

Haywood County “Toeprints”

August 25, 2019

Vol. #10 Issue #5 (Subject: Francis Farm Expenses, Numbers Add Up Now)

www.haywoodtp.net

What’s Happening?

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

Time for Reverse Engineering.

Francis Farm Expenses are in lock-down by our county officials:

- Julie Davis
- David Francis
- Bryant Morehead
- Kevin Ensley

One way to determine expenses is to reverse engineer the data provided. This reminds me of **Julie Davis** and the Funding Formula. See:

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

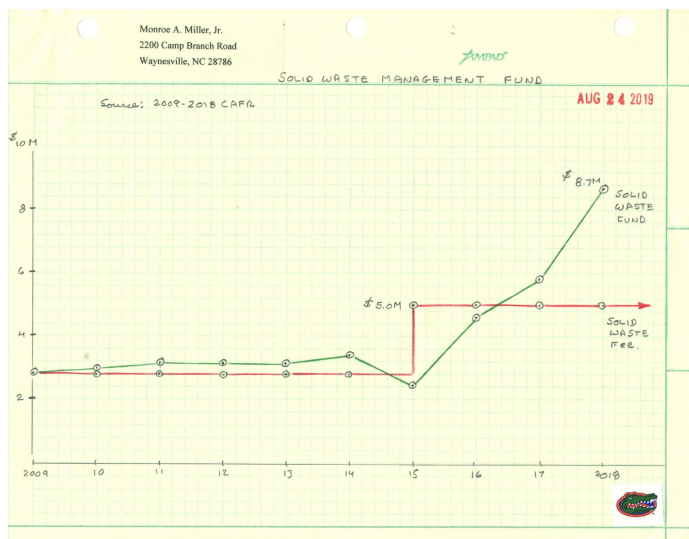
Flashback! The gift that keeps on giving. Cracked the Code on the Haywood County Schools Funding Formula! Julie Davis cooked the books (i.e. falsified the calculation). Denied School System \$15 Million Dollars and should Resign or be Fired. 6/16/2014...

It took me four (4) days to figure out what **Julie Davis** did (she is very smart), to realize that she falsified the PPA values of the Funding Formula.

In order to reverse engineer the Francis Farm Expenses, I needed a starting point, which I received from an extremely unlikely source: Travis Kever, the CPS for Gould Killian CPA Group, P.A., doing the Haywood County CAFR. He provided the following feedback / hint [re: <http://www.haywoodtp.net/pubTP/T190824.pdf>]

- “The beginning fund balance of the solid waste fund in total is \$8.7M as stated on page 16 of the FY18 CAFR”.

That lead to collecting all of the Solid Waste Fund totals from 2009 - 2018. It was useful to plot the data, which was drawn on very expensive, hard-to-get, Green Graph Paper.



This is also shown enlarged at the end of this issue.

What is wrong with this picture?

After the December 2014 Budget Workshop presented to commissioners by **David Francis**, he made the case for increasing the Solid Waste Fee from \$92 to \$164, which commissioners approved. This would cover \$10 million over the next ten (10) years for Francis Farm Landfill expenses. [Copy of his presentation follows this issue.]

So, why do we have \$8.7 million sitting right now in the Solid Waste Fund, which is continuing to grow without bounds?

After repeatedly requesting to inspect expenses for Francis Farm Landfill, the only response I get is \$6.2 million over a twenty (20) year period. This does nothing to explain the meteoric rise in the value of the Solid Waste Fund.

I had the data to reverse engineer this problem, and was getting ready for the long haul, but solved it in less than two hours! [re: Smiley Face.]

Follow me through on this.

