

**PERSON COUNTY BOARD OF COMMISSIONERS**  
**MEMBERS PRESENT**

**MARCH 12, 2012**  
**OTHERS PRESENT**

Jimmy B. Clayton  
Kyle W. Puryear  
B. Ray Jeffers  
Samuel R. Kennington  
Frances P. Blalock

Heidi York, County Manager  
C. Ronald Aycock, County Attorney  
Brenda B. Reaves, Clerk to the Board

.....

The Board of Commissioners for the County of Person, North Carolina, met in regular session on Monday, March 12, 2012 at 9:00 a.m. in the FEMA Room at the Human Services Building located at 355 S. Madison Boulevard, Roxboro.

Chairman Clayton called the meeting to order, led invocation and asked Commissioner Kennington to lead the Pledge of Allegiance.

**RECOGNITION OF LOCAL GOVERNMENT DAY:**

Chairman Clayton welcomed the Person High School students participating in Local Government Day to observe the Board of County Commissioners in session. Board members proceeded to introduce themselves. The County Attorney, County Manager, and the Clerk to the Board also gave an introduction to the group.

**DISCUSSION/ADJUSTMENT/APPROVAL OF AGENDA:**

A **motion** was made by Commissioner Jeffers, **seconded** by Vice Chairman Puryear and **carried 5-0** to approve the agenda.

**PUBLIC HEARING:**

**2011 COMMUNITY DEVELOPMENT BLOCK GRANT APPLICATION:**

A **motion** was made by Commissioner Blalock, **seconded** by Vice Chairman Puryear and **carried 5-0** to open the duly advertised public hearing for the 2011 Community Development Block Grant (CDBG) Application.

Community Development Planner for the Kerr-Tar Regional Council of Governments, Karen Foster told the Board that Person County is eligible to submit a 2011 CDBG grant application for Scattered Site housing rehabilitation and/or construction noting the grant cycle began with the release of the application and guidelines in December, 2011 and ends on March, 2012 with the submission of the proposed projects.

The primary purpose of the North Carolina CDBG Program is to provide grants to local governments to develop viable communities by providing decent housing, suitable living environments and expanding economic opportunities, principally for persons of low and moderate income. Awardees are eligible to received \$400,000 to cover both the administrative costs associated with administering the project and the hard costs associated with the actual rehabilitation, reconstruction, clearance, temporary relocation expenses and emergency repairs of the identified dwellings.

Ms. Foster noted the eligible properties are presented for inclusion in the 2011 Community Development Block Grant with the understanding that other eligibility components must be verified and re-verified and qualifications met prior to the beginning of construction, further noting the order in which dwellings receive service could possible change based on the eligibility data.

Ms. Foster stated Person County residents were made aware of the application process through advertisement in the Courier-Times with applications available at public offices throughout the county. Ms. Foster stated sixteen Person County applicants met the income guidelines and their homes were assessed for program suitability.

Ms. Foster stated the Housing Selection Committee met on February 23, 2012 to review all eligible applications and rank according to need. Ms. Foster presented the following properties in the categories found to be most suitable at the time of application considering account funding, estimated costs for repairs/reconstruction, household characteristics and dwellings needs. The presented properties include all sixteen applications received. The Project Budget was also presented totaling \$375,000.00.

#### Reconstruction

- 1281 Denny's Store Road, Roxboro

#### Substantial Rehabilitation

- 104 Copper Road, Roxboro

#### Rehabilitation

- 60 Lester Burch Rd, Roxboro
- 804 Jones Lester Road, Roxboro
- 1701 Sunset Avenue, Roxboro
- 409 Cody Street, Roxboro
- 858 Lee Chambers Road, Roxboro

#### Alternates/Reconstruction

- 1042 Dick Holeman Road, Timberlake

Alternates/Rehabilitation

- 213 Gentry Street, Roxboro
- 208 Merritt Place, Roxboro
- 1194 Halifax Road, Roxboro
- 1326 Halifax Road, Roxboro
- 446 Enos Slaughter Road, Roxboro
- 40 Outlaw Road, Roxboro
- 3860 Morton Road, Roxboro
- 7387 Virgline Road, Roxboro

Ms. Foster stated an additional \$25,000 was set aside to provide Urgent Repair services for eligible Person County homeowners noting the properties will be assessed as funds are available.

Ms. Foster also provided a copy of the Person County Housing Selection Committee By-Laws to the Board. Ms. Foster confirmed for the Board that there would be no costs to the county.

There were no individuals speaking in favor or in opposition to the 2011 Community Development Block Grant Application.

A **motion** was made by Vice Chairman Puryear, **seconded** by Commissioner Jeffers and **carried 5-0** to close the public hearing for the 2011 Community Development Block Grant Application.

**CONSIDERATION TO GRANT OR DENY APPROVAL TO SUBMIT 2011 COMMUNITY DEVELOPMENT BLOCK GRANT BY MARCH 30, 2012:**

A **motion** was made by Commissioner Blalock, **seconded** by Commissioner Jeffers, and **carried 5-0** for approval to submit the 2011 Community Development Block Grant Application.

**PUBLIC HEARING:**

**REQUEST FOR A SPECIAL USE PERMIT BY ANTHONY BEAM TO OPERATE A CAR REPAIR SHOP AT 6133 MT. HARMONY CHURCH ROAD IN ROUGEMONT, MT. TIRZAH TOWNSHIP:**

A **motion** was made by Commissioner Jeffers, **seconded** by Vice Chairman Puryear and **carried 5-0** to open the duly advertised public hearing for the request for a Special Use Permit by Anthony Beam to operate a Car Repair Shop at 6133 Mt. Harmony Church Road in Rougemont, Mt. Tirzah Township.

**March 12, 2012**

The public hearing set to hear a request for a Special Use Permit by Anthony Beam to operate a Car Repair Shop at 6133 Mt. Harmony Church Road in Rougemont, Mt. Tirzah Township required a quasi-judicial zoning decision whereby witnesses are to be sworn in and subject to cross examination, no ex parte communication and requires findings of fact. Chairman Clayton administered the Oath of Sworn Testimony to the following individuals who would offer testimony during the public hearing:

Ms. Paula Murphy  
Mr. Anthony Beam  
Ms. Willena Warren

Mr. Adam Perkins  
Mr. Terrell Dellinger

Planning Director, Paula Murphy stated Person County has received a Special Use Permit request from AMP Motorsports for an auto repair shop on Mt. Harmony Church Road in the Mt. Tirzah Township. The property consists of 2.0 acres and is zoned Rural Conservation. Ms. Murphy stated there is an existing 3000 square foot building which was formerly Cothran & Long Heating and Air and then a florist. Ms. Murphy noted the Environmental Health Department has approved the well and septic system. There will be two bays (20.1' x 25') in the building and there are four employees proposed. Ms. Murphy noted staff recommended a minimum of one space per bay and one space for each employee which would be a requirement of a minimum of six parking spaces. Ms. Murphy stated eight spaces (9' x 18') are shown noting all parking and drives will be paved per the site plan. Ms. Murphy stated the property is located in the Tar Pamlico Watershed noting there are no one hundred year flood areas, further noting there is a stream on the property as shown on the site plan with a fifty foot buffer. The surrounding area consists of some large vacant parcels, some lots with single family dwellings and a volunteer fire department.

Ms. Murphy reminded the Board of the Ordinance provision of Article VII, Section 74-4: On receiving the recommendation of the Planning Board' the County Commissioners shall consider the application and said recommendation and may grant or deny the Special Use Permit requested. The Special Use Permit, if granted, shall include such approved plans as may be required. In granting the permit, the County Commissioners shall find:

1. that the use will not materially endanger the public health or safety if located where proposed and developed according to the plan as submitted and approved.
2. that the use meets all required conditions and specifications.
3. that the use will not substantially injure the value of adjoining or abutting property, or that the use is a public necessity, and
4. that the location and character of the use if developed according to the plan as submitted and approved will be in harmony with the area in which it is to be located and in general conformity with the comprehensive plan.

Ms. Murphy told the Board that Section 160-5(B) of the Zoning Ordinance states: “The Planning Board shall provide a written recommendation to the Board of County Commissioners that addresses that the proposed amendment is consistent with the comprehensive plan, but a comment by the Planning Board that a proposed amendment is inconsistent with the comprehensive plan shall not preclude consideration or approval of the proposed amendment by the Board of County Commissioners. Prior to adopting or rejecting any zoning amendment, the Board of County Commissioners shall adopt a statement describing whether its action is consistent with an adopted comprehensive plan and why such action is reasonable and in the public interest. The Land Use Plan has this area as Rural Residential. It is stated as “Low density residential (single site-built and manufactured homes); agriculture, forestry, churches; very limited commercial, office, or public/institutional uses meeting locational criteria. Most of the land within protected water supply watersheds should be placed in this category. Locational criteria for non-residential uses within this land use category would include frontage and access to a major State highway or secondary road, proximity to similar uses and spatial separation from non-compatible uses such as existing residential development. Land uses within this category would be expected to develop without public sewer, i.e., with private septic tank systems.” The Land Use Plan in Section 2.1 states that an objective of the plan is to promote continued economic investment through retention and expansion of existing industrial concerns and the recruitment of new industries and commercial businesses.

Ms. Murphy pointed out the larger copy of the site plan that was hanging on the wall as well as a GIS map showing the location and its surroundings.

Ms. Murphy stated should the Board decide to grant approval of the Special Use Permit, the following conditions should be included:

1. Applicant to obtain a Zoning Permit and Building Permit from the County.
2. Applicant to obtain a driveway permit from NCDOT (if necessary) and a copy of the approval presented to the Planning Department prior to obtaining a Zoning Permit.
3. Applicant to meet all conditions of the approved site plan.

Ms. Murphy asked the Board to address the findings of fact in Section 74-4 and whether the proposal is in keeping with the comprehensive plan.

Ms. Murphy stated the Planning Board held a Public Hearing on March 1, 2012 and voted 5 to 0 to recommend approval with the conditions outlined above as well as consideration for the following conditions:

1. No more than four vehicles (vehicles that are owned by clients on the premises for work) stored outside.
2. No Saturday or Sunday operation.
3. Maintain a vegetated screen north and east of building.

4. If any other auto repair business seeks to use premises, a new Special Use Permit will be required.

The Planning Board noted that it is in keeping with the Land Use Plan, Section 2.1 and Section 74.4 of the Zoning Ordinance.

Commissioner Jeffers asked Ms. Murphy for further clarification related to no Saturday or Sunday operation. Ms. Murphy stated the recommendation from the Planning Board for no Saturday or Sunday operation would allow no excessive noise on those days.

Individuals speaking in favor of the request for a Special Use Permit by Anthony Beam to operate a Car Repair Shop at 6133 Mt. Harmony Church Road in Rougemont, Mt. Tirzah Township were:

Mr. Adam M. Perkins of 5720 Willow Drive, Durham stated he has been in the automotive industry for 18 years running a small, specialized business for repairs on high end vehicles, i.e. Lexus, Jaguar, and Hot Rod cars. Mr. Perkins noted he uses Clean Green Automotive that would be taking care of the waste facilities and recycling. Mr. Perkins stated he is hoping he can do business in Person County.

Vice Chairman Puryear asked Mr. Perkins the planned hours of operation. Mr. Perkins stated typically 8:00 am – 5:00 pm with no later than 6:00 pm. Vice Chairman Puryear asked if his plans were to work some Saturdays and Sundays. Mr. Perkins stated his preference to work some Saturdays and Sundays but if Person County says no then he will be abide by that.

Commissioner Blalock asked Mr. Perkins what types of waste would be anticipated. Mr. Perkins noted there would be recycled oil and anti-freeze that would be contained and Clean Green would supply containers and take away to keep everything clean and tidy.

Commissioner Kennington asked Mr. Perkins if he understood the restriction of no more than four vehicles stored outside as well as no junk or parked car outside. Mr. Perkins stated he understood and would abide that requirement. Mr. Perkins noted the shop area is 2500 square feet further noting most of the customers' cars that he would be working on would prefer the cars be kept inside.

Commissioner Blalock asked Mr. Perkins if there would be any vehicles parked outside to which he would be taking parts. Mr. Perkins stated no, noting occasionally there may be a vehicle or two left outside, but no more than four was fine with him.

Mr. Anthony W. Beam of 948 Thomas Store Road, Timberlake and Person County resident for 15 years stated this is his opportunity to own a business.

Commissioner Kennington asked Mr. Beam if he and Mr. Perkins were partners of AMP to which Mr. Beam confirmed they were partners. Commissioner Kennington asked Mr. Beam if he understood the limit of four vehicles to be stored outside. Mr. Beam replied affirmatively.

Individuals speaking in opposition to the request for a Special Use Permit by Anthony Beam to operate a Car Repair Shop at 6133 Mt. Harmony Church Road in Rougemont, Mt. Tirzah Township were:

Mr. Terrell Dellinger of 80 Robert E. Blalock Road, Rougemont and property owner north of the garage stated the area was slowly turning residential noting in the eleven years he has lived in that area, three homes have been built. Mr. Dellinger stated he is not against business, but for the right business for a residential area. Mr. Dellinger stated the provisions are very important:

- 1) an auto repair shop in a rural area collect junk cars
- 2) noise with hot rods; would have to refer to the County Attorney because he has a wife who is very sick
- 3) what happens if they leave and another business would go in there that may be less desirable

Mr. Dellinger spoke to the noise and paint which may have environmental concerns in a residential neighborhood. Mr. Dellinger stated the factors from the Planning & Zoning are very important. Mr. Dellinger noted the two new homes are east of the building.

Commissioner Kennington asked Mr. Dellinger if his concerns were salvage, noise, and what follows the business if they don't succeed. Mr. Dellinger confirmed that the stipulations were important if it is zoned for a garage, that way, if it changes ownership or to another business, he requests that the Board agree that it comes back for approval.

Commissioner Jeffers noted the recommended action if the business ceased and before any new business goes in there; they must go through the process.

Ms. Willena Warren of 112 Robert E. Blalock Road, Rougemont stated she built her retirement home in Person County to be closer to her three sons. Ms. Warren noted Cothran and Long was a very good neighbor, was very quiet and kept things very neat and clean noting her concerns were the same as Mr. Dellinger spoke to. Ms. Warren requested Board consideration of the stipulations for the residents' privacy.

Vice Chairman Puryear asked Mr. Dellinger and Ms. Warren if there were any concerns with the two previous uses of the building. Mr. Dellinger stated there were both good neighbors noting that he was unaware of the heating and air business going there and if he had known it, he probably would not have purchased his property.

