

PERSON COUNTY BOARD OF COMMISSIONERS

MAY 19, 2014

MEMBERS PRESENT

OTHERS PRESENT

Jimmy B. Clayton

Heidi York, County Manager

Kyle W. Puryear

C. Ronald Aycock, County Attorney

B. Ray Jeffers

Brenda B. Reaves, Clerk to the Board

Frances P. Blalock

David Newell, Sr.

The Board of Commissioners for the County of Person, North Carolina, met in regular session on Monday, May 19, 2014 at 9:00 am in the Commissioners' meeting room in the Person County Office Building.

Chairman Clayton called the meeting to order, led invocation and the Pledge of Allegiance. Commissioner Puryear was present via telephone conference call due to a recent surgery and Vice Chairman Jeffers was absent until 10:08 am.

DISCUSSION/ADJUSTMENT/APPROVAL OF AGENDA:

Chairman Clayton requested consideration that Tanya Evans and Greg Duhon be added as speakers during item #4 for a Resolution supporting the remediation of water contamination related to coal combustion waste and removal of coal combustion waste.

A **motion** was made by Commissioner Blalock and **carried 4-0** to add Tanya Evans and Greg Duhon as speakers during item #4 for a Resolution supporting the remediation of water contamination related to coal combustion waste and removal of coal combustion waste.

Chairman Clayton requested an item be added to the agenda for a recommendation from the Economic Development Commission following the Uptown Development Update.

A **motion** was made by Commissioner Blalock and **carried 4-0** to add an item to the agenda for a recommendation from the Economic Development Commission following the Uptown Development Update.

A **motion** was made by Commissioner Newell and **carried 4-0** to approve the agenda as adjusted.

RECOGNITIONS:

RESOLUTION OF APPRECIATION FOR RETIREE HAROLD "HAL" OAKLEY:

Chairman Clayton read and presented a Resolution of Appreciation to Person County retiree, Harold "Hal" Oakley.

May 19, 2014

RESOLUTION OF APPRECIATION

WHEREAS, Harold "Hal" Oakley has served the people of Person County in his capacity as Telecommunication Technology Supervisor at Person County 911 Communications; and

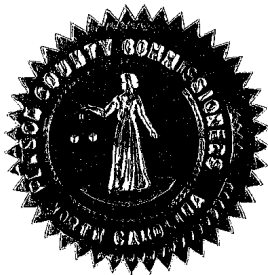
WHEREAS, Harold "Hal" Oakley has served the citizens of Person County with honor, integrity, sincerity and dedication, providing accurate, concise services for twenty and one-half years, October 1993 – April 2014; and

WHEREAS, Harold "Hal" Oakley has earned the respect and admiration of all who have known him and worked with him throughout his career; and

WHEREAS, the County of Person recognizes the many contributions Harold "Hal" Oakley has made to the County and offers him sincere best wishes for his retirement.

NOW, THEREFORE, I, Jimmy B. Clayton, Chairman of the Person County Board of Commissioners, do hereby extend this Resolution of Appreciation to Harold "Hal" Oakley for continually striving to make Roxboro and Person County a better place to live and work.

Adopted this 19th day of May, 2014.



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

May 19, 2014

RECOGNITION OF PERSON COUNTY SAFETY BANQUET AWARD RECIPIENTS:

County Manager, Heidi York told the group the 29th Annual NC Department of Labor Safety Banquet was held Thursday, April 24th at the Old Country Club Steak House. NC Department of Labor Commissioner Berry and her team presented thirty-three awards to safety conscious county organizations.

The NC Department of Labor's Safety Awards Program recognizes private and public firms throughout the state that achieve and maintain good safety records. The program is designed to stimulate interest in accident prevention and to promote safety in the workplace by providing an incentive to employers and employees to maintain a safe and healthful workplace. To qualify for an annual safety award, a firm must meet the following requirements:

- It must have had no fatalities at the site during the calendar year for which the award is given.
- It must have maintained either a perfect safety record for that year, or an incidence rate at least 50 percent below the average for its particular industry group.

