 2009-2010, 2010-2011, 2011-2012]



HARTFORD COUNTY BOARD OF EDUCATION  
 BUDGET FORMULA FOR SCHOOL APPROPRIATION ADJUSTMENTS

YEAR	DAY CD	PTA	N. INCREASE	YEAR
2009/10	1,390		8,824%	4,824%
2010/11	1,380		1,003%	2,674%
2011/12	1,330		2,683%	2,174%
2012/13	1,386		2,174%	1,594%
2013/14	1,419		1,594%	2,534%
2014/15	1,343		2,534%	2,694%
2015/16	0		100,000%	1,831%

FORMULA:

$$\text{Formula} = \text{Previous Year's ADA} \times \text{Day CD} \times \text{PTA} \times \text{N. Increase} \times \text{Year} = \text{ADA} \times \text{Day CD} \times \text{PTA} \times \text{N. Increase} \times \text{Year}$$

Fiscal Year 2009-2010  
 County Approp ADM 14,400,307 7.27%  
 County Allocation per pupil \$ 1,390.41 9.52% per pupil allocation increase over 2014 fiscal year

Fiscal Year 2010-2011  
 County Approp ADM 14,400,307 7.27%  
 County Allocation per pupil \$ 1,380.00 7.27% per pupil allocation increase over 2010 fiscal year

Fiscal Year 2011-2012  
 County Approp ADM 13,971,307 7.52%  
 County Allocation per pupil \$ 1,292.66 2.10% per pupil allocation increase over 2011 fiscal year

Fiscal Year 2012-2013  
 County Approp ADM 14,144,595 7.56%  
 County Allocation per pupil \$ 1,359.20 2.17% per pupil allocation increase over 2012 fiscal year

Fiscal Year 2013-2014  
 County Approp ADM 14,400,307 7.56%  
 County Allocation per pupil \$ 1,380.00 1.87% per pupil allocation increase over 2013 fiscal year

Fiscal Year 2014-2015  
 County Approp ADM 14,540,346 7.56%  
 County Allocation per pupil \$ 1,343.00 2.33% per pupil allocation increase over 2014 fiscal year

----- Original Message -----

Subject: Re: School funding formula calculations

Date: Tue, 29 Apr 2014 21:38:32 -0400

From: Monroe Miller

To: Julie Davis <jhdavis@haywoodnc.net>

CC: Candace Way <ecway@haywoodnc.net>, Ira Dove <IDove@haywoodnc.net>, "anne@haywood.k12.nc.us" <anne@haywood.k12.nc.us>

Ms. Davis,

Your spreadsheet is kind of cryptic.

I had originally asked to see how this was calculated, not the results of embedded formula's. Can you be a little more specific here? What are the real numbers that you used to plug into your formulas?

Thank you,

Monroe Miller

----- Original Message -----  
Subject: RE: School funding formula calculations  
Date: Fri, 2 May 2014 21:38:15 +0000  
From: Julie Davis <jhdavis@haywoodnc.net>  
To: Monroe Miller

Mr. Miller,

I am working on an explanation of the funding formula that will be in plain English.  
I sent the only thing I had - the spreadsheet that I have been using for 10 years.

Julie

Julie H. Davis, Finance Director  
Haywood County  
215 N. Main Street  
Waynesville, NC 28786  
828-452-6724 phone  
828-452-6725 fax

[**Editors Note:** I am getting the run around. This is only an output from a spreadsheet,  
not a spreadsheet, and it does not cover the full 10 years.]

----- Original Message -----

Subject: Re: School funding formula calculations

Date: Thu, 08 May 2014 11:31:03 -0400

From: Monroe Miller

To: Julie Davis <jhdavis@haywoodnc.net>

CC: Candace Way <ecway@haywoodnc.net>, Ira Dove <idove@haywoodnc.net>

Ms. Davis,

I could have used this and taken it to the School Board Workshop the other night attended by Swanger and Upton (if someone had notified me about the workshop). In any event, I am looking forward to receiving this explanation from you.

By the way, the Funding Formula,

<http://haywoodtp.net/pubII/140417HCSFormulaForFundingSchoolCurrentExpense.pdf>, has only been in effect since 2009. Had you been using this for the five years prior to 2009?

Monroe Miller

[**Editors Note:** At this point I had no idea she had been using this Funding Formula for 10 years.]