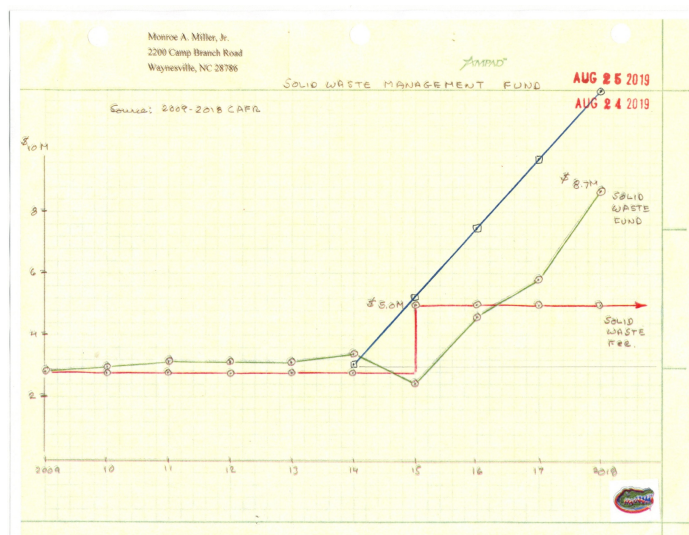
- During the years 2009 - 2014, everything was steady state. The Solid Waste Fund was a little over \$3 million, with revenues about \$2.7 million. Expenses nearly matched revenue, with a slight rise in the Fund Balance over the six (6) year period.
- In 2015, the Solid Waste Fee was raised from \$92 to \$164 per household, a rise of revenue of about \$2.2 million per year.

- In 2015, the first year of new revenue, the Fund Balance took a hit. However, each year thereafter, it rose at an extraordinary rate. WTF?
- The graph shows Fund Balance along with Tax Revenue.

Cracked the Code.

As before, with **Julie Davis'** Funding Formula, I cracked the code. I needed a new graph with a new variable. What would happen if I drew the Fund Balance with the new added revenue, but left out expenses? Then I could reverse engineer and figure out what the expenses were by comparing it with the yearly Fund Balance from the CAFR data.

[**Editors Note:** Rather than recreating the original graph and plotting this new data, and burning through another sheet of very expensive Green Graph Paper, I made a color copy of the original, and drew an new line, in blue, showing the what-if new revenue curve without expenses.]



This graph is also appended to the end of this issue.

Analysis.

- A blue (what if) line has been added, representing what would happen to the Solid Waste Fund Balance if the new fee was enacted, but no expenses from Francis Farm.
- The beginning point of the blue line starts at 2014, when the fund balance was about \$3 million.
- The amount of money “earmarked” for the Francis Farm expenses, due to the extra increase in the solid waste fee, is \$2.2 million per year, for a total after four (4) years of \$8.9 million.
- That puts the Solid Waste Fund at \$12 million at 2018.
- The difference between that \$12 million number and the 2018 value stated in the 2018 CAFR are the total expenses for Francis Farm, presuming that the existing expenses from 2009 - 2014 remained constant.

- The difference between \$12 million and the \$8.7 million is about **\$3 million**, which, by definition, are the expenses.
- The slope of the blue line matches the slope of the CAFR expenses for the years 2016-2018, which means that for the last three years, the rise in the Solid Waste Fund matches the rise due to the rate increase.
- Only in the first year, 2015, was there a hit in expenses, indicated by a downward slope in the CAFR curve.

David Francis, in his December 2014 Budget Workshop presentation, predicted expenses in the order of \$7 million.

He is off by \$4 million!

WTF!

This is fairly typical of **David Francis**, who has always had a problem of creating proposals. This time, his error has cost the taxpayers of Haywood County a considerable amount of money out of their wallets.

Since it is virtually impossible to get anything out of **David Francis** or the rest of this bunch, who knows what expenses lay on the horizon for Francis Farm Landfill.

I believe the following two suggestions will serve the taxpayers of Haywood County well.

- Change the Land Fill Fee back to \$92 immediately, since **Julie Davis** is sitting on about a \$6 million in extra Solid Waste Fund surplus to play with, and
- Fire **David Francis**.

There are several options still on the table to extract these expenses in great detail, and I will be exploring those.