Commissioner Jeffers asked if it was customary for the Planning Board to recommend hours of operation. Ms. Murphy replied affirmatively. Commissioner Jeffers inquired about other mechanic shops having a limit of how many cars to work on. Ms. Murphy stated it was only recently that an auto-repair request in a Rural Conservation would require a Special Use Permit so there may not be any comparables. Commissioner Jeffers spoke to making an investment in a business, more cars than the limit may be needed to make ends meet. Ms. Murphy explained the applicant had stated to the Planning Board that there was room for four vehicles inside, the limit of four outside was due to surrounding neighbors to keep it nicer.

Commissioner Jeffers confirmed with Ms. Murphy that there was no current vegetated screening. Ms. Murphy noted there are trees in the rear. Commissioner Jeffers asked what would be adequate screening. Ms. Murphy stated the Planning Board did not make a stipulation as to what it was but their suggestion was Leland Cyprus along the northern side as they tend to grow up to block the sight and noise.

Commissioner Kennington asked if the Planning Board addressed screening on the west side, in particular the 20' entrance into the paved parking that will exist. Ms. Murphy stated they did not and only addressed the north and west which she later corrected, north and east. Commissioner Kennington asked if the Planning Board discussed screening the west side so anything outside would not be visible from Mt. Harmony Church Road. Ms. Murphy stated the Planning Board did not address the west, only the north and east. Commissioner Kennington asked if the Planning Board discussed fencing for the parking. Ms. Murphy stated fencing was discussed but there was no requirement as it was not necessary. Commissioner Kennington confirmed with Ms. Murphy that Person County does not have a screening policy. Ms. Murphy stated screening is only addressed with a Special Use Permit.

Commissioner Jeffers asked if Person County has a noise ordinance. Ms. Murphy confirmed there is a Person County Noise Ordinance that is enforced by the Sheriff.

Vice Chairman Puryear asked the Mr. Perkins and Mr. Beam if they have reviewed the recommended action from the Planning Board. Mr. Perkins and Mr. Beam replied affirmatively. Vice Chairman Puryear asked if any of the stipulations would be detrimental to their business. Mr. Beam stated they would not, noting their preference would be to have more vehicles however they would work within the limits. Mr. Beam described the shop as nice white vinyl floors, clean, neat, 6" insulated walls and not the average garage.

Commissioner Kennington asked the applicants if they were leasing the property. Mr. Beam stated they were leasing with options. Commissioner Kennington asked about the obligation of the property owner related to the regulations placed on the business. Ms. Murphy stated it would be between the applicants and the property owner as to who would be required to meet the stipulations. Commissioner Kennington confirmed with Ms. Murphy that the owner would have to abide by the regulations. Commissioner Kennington stated the owner is responsible for the regulations and asked if the owner was present. The property owner was not in attendance. Ms. Murphy stated the leasing agreement may address who would be responsible and confirmed that any violation would be sent the land-owner, not to the applicants. Commissioner Kennington asked if the land owner was at the Planning Board meeting. Ms. Murphy replied no. Commissioner Kennington stated the land owner may not necessarily be buying into any of the stipulations. Ms. Murphy stated she has not spoken to the land owner at all. The applicants noted the land owner is aware.

A **motion** was made by Commissioner Jeffers, **seconded** by Vice Chairman Puryear and **carried 5-0** to close the public hearing for the request for a Special Use Permit by Anthony Beam to operate a Car Repair Shop at 6133 Mt. Harmony Church Road in Rougemont, Mt. Tirzah Township.

**CONSIDERATION TO GRANT OR DENY REQUEST FOR A SPECIAL USE PERMIT FOR ANTHONY BEAM TO OPERATE A CAR REPAIR SHOP AT 6133 MT. HARMONY ROAD IN ROUGEMONT, MT. TIRZAH TOWNSHIP:**

Commissioner Kennington suggested adding no junk vehicles stored on site to the first stipulation as well as no vehicles used for parts.

Commissioner Jeffers stated his concern related to limiting the number of vehicles to four. Ms. Murphy noted and the County Attorney agreed that the intention and interpretation was that the stipulation prohibits any more than four outside with no limit inside.

County Attorney, Ron Aycock suggested wording for the first stipulation as: No more than four vehicles (vehicles that are owned by clients on the premises for work) and no junk vehicles as defined in the Person County Junk Vehicle Ordinance stored outside.

Commissioner Kennington stated his concern for consideration of screening and/or fencing on the west side. Ms. Murphy stated Mt. Harmony Church Road has a 100' right-of-way. Ms. Murphy illustrated on the map for the group the property line being close to the building not allowing for screening on the west side.

Commissioner Blalock stated her concern related to prohibiting work on Saturdays.

Vice Chairman Puryear suggested consideration of a six-month period for the Planning Board recommendation with reevaluation of the Special Use Permit to be revised, at no fee to the applicants.

Chairman Clayton recommended adding the text suggested by Mr. Aycock as well as strike Saturday from the stipulations.

Mr. Aycock recommended modifying the first stipulation as follows: No more than four vehicles (vehicles that are owned by clients on the premises for work) and no junk vehicles as defined in the Person County Junk Car Ordinance stored or allowed outside.

A **motion** was made by Commissioner Blalock, **seconded** by Vice Chairman Puryear, and **carried 5-0** to approve the Special Use Permit for Anthony Beam (AMP Motorsports) to operate a car repair shop at 6133 Mt. Harmony Road in Rougemont, Mt. Tirzah Township with the following conditions:

- No more than four vehicles (vehicles that are owned by clients on the premises for work) and no junk vehicles as defined in the Person County Junk Car Ordinance stored or allowed outside.
- No Sunday operation.
- Maintain a vegetated screen north and east of building.
- If any other auto repair business seeks to use premises, a new Special Use Permit will be required.
- Applicant to obtain a Zoning Permit and Building Permit from the County.
- Applicant to obtain a driveway permit from NCDOT (if necessary) and a copy of the approval presented to the Planning Department prior to obtaining a Zoning Permit.
- Applicant to meet all conditions of the approved site plan.

It was noted that it is in keeping with the Land Use Plan, Section 2.1 and Section 74.4 of the Zoning Ordinance.

**INFORMAL COMMENTS:**

There were no comments from the public.

**APPROVAL OF MINUTES:**

Commissioner Blalock asked for a correction on page 32 to her comments under Commissioner Report. Commissioner Blalock suggested having community input related to the old Helena School Site.

A **motion** was made by Commissioner Jeffers, **seconded** by Vice Chairman Puryear, and **carried 5-0** to approve the minutes of February 20, 2012 as corrected.

**PROCLAMATION – SALUTE TO ALL VIETNAM VETERANS WEEK:**

Chairman Clayton and the group recognized and applauded Vietnam Veterans in attendance. Standing to be recognized were Mr. Dave Bradsher, Dr. Walter Bartlett, Mr. Richard Vining and Mr. Gene Moore.

The Board recognized Rotary Club members in attendance for organizing and sponsoring the trip. Those members were Dr. Walter Bartlett, Mr. Dave Bradsher and Mr. Tim Chandler.

It was the consensus of the Board for Chairman Clayton to read and present the Proclamation designating the week of March 25 – April 1, 2012 as “Salute to all Vietnam Veterans’ Week in Person County to Mr. Richard Vining.

County Manager, Heidi York introduced Mr. Vining as the recently hired Person County Veterans’ Services Officer.

## PROCLAMATION

We, the people of Person County in the State of North Carolina in these United States of America enjoy the privileges of freedom; and

*Whereas*, wars have been fought to preserve our freedom and the American Flag; and

*Whereas*, men and women have answered the call to duty with honor and courage; and

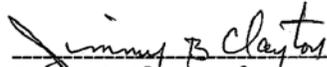
*Whereas*, these men and women have made many sacrifices for us while serving in the United States Military both at home and abroad in times of conflict and peace; and

*Whereas*, in respect and recognition of the contributions our service men and women have made for peace and freedom, **A RIDE OF HONOR** to the State-wide Vietnam Veterans' Homecoming celebration at the Charlotte Motor Speedway in Concord, North Carolina will take place on Saturday, March 31, 2012.

We do hereby honor all Person County Veterans that served in any Branch of the military during the Vietnam era of 1961-1975 for their courage, their valor, and their sacrifices during this war era for their service to our Country, remembering that thirteen native Personians made the ultimate sacrifice.

Now, therefore be it declared that the week of March 25 - April 1, 2012 be proclaimed "Salute to all Vietnam Veterans' Week in Person County" as we honor and memorialize our nations finest.



  
Jimmy B. Clayton, Chairman  
Person County Board of Commissioners

Attest

  
Brenda B. Reaves, NCCEC, CMC  
Clerk to the Board

March 12, 2012

**PROCLAMATION CELEBRATING 100 YEARS OF GIRL SCOUTING:**

Chairman Clayton recognized Person County leaders in Girls Scouts: Jayne Bremer, Tracy Hodges and Gail Hicks-Smith. It was the consensus of the Board for Chairman Clayton to read and present A Proclamation Celebrating 100 Years of Girl Scouting to Ms. Hodges. Chairman Clayton announced a Girl Scouts Ribbon Cutting at the Green Space adjacent to the County Office Building at 6:30 p.m.

**A Proclamation Celebrating 100 Years of Girl Scouting**

**WHEREAS**, March 12, 2012, marks the 100th anniversary of Girl Scouts of the USA, which began in 1912 when Juliette "Daisy" Gordon Low gathered 18 girls in Savannah, Georgia, to provide them the opportunity to develop physically, mentally, and spiritually; and,

**WHEREAS**, for 100 years, Girl Scouting has helped build millions of girls and women of courage, confidence, and character who act to make the world a better place; and,

**WHEREAS**, the award-winning Girl Scout Leadership Program helps girls discover themselves and their values, connect with others, and take action to make the world a better place; and,

**WHEREAS**, the Girl Scout Gold Award, the highest honor in Girl Scouting, requires girls to make a measurable and sustainable difference in their community and honors leadership in the Girl Scout tradition; and,

**WHEREAS**, core programs around Science, Technology, Engineering, and Math (STEM), environmental stewardship, healthy living, financial literacy, and global citizenship help girls develop a solid foundation in leadership; and,

**WHEREAS**, through the dedication, time, and talent of thousands of volunteers of different backgrounds, abilities, and areas of expertise, the Girl Scout Program is brought to more than 70,000 girls in grades K-12 across the state of North Carolina; and,

**NOW, THEREFORE**, the Person County Board of Commissioners, do hereby applaud the Girl Scouts for 100 years of leadership and community service to our state and our county, and proudly proclaim March 11-17, 2012, as "Girl Scout Week in Person County."

Adopted this, the 12<sup>th</sup> day of March, 2012.



*Jimmy B. Clayton*  
Jimmy B. Clayton, Chairman  
Person County Board of Commissioners

Attest:

*Brenda B. Reaves*  
Brenda B. Reaves, NCCCC, CMC  
Clerk to the Board

**NATIONAL PUBLIC HEALTH WEEK PROCLAMATION:**

It was the consensus of the Board for Chairman Clayton to read and present a Proclamation to Janet Clayton, Health Department Director declaring the week of April 2 - 8, 2012 as National Public Health Week in Person County.

**National Public Health Week Proclamation**

**WHEREAS**, the week of April 2-8, 2012, is National Public Health Week and the theme is "A Healthier America Begins Today. Join the Movement"; and

**WHEREAS**, since 1995, the American Public Health Association, through its sponsorship of National Public Health Week, has educated the public, policy-makers, and public health professionals about issues important to improving the public's health; and

**WHEREAS**, preventing diseases before they start is critical to helping people live longer, healthier lives while managing health-related costs; and

**WHEREAS**, chronic diseases such as heart disease, cancer and diabetes are responsible for millions of premature deaths each year; and

**WHEREAS**, chronic diseases cause Americans to miss 2.5 billion days of work each year, resulting in lost productivity totaling more than \$1 trillion; and

**WHEREAS**, Americans are living 78 years on average but only 69 of these years are spent in good health.

**NOW, THEREFORE**, I, Jimmy Clayton, Chairman of the Person County Board of Commissioners, by virtue of the authority vested in me by the laws of Roxboro, North Carolina, Person County do hereby proclaim the week of April 2 - 8, 2012 as National Public Health Week in Roxboro, North Carolina and call upon the people of Roxboro, North Carolina to observe this week by helping our families, friends, neighbors, co-workers and leaders better understand the importance of public health to a successful health system in light of this year's theme,

*"A Healthier America Begins Today. Join the Movement."*

**IN WITNESS WHEREOF**, I have hereunto set my hand this 12th day of March, in the year of our Lord two thousand twelve, and of the Independence of the United States of America the two hundred and thirty-seventh.



*Jimmy B. Clayton*  
Jimmy B. Clayton, Chairman  
Person County Board of Commissioners

Attest:

*Brenda B. Reaves*  
Brenda B. Reaves, NCCCE, CMC  
Clerk to the Board

**March 12, 2012**

**RESOLUTION REGARDING GOVERNANCE FOR CONSOLIDATED PUBLIC MENTAL HEALTH ENTITY OPERATING AS A MANAGED CARE ORGANIZATION:**

OPC Area Director, Judy Truitt introduced OPC Manager of Network Providers, Debra Farrington and OPC Board Member, Amanda Blanks who were present in the audience. Ms. Truitt told the Board that in February 2011 the North Carolina General Assembly passed legislation which required both implementation of a statewide Medicaid waiver for the public mental health system, as well as consolidation of existing area authorities based on total population.

Ms. Truitt noted that on April 18, 2011 the Person County Board of Commissioners voted unanimously to move forward in merger negotiations with PBH, the area authority serving Cabarrus, Davidson, Rowan, Stanly and Union Counties. Since that time Alamance, Caswell, Franklin, Granville, Warren, Vance & Halifax have joined with PBH. On April 1, 2012 the Medicaid waiver will be opened in Orange, Person and Chatham counties, creating what will be at that time a service area of fifteen (15) counties, with a total covered population of 1,442,989. OPC will then move forward in a due diligence process that is expected to lead to the dissolution and subsequent consolidation of OPC into the PBH system on June 30, 2012.

Ms. Truitt stated in October 2011 PBH hosted a work session with representatives from OPC, Alamance Caswell and Five County to review existing statute regarding governance of public mental health authorities and to consider possible governance options for the new consolidated entity that will be operating as a managed care organization. Under current North Carolina General Statute § 122C-118.1 area mental health authorities are governed by Area Boards established by the Boards of Commissioners in each catchment area. 122C-118.1 indicates that *“an area board shall have no fewer than 11 and no more than 25 members. However, the area board for a multicounty area authority consisting of eight or more counties may have up to 30 members... appointments shall take into account sufficient citizen participation, representation of the disability groups, and equitable representation of the participating counties.”*

Ms. Truitt noted area authorities across the state are concerned that the existing governance model will not adequately support operations in a managed care environment from the perspective of both board size and subject specific expertise on the board. Ms. Truitt further noted on the other hand there are also concerns about the role of the participating counties in the management of behavioral healthcare in the future. A placeholder bill was introduced in the 2011 long session of the North Carolina General Assembly that opened the door for discussions related to possible changes in the governance model, with the hope that either new or revised legislation could be considered in the 2012 short session.

