

Haywood County "Toeprints"

September 1, 2019

Vol. #10 Issue #6 (Subject: Gould Killian CPA Group, Clean Audits?)

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.

Answer Man: In Wanda Greene fiasco, how did county get clean audits?

- **Wanda Greene** is sentenced to 7 years in prison. Former Buncombe County Manager **Wanda Greene** has been sentenced to 84 months, or 7 years, in prison and ordered to pay a \$100,000 fine.
- Former assistant county manager **Mandy Stone** has been sentenced to 33 months in prison and ordered to pay a \$15,000 fine.
- Former assistant county manger **Jon Creighton** has been sentenced to 18 months in prison and ordered to pay a \$25,000 fine.

See for previous problems with **Wanda Greene**:

<http://www.haywoodtp.net/pubII/120803-99cvs03497.pdf>

or

[UPDATE 99 CVS 03497 - Dawes, Yelton and Morgan vs. Buncombe County Board of Commissioners and Wanda Green, County Manager. NC Public Records Law. Full & complete file. 8/03/2012...](http://www.haywoodtp.net/pubII/120803-99cvs03497.pdf)

Then, an article appeared on WLOS / Asheville Citizen Times entitled:

"Answer Man: In Wanda Greene fiasco, how did county get clean audits?, by John Boyle."

<https://www.citizen-times.com/story/news/local/2018/08/30/buncombe-county-asheville-clean-audits-mismanaged-funds-answer-man-wanda-greene-fiasco/1131155002/>

[**Editors Note:** If a link does not work, copy and paste into your favorite browser.]

Good Question.

Who was the Auditor for Buncombe County for the last 13 years?

Gould Killian CPA Group, P.A.

In April, Buncombe County chose a new different firm to conduct its annual audit - CliftonLarsonAllen.

Wait a minute? Who did **Julie Davis** hire to perform Haywood County's Audit (CAFR's)?

Gould Killian CPA Group, P.A.

WTF?

Francis Farm Expenses.

Since January, I have been requesting Francis Farm Expenses. See:

<http://www.haywoodtp.net/pubII/190813FlashbackFrancisFarmPowerpoint.pdf>

<http://www.haywoodtp.net/pubTP/T190807.pdf>

<http://www.haywoodtp.net/pubTP/T190824.pdf>

<http://www.haywoodtp.net/pubTP/T190825.pdf>

I have been provided with four (4) pages of worthless documentation. Getting nowhere from **Julie Davis, Bryant Morehead** and **Kevin Ensley [RINO]**, I chose a different path (after a trip to the D/A's Office). On 7/16/2019, I requested contact information for the county auditor.

I received contact information for **Gould Killian CPA Group** from **Julie Davis** on 7/18/2019.

[**Editors Note:** See these e-mails at the end of this issue.]

Dialog with Travis Keever, Gould Killian CPA Group.

[**Editors Note:** This e-mail dialog along with attachments are included following this issue.]

• On 8/8/2019, I reached out to **Travis Keever**.

• On 8/8/2019, I surprisingly received a response. He indicated: "If you have any specific concerns that would impact our current year audit, I would be happy to take those under advisement."

• That sounded like an invitation to me. I sent a letter to **Travis Keever** on 8/9/2019.

[**Editors Note:** This letter follows the e-mail chain...]

• On 8/12/2019, I received a response to my questions.

Please remember folks, I did not hire **Travis Keever**. **Travis Keever** is/was under no obligation to respond to my questions. Yet he did. Why?

[**Editor's Note: Mr. Keever** evidently has a PDF Editor. He inserted comments into my original pdf file to him. I rarely get a response in that format. All of his responses were in color, either text encircled in red, text in a blue box, or red text inserted along side my questions and comments.]

With these responses, it is easy to see why Buncombe County changed auditing firms.

I was not going to get a single thing from **Travis Keever** to show up in this years CAFR. **Travis Keever** hunkered down in bean-counting mode.

I got the blow-off!

The one thing I dispute from his comments was **Julie Davis** indicating -

(When you perform a text search on "solid waste", you will see the only places this topic is discussed in the CAFR. I'll direct you to page 12 (pdf page 28) under **Budget Highlights for the Fiscal Year Ending June 30, 2018**, third paragraph, last sentence - it is stated that) *"Two years ago, an increase in the availability fee, from \$29 per household to \$136 per household, was implemented to cover these new costs."*

Keever attributed the \$136 to a simple typographical error. However, it is interesting to look at the **David Francis** December 2014 Workshop presentation, also included at the end of this issue.