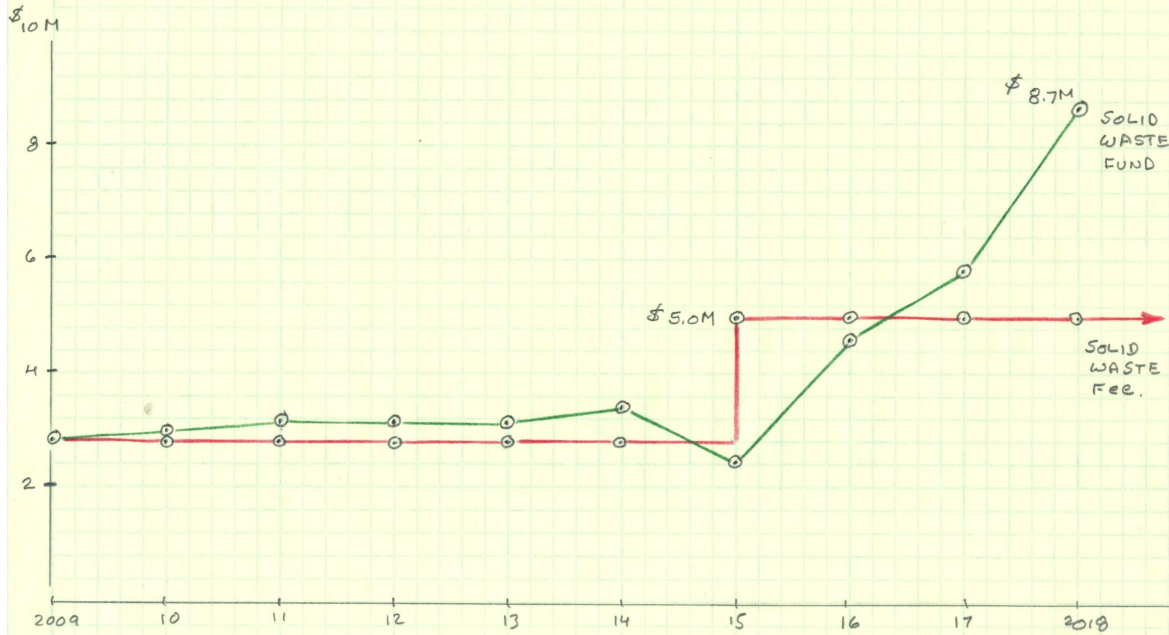
Legend: If any name is in **bold**, it can't be a good thing.

Monroe A. Miller, Jr.
Haywood County Taxpayer
2200 Camp Branch Road
Waynesville, NC 28786
www.haywoodtp.net
Si vis pacem, para bellum