Person County Departments that were recognized are:

First Year

Person County Emergency Services

Third Consecutive Year

Person Industries, Person County Recycling Center

Fifteenth Year

Person County Finance and Taxation Departments

Person Industries, PI Main

Ms. York and Board members recognized the staff of Person County Emergency Services, Person Industries – Recycling Center, Finance Department, Tax Office and Person Industries – Main Facility that were present on behalf of each department for a safe working environment.

INFORMAL COMMENTS:

There were no comments from the public.

DISCUSSION/ADJUSTMENT/APPROVAL OF CONSENT AGENDA:

A **motion** was made by Commissioner Blalock and **carried 4-0** to approve the Consent Agenda with the following items:

- A. Approval of Minutes of May 5, 2014
- B. Budget Amendment #14
- C. Tax Adjustments for April 2014
 - a. April 2014 Tax Releases
 - b. April 2014 NC Vehicle Tax System pending refunds

UNFINISHED BUSINESS:**RESOLUTION SUPPORTING THE REMEDIATION OF WATER CONTAMINATION RELATED TO COAL COMBUSTION WASTE AND REMOVAL OF COAL COMBUSTION WASTE:**

At the Board's April 21, 2014 meeting, it was the consensus of the Board to table action on the Resolution supporting the Remediation of Water Contamination related to Coal Combustion Waste and removal of Coal Combustion Waste until after the joint session meeting with the City of Roxboro on May 8, 2014 to allow the information session to be held related to the Dan River spill. The Resolution supporting the Remediation of Water Contamination related to Coal Combustion Waste and removal of Coal Combustion Waste was adopted by the Kerr Tar Council of Government (COG) Board of Directors at their April 24, 2014 meeting. The resolution was provided by the Dan River Association to the COG and that COG staff had passed the resolution to the member governments for each governing body to consider adopting. Commissioner Blalock provided input and added the last whereas statement in the resolution before the Board of Commissioners.

Ms. Tanya Evans, District Manager for Duke Energy, who was added to the agenda to speak on this item, told the Board the Dan River Basin Association and the COG adopted the Resolution supporting the Remediation of Water Contamination related to Coal Combustion Waste and removal of Coal Combustion Waste without expert presentations and accurate data to substantiate the facts outlined within the resolution. Ms. Evans stated there are not 13 coal combustion waste impoundments but six coal ash basins. The resolution referred to toxicants however Ms. Evans stated that less than 1% of the coal ash is heavy metal reiterating the Environmental Protection Agency (EPA) has deemed coal ash as a non-hazardous waste that is permitted into municipal landfills. Ms. Evans stated the 82,000 tons of coal combustion waste should be 39,000 tons and that \$1.5B estimated damage is not economically correct noting Duke Energy's shareholders will bear all costs in rectifying the issue. Ms. Evans stated remediation began immediately and Duke Energy has been working with the state Department of Environmental & Natural Resources (DENR) and EPA with dredging to remove the coal ash deposits as well as removal of coal combustion waste away from the Dan River and any other sources of drinking water.

Ms. Evans illustrated through handouts how retired ash basins are being used, i.e. dense forests and a wildlife refuge (located in central NC and retired in the 70's with monitoring) noting the resolution before the Board would provide that the trees and land will be taken away to allow permanent storage elsewhere. Ms. Evans reminded the group that she went on record on May 8, 2014 stating Duke Energy would do what it takes to make it right.

Mr. Greg Duhon, Upper Piedmont Landfill Manager, asked the Board to consider the special waste definition noting coal ash is allowed by regulated policy of the EPA. Mr. Duhon noted liability of any such material into the landfill would still remain in the responsible owner, in this case, Duke Energy, to which the Upper Piedmont, a private owned facility would remediate should the need arise. Mr. Duhon stated water and air sampling is still performed and will continue to be done even if down-the-road the landfill were to close.