----- Original Message -----

Subject: Re: School funding formula calculations

Date: Sun, 11 May 2014 16:45:28 -0400

From: Monroe Miller

To: Julie Davis <jhdavis@haywoodnc.net>

CC: Candace Way <ecway@haywoodnc.net>, Ira Dove <idove@haywoodnc.net>

Ms. Davis,

Should I make an appointment to come in and see you on this?

Monroe Miller

[**Editors Note:** Julie Davis went dark.]

----- Original Message -----

Subject: RE: School funding formula calculations

Date: Mon, 12 May 2014 12:19:22 +0000

From: Julie Davis <jhdavis@haywoodnc.net>

To: Monroe Miller

CC: Candace Way <ecway@haywoodnc.net>, Ira Dove <IDove@haywoodnc.net>

No need. I am working on an explanation of the school formula for the budget presentation and when I have it completed, I will send it to you.

Julie

Julie H. Davis, Finance Director  
Haywood County  
215 N. Main Street  
Waynesville, NC 28786  
828-452-6724 phone  
828-452-6725 fax

----- Original Message -----

Subject: Re: School funding formula calculations

Date: Mon, 12 May 2014 09:33:59 -0400

From: Monroe Miller

To: Julie Davis <jhdavis@haywoodnc.net>

CC: Candace Way <ecway@haywoodnc.net>, Ira Dove <IDove@haywoodnc.net>

Ms. Davis,

The Budget Presentation is almost two (2) weeks away.

To reiterate, I would like to see not only the explanation, but the actual spread sheet formula's and the actual numbers that were used in those calculations. You see, I plan to reduplicate your spread sheet as I did a while ago, which is how I found the error in your Revenue Neutral Tax Rate Calculation sheet.

Will you have this ready before the budget presentation to review?

Monroe Miller

----- Original Message -----

Subject: RE: School funding formula calculations

Date: Mon, 12 May 2014 13:38:50 +0000

From: Julie Davis <jhdavis@haywoodnc.net>

To: Monroe Miller

CC: Candace Way <ecway@haywoodnc.net>, Ira Dove <IDove@haywoodnc.net>

I will send it to you when I have it ready. The budget presentation will be next Monday and it will be included there. You already have the spreadsheet that I have been using. It is the one I sent it a few weeks ago.

Julie

Julie H. Davis, Finance Director  
Haywood County  
215 N. Main Street  
Waynesville, NC 28786  
828-452-6724 phone  
828-452-6725 fax

[Editors Note: More stone-walling.]



----- Original Message -----

Subject: Re: School funding formula calculations

Date: Mon, 12 May 2014 09:50:57 -0400

From: Monroe Miller

To: Julie Davis <jhdavis@haywoodnc.net>

CC: Candace Way <ecway@haywoodnc.net>, Ira Dove <IDove@haywoodnc.net>

Ms. Davis,

Coming up with a new formula, I see:

<http://themountaineer.villagesoup.com/p/school-board-to-re-visit-funding-formula/117874>

In that case, I would like both the current one and the proposed one, same details.

Monroe Miller

----- Original Message -----

Subject: Re: School funding formula calculations

Date: Mon, 12 May 2014 17:20:15 -0400

From: Monroe Miller

To: Julie Davis <jhdavis@haywoodnc.net>

CC: Candace Way <ecway@haywoodnc.net>, Ira Dove <IDove@haywoodnc.net>, Chuck Francis <chuckfrancis@charter.net>, Anne Garrett <anne@haywood.k12.nc.us>, Mark Swanger <markswanger@bellsouth.net>, Bill Upton <billupton@bellsouth.net>, KIRK KIRKPATRICK <kirk@jwklaw.net>, Michael Sorrells <sorrells@cbvnol.com>, KEVIN ENSLEY <lakensley@bellsouth.net>

Ms. Davis,

I would like to take a look at this data before the next budget presentation. If the problem is for you to create a simple explanation, simply send the formula's and data that you used, I sure that I will be able to figure it out without your simple explanation. I have been asking for this information for about 2 weeks.

I have no problem setting up an appointment with you on this matter. I don't see why I am getting this static.