SOLID WASTE MANAGEMENT FUND

Source: 2009-2018 CAFR

AUG 24 2019



Monroe A. Miller, Jr.
2200 Camp Branch Road
Waynesville, NC 28786

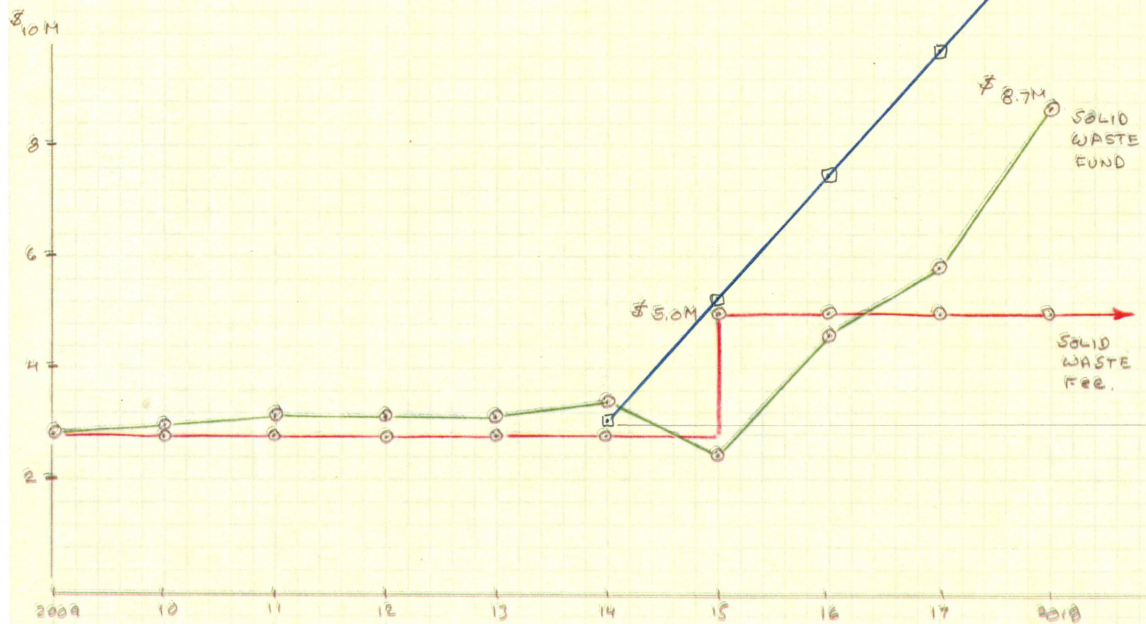
AMPAD

SOLID WASTE MANAGEMENT FUND

AUG 25 2019

AUG 24 2019

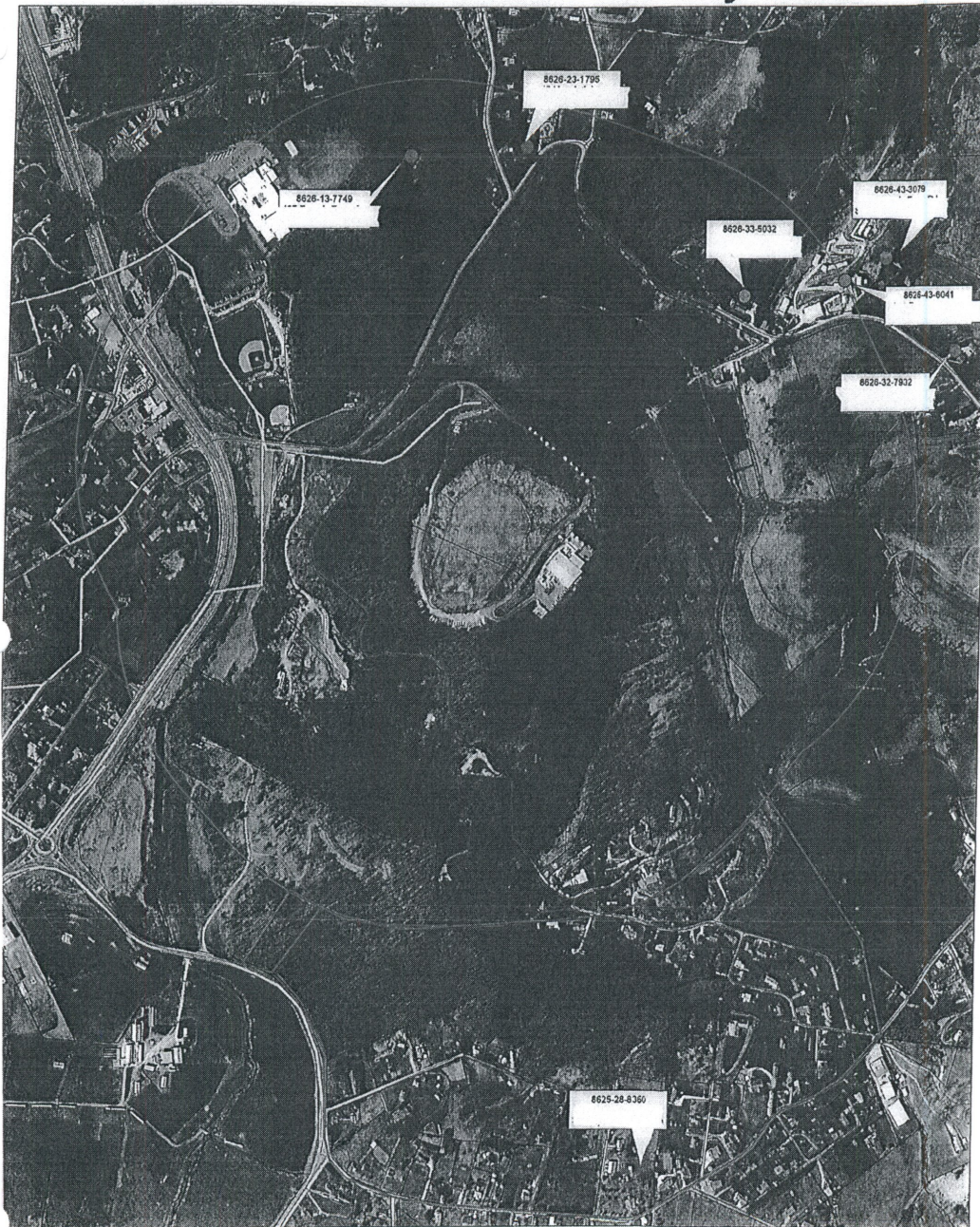
Source: 2009-2018 CAFR



Budget Work Shop Dec. 2014

JUN 2 2015

Francis Farm Area - No City Water



THIS MAP IS PREPARED FOR THE DIRECTORY OF REAL PROPERTY FOR THE YEAR 2014. THE INFORMATION IS COMPILED FROM RECORDED DEEDS, PLATS, AND OTHER PUBLIC RECORDS AND DATA. USERS OF THIS MAP ARE HEREBY NOTIFIED THAT THE APPLICABLE PUBLIC PRIMARY INFORMATION SOURCES SHOULD BE CONSULTED FOR VERIFICATION OF THE INFORMATION CONTAINED ON THIS MAP. HAYWOOD COUNTY ASSUMES NO LEGAL RESPONSIBILITY FOR THE INFORMATION CONTAINED ON THIS MAP.

Legend

- Parcels with no City Water
- Waynesville Water Lines
- Francis Farm 1500 ft Buffer
- Well Site

Map Created on 07/18/2011



Budget Workshop Dec 2014

	White Oak Landfill	Hauling	Convenience Centers	MRF*	Francis Farm Landfill	Capital Improvements	Yearly Cost	Solid Waste Fee Needed
2015 - 2016	556,250	687,982	327,967	1,272,000	1,900,000	640,000	5,384,198	165
2016 - 2017	578,500	687,982	337,806	1,272,000	1,650,000	475,000	5,001,288	153
2017 - 2018	601,640	702,426	347,940	1,310,160	1,650,000	400,000	5,012,166	153