Commissioner Blalock, before the meeting, placed a draft Resolution for a Moratorium on Coal Ash transfer to Municipal Solid Waste Landfills at each commissioner's seat for consideration in lieu of the Resolution supporting the Remediation of Water Contamination related to Coal Combustion Waste and removal of Coal Combustion Waste. The text for the proposed resolution follows:

RESOLUTION FOR A MORATORIUM ON COAL ASH TRANSFER TO MUNICIPAL SOLID WASTE LANDFILLS

WHEREAS, coal combustion waste contains toxicants such as arsenic, lead, mercury, cadmium, chromium, and selenium, and the toxicants in coal combustion waste are linked to cancer and neurological damage in humans, as well as harm to wildlife, especially water-dwelling species; and

WHEREAS, on February 2, 2014 thousands of tons of coal combustion waste and millions of gallons of contaminated water spilled into the Dan River and the Dan River Power Station near the City of Eden, and

WHEREAS, coal ash is a special waste not fit for municipal solid waste landfills and should be put in a protected structure on Duke Energy property, thereby preventing the transfer of liability from private to public entities; and

WHEREAS, on January 29, 2014 the United States Department of Justice lodged a consent decree with the U.S. District Court for the District of Columbia that requires the US Environmental Protection Agency to publish a final rule addressing the disposal of coal ash by Dec. 19, 2014;

NOW, THEREFORE, BE IT RESOLVED, that no coal combustion waste be placed in any Person County municipal solid waste landfill before the United States Environmental Protection Agency shall have published in the federal register the final coal combustion residuals rule.

May 19, 2014

BE IT KNOWN that the Person County Board of Commissioners members were present on this day of _____, and the foregoing Resolution was duly adopted by a vote of the members, and that said Resolution has been duly recorded in the Board minutes and is in full force and effect.

Commissioner Blalock requested Board consideration to adopt the resolution for a moratorium until such time a ruling is made by EPA. The expected date for a ruling is December 19, 2014 and Commissioner Blalock stated the fact EPA has taken such a long time in publishing a ruling is detrimental to the air and water environment and the health of citizens in Person County.

County Attorney, Ron Aycock addressed the contractual issues related to the proposed Resolution for a moratorium on coal ash transfer to municipal solid waste landfills noting by adopting such resolution would initiate a ban on moving coal combustion products to the landfill. Mr. Aycock said the county could make a request (not mandate) for the landfill to exclude acceptance of a material that falls within the category of other wastes that may put at risk or danger to the environment until an examination takes place to verify if a danger or risk to the environment is present and/or until the EPA makes a ruling addressing the disposal of coal ash. Mr. Aycock further noted the coal ash from the Dan River is being sent to the landfill under permitted, regulatory provision outlined by the state.

Commissioner Puryear stated consideration to table action due to the fact the proposed resolution was not in the Board packet and the Board members have not had sufficient time to review.

Commissioner Newell asked to revise his comments at the Board's November 8, 2013 meeting noting since that time, his analysis is that coal ash has been around here forever granted the situation in Danville appeared to be a catastrophic event but to his knowledge, no one has been injured, in fact, the current water levels in his opinion would not even mandate the clean-up. Commissioner Newell continued by stating that Duke Energy is being asked to stop a certain part of the business and he is unsure if the Board has enough facts to make that demand and did not want the Board to act on emotion. Commissioner Newell wondered if anyone would have made a statement if the ash pond was being cleaned up and the spill had not taken place. Commissioner Newell added there is no proof that the material is hazardous, even though the material has hazardous content which has been here since the beginning of time and he has not heard of anyone dying from coal ash. Commissioner Newell stated he still feels that coal ash should be stored on the company's own property to which the County has licensed them to put coal ash in their own landfill.

A **motion** was made by Commissioner Newell and **carried 5-0** to table action related to the Resolution for a moratorium on coal ash transfer to municipal solid waste landfills.

May 19, 2014

Mr. Duhon clarified the EPA ruling is predicated upon the fact that the guidelines set forth in 40CFR Section 261.4 lists coal ash as being excluded from the hazardous waste list noting EPA has been asked to review is whether or not required analysis of the material rather than to assume that is non-hazardous. By the current regulations, Mr. Duhon stated Upper Piedmont Environmental is fully within its rights and regulatory guidelines to accept coal ash from energy production without any sort of documentation. Mr. Duhon added EPA is considering the requirement of analytical data to determine toxicity levels.

PUBLIC SAFETY COMMUNICATION SYSTEM: UPDATED FEASIBILITY STUDY:

Assistant County Manager, Sybil Tate reminded the Board that on April 21, 2014, the Board funded an upgrade to the feasibility study to investigate two additional options for moving forward with the public safety communication/broadband project. The feasibility study includes the annual cost, total cost and timeline for two additional options for constructing public safety towers.