Look in the last column, go down a little bit where it indicates an average fee - \$135.50. I believe **Julie Davis** used this number to downplay the amount collected, and was not a typographical error.

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

From: Julie Davis <julie.davis@haywoodcountync.gov>
Date: 7/18/19 9:27 AM (GMT-05:00)
To: 'Monroe Miller', Candace Way <candace.way@haywoodcountync.gov>
Cc: Bryant Morehead <Bryant.Morehead@haywoodcountync.gov>, Kevin Ensley <Kevin.Ensley@haywoodcountync.gov>, "Brandon C. Rogers" <brandon.rogers@haywoodcountync.gov>, "Steven M. Pless" <mark.Pless@haywoodcountync.gov>, Kirk Kirkpatrick <Kirk.Kirkpatrick@haywoodcountync.gov>, "Thomas A. Long" <Tommy.Long@haywoodcountync.gov>, Frank Queen <Frank.Queen@haywoodcountync.gov>, Terry Ramey <terryramey2017@gmail.com>, David Francis <david.francis@haywoodcountync.gov>, "Travis Kever" <tkeever@gk-cpa.com>

Subject: RE: Bid Documents- County Auditor

Mr. Miller,

I would be happy to send the information you have requested.

Our auditing firm is Gould Killian CPA Group, P.A., from Asheville.

Travis Kever, Assurance Manager, is the audit manager for Haywood County and his email is tkeever@gk-cpa.com

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

From: Monroe Miller
Sent: Tuesday, July 16, 2019 10:37 AM
To: Candace Way
Cc: Bryant Morehead; Kevin Ensley; Brandon C. Rogers; Steven M. Pless; Kirk Kirkpatrick; Thomas A. Long; Frank Queen; Terry Ramey; David Francis; Julie Davis
Subject: Re: Bid Documents- County Auditor

Ms. Way,

Since Bryant Morehead is continuing to give me the run around, we will go about this at a different angle.? Please provide me the name of the company currently selected to perform this year's county financial audit.? Also, the address and contact name of the individual responsible for signing their name on this years audit.? If Julie Davis is as good at hiding the legal costs the county incurred with 08CVS51, and lack of any specificity of costs the county incurred with the Francis Farm Landfill, I feel I have to bring this forward to the auditors, so they can be alert as to other types of costs they should be looking into.

Thank you,

Monroe A. Miller, Jr.

Subject: Francis Farm Expenses

Date: Thu, 8 Aug 2019 08:33:35 -0400

From: Monroe Miller

To: Travis Keever <tkeever@gk-cpa.co>

CC: Bryant Morehead <bryant.morehead@haywoodcountync.gov>, KEVIN "Adjudication" ENSLEY <Kevin.Ensley@haywoodcountync.gov>, Brandon Rogers <brandon.rogers@haywoodcountync.gov>, JAMES WEAVER "KIRK" KIRKPATRICK the III <Kirk.Kirkpatrick@haywoodcountync.gov>, Mark Pless <mark.pless@haywoodcountync.gov>, Tommy Long <Tommy.Long@haywoodcountync.gov>, Candace Way <candace.way@haywoodcountync.gov>, Julie Davis <julie.davis@haywoodcountync.gov>, David Francis <david.francis@haywoodcountync.gov>, Frank Queen <Frank.Queen@haywoodcountync.gov>, Terry Ramey <terryramey2017@gmail.com>

Mr. Keever,

I have requested from Bryant Morehead, Haywood County Manager, for eight months information, relating to county expenses for the Francis Farm Landfill through Public Record Requests. I have been met with extreme obstruction by Bryant Morehead, Julie Davis, David Francis and Kevin Ensley, to name a few. The only information I have been provided is contained in the first attachment, FFLF expenses.pdf. Any correlation to the information I received and to prior CAFR's is impossible. Although the information came from Bryant Morehead, it is not clear who generated this pdf file, but most probably either Julie Davis or David Francis.

I have summarized my efforts in a newsletter I post on the Internet, www.haywoodtp.net. It is contained in the second attachment, Toeprints190807.pdf.

Perhaps, during your Audit of Haywood County Finances this year, you might be able to take a look at the real expenses and compare them to what I received.

Finally, this is not the first run-in I have had with Julie Davis. Please review the third attachment, 140616CrackedTheCode.pdf, if you have time.