Monroe Miller

----- Original Message -----

Subject: Re: School funding formula calculations  
Date: Wed, 04 Jun 2014 14:08:01 -0400  
From: Monroe Miller  
To: Julie Davis <jhdavis@haywoodnc.net>  
CC: Candace Way <ecway@haywoodnc.net>, Ira Dove <IDove@haywoodnc.net>, Mark Swanger <markswanger@bellsouth.net>, Bill Upton <billupton@bellsouth.net>, Michael Sorrells <sorrells@cbvnol.com>, KEVIN ENSLEY <lakensley@bellsouth.net>, KIRK KIRKPATRICK <kirk@jwklaw.net>, David Francis <dbfrancis@haywoodnc.net>, Roy Cooper <OpenGov@ncdoj.gov>, Chuck Francis <chuckfrancis@charter.net>

Ms. Davis,

Are you ready, or are you competing with David Francis for setting a record for obstruction of public information?

To reiterate my request for public information, I would like the actual numbers and formula's you used in the "Funding Formula" for the past ten years. In addition, I have just found out that if the computed number for that year changes due to student number (or other factors), the school system must return money to the county. I would like all of those numbers also.

Let me know if it will be necessary to make an appointment with you to come to your office to obtain these numbers and formula's.

Monroe Miller

----- Original Message -----

Subject: RE: School funding formula calculations  
Date: Wed, 4 Jun 2014 20:47:14 +0000  
From: Julie Davis <jhdavis@haywoodnc.net>  
To: Monroe Miller  
CC: Candace Way <ecway@haywoodnc.net>, Ira Dove <IDove@haywoodnc.net>, "Mark S. Swanger" <markswanger@bellsouth.net>, "Bill L. Upton" <billupton@bellsouth.net>, "Michael T. Sorrells" <sorrells@cbvnol.com>, "L. Kevin. Ensley" <lakensley@bellsouth.net>, "J W. Kirkpatrick" <kirk@jwklaw.net>, David Francis <DBFrancis@haywoodnc.net>, Roy Cooper <OpenGov@ncdoj.gov>, Chuck Francis <chuckfrancis@charter.net>, David Teague <DTeague@haywoodnc.net>

Mr. Miller,

Please see attached reports. The first report is the same document that I sent to you on April 29th, except that, at that time, I had not updated the formula bar with FY14-15 numbers. This also includes ten years of calculations. All of the actual numbers are in this document, along with headings for each column that describe the formulas used.

I do not track the original amounts vs. final amounts over the years. However, you may be able to find the amounts through researching our website for budgets over the years. You can compare the original budgeted amount to the revised budgeted amount for the school allocation changes each year.

I have also attached a copy of the school formula explanation that I created this year and presented with the budget.

Thank you for your interest in the county budget.

Julie

Julie H. Davis, Finance Director  
Haywood County  
215 N. Main Street  
Waynesville, NC 28786  
828-452-6724 phone  
828-452-6725 fax

[Editors Note: Julie's two attachments are on the following two pages. Here is yet another chance for her to explain that she cooked the books and that "we" falsified the numbers during the years 2008-2009, 2009-2010, 2010-2011, 2011-2012. What did she say? "From his perspective, out of ignorance, the calculations aren't working." There had been nothing up to this point providing even a clue that she falsified the data.]

HAYWOOD COUNTY and BOARD OF EDUCATION  
BUDGET FORMULA for SCHOOL APPROPRIATIONS  
JHD

YEAR	HAY. CO. PPA	% INCREASE	new 5yr % incr. for subsequent yr.
2001/02	1,293	6.60%	5.53%
new 5yr ave.	2002/03 1,341	3.73%	5.17%
	2003/04 1,410	5.17%	5.53%
	2004/05 1,489	5.57%	5.29%
base yr for new form	2005/06 1,575	5.77%	5.37%
	2006/07 1,652	4.89%	5.02%
	2007/08 1,735	5.02%	5.28%
	2008/09 1,699	-2.09%	3.85%
	2009/10 1,850	9.52%	4.62%
	2010/11 1,880	1.03%	3.67%
	2011/12 1,830	-2.66%	2.17%
	2012/13 1,869	2.17%	1.89%
	2013/14 1,899	1.59%	2.33%
	2012/15 1,943	2.33%	0.89%

  