Mr. Frank Marum, Partner of TSS Partners provided the Board with a presentation for the updated feasibility study options as follows:

**Person County Public Safety
Communication/Broadband System**

TSS
Technology
Systems
Solutions
PARTNERS

OBJECTIVES

- **Update Feasibility Study to add 2 new options:**
 - Construct 1 tower per year
 - Construct 2 towers per year
- **Estimated Costs**
 - Costs per financial year
 - Total costs
- **Estimated Timeline**
- **Prioritization of tower sites**

Comparison of Options

TSS
Technology
Systems
Solutions
PARTNERS

Option	Total Cost
OPTION #1: 4 towers simultaneously	\$4,170,000
OPTION #2: 2 towers/per year	\$4,259,000
OPTION #3: 1 tower/per year	\$4,432,000

TIMELINE

Option # 1

Option # 2

Option # 3

28 months

43 months

68 months

Order of priority for tower construction

TSS
Technology
Systems
Solutions
PARTNERS

PROPOSED PRIORITY

- #1 Woodland
- #2 Bushy Fork
- #3 Mt Tirzah
- #4 Bethel Hill

PRIORITIZATION APPROACH

- Talk-in coverage will be improved in the East when Moriah and Bethel Hill Volog receivers are repaired.
 - No Talk-in improvement in the West
- Priority for coverage is the West
- Public safety Stakeholder #1 priority is Woodland
- Highway Patrol have stated that Woodland is a candidate for a VIPER site but no commitment on timeline.

ASSUMPTIONS

- Antenna space is available on VIPER tower to deliver line of sight to Woodland.
- Volog receivers deliver anticipated coverage in the East
- Cefco will not be repaired due to lack of line of sight to Piedmont or EMS.

County Manager, Heidi York stated Option 3 (1 tower per year) limits the ability to finance the project. Ms. York noted no funding was included in the Recommended Budget with an adjustment possibly needed once the Board determines its preference for the project.

Commissioner Puryear stated his preference with Option 2 (2 towers per year).

It was the consensus of the group to continue discussion on this item during a budget work session.

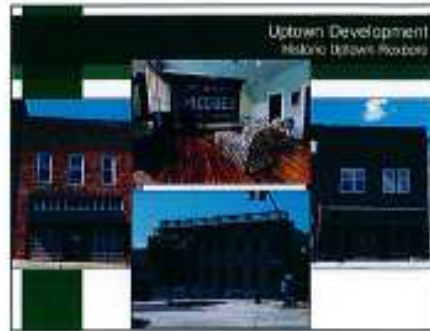
NEW BUSINESS:

UPTOWN DEVELOPMENT UPDATE:

Abby Gentry, Director of Uptown Development and Roxboro Development Group reminded the group that through the collaborative efforts of the City of Roxboro and Person County, the Uptown Development Director position was created in 2012 to focus on the economic development and historic preservation needs of Uptown Roxboro by working alongside the North Carolina Main Street program, the Roxboro Development Group, the City of Roxboro, and Person County. This was the first Uptown Development Update to the County Commissioners since the position of Uptown Development Director was filled in December of 2012. Ms. Gentry stated the updates will be scheduled quarterly to ensure the County Commissioners are aware of developments occurring in Uptown Roxboro.

The updates will include but are not limited to: beautification efforts, previous event statistics, future event plans, building activity, business activity, statistical information, and project development.

Ms. Gentry gave the Board an update through the following presentation:





Roxboro Development Group What is Main Street?

- Main Street is the historic core of our community
- Sustainable economic development within the context of historic preservation
- Follows a 4-point approach to revitalization:
 - Organization
 - Promotion
 - Design
 - Economic Reinforcing

 North Carolina Main Street

"The N.C. Main Street Center works to stimulate economic development within the context of historic preservation, using a comprehensive approach to downtown revitalization developed by the National Trust for Historic Preservation and utilized by the National Trust Main Street Center to assist communities across the country."