2018 - 2019	625,706	702,426	358,377	1,349,465	1,650,000	350,000	5,035,974	154
2019 - 2020	650,733	720,053	369,129	1,389,949	1,650,000	350,000	5,129,864	157
2020 - 2021	676,762	720,053	380,203	1,431,647	300,000	25,000	3,533,665	108
2021 - 2022	703,833	737,304	391,609	1,474,597	300,000	250,000	3,857,343	118
2022 - 2023	731,986	737,304	403,357	1,518,834	300,000	25,000	3,716,481	113
2023 - 2024	761,265	755,415	415,458	1,564,399	300,000	25,000	3,821,537	116
2024 - 2025	791,716	755,415	427,922	1,611,331	300,000	25,000	3,911,384	119
10 Yr Total:	\$6,678,391	\$7,206,360	\$3,759,767	\$14,194,382	\$10,000,000	\$2,565,000	\$44,403,899	
			10 year Average					AVG.
					Reimb. fund bal.			\$ 135.50
			Land Purchase	\$ 1,200,000	3.67			\$ 3.67
			Previous years exp	\$ 988,255	3.02			\$ 3.02
			Current year budget	\$ 950,371	2.90			\$ 2.90
				\$ 3,138,626				
						Total 10 yr. ave.	\$	145.10
			First 5 Years Average	\$ 156.14	9.59	Total 1st 5 yr. ave.	\$	165.74
			Weighted average	\$ 150.62				\$ 150.62
Notes: There is a no fuel surcharge factored for Hauling.								
Years 6 - 10 Capital Improvements amounts are low due to upgrades being completed								
Francis Farm construction timeline has not been determined. Costs are based on current projections								
and may be heavier in some years. Amount has been evenly spread for presentation.								

JUN 2 2015