ACTUAL FY06	Fiscal Year 2005-2006		
12,480,304	County Approp	\$ 12,381,006	5.56%
(before formula calc)	ADM	7,897	
	County Allocation per pupil	\$ 1,568	5.29%
First yr of new formula	Fiscal Year 2006-2007		
	County Approp	\$ 13,129,847	6.05%
	ADM	7,948, adjusted at 10 day ADM ( original formula calculated to 7976)	
	County Allocation per pupil	\$ 1,652	5.37%
five year average			
2nd yr of new formula	Fiscal Year 2007-2008		
	County Approp	\$ 13,802,083	5.88%
	ADM	8,013, adjusted at 10 day ADM ( original formula calculated to 8027)	
	County Allocation per pupil	\$ 1,734.94	5.02% per pupil alloc increase over prior year
YR 1			
3rd year of new formula	Fiscal Year 2008-2009		
	County Approp	\$ 13,426,920	-3.42% BI increase over prior year
	ADM	7,924, adjusted at 10 day ADM ( original formula calculated to 8093)	
	County Allocation per pupil	\$ 1,698.75	-2.09% per pupil alloc increase over prior year
YR 2			

FORMULA:  
Haywood County PPA X (1 plus 5 year average % increase per year) X (NC DPI ADM state planning allotment, using the highest projection amount, and adjusted to actual 10 day ADM when final) = County Appropriation.  
\$1,899 X 102.33% X 7,536 = \$14,645,044  
(rounded to 2014-15)

Fiscal Year 2009-2010	County Approp	\$ 14,403,307	7.27%	
	ADM	7,742, adjusted at 10 day ADM ( original formula calculated to 8174)		
	County Allocation per pupil	\$ 1,860.41	9.52% per pupil alloc increase over prior year	
Fiscal Year 2010-2011	County Approp	\$ 14,403,307	0.00%	
	ADM	7,663, adjusted at 10 day ADM ( original formula calculated to 7750)		
	County Allocation per pupil	\$ 1,879.59	1.03% per pupil alloc increase over prior year	
Fiscal Year 2011-2012	County Approp	\$ 13,971,307	-3.00%	
	ADM	7,638, adjusted at 10 day ADM ( original formula calculated to 7688)		
	County Allocation per pupil	\$ 1,829.66	-2.66% per pupil alloc increase over prior year	
Fiscal Year 2012-2013	County Approp	\$ 14,144,926	1.24%	
	ADM	7,567, adjusted at 10 day ADM ( original formula calculated to 7665)		ADJUSTED 11/19/2012
	County Allocation per pupil	\$ 1,869.29	2.17% per pupil alloc increase over prior year	
Fiscal Year 2013-2014	County Approp	\$ 14,402,707	1.82%	14,402,707
	ADM	7,584, adjusted at 10 day ADM ( original formula calculated to 7564)		14,364,726
	County Allocation per pupil	\$ 1,899.09	1.59% per pupil alloc increase over prior year	37,681
Fiscal Year 2014-2015	County Approp	\$ 14,645,044	1.68%	
	ADM	7,536, adjusted at 10 day ADM ( original formula calculated to —7536)		
	County Allocation per pupil	\$ 1,943.34	2.33% per pupil alloc increase over prior year	



## FY2014-2015 Haywood County Public School Funding Formula

Since funding of education is a top priority for Haywood County and it is the desire that Haywood County Schools are funded in the top per pupil funding statewide in appropriations, the Haywood County Board of Commissioners established and adopted a formula for funding of school current expense.

### Steps in determining the appropriation for public school current expense funding:

- Step 1:** begin with the current year per pupil appropriation.
- Step 2:** Increase the amount by the average increase over the past five years.
- Step 3:** Multiply by the NC Department of Public Instruction state pupil planning allotment.
- Step 4:** Adjust step 3, when the actual pupil count is known.

Funding Formula: Haywood County Per Pupil Appropriation increased by the 5-year average percent increase, X NC Public Schools DPI ADM state planning allotment, using the highest projection amount, and adjusted to actual budget year 10 day ADM when information becomes available + ABC revenues = Total current expense appropriation from the County.

PPA = Per Pupil Appropriation  
 DPI = NC Department of Public Instruction  
 ADM = Average Daily Membership (number of pupils attending school)

**Step 1:** Begin with the current budget year (FY13-14) per pupil appropriation:

FY2013-14 per pupil appropriation	<b>\$ 1,899.09</b>
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**Step 2:** Increase the amount by a factor equal to the average annual percentage increase over the last five years:

Fiscal Year	Annual % Increase	5 year Ave. % Increase
2009-2010	9.517%	
2010-2011	1.031%	
2011-2012	-2.656%	
2012-2013	2.166%	
2013-2014	1.594%	
Average annual growth		<b>2.33%</b>

FY2014-15 appropriation to public school system (2.33% growth factor applied) =1,899.09 x 1.0233	<b>\$1,943.34</b>
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**Step 3:** Multiply by the NC Department of Public Instruction state pupil planning allotment:

FY2014-15 NC DPI state pupil planning allotment –highest estimate – <b>7,536</b> =1,943.3445 X 7,536	<b>\$14,645,044</b>
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**Step 4:** Adjust when the actual pupil count is known – usually in August of each new fiscal year.