Let me know if you have any success with this.

Thank you,

Monroe A. Miller, Jr.

Pursuant to Proper Etiquette and N.C.G.S. § 14-196.3, this e-mail conforms to Section (e) which applies to any peaceable, nonviolent, or nonthreatening activity intended to express political views or to provide lawful information to others. This section shall not be construed to impair any constitutionally protected activity, including speech, protest, or assembly.

Subject: RE: Francis Farm Expenses
Date: Thu, 8 Aug 2019 13:50:59 +0000
From: Travis Keever <tkeever@gk-cpa.com>
To: Monroe Miller

Mr. Miller

We have been engaged by the County to audit their financial statements for the fiscal year ended June 30, 2019. Landfill related expenditures are subject to our audit procedures same as any other expenditure. If you have any specific concerns that would impact our current year audit, I would be happy to take those under advisement.

Regarding your contention that there has been a shortfall of school funding, that is a budgetary issue that is well outside of my firm's engagement to provide an opinion on the financial statements of the County. I will say, however, that local school boards have recourse via a legal dispute resolution process if they feel the funding budgeted by the County is inadequate. The fact that the local school board has (presumably) approved their budget each year without entering into dispute resolution would be a de facto indication that they believe funding is at least adequate.

See the two links provided below regarding local school funding requirements put together by Kara Millonzi, an attorney specializing in local government finance at the UNC School of Government.

<https://canons.sog.unc.edu/top-ten-questions-about-the-local-public-school-budgeting-process/>

<https://canons.sog.unc.edu/county-responsibility-for-public-school-funding/>

Hopefully you find this information useful

Regards,

Travis S. Keever, CPA, CIA

Assurance [Manager|tkeever@gk-cpa.com](mailto:tkeever@gk-cpa.com)

100 Coxe Avenue | Asheville, NC 28801 | P 828.258.0363 | F 828.252.0528 | www.gk-cpa.com

Subscribe to our monthly newsletter for important and interesting articles regarding tax and accounting matters. [Click here for the GK Newsletter.](#)

Monroe A. Miller, Jr.
2200 Camp Branch Road
Waynesville, NC 28786
August 9, 2019

Travis S. Keever, CPA, CIA
Assurance Manager
Gould Killian CPA Group, P.A.
100 Coxe Avenue
Asheville, NC 28801
tkeever@gk-cpa.com

Subject: Landfill related expenditures.

Mr. Keever,

I appreciate your willingness to look into specific concerns I have related to the Haywood County Solid Waste Fund, i.e., the David Francis Solid Waste Slush Fund. As you requested, I will frame my concerns to match your job of looking at financial statements for this fiscal year.

My request is simple. In 2015, *"The Land Fill Fee was \$92.00 in 2014. It was raised to \$164.00 in 2015. The Land Fill Fee has not changed since 2015."*, [re: Greg West, Tax Collector]. Since that time, the following Land Fill Fee has brought in the following revenue:

The income from the Land Fill Fee by year:

2015 \$5,054,981.73

2016 \$5,031,226.61

2017 \$5,058,472.66

2018 \$5,139,711.82

[re: Greg West, Tax Collector]

Of that, \$72 of the fee charged was ear marked specifically for the Francis Farm Land Fill anticipated expenses, per the following table:

Some simple math - how much of this money is earmarked for the Francis Farm Land Fill?

$92/164 = .56$ (*\$92 or 56% goes to original expenses*)

$1 - (.56) = .44$ (*Balance of 44% goes to Francis Farm*)

2015 \$5,054,981.73 $x (.44) = \$2,224,192$

2016 \$5,031,226.61 $x (.44) = \$2,213,739$

2017 \$5,058,472.66 $x (.44) = \$2,225,728$

2018 \$5,139,711.82 $x (.44) = \$2,261,472$

Total: $\$8,925,132$

[re: <http://www.haywoodtp.net/pubTP/T190807.pdf>]

Since 2015, these funds should follow the simplistic formula -

Beginning Balance + Revenue - Expenses = Final Balance.

Now your question which I hope you consider taking under advisement.

Given that this has been going on since 2015,

- What is the beginning balance of the David Francis Slush Fund for this audit period?
- The Revenue for 2018 is \$2,261,472 [re: Greg West, Tax Collector].
- What have been the specific expenses for the Francis Farm Land Fill during this audit period?
- What is the Final Balance of the David Francis Slush Fund for this audit period?