Ms. Truitt stated to respond to all aspects of this issue and to prepare our communities for successful implementation of the Medicaid waiver, PBH and their participating partners have created a proposal related to governance for the consolidated entity. The proposal creates a Community Oversight Board that is appointed by local Commissioners; is responsible for oversight of the local service system; and has input at the governance level. A new Governance Board would be created with representation from each of the local advisory boards; requires appointment of two Commissioners from within the catchment area; has a voting seat for a Consumer & Family Advisory Committee representative; and has representation from subject specific experts in the field. The proposed model could be adopted under NCGS §122C-118.1 which reads:

*“The boards of county commissioners within the multicounty area shall have the option to appoint the members of the area board in a manner other than as required under this section by adopting a resolution to that effect.”*

On behalf of PBH and their participating partners, Ms. Truitt requested the Person County Board of Commissioners to adopt the presented resolution titled Joint Resolution of the Boards of County Commissioners of Alamance, Cabarrus, Caswell, Chatham, Davidson, Franklin, Granville, Halifax, Orange, Person, Rowan, Stanly, Union, Vance and Warren Counties noting the OPC Area Board met on February 13, 2012 and all members in attendance agreed to support the model as presented.

A **motion** was made by Vice Chairman Puryear, **seconded** by Commissioner Blalock and **carried 5-0** to adopt the Joint Resolution of the Boards of County Commissioners of Alamance, Cabarrus, Caswell, Chatham, Davidson, Franklin, Granville, Halifax, Orange, Person, Rowan, Stanly, Union, Vance and Warren Counties.

**JOINT RESOLUTION  
OF THE BOARDS OF COUNTY COMMISSIONERS  
OF ALAMANCE, CABARRUS, CASWELL, CHATHAM, DAVIDSON,  
FRANKLIN, GRANVILLE, HALIFAX, ORANGE, PERSON, ROWAN,  
STANLY, UNION, VANCE AND WARREN COUNTIES**

WHEREAS, the Boards of County Commissioners of Alamance, Cabarrus, Caswell, Chatham, Davidson, Franklin, Granville, Halifax, Orange, Person, Rowan, Stanly, Union, Vance and Warren Counties previously resolved to be separately served by the Five County, OPC, and PBH Area Authorities;

WHEREAS, the State of North Carolina passed Session Law 2011-264, which requires statewide expansion of the 1915(b)/(c) Medicaid Waiver to be managed by Area Authorities operating as Managed Care Organizations;

WHEREAS, the North Carolina General Assembly is currently addressing the governance needs of Area Authorities operating as Managed Care Organizations through a Health and Human Services Subcommittee on LME Governance, and intends to pass governance legislation in the 2012 legislative short session;

WHEREAS, the Boards of County Commissioners of Alamance, Cabarrus, Caswell, Chatham, Davidson, Franklin, Granville, Halifax, Orange, Person, Rowan, Stanly, Union, Vance and Warren Counties now desire to be served by a single Area Authority operating as a Managed Care Organization with a governance structure that will function under existing law, as well as under the new governance legislation;

NOW, THEREFORE, BE IT RESOLVED JOINTLY as follows:

**Section 1.** Resolution and Purpose

It is in the interest of the public health and welfare to create an Area Authority to operate North Carolina's 1915(b)/(c) Medicaid Waiver as a Managed Care Organization and to manage all public resources that may become available for mental health, intellectual and developmental disabilities, and substance abuse services, including federal block grant funds, federal funding for Medicaid and Health Choice, and all other public funding sources.

**Section 2.** Establishment of Cardinal Innovations Healthcare Solutions

There is hereby created and established pursuant to G.S. 122C-115(c) an Area Authority known as Cardinal Innovations Healthcare Solutions ("Cardinal Innovations"). Pursuant to the 1915(b)/(c) Medicaid Waiver and 42 C.F.R. 438.2, Cardinal Innovations Healthcare Solutions shall operate as a Managed Care Organization and Prepaid Inpatient Health Plan. Cardinal Innovations shall include the Alamance-Caswell, Five County, OPC, and Piedmont Community Operations Centers.

**March 12, 2012**

### Section 3. Governance

There is hereby created and established pursuant to G.S. 122C-118.1 an Area Board, which shall be the governing unit of Cardinal Innovations. The Area Board shall be comprised of a single Governing Board and Community Oversight Boards, one for each Community Operations Center. The appointment of members to the Governing Board and Community Oversight Boards shall be in accordance with bylaws set forth for such purpose and may be amended as necessary or convenient to comply with changes in state or federal law or to carry out the functions, powers, duties, and responsibilities contained in this Joint Resolution. Due to the complexity of operations, financial risk, and responsibility for public funding the Governing Board must be highly functional in order to ensure accountability to funders, the financial solvency of Cardinal Innovations, compliance with state and federal laws and regulations including quality standards, and a service delivery system that is customized for localities and which provides access and choice for citizens in need of mental health, intellectual and developmental disabilities, substance abuse and related services.

(1) Membership of the Governing Board shall be comprised of a mix of individuals with the necessary expertise to govern large Managed Care Organizations and individuals who represent the constituencies Cardinal Innovations serves. Membership will be as follows:

(a) Two (2) at-large County Commissioners from among the County Commissioners serving on Community Oversight Boards (defined below), selected by the Governing Board, based on diversity of geographic representation;

(b) One (1) member from the Regional Consumer and Family Advisory Committee, either the Chair or other elected member;

(c) Six (6) members, selected by the Governing Board, with professional experience and expertise in healthcare, insurance, finance, health/behavioral health, intellectual/developmental disabilities, and a physician or other clinical professional, and no more than two members from any single specialty area; and

(d) One (1) member from each Community Oversight Board, either the Chair or other elected member.

(e) Except for members appointed by the Community Oversight Boards and the Regional Consumer and Family Advisory Committee, the initial members of the Governing Board shall be nominated by the PBH Board, with consultation from the Boards of Five County and OPC Area Authorities, and affirmed by the Secretary of the North Carolina Department of Health and Human Services.

(2) The Governing Board's primary responsibilities will include determining policy; strategic planning, including consideration of local priorities as determined by the Community Oversight Boards; budgets; hiring and evaluations of the Chief Executive Officer; monitoring of deliverables, including overall performance and financial management; government affairs and advocacy; reporting to constituent counties; responding to concerns and feedback from the Community Oversight Boards; and ensuring the overall health of Cardinal Innovations.

(3) The bylaws of the Governing Board shall establish Community Oversight Boards, one for each Community Operations Center, which shall ensure involvement of local stakeholders, promote understanding and collaboration at the local level, and monitor the performance of each Community Operations Center. Membership of the Community Oversight Boards will be as follows:

(a) Three (3) members from each County, appointed by each County's Board of Commissioners, and will include a County Commissioner or designee, a consumer or family member, and another citizen or stakeholder; and

(b) One (1) member from the Local Consumer and Family Advisory Committee, either the Chair or other elected member.

(4) Each Community Oversight Board's primary responsibilities will include advising the CEO on the evaluation and hiring of the Community Operations Center Executive Director; recommending priorities for expenditure of state and county funds for development of the annual budget; determining local priorities for inclusion in the overall strategic plan; identifying community needs and concerns; monitoring resolution of issues; and monitoring performance at the local level, including access to care, expenditure of service funds, number of consumers served, services delivered, provider network size and composition, outcomes, and consumer satisfaction.

(5) Each Community Oversight Board will establish its own bylaws based on local needs, but in compliance with standardized requirements established by the Governing Board for quorums, frequency of meetings, elections of officers, duties of members, committees and committee appointments, and attendance standards. Such bylaws are subject to the approval of the Governing Board.

#### **Section 4.** Functions

Cardinal Innovations shall perform all the functions necessary to carry out the purposes of this Joint Resolution, including, but not limited to, the following:

(1) To establish accountability for the planning, development, and management of local systems that ensure access to care, quality of services, and the availability and delivery of necessary services, for individuals in need of mental health, intellectual and developmental disabilities, substance abuse, and related services;

(2) To operate the 1915(b)(c) Medicaid Waiver, a proven system for the management of mental health, intellectual and developmental disabilities, and substance abuse services;

(3) To manage state funded services for mental health, intellectual and developmental disabilities, and substance abuse services, including federal block grant funds;

(4) To manage all other resources that are or become available for mental health, intellectual and developmental disabilities, and substance abuse services;

(5) To use managed care strategies, including care coordination and utilization management, to reduce the trend of escalating costs in the State Medicaid program while ensuring medically necessary care, and to deploy a system for the allocation of resources based on the reliable assessment of medical necessity, functional status and intensity of need. These strategies shall efficiently direct individuals to appropriate services and shall ensure they receive no more and no less than the amount of services determined to be medically necessary at the appropriate funding level;

(6) To maintain a local presence in order to respond to the unique needs and priorities of localities;

(7) To ensure communication with consumers, families, providers, and stakeholders regarding disability-specific and general 1915(b)(c) Medicaid Waiver operations by implementing a process for feedback and exchange of information and ideas;

(8) To establish and maintain systems for ongoing communication and coordination regarding the care of individuals with mental illness, intellectual and developmental disabilities, and substance abuse disorders with other organized systems such as local Departments of Social Services, Community Care of North Carolina, hospitals, school systems, the Department of Juvenile Justice and Delinquency Prevention, and other community agencies;

(9) To maintain disability specific infrastructure and competency to address the clinical, treatment, rehabilitative, habilitative, and support needs of all disabilities served by Cardinal Innovations;

(10) To conduct administrative and clinical functions, including requirements for customer service, quality management, due process, provider network development, information technology systems, financial reporting, and staffing;

(11) To maintain full accountability for all aspects of 1915(b)/(c) Medicaid Waiver operations and for meeting all contract requirements specified by the Department of Health and Human Services; and

(12) To authorize the utilization of State psychiatric hospitals and other State facilities.

#### **Section 5.** Powers, Duties and Responsibilities

Cardinal Innovations shall have the powers, duties, and responsibilities necessary or convenient to carry out the purposes of this Joint Resolution, including but not limited to, the following:

(1) To engage in comprehensive planning, development, and management of local systems for the delivery of mental health, intellectual and developmental disabilities, and substance abuse and related services;

(2) To comply with federal requirements for Medicaid, Medicare, block grants, and other federally funded healthcare programs;

(3) To perform public relations and community advocacy functions;

(4) To maintain a 24-hour a day, seven day a week crisis response service. Crisis response shall include telephone and face-to-face capabilities. Crisis phone response shall include triage and referral to appropriate face-to-face crisis providers. Crisis services do not require prior authorization, but shall be delivered in compliance with appropriate policies and procedures. Crisis services shall be designed for prevention, intervention, and resolution, not merely triage and transfer, and shall be provided in the least restrictive setting possible, consistent with individual and family need, and community safety;

(5) To accept donations or money, personal property, or real estate for the benefit of Cardinal Innovations and to take title to the same from any person, firm, corporation, or society;

(6) To purchase, lease, obtain options upon, or otherwise acquire any real or personal property or any interest therein from any person, firm, corporation, city, county, government, or society;

(7) To sell, exchange, transfer, assign, or pledge any real or personal property or any interest therein to any person, firm, corporation, city, county, government, or society;

(8) To own, hold, clear, and improve property;

(9) To appoint a Chief Executive Officer and to fix his/her compensation;

- (10) To delegate to its agents or employees any powers or duties as it may deem appropriate;
- (11) To employ its own counsel and legal staff;
- (12) To adopt, amend, and repeal bylaws for the conduct of its business;
- (13) To enter into contracts or other arrangements for necessary supplies, equipment, or services for the operation of its business;
- (14) To appoint committees or subcommittees as it shall deem advisable, to fix their duties and responsibilities, and to do all things necessary in connection with the management, supervision, control, and operation of its business;
- (15) To enter into any contracts or other arrangements with any municipality, other public agency of this or any other State or of the United States, or with any individual, private organization, corporation, or nonprofit association for the provision, oversight or management of mental health, intellectual and developmental disabilities, substance abuse and related services;
- (16) To act as an agent for the federal, State, or local government in connection with the management and oversight for the delivery of mental health, intellectual and developmental disabilities, substance abuse and related services To insure its property or operations against risks as it may deem advisable;
- (17) To invest any funds held in reserves or sinking funds, or any funds not required for immediate disbursement, in property or securities in which trustees, guardians, executors, administrators, and others acting in a fiduciary capacity may legally invest funds under their control;
- (18) To sue and be sued;
- (19) To have a seal and to alter it at pleasure;
- (20) To have perpetual succession;
- (21) To make and execute contracts and other instruments necessary or convenient, including to provide services to government or private entities, including Employee Assistance Programs;
- (22) To agree to limitations upon the exercise of any powers conferred upon it by this Joint Resolution in connection with any loan;
- (23) To determine the pay, expense allowances, and other compensation of its officers and employees, and establish position classification and pay plans and incentive compensation plans;
- (24) To provide for biennial assessments of personnel plans by an independent entity that specializes in human resources development and management to ensure that position classifications and compensation are appropriately matched to industry standards and local job market requirements; and
- (25) To exercise any or all of the powers conferred upon it by this Joint Resolution, either generally or directly, or through designated agents.

**Section 6.** Effective Date

This Joint Resolution shall be effective as of July 1, 2012.

ADOPTED AND RATIFIED in counterparts by the Boards of County Commissioners of Alamance, Cabarrus, Caswell, Chatham, Davidson, Franklin, Granville, Halifax, Orange, Person, Rowan, Stanly, Union, Vance and Warren Counties.

**March 12, 2012**

**BOARD OF COMMISSIONERS OF ALAMANCE COUNTY**

Approved: \_\_\_\_\_, 2012.

By: \_\_\_\_\_  
Chairman

This the \_\_\_\_\_ day of \_\_\_\_\_, 2012.

ATTEST: \_\_\_\_\_  
Clerk to the Board

**BOARD OF COMMISSIONERS OF CABARRUS COUNTY**

Approved: \_\_\_\_\_, 2012.

By: \_\_\_\_\_  
Chairman

This the \_\_\_\_\_ day of \_\_\_\_\_, 2012.

ATTEST: \_\_\_\_\_  
Clerk to the Board

**BOARD OF COMMISSIONERS OF CASWELL COUNTY**

Approved: \_\_\_\_\_, 2012.

By: \_\_\_\_\_  
Chairman

This the \_\_\_\_\_ day of \_\_\_\_\_, 2012.

ATTEST: \_\_\_\_\_  
Clerk to the Board

**BOARD OF COMMISSIONERS OF CHATHAM COUNTY**

Approved: \_\_\_\_\_, 2012.