----- Original Message -----

Subject: Re: School funding formula calculations  
Date: Thu, 05 Jun 2014 18:00:54 -0400  
From: Monroe Miller  
To: Julie Davis <jhdavis@haywoodnc.net>  
CC: Candace Way <ecway@haywoodnc.net>, Ira Dove <IDove@haywoodnc.net>, "Mark S. Swanger" <markswanger@bellsouth.net>, "Bill L. Upton" <billupton@bellsouth.net>, "Michael T. Sorrells" <sorrells@cbvnol.com>, "L. Kevin. Ensley" <lakensley@bellsouth.net>, "J W. Kirkpatrick" <kirk@jwklaw.net>, David Francis <DBFrancis@haywoodnc.net>, Roy Cooper <OpenGov@ncdoj.gov>, Chuck Francis <chuckfrancis@charter.net>

Ms. Davis,

I understand that there is a .xsl file floating about, presumably that you created entitled:

jhd 4/16/2014 school formula with 10 day ADM FOR BUDGET 2013-2014.xsl, or something similar.

You simply provided me with a pdf file (which appeared to be heavily edited, by the way) which presumably came from the above referenced source file.

There are multiple, multiple percentage values floating about which you provide no clue or indication of how they came about.

Please send me that .xls file.

I have started a parallel spread sheet and have already discovered some anomalies, and the above .xls file will be useful in determining how you got the numbers you got. I don't know how many times I need to repeat, but it was in this manner, reduplicating your work with an independent spread sheet, that I discovered that you had made an error in the Revenue Neutral Tax Rate form (not the actual calculation, but a wrong value on the form, which you corrected).

Thank you,

Monroe Miller

----- Original Message -----

Subject: Re: School funding formula calculations  
Date: Fri, 06 Jun 2014 18:03:19 -0400  
From: Monroe Miller  
To: Julie Davis <jhdavis@haywoodnc.net>  
CC: Candace Way <ecway@haywoodnc.net>, Ira Dove <IDove@haywoodnc.net>, "Mark S. Swanger" <markswanger@bellsouth.net>, "Bill L. Upton" <billupton@bellsouth.net>, "Michael T. Sorrells" <sorrells@cbvnol.com>, "L. Kevin. Ensley" <lakensley@bellsouth.net>, "J W. Kirkpatrick" <kirk@jwklaw.net>, David Francis <DBFrancis@haywoodnc.net>, Roy Cooper <OpenGov@ncdoj.gov>, Chuck Francis <chuckfrancis@charter.net>

Ms. Davis,

Your lack of candidness on being forthcoming about this whole funding formula is getting a little disturbing.

I have begun a "parallel universe" spreadsheet, and I can tell you, it is a mess. I am not the only person doing this... I now have several people in Haywood county, Buncombe County and across the state working with me, starting to look at this funding formula.

Research is being performed right now to look up history values for Allotted ADM, PPA, Day 10 ADM, ABC revenue, Refunds to County, etc., i.e. all the data to recreate your entire history of this funding formula. Do you know what, some of the values I have accessed on the DPI statistics website do not match your results. Is anyone surprised?

Please send me the .xls file referenced in my previous e-mail to you.

Monroe Miller



----- Original Message -----

Subject: Re: School funding formula calculations  
Date: Wed, 11 Jun 2014 21:45:52 -0400  
From: Monroe Miller  
To: Julie Davis <jhdavis@haywoodnc.net>  
CC: Candace Way <ecway@haywoodnc.net>, Ira Dove <IDove@haywoodnc.net>, "Mark S. Swanger" <markswanger@bellsouth.net>, "Bill L. Upton" <billupton@bellsouth.net>, "Michael T. Sorrells" <sorrells@cbvnol.com>, "L. Kevin. Ensley" <lakensley@bellsouth.net>, "J W. Kirkpatrick" <kirk@jwklaw.net>, David Francis <DBFrancis@haywoodnc.net>, Roy Cooper <OpenGov@ncdoj.gov>, Chuck Francis <chuckfrancis@charter.net>, Greg Christopher <gchristopher@haywoodnc.net>

Found it! You're busted.