I am attaching a copy of the 2017 CAFR, signed off by **Gould Killian CPA Group, P.A.**

When you perform a text search on “solid waste”, you will see the only places this topic is discussed in the CAFR. I’ll direct you to page 12 (pdf page 28) under **Budget Highlights for the Fiscal Year Ending June 30, 2018**, third paragraph, last sentence - it is stated that *“Two years ago, an increase in the availability fee, from \$29 per household to \$136 per household, was implemented to cover these new costs.”*

WTF? **\$136 is FALSE!** It should be \$164.

Subject: Request for Public Information - Land Fill Fee
Date: Tue, 6 Aug 2019 13:14:03 +0000
From: Greg West <Greg.West@haywoodcountync.gov>
To: 'Monroe Miller'

Mr. Miller,

The Land Fill Fee was \$92.00 in 2014. It was raised to \$164.00 in 2015. The Land Fill Fee has not changed since 2015.

Thank you,
Greg West

Is this Julie Davis’ method of attempting to hide the extra money taken in from each household? Wouldn’t you want to know what was happening to the extra \$72 being collected on each tax bill, no end in sight?

Julie Davis has never treated solid waste as she does the regular budget. Everything in this and previous CAFR’s are simplified tables or pencil whipped with notes. None of the following items have been addressed:

- All the dirt moved to Francis Farm Land Fill by the half full dump trucks during the work done at Exit 104 when DOT modified the exchange?
- Where are the past and current penalty fees paid to DENR, [DEQ] and other agencies?
- Where are the expenses to cap the Land Fill with dirt?
- Where are the expenses for supplying city water to houses whose wells were contaminated?
- Etc., etc., etc...

[re: <http://www.haywoodtp.net/pubTP/T190807.pdf>]

Julie Davis, David Francis, Kevin Ensley and Bryant Morehead are lit up like Christmas trees right now. Having these direct expenses related to the Francis Farm Land Fill for this fiscal year is a good start to having the taxpayers of Haywood County being able to deciphering this mess.

Thank you,
Monroe A. Miller, Jr.

Subject: RE: Francis Farm Expenses
Date: Mon, 12 Aug 2019 13:57:24 +0000
From: Travis Kever <tkeever@gk-cpa.com>
To: Monroe Miller

See my comments attached.

Travis S. Kever, CPA, CIA

Assurance [Manager|tkeever@gk-cpa.com](mailto:tkeever@gk-cpa.com)
100 Coxe Avenue | Asheville, NC 28801 | P 828.258.0363 | F 828.252.0528 | www.gk-cpa.com

Monroe A. Miller, Jr.
2200 Camp Branch Road
Waynesville, NC 28786
August 9, 2019

Travis S. Keever, CPA, CIA
Assurance Manager
Gould Killian CPA Group, P.A.
100 Coxe Avenue
Asheville, NC 28801
tkeever@gk-cpa.com

AUG 12 2019

If you would like to have a serious, good-faith dialogue, please avoid using loaded terminology such as this. I am under no obligation to even read this letter and using terms like this makes me far less inclined to take you seriously.

Subject: Landfill related expenditures.

Mr. Keever,

I appreciate your willingness to look into specific concerns I have related to the Haywood County Solid Waste Fund, i.e., the David Francis Solid Waste Slush Fund. As you requested, I will frame my concerns to match your job of looking at financial statements for this fiscal year.

My request is simple. In 2015, "*The Land Fill Fee was \$92.00 in 2014. It was raised to \$164.00 in 2015. The Land Fill Fee has not changed since 2015.*", [re: Greg West, Tax Collector]. Since that time, the following Land Fill Fee has brought in the following revenue:

The income from the Land Fill Fee by year:

2015 \$5,054,981.73
2016 \$5,031,226.61
2017 \$5,058,472.66
2018 \$5,139,711.82

I don't dispute these numbers. This substantially agrees to amounts we have observed being recorded in the County's accounting system.

[re: Greg West, Tax Collector]

Of that, \$72 of the fee charged was ear marked specifically for the Francis Farm Land Fill anticipated expenses, per the following table:

Some simple math - how much of this money is earmarked for the Francis Farm Land Fill?

