Subject: Hit Piece on Mike Matthews, Tax Collector, by Vicki Hyatt and Jonathan Key, Mountaineer.

In a continuing and unrelenting barrage of Hit Pieces aimed at Mike Matthews, Haywood County Tax Collector, by Vicki Hyatt and Jonathan Key of the Mountaineer, this one is going to get blown apart. In my view, the source of these hit pieces is the dirty work of David Francis, Ira Dove, and outgoing County Commissioner, Mark Swanger. It has been unrelenting.

By the way, in discussions with David B. Baker, Director, Property Tax Division of NC Department of Revenue, he indicated that in all of the one hundred (100) counties in North Carolina that have a Tax Collector and a Tax Assessor, Haywood County is the only county that has a separate Tax Administrator. That is, on all other 99 counties, the Tax Administrator is either the Tax Collector or the Tax Assessor. Why the [expletive deleted] did Swanger and the other commissioners appoint David Francis (who was thrown out of office) as a Tax Administrator that was not the Tax Collector or the Tax Assessor?

From the Mountaineer,

**Tax collector grilled by commissioners, By Vicki Hyatt, Oct 05, 2016**

Haywood County Commissioners, concerned about the 29 percent collection rate on delinquent taxes, invited Tax Collector Mike Matthews to Monday’s board meeting to discuss his collection plan.

Commission Chairman Mark Swanger said he asked Ira Dove, the county manager, to gather information on delinquent collection rates and to break the statistics down by category.

Dove’s report showed that at the end of the June 30, 2016, fiscal year, the tax collector’s office had collected $721,000 out of $2.52 million in overdue taxes. The previous fiscal year, the county collected nearly $1.1 million through enforcement action, which represented a 40 percent collection rate at the end of the fiscal year.

The difference between a 40 percent and 29 percent tallies $250,000 in funds to just the county, ...
Let’s take a look at what Ira Dove sprung on Mike Matthews on October 3, 2016.

On the right side of the top spreadsheet, there is in item: “LESS: Collected Enfor.” for 2014 and 2015. Ira’s point was that in 2014, 40% of the collected taxes by Enforcement was 40%, while it dropped to 29% the next year. Swanger demanded - Why? Mike had no response and Vicki Hyatt pounced.

Mike Matthews had never seen this data prior to it being sprung on him at the meeting.
Let’s start to look at things. This methodology will be similar to that of the Funding Formula Investigation and the Closure of the Central Elementary School by Anne Garrett and the School Board. As before, spreadsheets of data will be resolved into a graphical, easy to comprehend (except by Vicki Hyatt) format. This means I have to dig into my supply of very expensive green engineering graph paper. When I have to dig into my very expensive green engineering graph paper, someone is going down. In this case, we project Ira Dove, David Francis and the outgoing Mark Swanger. [I tell you, we are not getting rid of this guy soon enough].

Let’s look at collections first. This data came from Mike Matthews, Haywood County Tax Collector.

<table>
<thead>
<tr>
<th>Fiscal Year</th>
<th>Tax Year</th>
<th>Property Tax Levy Collected**</th>
<th>% of Property Tax Levy Collected*</th>
<th>Receivable Still Due</th>
<th>% of Levy Still Due</th>
</tr>
</thead>
<tbody>
<tr>
<td>2015-2016</td>
<td>2015</td>
<td>37,371,413.16</td>
<td>97.00%</td>
<td>1,159,917.81</td>
<td>3.00%</td>
</tr>
<tr>
<td>2014-2015</td>
<td>2014</td>
<td>35,934,692.88</td>
<td>97.23%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2013-2014</td>
<td>2013</td>
<td>34,999,305.61</td>
<td>96.79%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2012-2013</td>
<td>2012</td>
<td>34,782,130.92</td>
<td>96.60%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2011-2012</td>
<td>2011</td>
<td>34,398,452.75</td>
<td>96.35%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2010-2011</td>
<td>2010</td>
<td>33,541,388.58</td>
<td>96.74%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2009-2010</td>
<td>2009</td>
<td>32,904,544.50</td>
<td>96.35%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2008-2009</td>
<td>2008</td>
<td>31,091,094.08</td>
<td>96.38%</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

*Unaudited numbers subject to change.
** Does not include any motor vehicle collections

There are two trends we can see from this data.

- Property Tax Levy Collected generally increases from 2008 through current.
- % of Property Tax Levy Collected seems steady from 2008 - 2013 (the years David Francis was Tax Collector) and increases the last two years.

An additional bit of information which would be nice, is the actual Levied Property Tax. I reverse computed this number from the collected amount and the % Tax Levy collected, and is shown in the next spreadsheet.
The computed Levied Tax is shown in the second column. It may be different than the actual values listed in the CAFR (Certified Annual Financial Report), but should be close enough for all practical purposes.