Monroe Miller

[**Editors Note:** The "ah-ha" moment!

See <http://haywoodtp.net/pubII/140616CrackedTheCode.pdf>

Note the date, June 11, 2014, a couple of days before her e-mail to county commissioners in the Vicki Hyatt hit piece.]

----- Original Message -----

Subject: Re: School funding formula calculations  
Date: Thu, 12 Jun 2014 18:21:35 -0400  
From: Monroe Miller  
To: Julie Davis <jhdavis@haywoodnc.net>  
CC: Candace Way <ecway@haywoodnc.net>, Ira Dove <IDove@haywoodnc.net>, "Mark S. Swanger" <markswanger@bellsouth.net>, "Bill L. Upton" <billupton@bellsouth.net>, "Michael T. Sorrells" <sorrells@cbvnol.com>, "L. Kevin. Ensley" <lakensley@bellsouth.net>, "J W. Kirkpatrick" <kirk@jwklaw.net>, David Francis <DBFrancis@haywoodnc.net>, Roy Cooper <OpenGov@ncdoj.gov>, Chuck Francis <chuckfrancis@charter.net>, Greg Christopher <gchristopher@haywoodnc.net>, Jonnie Cure <jcubed41@gmail.com>, Eddie Cabe, Denny King <kingsplace@charter.net>, Lisa Womack

Well, Ms. Davis,

The [Expletive Deleted] certainly hit the fan yesterday and today! Visits have been made to the D/A's Office, The Sheriff's Office (twice), Haywood County Schools, and notification and questions of this has gone across the state.

We will attempt another approach, since you are in total lock-down.

Since you are completely dug in your bunker, and now I realize why, I will narrow this request for public information down to a few simple questions. You should easily be able to respond to these, since you are a smart person.

I would like to see how you calculated the running 5 Year Average of PPA increase for the years:

2008-2009  
2009-2010  
2010-2011  
2011-2012

How simple is that? This part of the calculation is in all three (e) resolutions.

Please supply all the data that you used, with the resulting Average Annual Growth numbers.

Gosh, this is simple!

I would like this information prior to commissioners voting on your proposed budget at the next county commission meeting

Thanks,

Monroe Miller

[**Editors Note:** This is where I decided to shove it down her throat, and specifically call out the years she falsified the data. Let's see what she does with this! Again, note the date, June 12, 2014, prior to her e-mail to county commissioners in the Vicki Hyatt hit piece.]

----- Original Message -----  
Subject: FW: Funding formula  
Date: Mon, 16 Jun 2014 13:14:02 +0000  
From: Julie Davis <jhdavis@haywoodnc.net>  
To: Monroe Miller

This must be the spreadsheet you were referring to. This is the old one that I had, since, revised.

Julie

Julie H. Davis, Finance Director  
Haywood County  
215 N. Main Street  
Waynesville, NC 28786  
828-452-6724 phone  
828-452-6725 fax

[**Editors Note:** Doctored spread sheet, finally after I sent her the years she cooked the books. But she could not go back and alter the data, she could only come up with a new excuse, that she said "The years MM has referenced below and asked for my calculations, years 08-09 through 11-12, were years that we did not use the formula for appropriations due to the economy".]

----- Original Message -----

Subject: Fwd: FW: Funding formula

Date: Tue, 17 Jun 2014 07:13:27 -0400

From: Monroe Miller

To: Julie Davis <jhdavis@haywoodnc.net>

CC: Mark Swanger <markswanger@bellsouth.net>, KIRK KIRKPATRICK <kirk@jwklaw.net>, Bill Upton <billupton@bellsouth.net>, Michael Sorrells <sorrells@cbvnol.com>, KEVIN ENSLEY <lakensley@bellsouth.net>, Chip Killian <CKillian@haywoodnc.net>, Leon Killian <chip.killian@nelsonmullins.com>, Vicki Hyatt <vhyatt@themountaineer.com>, Becky Johnson <becky@smokymountainnews.com>, Roy Cooper <OpenGov@ncdoj.gov>, Anne Garrett <anne@haywood.k12.nc.us>, Tracy Hargrove <thargrove@haywood.k12.nc.us>

Ms. Davis,

Thank you for finally coughing up up the .xls spread sheet, seven (7) weeks after I originally requested it.