$92/164 = .56$ (\$92 or 56% goes to original expenses)
 $1 - (.56) = .44$ (Balance of 44% goes to Francis Farm)

2015 \$5,054,981.73 x (.44) = \$2,224,192
2016 \$5,031,226.61 x (.44) = \$2,213,739
2017 \$5,058,472.66 x (.44) = \$2,225,728
2018 \$5,139,711.82 x (.44) = \$2,261,472

I understand the logic you are using here, but you are operating under a false premise of there being some legal distinction in incremental amounts collected after the fee increase versus amounts collected from the original fee. The County's budget ordinance, which is available on the website, clearly shows the Solid Waste Fund being budgeted in total. No distinction is made between Francis Farm Landfill and other solid waste expenditures, nor is the County under any legal obligation to do so.

Total: \$8,925,132

[re: <http://www.haywoodtp.net/pubTP/T190807.pdf>]

Since 2015, these funds should follow the simplistic formula -

Beginning Balance + Revenue - Expenses = Final Balance.

Now your question which I hope you consider taking under advisement.

The beginning fund balance of the solid waste fund in total is \$8.7M as stated on page 15 of the FY18 CAFR.

Given that this has been going on since 2015,

- What is the beginning balance of the David Francis Slush Fund for this audit period?
- The Revenue for 2018 is \$2,261,472 [re: Greg West, Tax Collector]. This is a meaningless number given my comments above
- What have been the specific expenses for the Francis Farm Land Fill during this audit period?
- What is the Final Balance of the David Francis Slush Fund for this audit period?

I am attaching a copy of the 2017 CAFR, signed off by **Gould Killian CPA Group, P.A.**

When you perform a text search on "solid waste", you will see the only places this topic is discussed in the CAFR. I'll direct you to page 12 (pdf page 28) under **Budget Highlights for the Fiscal Year Ending June 30, 2018**, third paragraph, last sentence - it is stated that "Two years ago, an increase in the availability fee, from ~~\$92~~ per household to \$136 per household, was implemented to cover these new costs."

I would attribute this to a simple typographical error, similar to the one you made at left. The budget ordinance clearly states this fee as \$164.

WTF? **\$136 is FALSE!** It should be \$164.

Subject: Request for Public Information - Land Fill Fee

Date: Tue, 6 Aug 2019 13:14:03 +0000

From: Greg West <Greg.West@haywoodcountync.gov>

To: 'Monroe Miller' <monroemillerjr@bellsouth.net>

Mr. Miller,

The Land Fill Fee was \$92.00 in 2014. It was raised to \$164.00 in 2015. The Land Fill Fee has not changed since 2015.

The extra \$72 is being accounted for in the solid waste fund, same as the rest of the fee. The expenditures are also accounted for in the CAFR in total which allows one to derive a total fund balance in the Solid Waste Fund. This is 100% consistent with all reporting requirements. The fund balance has been going up each year, so it appears most of the incremental revenue is being set aside for future spending.

Thank you,
Greg West

Is this Julie Davis' method of attempting to hide the extra money taken in from each household? Wouldn't you want to know what was happening to the extra \$72 being collected on each tax bill, no end in sight?

Julie Davis has never treated solid waste as she does the regular budget. Everything in this and previous CAFR's are simplified tables or pencil whipped with notes. None of the following items have been addressed:

The reporting done for the solid waste fund is consistent with standards required by the Governmental Accounting Standards Board and the Governmental Finance Officers Association. This will look virtually identical to the CAFR reporting for solid waste funds of other governments in NC.