Roxboro Development Group Organization

- Full Time Director
- 13 Member Board of Directors
- 5 co-offices
- Additional committee volunteers
- Bi-monthly meetings
- Committees meet on or "as needed" basis



Committee members:
Wil Carvel – President, Wham-Ham – Vice-President, Scott Brock – President Elect, Crystal Cole – Treasurer, David Stevens – Secretary, Abby Gentry – Director

Roxboro Development Group Promotion



Committee members:
Margaret McMan – Chair, Wham-Ham, Scott Brock, Scott Stevens, Mary Dinkler, Scott Brock, Linda Dinkler, Brian Pollock, Bruce Wilson, Lindsey Wiggert, Abby Gentry

Roxboro Development Group Design

- Revitalization projects
 - Trashcans
 - Banquettes
 - Street Signs
 - Hanging Flower Baskets
 - Kirby Roadin
- RDS Facade Initiative Grant funds up to \$2,000 for up to 10 facade improvement projects
 - Grants 100%, full facade projects, from big to small
 - ReMax, The Gathering Place, Weaver's E, Tricia's, Whitfield's Barber Shop...



Committee members:
Brian Pollock – Chair, Wil Carvel, Scott Brock, Lindsey Wiggert, Abby Gentry

Roxboro Development Group Economic Restructuring

- Work with City Council, Person County, Person County Economic Development Commission, property owners, and residents
- Business Recruitment
 - Uptown is the place to be!
- Project Development
 - Month Commence
 - Kirby Rastin - Grant Development & Financial Consultant
 - Community Partnerships
 - Main Street Solutions Fund - \$175,000 granted
 - Desert Sands - Roxboro Main Street Project

Commitment to:
Wayne Ford - Chief, David Stiles, Mark Durkin, Randy Reynolds, Adam Haywood, Dr. Walter Gorman, Carl Smith, Abby Gasky



Uptown Development Facts & Figures

- FY12-13 saw a \$208,100 public/private investment in Uptown Roxboro
- FY13-14 ready to see a \$125,000+ public/private investment
 - majority of investment coming from private sector
- 3 Popcorn Events awarded this year
- Approximately 400.5 volunteer hours, which is equivalent to \$20,192.02 in volunteer time
- More than triple the amount of events from 2012 to 2014
- Roxboro Development Group website page
- Increase in public interest
- Property & projects in various phases of development
 - Increase living units
 - Increase in available retail footage
 - Increase in services

Roxboro Development Group Uptown Economic Vision Statement

"Nested between Hysco and Mayo Lakes, Historic Uptown Roxboro is Person County's hub of community activities and commerce. Uptown preserves its history while offering quaint shopping, diverse culinary ventures and lively cultural arts -- all in a safe, family-friendly environment. Come Uptown for the experience and stay for the charm and generosity."

- Vision Forum held on November 18, 2012
- Facilitated by the North Carolina Main Street Center
- Community involvement = Community support

Roxboro Development Group Goals

- Uptown Revitalization - overarching goal
 - Organization
 - Engaged Board Members & Community
- Provide
 - Variety of events present in uptown
 - Social & Business
 - Community Brand/Marketing
- Design
 - Beautification
 - Development of Desert Sands
- Economic Restructuring
 - Fill vacant storefronts
 - Upper floor development - apartments

What's happening in 2014???

May
 Upstream Walking Route Search
 Thursday, May 7 @ 10am
 Meritt Commons Pavilion

Alive After Five with:
 The Mission Loewie Band
 Thursday, May 7 from 5:30 - 8pm
 Meritt Commons

Rally in the Alley
 Saturday, May 30 from 10am - 4pm
 Upstream Pavilion





What's happening in 2014???

June
 Alive After Five with The Green Cafe
 Thursday, June 12 from 5:30-8pm
 Meritt Commons

Rock n' Roll
 Friday, June 20 from 6-8pm
 Upstream Pavilion

WAM (Wings, Art & Music) Festival
 Saturday, June 21 from 11am - 2pm
 Upstream Pavilion





What's happening in 2014???

July
 6th of July Parade
 Friday, July 4 from 11-12pm
 Upstream Pavilion
 Sponsored by the Director's Boardtable

Rock n' Roll
 Friday, July 18 from 6-8pm
 Upstream Pavilion

August
 Rock n' Roll
 Friday, August 22 from 6-8pm
 Upstream Pavilion





What's happening in 2014???