By: \_\_\_\_\_  
Chairman

This the \_\_\_\_\_ day of \_\_\_\_\_ 2012.

ATTEST: \_\_\_\_\_  
Clerk to the Board

**BOARD OF COMMISSIONERS OF DAVIDSON COUNTY**

Approved: \_\_\_\_\_, 2012.

By: \_\_\_\_\_  
Chairman

This the \_\_\_\_\_ day of \_\_\_\_\_ 2012.

ATTEST: \_\_\_\_\_  
Clerk to the Board

**BOARD OF COMMISSIONERS OF FRANKLIN COUNTY**

Approved: \_\_\_\_\_, 2012.

By: \_\_\_\_\_  
Chairman

This the \_\_\_\_\_ day of \_\_\_\_\_ 2012.

ATTEST: \_\_\_\_\_  
Clerk to the Board

**BOARD OF COMMISSIONERS OF GRANVILLE COUNTY**

Approved: \_\_\_\_\_, 2012.

By: \_\_\_\_\_  
Chairman

This the \_\_\_\_\_ day of \_\_\_\_\_ 2012.

ATTEST: \_\_\_\_\_  
Clerk to the Board

**BOARD OF COMMISSIONERS OF HALIFAX COUNTY**

Approved: \_\_\_\_\_, 2012.

By: \_\_\_\_\_  
Chairman

This the \_\_\_\_\_ day of \_\_\_\_\_ 2012.

ATTEST: \_\_\_\_\_  
Clerk to the Board

**BOARD OF COMMISSIONERS OF ORANGE COUNTY**

Approved: \_\_\_\_\_, 2012.

By: \_\_\_\_\_  
Chairman

This the \_\_\_\_\_ day of \_\_\_\_\_ 2012.

ATTEST: \_\_\_\_\_  
Clerk to the Board

**BOARD OF COMMISSIONERS OF PERSON COUNTY**

Approved: March 12, 2012.

By: Jimmy B. Clayton  
Chairman

This the 12 day of March, 2012.

ATTEST: Brenda B. Reaves  
Clerk to the Board

**BOARD OF COMMISSIONERS OF ROWAN COUNTY**

Approved: \_\_\_\_\_, 2012.

By: \_\_\_\_\_  
Chairman

This the \_\_\_\_\_ day of \_\_\_\_\_, 2012.

ATTEST: \_\_\_\_\_  
Clerk to the Board

**BOARD OF COMMISSIONERS OF STANLY COUNTY**

Approved: \_\_\_\_\_, 2012.

By: \_\_\_\_\_  
Chairman

This the \_\_\_\_\_ day of \_\_\_\_\_, 2012.

ATTEST: \_\_\_\_\_  
Clerk to the Board

**BOARD OF COMMISSIONERS OF UNION COUNTY**

Approved: \_\_\_\_\_, 2012.

By: \_\_\_\_\_  
Chairman

This the \_\_\_\_\_ day of \_\_\_\_\_ 2012.

ATTEST: \_\_\_\_\_  
Clerk to the Board

**BOARD OF COMMISSIONERS OF VANCE COUNTY**

Approved: \_\_\_\_\_, 2012.

By: \_\_\_\_\_  
Chairman

This the \_\_\_\_\_ day of \_\_\_\_\_ 2012.

ATTEST: \_\_\_\_\_  
Clerk to the Board

**BOARD OF COMMISSIONERS OF WARREN COUNTY**

Approved: \_\_\_\_\_, 2012.

By: \_\_\_\_\_  
Chairman

This the \_\_\_\_\_ day of \_\_\_\_\_ 2012.

ATTEST: \_\_\_\_\_  
Clerk to the Board

## **APPROVAL OF THE NEWLY APPOINTED ELECTIONS DIRECTOR'S SALARY:**

County Manager, Heidi York introduced the Board of Elections Chair, Jacqueline G. Booker and the newly appointed Elections Director, Sherry Harris. Ms. York told the Board of Commissioners the Person County Board of Elections is tasked with choosing an Elections Director. The Board of Elections forwards their recommendation to the State Board who makes the formal appointment. The director has the day-to-day responsibility for supervising employees, managing the elections operating budget, and administering the elections process. The chief statute governing the role of the director is General Statute 163-35. "In counties with a full-time voter registration, the director is to be paid a salary recommended by the board of elections and approved by the county board of commissioners. The salary is to be commensurate with the salary paid to directors in counties similarly situated and similar in population and number of registered voters."

Ms. York noted salary information for all of the election directors across the state was shared with the Board of Elections. According to the Person County Position Classification and Salary Schedule, the salary grade and range for Elections Director is: Grade 70: hiring rate- \$39,061 min.- \$41,015 midpoint- \$49,803 max.- \$60,545

Ms. York stated the Board of Elections recommended for Board consideration a salary of \$41,015 with no probationary increase after 12 months since she has been successfully employed with them since November 28, 2005 and has experience and knowledge of the elections process.

A **motion** was made by Commissioner Jeffers, **seconded** by Commissioner Blalock and **carried 5-0** to approve the salary of the newly appointed Elections Director at \$41,015 effective March 1, 2012 as recommended by the Board of Elections.

## **DISCUSSION OF PIEDMONT COMMUNITY COLLEGE'S PROPERTY KNOWN AS THE OLD POST OFFICE:**

Commissioner Kennington stated Piedmont Community College (PCC) requested some time ago to move out of their Educational Opportunity Center located in the old Post Office building into the old Health Department, formerly known as the old Counseling Center owned by the county under a 10-year contract that includes no costs to PCC.

Commissioner Kennington advocated for the old Post Office property to be acquired by Person County noting one of the many potential uses could be for a Welcome Center, an Economic Development Center or Recreational office space. Commissioner Kennington stated the historic value noting a WPA mural is present in the building and advocated to preserve the building for future use.

Commissioner Kennington asked the Board for a consensus for the County Manager to work with the PCC President related to options for the county to acquire that property starting negotiations with a similar contract of 10-years with no costs.

It was the consensus of the Board for the County Manager to have dialogue with the PCC President related to options for the old Post Office property.

**RECOMMENDED CAPITAL IMPROVEMENT PLAN FOR FY 2013 – 2017:**

County Manager, Heidi York and Finance Director, Amy Wehrenberg presented to the Board the recommended 5-year Capital Improvement Plan (CIP) for Person County noting the Board scheduled meeting for adoption is April 16, 2012. The adoption of the CIP will cover the needs and priorities for the 2013-2017 Plan as well as allocate funding for the projects in FY 2012-2013. Ms. York asked the Board to receive the information and prepare for discussion in the meeting on April 16<sup>th</sup> as to whether these recommendations are representative of the Board's priorities.

Ms. York noted a capital need is defined as a project costing more than \$50,000. Ms. York stated department heads, the community college and the local schools staff provide priorities and needs for the next 5-years. The CIP is a collection of all the needs identified and outlines a priority and schedule for implementation.

Ms. York asked Ms. Wehrenberg to introduce the CIP document to the Board. Ms. Wehrenberg provided a descriptive overview of the entire document noting Person County is in its fourth year of implementation whereby funds are dedicated and budgeted for the next fiscal year and the other four years are for planning purposes.

Commissioner Blalock voiced her concern related to the schools' window replacements being done prior to 2016-2017. Ms. Wehrenberg suggested a potential window study to evaluate not only the schools' windows but county and community college windows at the same time.

Commissioner Jeffers inquired as to which walking tracks were designated for repaving and repair in FY12-13 for \$65,000 and in FY14-15 for \$65,000. Ms. York noted she could send the Board additional information on the walking track project and any other projects the Board desired more information.

Ms. Wehrenberg highlighted the county contribution for the Recommended CIP for FY12-13 would be \$2,102,482 noting \$256,701 that is currently in the CIP Project Fund Balance will offset the total cost of recommend project for next fiscal year is \$2,359,183. Almost 50% of the next fiscal year's projects are roofing related, around 30% is reserved for walking track and parking lot paving and a little over 20% is dedicated to equipment upgrades. The Recreation and Senior Center Construction and various roofing projects (\$8.3 million in FY13-14) as well as the PCC Allied Health Building Construction and Schools Maintenance Facility project (\$5.6 million in FY16-17) are projects associated with debt financing.

Commissioner Blalock questioned the new roof for Helena Elementary School was for the old or new Helena School. Ms. York noted she would refer to the Roofing Study and send along to the Board.

Ms. Wehrenberg stated a number of paving projects have been on the plan for a while and the intent is to consolidate paving projects for all three entities in one year to take advantage of possibly contracting with the same vendor to receive a break in the costs. Ms. York stated she would forward to the Board the costs related to maintaining projects for gravel versus paving.

Commissioner Kennington asked PCC's President, Dr. Walter Bartlett to update the Board on PCC's plan for the Allied Health Building. Dr. Bartlett stated the Allied Health instructional facility has been on PCC's Master Plan as well as the Person's Future Strategic Plan as an addition to PCC current campus. Students studying Allied Health will also be taking general education, support classes and using student services on campus. Dr. Bartlett stated architecture drawings have been completed at a cost of \$90,000 confirming the Allied Health facility is still PCC's top priority. Dr. Bartlett noted the old Helena site may not be designated as a campus due to required administration, library, etc., however would consider having science related curriculum at that site.

**Person County  
Capital Improvement Plan  
FY 2013-2017**

**Recommended**



Heidi York, County Manager  
Amy Wehrenberg, Finance Director  
Beth Farabaugh, Assistant Finance Director

March 12, 2012

**Person County, North Carolina  
Capital Improvement Plan**



Manager's Letter to the Board of Commissioners ..... 1-2

Objectives and Procedures for the CIP .....3

Criteria for Project Priority .....4

CIP Financing Overview ..... 5-6

Summary of Completed Projects.....7

Status of Ongoing Projects for FY 2012 .....8

Recommended Projects (By Year) ..... 9-11

Requested Projects not Recommended ..... 12

Funding Schedule ..... 13-15

Set Aside Funds for Future Years ..... 16

Graph-Revenue Sources..... 17

Graph-Projects by Function..... 18

Graph-Projects by Type ..... 19

Person County's Debt Service ..... 20-22

Future Debt Service Payments .....23



## PERSON COUNTY

OFFICE OF THE COUNTY MANAGER  
304 South Morgan Street, Room 212  
Roxboro, NC 27573-5245  
336-597-1720  
Fax 336-599-1609

March 12, 2012

Dear Person County Board of County Commissioners:

I am pleased to present Person County's Fiscal Year 2013-2017 Capital Improvement Plan (CIP). This is an important planning tool for our County because it is intended to reflect the priorities of the Board of County Commissioners in terms of capital needs over the next five years. It also identifies the most critical capital needs while taking into account the fiscal and logistical constraints facing Person County. This Plan identifies the anticipated funding sources needed to meet these goals. Although the capital projects in this Plan span the next five years, the fiscal effects of these extend far beyond. Therefore, the full array of funding sources that will be used to support the project as well as potential impacts to future operating budgets are presented as well.

Person County is in its second year of implementing a comprehensive roofing needs assessment. This proactive approach to tackling major deferred maintenance needs not only for County Government buildings but also for Person County Schools and Piedmont Community College facilities has allowed us to manage the scope and timing of these costly projects. In addition to roofing repairs and replacements, the CIP has allowed the County to complete a feasibility study for a potential multi-jurisdictional business and industrial park with Durham County; replaced the outdated cardiac monitors for Emergency Medical Services; painted the Detention Center; embark on the engineering study for the proposed Recreation and Senior Center; and waterproof the exterior of Person High School.

This updated FY 2013-2017 CIP sees some roofing work for County Government and Person County School's facilities; paving projects that include County facilities, Parking Lot 4 at PCC, Person High School and South Elementary; repairing and repaving of County walking tracks and those at Person High School and Southern Middle School. Also moving forward is the second phase of the potential joint business park with Durham County; a proposal for much needed accounting and human resources software system for County Government; HVAC work at the Law Enforcement Center; and replacement of a cooling tower at Person High School.

An important element in this CIP document is a debt analysis summary, as well as a table and graph showing the future debt service levels for Person County Government. Both documents illustrate Person County's ability to take on additional debt payments in the future. This information reveals that debt service payments take a precipitous drop in Fiscal Year 2016 as shown both with and without the debt incurred for the Recreation and Senior Center and Roofing Projects in Fiscal Year 2014 and PCC's Allied Health Building Construction and Schools Maintenance Facility in Fiscal Year 2017. This sharp drop in debt service is one indicator that is

not viewed favorably by financial analysts and bond rating agencies who recommend a steady level of debt with little deviation in either direction. Sharp changes can signal poor planning on a county's behalf and suggest inefficient use of capital financing. This is something that needs to be considered within this CIP.

Please keep in mind that this Capital Improvement Plan is just that- a plan, and while a great deal of effort and analysis have gone into this, it offers a starting point for annual comparisons, fiscal changes, unforeseen needs, and a place where public discussion can begin. The CIP will continue to be reviewed on an annual basis, presenting any recommended changes to the Board for consideration. This review is critical as new information about our capital needs, our fiscal health, voter-supported funding, and existing project scheduling arises.

Person County Government takes great care and pride in being financially responsible in its service delivery and future operations. This Capital Improvement Plan is indicative of our commitment to provide residents with sustainable infrastructure. County staff looks forward to working with the Board of County Commissioners and our community as we implement the Fiscal Year 2013-2017 Capital Improvement Plan.

Sincerely,

A handwritten signature in cursive script, appearing to read "Heidi York".

Heidi N. York  
County Manager

## Person County, North Carolina Capital Improvement Plan



### Objectives of a CIP:

- Create a plan to organize long term capital needs in a manner to promote discussion regarding priority, feasibility, timing, potential costs, financing options and future budgetary effect.
- Limit projects to those costing \$50,000 and over in the plan.
- Present an overview of requests submitted by Person County departments, Piedmont Community College and Public Schools.
- Facilitate the exchange of information and coordination between the County, the community college and the schools on capital planning.

### Steps in developing a CIP:

- Determine capital needs for all departments and certain County-funded agencies.
- Review priorities and assess proposed capital projects in relationship to these priorities.
- Make recommendations to the Board of County Commissioners on a project's timing, priority and possible financing options.

### Categories of projects:

*Person County Government*  
*Piedmont Community College*  
*Public Schools*

- Each project includes a description, a timeline for construction and operating costs, and the current status.
- Also included are graphs that summarize revenue sources, projects by function, projects by type, and outstanding debt.

## Person County, North Carolina Capital Improvement Plan



### Criteria in determining project status:

#### Policy Issues

- Is the project needed to bring the County into compliance with any laws or regulations?
- Is the project required by legal mandates?
- Does the project relate to a County-adopted plan or policy?

#### Cost Analysis

- Does the recommendation to renovate, rehabilitate, or maintain an existing facility justify the cost?
- Will this project reduce annual operating costs in some manner?
- What would be the impact upon the annual operating budget and future operating budgets?
- What is the possibility of cost escalation over time?