Obviously, there was no way you could go back and cover your tracks.

Did you see my new posting on

[www.haywoodtp.net](http://www.haywoodtp.net) ? <http://haywoodtp.net/pubII/140616CrackedTheCode.pdf>

Monroe Miller

**[Editors Note:** This hit piece was printed in the June 17<sup>th</sup> issue of the Mountaineer by Vicki Hyatt].

Frequent county critic levels more accusations

By Vicki Hyatt | Jun 17, 2014

At Monday's Haywood County Board of Commissioners meeting, the board adopted a \$69 million county budget, approved numerous budget amendments to clear out the fiscal year and defended the county's finance officer against allegations they resoundingly said were unfounded.

The county's chief and frequent critic, Waynesville resident Monroe Miller, alleged the county school system has been underpaid by about \$15 million under a school funding formula agreed to in 2003.

In the budget adopted for the coming fiscal year, Miller claimed the school system should have received \$18.6 million as opposed to the \$14.6 million approved when the budget was adopted Monday if the formula had been applied correctly.

Miller called upon County Finance Officer Julie Davis to resign immediately, and said if she didn't, the commissioners should fire her.

The issue is not one school leaders are embracing, and the accusations were immediately rebutted by the commissioners.

"Our board passed a resolution in support of the formula," said Bill Nolte, associate superintendent of the school. "We're funded in a very fair and reasonable way. Some counties provide no extra funds and some provide more, but we're glad to have had the formula."

Statistics show that Haywood County ranks 21st in the state when considering its per capita population and income rate in supporting public schools. There are 115 public school districts statewide.

Nolte said Miller shared his calculations with school officials, but didn't want to comment on their accuracy.

"I'm not a mathematician or an accountant," he said. "Plus, if he's referred the issue to law enforcement, I can't comment a lot on it."

Board unwavering

The commissioners were firm in their support of the county finance officer.

"I've heard him make inaccurate, misleading and inflammatory statements before, but I believe he has topped himself with this," Chairman Mark Swanger said in reference to Miller's statements, which he called "utter nonsense."

Commissioner Kevin Ensley noted there are plenty of checks and balances, including the school system finance personnel and auditors, and said both the school and leaders have amicably approved budgets based on the voluntary formula.

Commissioner Mike Sorrells said in meetings across the state, Haywood's school funding formula is a frequent topic as it has eliminated squabbling over how much of the county's property tax revenue is dedicated to local education needs.

"We've not had an issue with either board," Sorrells said. "Of course, they would like more money, and we would like to give more money, but to meet Mr. Miller's figures, we're talking about a 6- to 7-cent tax increase."

County Attorney Chip Killian pointed out the school funding formula is not a statutory requirement, just a voluntary guideline devised to take the politics out of education funding.

He said arguments between the county and the school system in Union County have become so intense that the legislature was being asked to step in to avoid costly litigation — exactly the kinds of disagreements that had been avoided in Haywood.

Commissioner Bill Upton said he was the superintendent of Haywood County Schools when the school funding formula was devised, and noted making sure it worked the way it was supposed to was the responsibility of both the county and the school system.

To accuse only the county finance officer of wrongly computing the formula is misguided, he indicated, especially considering that all the numbers to be plugged into the formula were provided by the school system, and the many levels of review for the formula.

#### Code cracking

During the public comment section of the meeting, Miller said Davis “cooked the books” and falsified components of the formula.

He said he was only able to obtain a summary sheet of the calculations — one that provided few clues as to how the final numbers were derived. Miller told the board he reverse engineered the numbers to arrive at his calculations.

“I cracked the code,” he declared.

Davis declined to comment on the issue after Monday’s board meeting, but a June 13 email sent to the county manager and board members shed light on the issue.

“Since you all have been copied on the MM [Monroe Miller] emails regarding the school formula, I wanted you to be aware of what is in my spreadsheet,” the email states. “The years MM has referenced below and asked for my calculations, years 08-09 through 11-12, were years that we did not use the formula for appropriations due to the economy. From his perspective, out of ignorance, the calculations aren’t working. Of course they aren’t, since we did not calculate those years, just allocated what the county could. This explanation was included in the spreadsheet that I last sent to MM.”