Now the graph of plotted Levied vs. Collected values.
The red line is the levied values, and the green line is the collected values. There are a couple of things to note:

- There is a constant increase in property tax, thanks to David Francis and his ever expanding property value spreadsheet.
- The difference between the red line and the green line is uncollected, or delinquent tax.
- There is a sharp increase in the last year of both levied and collected tax. This is the Tax Increase proposed by Ira Dove in the last budget, and approved by Kevin Ensley and the other commissioners last year.
- The delinquent tax (i.e. difference between the red and green lines) appears less during the last two years, when Mike Matthews was elected Tax Collector and David Francis was thrown out of office.

Let’s take a closer look at Delinquent Tax [re: Mike Matthews pulling this data out of the CAFR].

<table>
<thead>
<tr>
<th>Year</th>
<th>Amount</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>2016</td>
<td>2,522,096</td>
<td>-</td>
</tr>
<tr>
<td>2015</td>
<td>2,458,233</td>
<td>-</td>
</tr>
<tr>
<td>2014</td>
<td>2,774,907</td>
<td>-</td>
</tr>
<tr>
<td>2013</td>
<td>2,969,352</td>
<td>Pg. 144 - 116</td>
</tr>
<tr>
<td>2012</td>
<td>2,922,046</td>
<td>Pg. 142 - 116</td>
</tr>
<tr>
<td>2011</td>
<td>2,965,284</td>
<td>Pg. 159 - 118</td>
</tr>
<tr>
<td>2010</td>
<td>3,129,277</td>
<td>Pg. 147 - 119</td>
</tr>
<tr>
<td>2009</td>
<td>3,038,026</td>
<td>Pg. 159 - 107</td>
</tr>
</tbody>
</table>

Delinquent Taxes start to drop beginning in 2014.

Additionally, Mike is still in the process of collecting delinquent taxes for 2016, so the number Ira Dove took a snapshot of when he sprung his spreadsheet on Mike Matthews, is actually a work-in-process number, and in all likelihood, is going to continue to be reduced.

We are now at a point we can look at this data graphically.
Well, this is dramatic!

For emphasis, data in red is while David Francis was running the show, and turns green (which means good) when Mike Matthews started collections.

As you can see, there is a steady drop on delinquent tax from 2014 on. The last data point for 2016 is, as I mentioned, a work in progress number. Rather than stay at the snapshot point of where it was when Ira Dove attempted to sandbag Mike Matthews, it is likely to continue downward at the same rate, or slope. That is the nice thing about looking at this data graphically.

So even though the Tax Levy has gone up, delinquencies are on a downward trend! It stands to reason that with less delinquencies, the percentage of “LESS: Collected Enfor.” is going to decrease also. What does Ira Dove think the Taxpayers of Haywood County are: Stupid? When Dove pulls a stunt like this, and Vicki Hyatt and Jonathan Key hop on this bandwagon, it makes them look like a bunch of idiots.

Mike Matthews created a letter to the citizens of Haywood County to explain what is going on, and is found at: http://haywoodtp.net/pubII/161115StatementFromMikeMatthews.pdf.
Conclusion.

I attempted to explain this graphical approach and result to Jonathan Key, owner of the Mountaineer, at the end of a recent county commission meeting, but he looked dazed, and said he did not have his glasses on. It is apparent to me that he does not understand what is going on here. It would be like talking to a brick wall to attempt to explain this to Vicki Hyatt. He instead wants to wait a couple of months for additional data to roll in and have Vicki write a new article, perhaps in January. The problem is, this stink-pot of a hit piece remains in taxpayers mind with no correction from the Mountaineer. This character, Jonathan Key, is really a piece of work.

Mike Matthews explained that instead of using heaving handed tactics as his predecessor used, he has been working with delinquent taxpayers with payment plans that they can afford and live with. There have been hardly any foreclosures, while with David Francis, Haywood County led the state with the number of foreclosures (a money making scheme for some people around here).

Instead of continuously harassing Mike Matthews, he should be given the hero of the year award.

You will never hear this from the Mountaineer, nor the Smoky Mountain News, only from www.haywoodtp.net.

The last election produced a Republican Sweep in Haywood County. Never happened before. Brandon Rogers replaced Mark Swanger, and so we have a Republican on the County Commission now. We still have the RINO, Kevin Ensley.

As with Donald Trump, this county commission needs to drain the swamp. Since David Francis will loose his cover when Swanger leaves, and I don’t believe the other democrats on the commission will put up with him for very long, I expect to see Francis leaving us soon.

Next on the chopping block is Ira Dove. He can’t get fired soon enough.

Next is Julie Davis. I happen to know an extremely qualified replacement for Julie Davis, and will be talking about that as the smoke settles after Swanger is gone.

I expect Swanger and his wife will be spending more and more time down at their quarter of a Million Dollar Condo in Panama City Beach that they only paid $10 for.

Monroe A. Miller Jr.
Haywood County Taxpayer.