#### Public Service Factors

- Will this project increase productivity or service quality, or respond to a demand for service?
- What present or anticipated problem will this project alleviate, and to what extent?
- How will this project improve services to citizens and other service clients?
- How would delays in starting the project affect County services?

#### Community Objectives

- Is public health or safety a critical factor with regard to this project?
- Would the project enhance the educational opportunities for students in public schools or the community college?
- Will there be an improvement in environmental quality?
- Will this project promote economic development or otherwise raise the standard of living for our citizens?
- Will this project provide a critical service or improve the quality of life for our citizens?

#### Debt Management

- What types of funding sources are available?
- How reliable is the funding source recommended for the project?
- How would any proposed debt impact the County's debt capacity?
- Does the timing of the proposed construction correspond to the availability of funding?

#### General

- How does this project fit into future objectives of the County?
- What is the relationship to other projects, either ongoing or requested?
- Are there any project alternatives?
- What are the consequences if not approved?

## CIP Financing Overview

Two major functions of a capital improvement plan are the identification and prioritization of capital projects over a specified amount of time (in this case 5 years) and the financing choices used to fund planned capital projects. The selection of projects for Person County's 2013-2017 Capital Improvement Plan was born out of a careful evaluation process that included costs, needs, timeliness, and other criteria. The financing options are more limited. Identifying a particular type of financing for a specific project includes: assessing legal funding criteria for specific types of projects, determining grant availability, debt capacity, securing and keeping a high bond rating, the total cost of issuing different types of debt, debt payment schedules, planned tax increases due to increased debt payments, and anticipated voter support for bond referendums. While finding worthwhile capital projects to support is all too easy, finding the appropriate debt vehicles and revenue to support debt payments is much more complicated.

The goal of capital financing is to provide for the adequate funding of the County's capital program while avoiding erratic increases or decreases in the County's property tax. Therefore, this proposed CIP includes a plan for the payment of debt related to projects financed by long-term borrowing. Below is a list of the typical types of funding and debt instruments considered for Person County's capital improvement projects along with a brief description:

Revenue Source/ Financing Tool	Description	Pro's	Con's
<b>County Contribution</b>	Funding directly from the County General Fund for each year	An appropriate use of County Reserves; no debt required	Can be difficult to fund large projects without greatly impacting reserves
<b>CIP Project Fund Balance</b>	Funding estimated to be available at the beginning of the year in the CIP Project Fund	Can prepare for future projects using set-aside funding and reserves as an optional source of revenue; no debt required	May not always have capacity to set-aside funds. Project overruns may also reduce amount of available reserves.
<b>Grant Funding</b>	Grant proceeds anticipated to be available to support specific projects	An optional source of revenue to local funding; no debt required	Grant availability is minimal, and sometimes difficult to secure
<b>Installment Purchase</b>	Allows a unit of local government to purchase property, construct or repair fixtures or improvements, by installment contracts	Flexible terms and debt structure; no official statements or secondary disclosures; no voter approval needed	Dependent upon available interest rate market; administrative costs and time required to manage debt

<b>General Obligation Bonds</b>	Debt proceeds received after the issuance of bonds	Strongest form of security that a local government can pledge for debt, low rate offerings	Requires voter approval; terms cannot exceed 20 years; requires level payments; intense reporting; official statements and secondary disclosures
<b>COPS/Short Term Bank Financing</b>	Certificates of Participation (COPS) are a short-term loan (made by multiple financial institutions) broken into pieces and sold to investors.	No voter approval required	Shorter terms; official statements
<b>Capital Lease Financing</b>	Short-term financing for equipment-related purchases only	A useful and simplistic form of financing for equipment-related purchases	Maximum term is 5 years with a cap of \$500,000; limited to equipment-related projects



## Person County, North Carolina Capital Improvement Plan

Summary of Completed Projects (to date):

### Person County Government:

Department of Social Services - Northwoods Software - \$352,178

EMS cardiac monitors replaced - \$190,459

Helena Gym -Upgrade Restrooms - \$45,909

Hot Water Repair at Law Enforcement Center - \$69,854

Public Library Roof - \$320,000 (Debt Service funds)

Removal and replacement of EMS Diesel Fuel Tank - \$24,405

Renovation of Hospital Cardiac Rehabilitation Center - \$50,000

### Piedmont Community College:

F&G Buildings Roofing - \$225,000 (Debt Service funds)

### Public Schools:

Exterior wall waterproofing -Person High School - \$59,718

Fire alarm & security system replacement-Person High School - \$187,401

HVAC control system upgrade -Oak Lane Elementary - \$71,000

Northern Middle School Roof - \$600,000 (Debt Service funds)



## Person County, North Carolina Capital Improvement Plan

Status of Ongoing Projects for FY 2012:

### Person County Government:

**Courthouse Renovation and Roofing Projects (\$5,446,000)** – Final borrowing was for \$4.5M for the renovation of the Courthouse and roofing construction for various county, school and community college buildings. The roofing for all associated buildings is complete. The estimated time of completion for the Courthouse renovation is summer of 2012.

**Contingency for Courthouse Renovation and Roofing Project (\$40,000)** – Roofing is complete. However, the estimated time of completion for the Courthouse renovation is the summer of 2012, therefore, it is recommended that we delay the funding of this contingency (if needed) for the end of FY 2012.

**Energy Lighting Project at PCOB & Library (\$174,385)** – This project was approved by the Board in February 2011 and is set to be completed by fall 2012. The total estimated County contribution is \$69,700. The remaining balance is supported by an ARRA grant and a rebate from Progress Energy.

**Multi-Jurisdictional Industrial Park (\$155,000)** – This is a joint endeavor with Durham County that is underway. The first phase of the feasibility study will be complete by April 2012.

**Painting at LEC Detention Center (\$52,600)** – This project is 50% complete as of February 2012. The remainder of the painting in the Detention Center should be complete by summer 2012.

**Recreation/Senior Center Engineering Study (\$53,000)** – This project was recently approved by the Board at the retreat in January 2012. Bids are set to go out for the feasibility study in March 2012.

**Roofing Projects for Kirby, Airport pump house, Olive Hill Gym and Huck Sansbury (\$399,957)** – These projects have recently begun in late 2011 and are ongoing.

### Piedmont Community College:

**Roofing Projects for Buildings A, I, and J (\$384,922)** – These roofing projects are currently underway with an estimated completion by summer 2012.

### Public Schools:

**Roofing Projects for Early Intervention, Helena Elementary, PHS, and Southern Middle Schools (\$129,135)** – These roofing projects are currently underway with a completion date of summer 2012.

**Exterior wall waterproofing at PHS (\$250,000)** – The waterproofing has not taken place yet, it will likely start in the summer of 2012 after students are out of school.

**Person County  
Capital Improvement Plan  
Recommended Projects**

YEAR	DEPT	PROJECT TITLE	TOTAL COST	PROJECT DESCRIPTION
2013	EDC	Multi-Jurisdictional Industrial Park (Phase 2)	45,000	Consists of site selection and certificaion.
	Finance/HR	Accounting & HR Software Package	290,000	Currently pursuing a replacement software to upgrade and integrate the accounting and HR functions. Human Resources does not have a software for tracking employees, and the current accounting system is not adequate to perform the HR and accounting functions efficiently.
	General Services	New roof-Olive Hill Gym (Phase 2)	19,133	As recommended in the Roofing Study.
	General Services	New roof-PCOB	412,708	As recommended in the Roofing Study.
	General Services	New roof-Bushy Fork Park (Phase 1)	134,696	As recommended in the Roofing Study.
	General Services	Paving-driveway & parking lots-Animal Ctrl, PW maintenance, & Mayo	135,000	Constantly putting gravel on these driveway and parking lots. Also, having to grade and fill holes regularly.
	General Services	LEC HVAC Controls Retrofit	170,000	Replace the original Pneumatic HVAC control system with a new Direct Digital control system due to parts that are becoming obsolete. Potential savings are: troubleshooting on-line, 5-10% cut in operational costs, phase out service contract, and reduce repair costs.
	Rec, Arts & Parks	Walking Track Repaving and Repairs (Phase 1)	65,000	Repave existing walking tracks-built in early 90's-many are cracking due to age, also drainage will be repaired as needed. The second phase is recommended for year 2015.
	PCC	Paving and Expansion-Parking Lot 4	100,000	Additional parking spaces are needed due to growth in number of students.
	Public Schools	Replacement of Cooling Tower-PHS	60,000	Replace cooling tower before the roof for the high school is replaced. The system is in poor condition and would result in failure to cool the school.
	Public Schools	New roof-North End (Phase 1)	577,646	As recommended in the Roofing Study.
	Public Schools	Paving-tracks at PHS & SMS	200,000	Repairs have been made to these tracks in the past, but the cracks reappear rapidly. The tracks must be removed and a new base built to adequately repair the facilities making them safer for students.
	Public Schools	Paving-PHS & South Elem	150,000	Pavement is showing signs of deterioration and will start breaking apart with continued traffic and winter weather.
2014	General Services	New roof-Huck Sansbury Complex (Phase 2)	290,831	As recommended in the Roofing Study.
	General Services	New roof-Kirby Civic Auditorium (Phase 2)	348,277	As recommended in the Roofing Study.
	General Services	Replace carpet & tile (PCOB-Phase 1)	40,000	Proposing to do one floor per year for three years. A solution has been developed that will not require removal of old carpet, tile, and glue.
	General Services	New roof-EMS (Phase 1)	125,660	As recommended in the Roofing Study.
	PCC	Upgrade Kitchen Equipment	50,000	New equipment will allow for better selections to students, faculty and public. Upgrade of the dining facility will be done by PCC, the new equipment is the only item requested.
	PCC	Architectural Plans for Building A upgrade	75,000	This upgrade would allow for additional office space that is now disbursed around campus. By relocating offices and meeting space to building A, much needed classroom space would be provided.
	Public Schools	New roof-Early Intervention (Phase 2)	180,998	As recommended in the Roofing Study.
	Public Schools	New roof-Helena Elementary School (Phase 2)	1,046,068	As recommended in the Roofing Study.
	Public Schools	New roof-PHS (Phase 2)	1,663,306	As recommended in the Roofing Study.
	Public Schools	New roof-Southern Middle School (Phase 2)	2,718,910	As recommended in the Roofing Study.
	Public Schools	Fire alarm replacement-NMS	135,000	Current fire alarms are not adequately covering the school and are recommended to be replaced by the PC Fire Inspector
	Public Schools	Fire alarm replacement-SMS	175,000	Existing fire alarm is obsolete with parts no longer available. In the near future code requirements will not be met.
	Public Schools	HVAC valve replacement-South Elementary	97,000	Replace existing valves for the heating and cooling system. Valves are failing which causes multiple problems with the entire system in the school.

**Person County  
Capital Improvement Plan  
Recommended Projects**

YEAR	DEPT	PROJECT TITLE	TOTAL COST	PROJECT DESCRIPTION
2014	Rec, Arts & Parks	Playground improvements (Phase 1)	60,000	Replace old equipment at various parks. We schedule to replace/update equipment each year to improve safety. Have not been replaced in 4 years. Some equipment was installed in early 90's. Addresses ADA compliance issues at all playgrounds. This project will be done over a three year period.
	Rec, Arts & Parks	Rec Center/Senior Center	3,680,885	Combined facility-indoor pool, elevated walking track, 2 gyms, racquetball, exercise rooms, meeting rooms, office space, outdoor skate park. Proposed to be financed by installment purchase for \$2,580,885, a PARTF grant for \$1M, and local funds for contingency of \$100,000.
2015	General Services	Replace carpet & tile (PCOB-Phase 2)	65,000	Proposing to do one floor per year for three years. A solution has been developed that will not require removal of old carpet, tile, and glue.
	General Services	New roof-Elections/IT	136,420	As recommended in the Roofing Study.
	PCC	Campus sidewalk upgrade	80,000	Many of the existing sidewalks have become very hazardous, due to tree roots, which have caused numerous incidents. Current sidewalks are 40+ years old.
	PCC	New Roof Building D	180,559	As recommended in the Roofing Study.
	Public Schools	Asphalt replacement in bus parking lot- PHS	80,000	Recommended to be completed after the PHS roofing project so new asphalt will not be damaged. Many areas in the bus parking lot have deteriorated which is allowing water to run across pavement, causing freeze and thaw problems.
	Public Schools	New roof-Earl Bradsher	573,296	As recommended in the Roofing Study.
	Public Schools	New roof-School Maintenance	284,164	As recommended in the Roofing Study.
	Rec, Arts & Parks	Walking Track Repaving and Repairs (Phase 2)	65,000	Repave existing walking tracks-built in early 90's-many are cracking due to age, also drainage will be repaired as needed. Last phase of project.
	Rec, Arts & Parks	Playground improvements (Phase 2)	50,000	Replace old equipment at various parks. We schedule to replace/update equipment each year to improve safety. Have not been replaced in 4 years. Some equipment was installed in early 90's. Addresses ADA compliance issues at all playgrounds. This project will be done over a three year period.
	Rec, Arts & Parks	Olive Hill---construct outdoor restrooms	50,000	Current restrooms are accessed through gym-need availability for after hours use.
2016	General Services	New roof-Bushy Fork Park (Phase 2)	68,657	As recommended in the Roofing Study.
	General Services	Replace carpet & tile (PCOB-Phase 3)	60,000	Department requests to do one floor per year for three years. A solution has been developed that will not require removal of old carpet, tile, and glue.
	General Services	New roof-Emergency Communications	70,540	As recommended in the Roofing Study.
	PCC	Bookstore Expansion	300,000	Expand bookstore by 1500 square feet, to accommodate student traffic and sales of merchandise along with books.
	PCC	Construct covered walkways	200,000	Construction of a covered walkway from Building A to S. This ties the campus buildings all together since there are existing covered walkways to the other major buildings. Also will prevent exposure to the elements for students and staff.
	Public Schools	New roof-North End (Phase 2)	207,543	As recommended in the Roofing Study.
	Public Schools	PHS Stadium restrooms	500,000	Restrooms are not readily accessible to the public. Handicap access is also not available.
	Rec, Arts & Parks	Playground improvements (Phase 3)	50,000	Replace old equipment at various parks. We schedule to replace/update equipment each year to improve safety. Have not been replaced in 4 years. Some equipment was installed in early 90's. Addresses ADA compliance issues at all playgrounds. This project will be done over a three year period.
2017	General Services	New roof-EMS (Phase 2)	23,092	As recommended in the Roofing Study.
	PCC	New Allied Health Building and Renovations	4,200,000	New three-story, 38,500 square foot Building for nursing, lab techs, EMS, certified nursing assistants and more. This project would be financed with an installment purchase financing for the portion that Person County would contribute (\$4.1M) and \$100,000 local funds for contingency. PCC would contribute \$1M and the State \$3.3M in projections.
	PCC	New Roof-Building L	115,112	As recommended in the Roofing Study.
	Public Schools	New roof-North End (Phase 3)	8,143	As recommended in the Roofing Study.