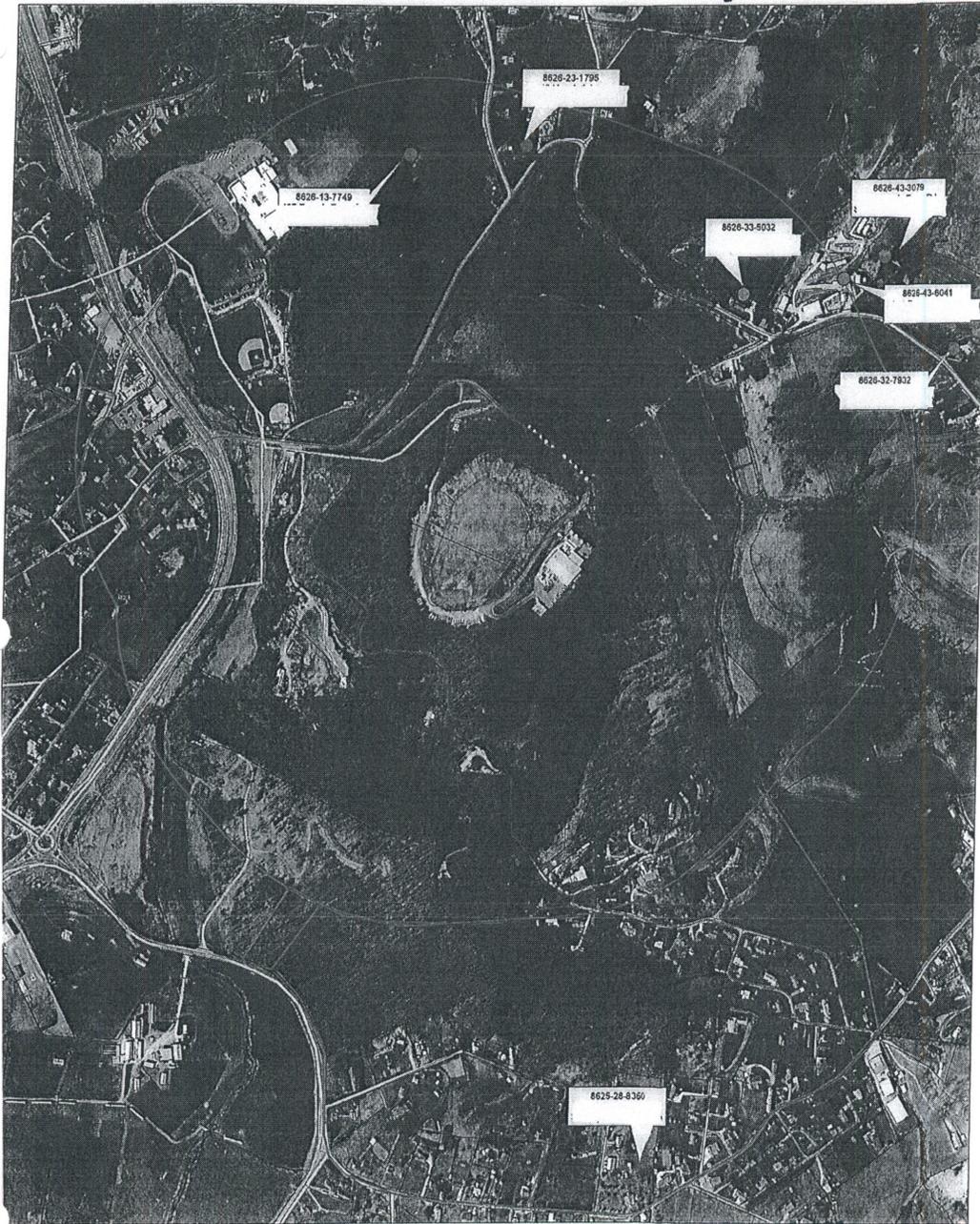
- All the dirt moved to Francis Farm Land Fill by the half full dump trucks during the work done at Exit 104 when DOT modified the exchange?
- Where are the past and current penalty fees paid to DENR, [DEQ] and other agencies?
- Where are the expenses to cap the Land Fill with dirt?
- Where are the expenses for supplying city water to houses whose wells were contaminated?
- Etc., etc., etc... No CAFR is ever going to address items like this at this level of detail. This is not indicative of an attempt to mislead the public, this is simply how governmental financial statements are presented.

[re: <http://www.haywoodtp.net/pubTP/T190807.pdf>]

Julie Davis, David Francis, Kevin Ensley and Bryant Morehead are lit up like Christmas trees right now. Having these direct expenses related to the Francis Farm Land Fill for this fiscal year is a good start to having the taxpayers of Haywood County being able to deciphering this mess.

Thank you,
Monroe A. Miller, Jr.

Francis Farm Area - No City Water



THIS MAP IS PREPARED FOR THE INVENTORY OF REAL PROPERTY FOR THE YEAR 2014. THE JURISDICTION AND IS COMPILED FROM RECORDED DEEDS, PLATS, AND OTHER PUBLIC RECORDS AND DATA. USERS OF THIS MAP ARE HEREBY NOTIFIED THAT THE APORERATED 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.
			Land Purchase	\$ 1,200,000	Reimb. fund bal.			\$ 135.50
			Previous years exp	\$ 988,255	3.67			\$ 3.67
			Current year budget	\$ 950,371	3.02			\$ 3.02
				\$ 3,138,626	2.90			\$ 2.90
						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