While there could possibly have been a mistake made over a 10-year period, Davis said because only she and the school’s finance officer were reviewing the figures, she is confident the formula spreadsheet is materially accurate.

School Board Chairman Chuck Francis said his board is in the process of drafting a letter to the county commissioners expressing support of the funding formula and how it has been implemented, thanking them for their support for public education and saying how great Davis has been to work with through the years.

“We’ve always asked for more, but we’ve always agreed on the amount,” Francis said. “We didn’t have a problem when the number decreased. With the economic situation as it was, they had to adapt. We understand that.”

#### Long history

Miller and his small following have a history of frequently criticizing local government officials. While county officials are the most frequent target, he has taken on issues in Waynesville, Haywood Community College, the Haywood County Fairgrounds and the chairman of the Haywood County Republican Party, too.

His findings end up in a self-published, online newsletter, the inboxes of colleagues, the media and select government officials. His conclusions are often reported to state or law enforcement officials and have seldom gone anywhere.

“Most information he puts out that can be verified one way or the other has been discredited,” said Swanger. “I don’t take anything he says seriously.”

Swanger called Miller’s attacks abusive.

“I think appearing in front of the board and demanding that a well-thought of employee be fired is abusive,” he said. “Julie (Davis) is one of the most highly decorated finance officers in the state. I don’t understand why he wants to always tear down something.”

Swanger said county employees have told him about finding Miller eavesdropping on phone calls or conversations while standing out of sight in the hallways or making unwanted advances such as inviting a female county employee to his home or to have drinks with him.

“I don’t know what motivates him. Perhaps a mental health professional would have a much better way of knowing why he does what he does and why he does it the way he does it,” Swanger said. “I don’t know why a person would choose to be negative and abusive when they have the capacity to do good things.”

Miller routinely refuses to grant interviews to local newspapers.

**[Editors Note:** This Editorial hit piece was printed in the June 19<sup>th</sup> issue of the Mountaineer by (presumably) Vicki Hyatt. It was an unsigned editorial].

Questions are OK; vicious attacks cross the line, Let's disagree respectfully. Jun 19, 2014

Since the beginning of this nation, public service has been an honorable profession, whether as an elected leader or as a public employee. That has changed over time, especially with the political polarization at the national level and the inability of Congress to move forward on any issue.

At the local level, however, the situation in Haywood County is markedly different. The public officials are accessible, forthcoming with information and are, more often than not, delighted to talk issues with people who have taken the time to inform themselves about what is happening in their county.

Lately, however, being in a high-level public service position in Haywood County can be like having a target on your back. A small group of extremists has decided our county leadership team is corrupt and has made it a mission to paint scenarios highlighting what they call incompetence and abuse of power — whether it exists or not.

The accusations against Haywood County Finance Officer Julie Davis are a case in point.

Monday evening, one of the critics, Waynesville resident Monroe Miller, presented his “reverse engineered” research into a voluntary school funding formula county and school board leaders crafted a decade ago.

In the televised public comment portion of the board meeting, Miller alleged that Davis “cooked the books” and claimed she falsified components of the formula. Her alleged miscalculations resulted in \$15 million in reduced funding for county schools, he claimed before demanding that Davis resign or be fired.

The irony to his declaration that “I cracked the code,” was that the funding formula had been suspended in 2008 following the deep recession that hit Haywood and other portions of the nation. In the quest for the minutia of the exact calculations for the formula, the question of whether the formula was even in use was overlooked.

That became the basis for highly inflammatory statements against a public servant who has earned the respect of all she has worked with. Both school and county officials have countered the accusations by talking publicly about the stellar working relationship they have with her.

In responding to the remarks, commissioners said had the schools been funded at the level dictated by the formula during the recession, it would have required a 6 to 7 cent tax hike. School leaders say they perfectly understood the economic situation in the county and understood when the school system budget was slashed just like that of other county departments.

The irony of it all is that those who complain loudly and frequently about how the county operates are dead-set against raising taxes.

While Miller’s latest claim is that the school system in Haywood County was cheated out of funds that should have been paid, his past appearances before the board would lead most to conclude he and his followers would have squawked the loudest if the board had kept the formula in place and raised taxes to the extent needed to fully fund it.

There is nothing wrong with questioning our public officials — it ensures a healthy democracy. However, publicly attacking an official without all the facts is inappropriate and crosses the line of the decency, a quality we still respect in Haywood County.