**Person County  
Capital Improvement Plan  
Recommended Projects**

YEAR	DEPT	PROJECT TITLE	TOTAL COST	PROJECT DESCRIPTION
2017	Public Schools	New roof-South Elementary	301,680	As recommended in the Roofing Study.
	Public Schools	Window replacement-Earl Bradsher	370,000	Scheduled replacement-starting to leak and to make more energy efficient.
	Public Schools	PHS classroom conversion	100,000	Convert old metal shop to classroom space. Metals program is no longer in existence and space is needed for normal classroom use. Area currently is a large open space that needs to be divided and updated.
	Public Schools	VCT Floor Tile replacement-Earl Bradsher	250,000	Replace floor tiles that are original back to the 1950's that are worn out and also create an asbestos hazard.
	Public Schools	Chiller replacement @ PHS	285,000	Chiller will be 23 years old and is at the end of life for the unit.
	Public Schools	Maintenance Facility	1,500,000	New Maintenance Facility to replace existing facility that is 60+ years old, with buildings in poor condition, not enough space for operations, and hazardous storage areas. Proposed to be included in the financing along with the Allied Health Building for PCC.
	Rec, Arts & Parks	Solar lights on walking tracks (Phase 1)	130,000	2 Year phase (130,000 per year), that will reduce energy costs for track facilities and increase security for parks and surrounding areas.

**Person County  
Capital Improvement Plan  
Requested Projects Not Recommended**

DEPT	PROJECT TITLE	TOTAL COST	PROJECT DESCRIPTION/REASON FOR NOT RECOMMENDING
EMS	Bay Renovation	360,000	Current bay is not adequate for the number of ambulances, clearance issues, temperature storage for medicine not consistent and major repairs needed. Also need more crew quarters to free up existing office space for emergency operations center. <b>Not recommended at this time, to consider other options.</b>
Public Schools	Window replacement-North Elem	450,000	Scheduled replacement-starting to leak and to make more energy efficient. <b>Not recommended at this time due to the multiple requests and similarity to roofing needs, possibly need a similar study performed.</b>
Public Schools	Window replacement-Oak Lane Elem	500,000	Scheduled replacement-to make more energy efficient. <b>Not recommended at this time due to the multiple requests and similarity to roofing needs, possibly need a similar study performed.</b>
Public Schools	Window replacement-North End Elem	500,000	Scheduled replacement-to make more energy efficient. <b>Not recommended at this time due to the multiple requests and similarity to roofing needs, possibly need a similar study performed.</b>
Public Schools	Window replacement-PHS	700,000	Windows are in poor condition, not energy efficient and water and air easily enter bldg through them. <b>Not recommended at this time due to the multiple requests and similarity to roofing needs, possibly need a similar study performed.</b>
Public Schools	Window replacement-Woodland Elem	400,000	Scheduled replacement-to make more energy efficient. <b>Not recommended at this time due to the multiple requests and similarity to roofing needs, possibly need a similar study performed.</b>
Public Schools	Window replacement-South Elem	600,000	Scheduled replacement-to make more energy efficient. <b>Not recommended at this time due to the multiple requests and similarity to roofing needs, possibly need a similar study performed.</b>
Rec, Arts & Parks	Solar Lights on Walking Tracks (Phase 2)	130,000	Installation of Solar Lights on all walking tracks: 2 Year Phase Project: Phase 1- Huck Sansbury, Helena, Allensville, and Hurdle Mills. Phase 2- Bethel Hill, Bushy Fork, Olive Hill, Mt. Tirza. This project will greatly reduce energy cost to operate each walking track facility. Increases security. There is less security with less lights at Park facilities and surrounding facilities. <b>Not recommending second phase until a future year in the CIP.</b>
Rec, Arts & Parks	Outdoor Basketball Multi-Use Courts	60,000	Outdoor Basketball / Multi-Use Courts at different Park Locations: Sizes and location will be determined by population demand and area location requirements. Suggested park locations: Olive Hill, Allensville, Hurdle Mills, Bushy Fork; Outdoor basketball/ Multi-Use courts will provide additional recreational opportunities throughout various locations in the County. This is an inexpensive, low maintenance way to provide recreational space. Space can also be used for additional organized program opportunities. (Example: Basketball, quick start tennis, 4 square, hop scotch, summer camp game space, two-on-two basketball tournaments, badmitten tournaments, and much more.) <b>Not recommended due to Rec/Senior Center project providing similar opportunities.</b>
Rec, Arts & Parks	Kirby--Renovate second floor	500,000	The Second floor renovation will be a joint project with Piedmont Community College. There is a large amount of space above the Kirby Auditorium that can be used for classes, meeting space, dance studio, exercise space, and/or arts studio. This project would also increase foot traffic in the downtown area. <b>Not recommended at this time since this project is more of a refurbishment project while other recommended projects were deemed more critical.</b>
Rec, Arts & Parks	Helena park expansion	350,000	Includes parking, tennis courts, and additional multi-purpose field. Growth in southern Person County needs larger park area. Old school will need to be demolished. <b>Not recommended due to decisions needed on old school property at this location.</b>

**Person County  
Capital Improvement Plan (CIP)  
2013-17  
Recommended - Funding Schedule**

<b>Sources of Revenue for Project Costs:</b>	<b>Current Year 2011-12</b>	<b>Budget Year 2012-13</b>	<b>Planning Year 2013-14</b>	<b>Planning Year 2014-15</b>	<b>Planning Year 2015-16</b>	<b>Planning Year 2016-17</b>	<b>TOTAL REVENUE SOURCES</b>
<b>Revenues:</b>							
County Contribution	438,547	2,102,482	1,572,390	1,444,439	1,321,740	1,283,027	8,162,625
CIP Project Fund Balance	1,664,026	256,701	249,545	270,000	285,000	400,000	3,125,272
PARTF Grant - Recreation & Senior Center	-	-	1,000,000	-	-	-	1,000,000
Debt Proceeds - Installment Purchase Financing (1) & (2)	-	-	8,300,000	-	-	5,600,000	13,900,000
<b>Total Sources of Revenue:</b>	<b>2,102,573</b>	<b>2,359,183</b>	<b>11,121,935</b>	<b>1,714,439</b>	<b>1,606,740</b>	<b>7,283,027</b>	<b>26,187,897</b>
<b>Project Costs for County:</b>	<b>Current Year 2011-12</b>	<b>Budget Year 2012-13</b>	<b>Planning Year 2013-14</b>	<b>Planning Year 2014-15</b>	<b>Planning Year 2015-16</b>	<b>Planning Year 2016-17</b>	<b>TOTAL PROJECT COSTS</b>
<b>General Services:</b>							
Painting at LEC Detention Center	52,600	-	-	-	-	-	52,600
New roof-Huck Sansbury Complex	205,477	-	290,831	-	-	-	496,308
New roof-Kirby Civic Auditorium	40,455	-	348,277	-	-	-	388,732
New roof-Olive Hill Gym	133,145	19,133	-	-	-	-	152,278
New roof-Airport Pump House	20,880	-	-	-	-	-	20,880
New roof-PCOB	-	412,708	-	-	-	-	412,708
New roof-Bushy Fork Park	-	134,696	-	-	68,657	-	203,353
Paving-driveway & parking lots-Anim Ctrl, PW maint. & Mayo	-	135,000	-	-	-	-	135,000
LEC HVAC Controls Retrofit	-	170,000	-	-	-	-	170,000
Replace carpet & tile (PCOB)	-	-	40,000	65,000	60,000	-	165,000
New roof-Emergency Medical Services	-	-	125,660	-	-	23,092	148,752
New roof-Board of Elections/IT	-	-	-	136,420	-	-	136,420
New roof-Emergency Communications	-	-	-	-	70,540	-	70,540
<b>Emergency Management Services:</b>							
Replace cardiac monitors (\$27,208 ea.)	190,459	-	-	-	-	-	190,459
<b>Economic Development:</b>							
Multi-Jurisdictional Industrial Park	155,000	45,000	-	-	-	-	200,000
<b>Finance and Human Resources</b>							
Accounting and HR Software Package	-	290,000	-	-	-	-	290,000
<b>Recreation, Arts &amp; Parks:</b>							
Rec Center/Senior Center Engineer Fees	53,000	-	-	-	-	-	53,000
Walking tracks repaving & repair	-	65,000	-	65,000	-	-	130,000
Playground and park improvements	-	-	60,000	50,000	50,000	-	160,000
Recreation and Senior Center (covered by debt proceeds)	-	-	2,500,000	-	-	-	2,500,000
Recreation and Senior Center (covered by PARTF grant)	-	-	1,000,000	-	-	-	1,000,000
Issuance Costs-Rec & Sr Center & Various Roofing	-	-	80,885	-	-	-	80,885
Contingency-Rec & Sr Center & Various Roofing	-	-	100,000	-	-	-	100,000
Olive Hill---construct outside restrooms	-	-	-	50,000	-	-	50,000
Solar lights on walking tracks	-	-	-	-	-	130,000	130,000
Set -asides for future projects	62,500	-	30,000	-	-	-	92,500
<b>Total County Projects</b>	<b>913,516</b>	<b>1,271,537</b>	<b>4,575,653</b>	<b>366,420</b>	<b>249,197</b>	<b>153,092</b>	<b>7,529,415</b>

**Person County  
Capital Improvement Plan (CIP)  
2013-17  
Recommended - Funding Schedule**

<b>Project Costs for PCC:</b>	<b>Current Year 2011-12</b>	<b>Budget Year 2012-13</b>	<b>Planning Year 2013-14</b>	<b>Planning Year 2014-15</b>	<b>Planning Year 2015-16</b>	<b>Planning Year 2016-17</b>	<b>TOTAL PROJECT COSTS</b>
<b>Piedmont Community College (PCC):</b>							
New roof-A Building	170,617	-	-	-	-	-	170,617
New roof-I Building	201,840	-	-	-	-	-	201,840
New roof-J Building	12,465	-	-	-	-	-	12,465
Paving and Expansion-Parking Lot 4	-	100,000	-	-	-	-	100,000
Upgrade kitchen equipment	-	-	50,000	-	-	-	50,000
Architectural Plans for Building A Upgrade	-	-	75,000	-	-	-	75,000
Campus Sidewalks Upgrade	-	-	-	80,000	-	-	80,000
New roof-D Building	-	-	-	180,559	-	-	180,559
Bookstore expansion	-	-	-	-	300,000	-	300,000
Construct covered walkways	-	-	-	-	200,000	-	200,000
New roof-L Building	-	-	-	-	-	115,112	115,112
New Allied Health Building & Renovations (covered by debt proceeds)	-	-	-	-	-	4,050,000	4,050,000
Issuance Costs-New Allied Health Bldg & Sch Maint Bldg	-	-	-	-	-	50,000	50,000
Contingency-New Allied Health Bldg & Sch Maint Bldg	-	-	-	-	-	100,000	100,000
<b>Set -asides for future projects</b>	50,000	-	175,000	150,000	-	-	375,000
<b>Total PCC</b>	<b>434,922</b>	<b>100,000</b>	<b>300,000</b>	<b>410,559</b>	<b>500,000</b>	<b>4,315,112</b>	<b>6,060,593</b>

<b>Project Costs for Public Schools:</b>	<b>Current Year 2011-12</b>	<b>Budget Year 2012-13</b>	<b>Planning Year 2013-14</b>	<b>Planning Year 2014-15</b>	<b>Planning Year 2015-16</b>	<b>Planning Year 2016-17</b>	<b>TOTAL PROJECT COSTS</b>
<b>Public Schools:</b>							
New roof-Early Intervention	1,671	-	180,998	-	-	-	182,669
New roof-Helena Elementary School	50,634	-	1,046,068	-	-	-	1,096,702
New roof-PHS	53,343	-	1,663,306	-	-	-	1,716,649
New roof-Southern Middle School	23,487	-	2,718,910	-	-	-	2,742,397
Exterior wall waterproofing-PHS (additional)	250,000	-	-	-	-	-	250,000
Replacement of cooling tower-PHS	-	60,000	-	-	-	-	60,000
New roof-North End	-	577,646	-	-	207,543	8,143	793,332
Replace tracks-PHS & SMS	-	200,000	-	-	-	-	200,000
Paving-PHS & South Elem	-	150,000	-	-	-	-	150,000
Fire alarm replacement-NMS	-	-	135,000	-	-	-	135,000
Fire alarm replacement-SMS	-	-	175,000	-	-	-	175,000
HVAC valve replacements-South Elementary	-	-	97,000	-	-	-	97,000
Asphalt replacement in bus parking lot-PHS	-	-	-	80,000	-	-	80,000
New roof-Earl Bradsher	-	-	-	573,296	-	-	573,296
New roof-School Maintenance	-	-	-	284,164	-	-	284,164
Stadium restrooms-PHS	-	-	-	-	500,000	-	500,000
New roof-South Elementary	-	-	-	-	-	301,680	301,680
Window replacement-Earl Bradsher	-	-	-	-	-	370,000	370,000
Classroom conversion-PHS	-	-	-	-	-	100,000	100,000
VCT Floor Tile replacement-Earl Bradsher	-	-	-	-	-	250,000	250,000
Chiller replacement-PHS	-	-	-	-	-	285,000	285,000
Construction of Maintenance Facility	-	-	-	-	-	1,500,000	1,500,000
<b>Set -asides for future projects</b>	375,000	-	230,000	-	150,000	-	755,000
<b>Total Public Schools Projects:</b>	<b>754,135</b>	<b>987,646</b>	<b>6,246,282</b>	<b>937,460</b>	<b>857,543</b>	<b>2,814,823</b>	<b>12,597,889</b>

<b>Total Project Costs:</b>	<b>2,102,573</b>	<b>2,359,183</b>	<b>11,121,935</b>	<b>1,714,439</b>	<b>1,606,740</b>	<b>7,283,027</b>	<b>26,187,897</b>
-----------------------------	------------------	------------------	-------------------	------------------	------------------	------------------	-------------------

**Person County  
Capital Improvement Plan (CIP)  
2013-17  
Recommended - Funding Schedule**

<b>Sources of Revenue for Operating Impact Costs:</b>	<b>Current Year 2011-12</b>	<b>Budget Year 2012-13</b>	<b>Planning Year 2013-14</b>	<b>Planning Year 2014-15</b>	<b>Planning Year 2015-16</b>	<b>Planning Year 2016-17</b>	<b>TOTAL REVENUE SOURCES</b>
General Fund Revenues	412,922	-	532,937	36,902	-	-	982,761
Fees (Rec Center)	-	-	-	-	100,000	100,000	200,000
<b>Total Sources of Revenue for Operating Impact Costs</b>	<b>412,922</b>	<b>-</b>	<b>532,937</b>	<b>36,902</b>	<b>100,000</b>	<b>100,000</b>	<b>1,182,761</b>

<b>Operating Impact Costs:</b>	<b>Current Year 2011-12</b>	<b>Budget Year 2012-13</b>	<b>Planning Year 2013-14</b>	<b>Planning Year 2014-15</b>	<b>Planning Year 2015-16</b>	<b>Planning Year 2016-17</b>	<b>TOTAL PROJECT COSTS</b>
Recreation and Senior Center Project							
Personnel/Operating	-	-	47,000	94,000	94,000	94,000	329,000
Maintenance Costs	-	-	-	75,000	75,000	75,000	225,000
Finance & HR Software							
New Maintenance Contract	-	-	35,000	35,000	35,000	35,000	140,000
Old Maintenance Contract	-	10,180	(10,180)	(10,180)	(10,180)	(10,180)	(30,540)
Debt Service Impacts	412,922	(81,667)	484,617	(133,418)	(970,710)	(834,502)	(1,122,758)
LEC HVAC Controls Retrofit							
Energy savings	-	(2,250)	(4,500)	(4,500)	(4,500)	(4,500)	(20,250)
Reduce service contract	-	(3,500)	(7,000)	(7,000)	(7,000)	(7,000)	(31,500)
Reduce repair costs	-	(6,000)	(12,000)	(12,000)	(12,000)	(12,000)	(54,000)
<b>Total Operating Impact Costs</b>	<b>412,922</b>	<b>(83,237)</b>	<b>532,937</b>	<b>36,902</b>	<b>(800,390)</b>	<b>(664,182)</b>	<b>(565,048)</b>

*Notes: Items highlighted in blue are projects associated with a debt financing.*

**(1) Recreation and Senior Center Construction and Various Roofing Projects**

It is recommended to do an installment financing to capture the cost of the recently revised Recreation and Senior Center Project along with the re-roofing of the Huck Sansbury Complex and large-scale school buildings (Helena, PHS, & Southern Middle Schools). The engineering study for the Recreation and Senior Center has been approved to begin in FY 2012 for \$53,000. The engineering study for the roofs has already been completed as part of the latest Roofing Study. The total proposed amount for these projects is \$8,300,000 and are scheduled on the CIP to take place in FY 2014.

**(2) PCC Allied Health Building Construction and Schools Maintenance Facility Project**

This project is currently recommended to begin in FY 2017; the borrowing for this project includes \$4,050,000 for construction of a new Allied Health Building instructional facility for PCC, and \$1,500,000 for the construction of a maintenance building for PC Schools. Total debt proceeds recommended to cover both projects is \$5,600,000.

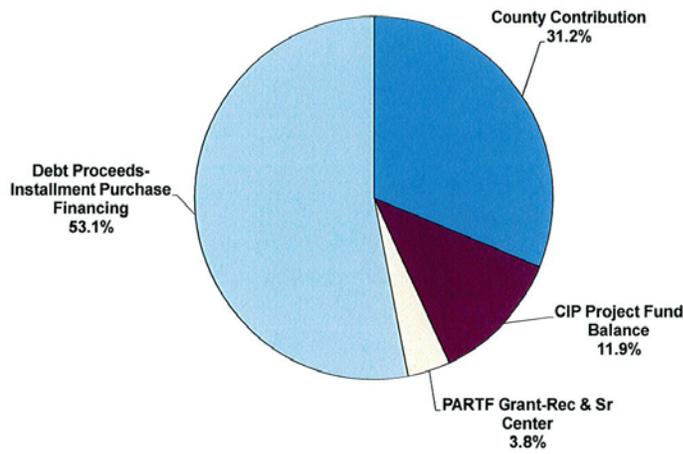
## Set-Aside Funds for Future Years

Note: The County has implemented a best practice approach for distributing the costs of capital projects to minimize the impact in any one fiscal year. This is accomplished by incrementally funding expensive projects over multiple fiscal years. The projects listed below are funded through set-aside funds leading up to the year in which the project will be completed, thus reducing the burden in that year. This is a proactive approach to planning and funding future capital needs as well as maximizing cash flow capacity.

	Set-Aside Amount	Fiscal Year that project is recommended to take place	Remaining Amount
<b>Current &amp; Prior Years</b>			
Walking tracks repaving & repair (County parks)-Phase 1	\$ 30,000	2013	\$ 35,000
Replace tracks-PHS & SMS	125,000	2013	75,000
Paving-PHS & South Elem	75,000	2013	75,000
Paving-driveway & parking lots-Animal Control, Public Works maint. & Mayo Park	62,500	2013	72,500
Paving & Expansion-Parking Lot 4 (PCC)	50,000	2013	50,000
New roof-North End	250,000	2013	543,332
New roof-Kirby Civic Auditorium	209,545	2014	138,732
Replace carpet & tile (PCOB)	110,000	2014-2016	55,000
Chiller replacement-PHS	50,000	2017	235,000
Window replacement-Earl Bradsher	100,000	2017	270,000
Total	<u>\$ 1,062,045</u>		
<b>Budget Year 2012-2013</b>			
(No set asides proposed in this year)	<u>\$ -</u>		
<b>Planning Year 2013-2014</b>			
Walking tracks repaving & repair (County parks)- Phase 2	\$ 30,000	2015	\$ 35,000
Construct covered walkways	100,000	2016	100,000
New roof-D Building (PCC)	75,000	2015	105,559
New roof-North End	30,000	2016	185,686
New roof-Earl Bradsher	100,000	2015	473,296
New roof-South Elementary	100,000	2017	201,680
Total	<u>\$ 435,000</u>		
<b>Planning Year 2014-2015</b>			
PCC Bookstore Expansion	\$ 150,000	2016	\$ 150,000
Total	<u>\$ 150,000</u>		
<b>Planning Year 2015-2016</b>			
VCT Floor Tile replacement-Earl Bradsher	\$ 150,000	2017	\$ 100,000
Total	<u>\$ 150,000</u>		
<b>Planning Year 2016-2017</b>			
(No set asides proposed in this year)	<u>\$ -</u>		

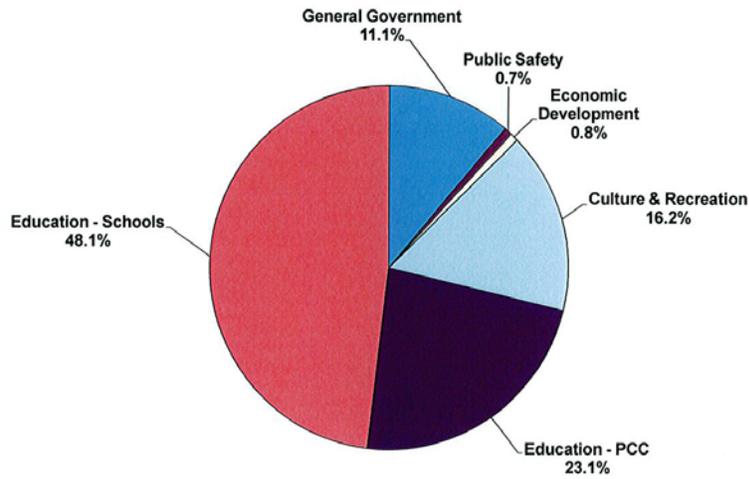
**Person County Capital Improvement Plan  
Recommended - Revenue Sources  
FY 2013 - 2017**

Total % Revenue Sources								
Description	Current Year	2013	2014	2015	2016	2017	Totals	% of Total
County Contribution	438,547	2,102,482	1,572,390	1,444,439	1,321,740	1,283,027	8,162,625	31.2%
CIP Project Fund Balance	1,664,026	256,701	249,545	270,000	285,000	400,000	3,125,272	11.9%
PARTF Grant-Rec & Sr Center	-	-	1,000,000	-	-	-	1,000,000	3.8%
Debt Proceeds-Installment Purchase Financing	-	-	8,300,000	-	-	5,600,000	13,900,000	53.1%
<b>Totals</b>	<b>2,102,573</b>	<b>2,359,183</b>	<b>11,121,935</b>	<b>1,714,439</b>	<b>1,606,740</b>	<b>7,283,027</b>	<b>26,187,897</b>	<b>100.0%</b>



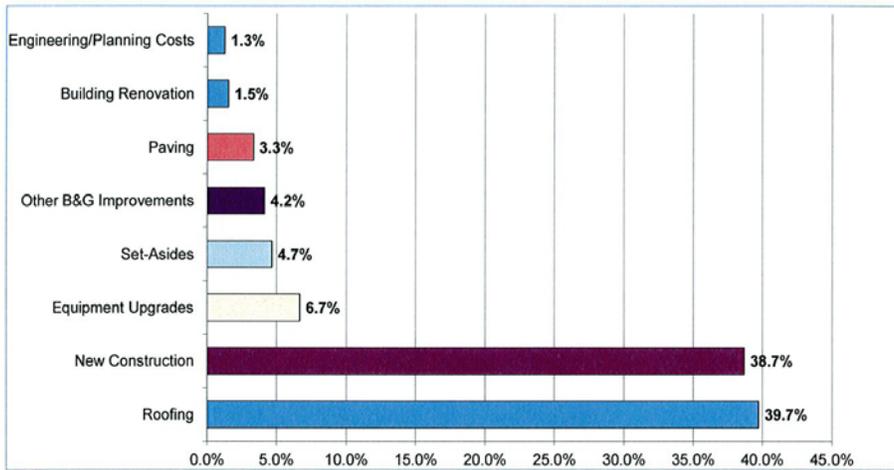
**Person County Capital Improvement Plan  
Recommended - by Function  
FY 2013 - 2017**

Total % CIP Projects by Function								
Description	Current Year	2013	2014	2015	2016	2017	Totals	% of Total
General Government	515,057	1,161,537	804,768	201,420	199,197	23,092	2,905,071	11.1%
Public Safety	190,459	-	-	-	-	-	190,459	0.7%
Economic Development	155,000	45,000	-	-	-	-	200,000	0.8%
Culture & Recreation	53,000	65,000	3,770,885	165,000	50,000	130,000	4,233,885	16.2%
Education - PCC	434,922	100,000	300,000	410,559	500,000	4,315,112	6,060,593	23.1%
Education - Schools	754,135	987,646	6,246,282	937,460	857,543	2,814,823	12,597,889	48.1%
<b>Totals</b>	<b>2,102,573</b>	<b>2,359,183</b>	<b>11,121,935</b>	<b>1,714,439</b>	<b>1,606,740</b>	<b>7,283,027</b>	<b>26,187,897</b>	<b>100.0%</b>



**Person County Capital Improvement Plan  
Recommended - by Type  
FY 2013 - 2017**

Total % CIP Projects by Type								
Description	Current Year	2013	2014	2015	2016	2017	Totals	% of Total
Roofing	914,014	1,144,183	6,374,050	1,174,439	346,740	448,027	10,401,453	39.7%
New Construction	-	-	3,680,885	50,000	700,000	5,700,000	10,130,885	38.7%
Equipment Upgrades	190,459	520,000	517,000	50,000	50,000	415,000	1,742,459	6.7%
Set-Asides	487,500	-	435,000	150,000	150,000	-	1,222,500	4.7%
Other B&G Improvements	302,600	-	40,000	65,000	60,000	620,000	1,087,600	4.2%
Paving	-	650,000	-	225,000	-	-	875,000	3.3%
Building Renovation	-	-	-	-	300,000	100,000	400,000	1.5%
Engineering/Planning Costs	208,000	45,000	75,000	-	-	-	328,000	1.3%
<b>Totals</b>	<b>2,102,573</b>	<b>2,359,183</b>	<b>11,121,935</b>	<b>1,714,439</b>	<b>1,606,740</b>	<b>7,283,027</b>	<b>26,187,897</b>	<b>100.0%</b>



## Person County's Debt Service

### Current Debt Service

Project	Description	Term	Int Rate %	Outstanding Balance	Last Pyt Fiscal Year
<b>2006 Various Roofing/Paving</b>	Re-roofing, paving and repaving certain school, community college and other public facilities; re-floor the gymnasium; construct new tennis courts at Person High School	15 years	3.86%	3,381,279	2021
<b>2007 School Bus Garage/Health Buildings Renovation/PCC Roofing</b>	Construction of a bus garage for the Person County Schools administrative unit, re-roofing two classroom building at Piedmont Community College and renovating, equipping and furnishing former Health Department buildings to provide space for other County departments	7 years	3.75%	1,410,573	2014
<b>2008 Refinancing of 1999 &amp; 2000 Elem School Construction &amp; LEC Building</b>	Combine and refinance the previous debt held on the cost of construction to the elementary schools in 1999 and 2000, and the acquisition and construction on the law enforcement center	7 years	3.55%	6,949,404	2015
<b>2009 Material Recovery Facility Equipment</b>	Lease a baler and equipment associated with the operation of a new material recovery facility	5 years	2.71%	197,337	2014
<b>2010 Courthouse Renovation &amp; Various Roofing</b>	Engineering and construction costs associated with the renovation of the Courthouse and some various re-roofing for certain school, community college and other public facilities	10 years	4.08%	4,747,680	2021

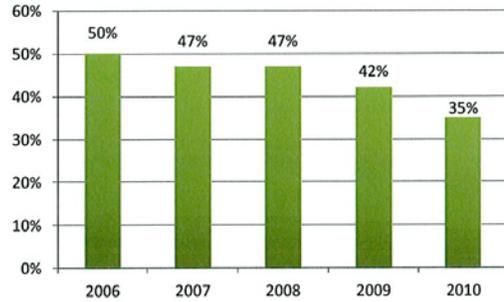
### Current Debt Analysis

There are two standard ratios that measure debt service levels and the capacity for taking on additional debt. These ratios and their meaning for Person County are described below:

- Debt to Assets Ratio:** Measures leverage, the extent to which total assets are financed with long-term debt. A high debt to assets ratio may indicate an over-reliance on debt for financing assets, and a low ratio may indicate a weak management of reserves. As of FY 2011, the debt to assets ratio for Person County is 35% versus the population group at 59%. A more applicable comparison may be to view the debt to assets ratio for Person County since FY 2006. As displayed in the following chart, Person County's debt to assets ratio has declined from 50% in FY 2006 to 35% in FY 2010. This reduction can be attributed to conservative spending in uncertain economic conditions and the build-up of reserves. This increase in the County's cash reserves (assets) causes a decrease in this ratio. Unless the County

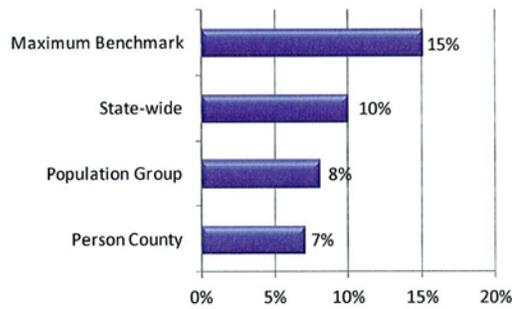
experiences a large decrease in fund balance in the near future or issues new debt, this % will continue to decline, possibly indicating to credit agencies a weak fiscal management of assets.

<b>FY</b>	<b>Person County's Debt to Assets Ratio</b>
2006	50%
2007	47%
2008	47%
2009	42%
2010	35%



- Debt Service Ratio:** Measures financing obligations, provides feedback on service flexibility with the amount of expenditures committed to annual debt service. General accounting guidance discourages this ratio from being higher than 15% for a maximum benchmark. Any percentage higher than this can severely hamper the County's service flexibility. Person County's debt service ratio of 7% is slightly below their population group of 8% for FY 2010 (Person County's ratio increases to 8% for FY 2011), and lower than the Statewide average of 10%. Due to the expected debt reductions in fiscal years 2015 and 2016, it is anticipated that Person County's debt service ratio will substantially decrease unless new debt financings are incorporated to assist in leveling out the ratio. A consistent debt ratio level would indicate a stronger management of financing resources in relation to the amount that is available for other services.

<b>FY 2010</b>	<b>Debt Service Ratio</b>
Person County	7%
Population Group	8%
State-wide	10%
Maximum Benchmark	15%



## **Proposed New Debt Service**

The two proposed financings in Person County's 2013-2017 plan are recommended as below:

- **FY 2014 Recreation and Senior Center Construction and Various Roofing Projects**  
It is the current recommendation in this CIP to issue Installment Purchase Debt in FY 2014 for the construction of a Recreation and Senior Center and various re-roofing projects for County and School buildings. The re-roofing projects would include the Huck Sansbury Complex, Helena Elementary School, Person High School and Southern Middle School. The engineering study for the Recreation and Senior Center has been approved to begin in FY 2012 for \$53,000 and the availability of a PARTF grant to help support this project is anticipated for \$1,000,000. The engineering study for the roofing has been completed and estimates are available as part of the latest Roofing Study. The total proposed debt amount for these projects is \$8,300,000 and is comprised of the following:

Recreation and Senior Center Construction	\$ 2,500,000
Re-roofing: Huck Sansbury Complex	290,831
Re-roofing: Helena Elementary School	1,046,068
Re-roofing: Person High School	1,663,306
Re-roofing: Southern Middle School	2,718,910
Issuance Costs	<u>80,885</u>
Total	<u>\$ 8,300,000</u>

- **FY 2017 PCC Allied Health Building and Schools Maintenance Facility Projects**  
Also recommended in this CIP is the issuance of Installment Purchase Debt in FY 2017 for the construction of a health instructional facility for PCC as well as the construction of a maintenance facility for PC Schools. The total proposed debt amount for these projects is \$5,600,000 and is comprised of the following:

PCC Allied Health Building Construction	\$ 4,050,000
PC Schools Maintenance Facility Construction	1,500,000
Issuance Costs	<u>50,000</u>
Total	<u>\$ 5,600,000</u>

**Note:** Person County has the option to finance the Recreation and Senior Center with G.O. Bonds; however, this was not recommended due to the additions of other major roofing projects, the flexibility to level out our current debt structure, and the narrow rate spread now existing between Installment Purchase Financing and G.O. Bonds. Also included in the plan are contingency amounts for both projects that would be locally supported in case of cost overruns. Since the contingency amounts are not part of debt proceeds, any amounts unspent can be re-allocated for any purpose or other capital projects.

## **Possible Impacts on Debt Service**

- The Build America Bonds (BAB's) source of funding from the American Recovery Reinvestment Act (ARRA) were used in the Installment Purchase for Person County's most recent borrowing for the Courthouse Renovation & Roofing Project. This offering from the federal government allowed the County to receive a 35% credit reimbursement on the interest cost after each debt payment. If the BAB's become available again, this savings on interest would be yet another reason to consider near-future borrowings.
- Federal Reserve analysts have forecasted that interest rates will remain low through FY 2014. Regardless if BAB's re-enter the market, the opportunity to finance these larger projects at historical, low interest rates should be taken into consideration.

**Future Debt Service Payments  
for  
Person County**

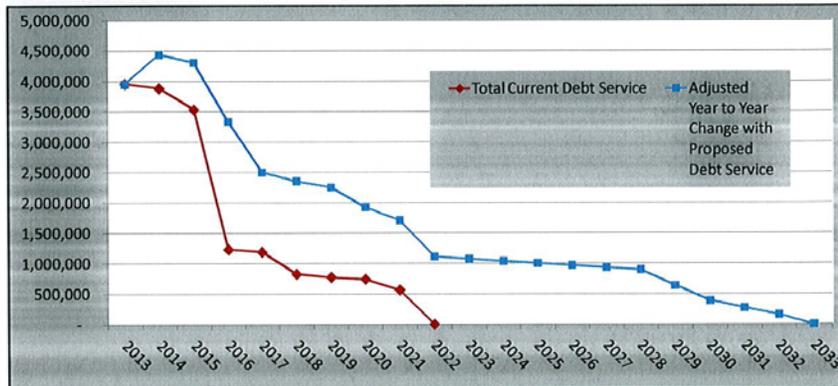
Fiscal Year Ending June 30	2006 Various roofing/paving projects	2007 School Bus Gar/Health Bldg Renov/PCC Roofing	2008 Refinancing of 1999 & 2000 Schools/LEC Bldg	2009 Material Recovery Facility Equipment	2010 Courthouse Renovation & Various Roofing Projects	Total Current Debt Service	Year to Year Change in Current Debt Service
2013	330,915	793,652	2,268,888	98,668	462,180	3,954,302	(81,667)
2014	322,230	616,921	2,394,160	98,668	449,940	3,881,919	(72,383)
2015	313,545	-	2,286,356	-	932,600	3,532,501	(349,418)
2016	329,831	-	-	-	899,960	1,229,791	(2,302,710)
2017	319,969	-	-	-	867,320	1,187,289	(42,502)
2018	483,635	-	-	-	339,780	823,415	(363,874)
2019	442,471	-	-	-	327,540	770,011	(53,404)
2020	427,094	-	-	-	315,300	742,394	(27,617)
2021	411,591	-	-	-	153,060	564,651	(177,743)
2022	-	-	-	-	-	-	(564,651)
<b>Totals</b>	<b>\$ 3,381,279</b>	<b>\$ 1,410,573</b>	<b>\$ 6,949,404</b>	<b>\$ 197,337</b>	<b>\$ 4,747,680</b>	<b>\$ 16,686,272</b>	<b>\$ (4,035,969)</b>

The above chart displays Person County's current debt service schedule. A large amount of debt drops off in fiscal year 2016 for \$2.3M.

This sharp decline in debt obligations and the availability of low interest rates allows for the opportunity and capacity for Person County to take on additional debt (see chart to the right).

The blue line in the graph below includes the new proposed debt and indicates a more gradual dropoff of debt compared to the red line showing our current debt

Fiscal Year Ending June 30	Total Current Debt Service	2014 Proposed - Recreation and Senior Center & Roofing Project	2017 Proposed - PCC Allied Health Building & Schools Maintenance Facility	Total Debt Service with 2014 & 2017 Proposed Financings	Adjusted Year to Year Change with Proposed Debt Service
2013	3,954,302	-	-	3,954,302	(81,667)
2014	3,881,919	557,000	-	4,438,919	484,617
2015	3,532,501	773,000	-	4,305,501	(133,418)
2016	1,229,791	2,105,000	-	3,334,791	(970,710)
2017	1,187,289	883,000	430,000	2,500,289	(834,502)
2018	823,415	657,000	872,500	2,352,915	(147,374)
2019	770,011	639,000	842,500	2,251,511	(101,404)
2020	742,394	621,000	562,500	1,925,894	(325,617)
2021	564,651	603,000	545,000	1,712,651	(213,243)
2022	-	585,000	527,500	1,112,500	(600,151)
2023	-	567,000	510,000	1,077,000	(35,500)
2024	-	549,000	492,500	1,041,500	(35,500)
2025	-	531,000	475,000	1,006,000	(35,500)
2026	-	513,000	457,500	970,500	(35,500)
2027	-	495,000	440,000	935,000	(35,500)
2028	-	477,000	422,500	899,500	(35,500)
2029	-	234,000	405,000	639,000	(260,500)
2030	-	-	387,500	387,500	(251,500)
2031	-	-	270,000	270,000	(117,500)
2032	-	-	157,500	157,500	(112,500)
2033	-	-	-	-	(157,500)
<b>Totals</b>	<b>\$ 16,686,272</b>	<b>\$ 10,789,000</b>	<b>\$ 7,797,500</b>	<b>\$ 35,272,772</b>	<b>\$ (4,035,969)</b>



**BUDGET AMENDMENT:**

Finance Director, Amy Wehrenberg presented and explained the following Budget Amendment.

Upon a motion by Commissioner Jeffers, and a second by Vice Chairman Puryear and majority vote (5-0), the Board of Commissioners of Person County does hereby amend the Budget of the Fund(s) listed below on this, the 12th day of March 2012, as follows:

<u>Dept./Acct No.</u>	<u>Department Name</u>	<u>Amount</u> Incr / (Decr)
<u>EXPENDITURES</u>	<u>General Fund</u>	
	Public Safety	70,000
	<u>CIP Capital Project Fund</u>	(8,399)
	<u>Courthouse Renovation and Roofing Capital Project Fund</u>	(60,000)
<u>REVENUES</u>	<u>General Fund</u>	
	Intergovernmental Revenues	10,000
	Transfer from Other Funds	60,000
	<u>CIP Capital Project Fund</u>	
	Interest Earnings	3,100
	Other Revenues	5,001
	Transfer from Other Funds	(16,500)
	<u>Courthouse Renovation and Roofing Capital Project Fund</u>	
	Transfer from Other Funds	(60,000)

**Explanation:**

Appropriating interest earnings (\$3,100) and insurance claim (\$5,001) in CIP Capital Project Fund to help support approved Recreation and Senior Center Feasibility Study and other adjustments in project costs to account for new roofing requirements on roofing projects that were approved in the current CIP plan; closing out an old project in the CIP Capital Project Fund (-\$16,500) for the EMS Diesel Fuel Tank replacement that was completed in the prior year; interfund transfer from Contingency funds for Courthouse Renovation project (-\$60,000) to the General Fund transfer (\$60,000) in support of Emergency Management expenditures; reduction in the Courthouse Renovation and Roofing Capital Project Fund for the contingency funds needed from the CIP Project Fund (-\$60,000); increase in General Fund for the transfer from the Courthouse Renovation Contingency funding to cover expenditure needs in Emergency Management (\$60,000); and funding received from the 2009 Homeland Security program for the purchase of equipment in the Emergency Management Department (\$10,000).

**March 12, 2012**

**CHAIRMAN'S REPORT:**

Chairman Clayton asked Board members who planned to attend the tour of the old Helena School site at 4:00 pm. Commissioners Blalock and Jeffers noted they would join Chairman Clayton at the old Helena School site for the tour.

Chairman Clayton encouraged all to attend the Girl Scouts Ribbon Cutting at 6:30 pm at the Green Space adjacent to the County Office Building.

Chairman Clayton announced County Assembly Day will be held in Raleigh on May 30, 2012 and he would be passing along information in the near future.

**MANAGER'S REPORT:**

County Manager, Heidi York announced a tour had been scheduled for 4:00 pm at the old Helena School site noting Dr. Bartlett would be joining the group.

Ms. York introduced to the group the newly hired Emergency Services Director, Wes Lail.

Ms. York reported an update change for the upcoming joint session meeting with the City of Roxboro that is scheduled for March 27, 2012. The City of Roxboro has re-located the meeting to the FEMA Room, located at the Health & Human Services Building, 355 S. Madison Blvd. noting dinner will be served at 5:30 pm with the meeting to begin at 6:00 pm. Ms. York noted that neither videoing nor streaming the meeting would be possible at the FEMA Room due to an environmental health state meeting that would be held in the same room prior preventing setup. Ms. York further noted an audio as well as minutes would be available. It was the consensus of the Board to proceed with the joint meeting on March 27, 2012 at the FEMA Room as planned by the City of Roxboro. Ms. York requested the Board's input for any agenda items for the joint meeting with the City of Roxboro.

**COMMISSIONER REPORT/COMMENTS:**

Commissioner Kennington commented on the following:

- Requested the County Manager to work with the Planning Director and report back to the Board what other counties have in regard to a Screening Policy noting the Agriculture Districts as an example
- Regretted he was unable to attend the 4:00 pm tour or the 6:30 pm Ribbon Cutting due to prior commitments
- Requested to add to the City/County joint meeting agenda a discussion related to the old Post Office as a possible joint venture

Commissioner Blalock requested review of the roofing project at Helena School questioning the quality of the metal roof that was constructed in 2001. Commissioner Blalock requested the County Manager to distribute the Special Order by Consent related to Progress Energy to the Board members.

Commissioner Jeffers requested a link be added to the county website for the downloadable form for the NACo prescription card as well as include this information in any upcoming county-wide mailer and communicate in news releases. Commissioner Jeffers noted 400 Person County residents use this program and have saved \$1.5 million.

Vice Chairman Puryear invited the group to attend the Roxboro Jaycees sponsored Distinguished Award Program that will be held on March 23, 2012 at the Perfect Venue at 7:00 pm noting community awards will be given for senior citizen of the year, public servant of the year, young educator of the year, as well as boss of the year.

Board members praised the new look of the county web site.

**RECESS:**

A **motion** was made by Vice Chairman Puryear, **seconded** by Commissioner Jeffers, and **carried 5-0** to recess the meeting at 11:22 a.m. until 4:00 pm at the old Helena School property for a tour of the facility.

Chairman Clayton reconvened the meeting at 4:00 pm at the old Helena School site for the purpose of a tour. Commissioners Blalock and Jeffers were in attendance. Vice Chairman Puryear and Commissioner Kennington were absent. The County Manager, Clerk to the Board and General Services Director were also present for the tour.

General Services Director, Ray Foushee led the group on a tour of the old Helena School site, including the main building, cafeteria, gym and one of the buildings used by the Alternative School for an administrative office.

**RECESS:**

A **motion** was made by Commissioner Jeffers, **seconded** by Commissioner Blalock, and **carried 3-0** to recess the meeting at 4:48 pm until March 27, 2012 for joint session with the City of Roxboro at the FEMA Room located in the Human Services Bldg at 5:30 pm for dinner and a meeting at 6:00 pm.

---

Brenda B. Reaves  
Clerk to the Board

---

Jimmy B. Clayton  
Chairman