Alive After Five with The Holiday Band
 Friday, August 22 from 5:30-8pm
 Meritt Commons

KK's 10th Anniversary Festival

September:
 Rock n' Roll
 Friday, September 26 from 6-8pm
 Upstream Pavilion

Rally at the Lakes:
 (tentative) Saturday, September 27
 Visit to Meritt Commons




What's happening in 2014???

October
 Move After Five with the Ladies
 Thursday, October 9 from 5-8:30pm
 Meritt Community

Box n' Roll
 Friday, October 17 from 6-8pm
 Uptown Robbers

Spooktacular
 Wednesday, October 23 from 5-8pm
 Meritt Community





What's happening in 2014???

December
 Jingle at Main
 Thursday, December 4 from 5-8pm
 Uptown Robbers
 Sponsored by the Director's Roundtable



*Schedule subject to change

The Future

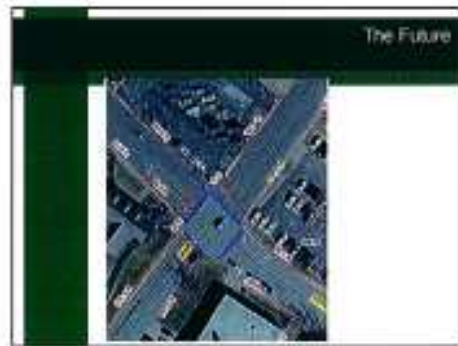
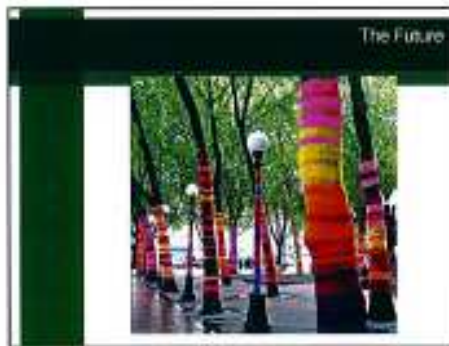


ROXBORG BACK PORCH

The Future



ROXBORG BACK PORCH





ECONOMIC DEVELOPMENT COMMISSION RECOMMENDATIONS:

Chairman Clayton stated he requested this item be added to the agenda at the request of the Economic Development Commission (EDC) who met last week and discussed and voted unanimously to recommend to the Board of Commissioners the following changes in the membership.

1. To allow the County Manager and the City Manager to serve as “ex officio” members in order to open up two additional voting seats. One of these seats would be appointed by the City Council, the other seat would be appointed by the Commissioners,
2. To allow the Chairman of both the Roxboro Development Group and Chamber of Commerce Boards the opportunity to choose an alternate from their executive board to serve on the EDC for their term, and
3. To allow the seat currently assigned to the Director of the Piedmont Community College Small Business Center to be held by the Piedmont Community College’s Dean of Corporate and Occupational Training.

Chairman Clayton noted the EDC was limited by general statute to nine members. Economic Development Director, Stuart Gilbert added the recommended changes resulted from discussion to have more community representatives. Mr. Gilbert said the EDC had also discussed giving voting privileges to the City and County Managers to act in the absence of the Mayor and Chairman of the Board of Commissioners.

Commissioner Puryear asked if any members of the EDC were compensated for their service. Chairman Clayton and County Manager, Heidi York stated no compensation is extended to any member of EDC. Commissioner Puryear asked the County Attorney if he had a conflict with this item. County Attorney, Ron Aycock stated Commissioner Puryear did not have any conflict of interest participating in the discussion or action of this item before the Commissioners.

Vice Chairman Jeffers requested the following changes to the EDC’s recommendation for membership and asked staff to bring back an amended resolution:

- The seat held by the Person County Manager be changed to a County appointed representative of a county business,
- The seat held by the City of Roxboro City Manager be changed to a City appointed representative of a city business, and
- The seat held by the Director, Piedmont Community Small Business Center, recommended to be held by the Dean of Corporate and Occupational Training serve as “ex officio” and to change the seat to a member at-large seat.
- There were no further changes to the EDC recommendation for the elected Chairman of both the Roxboro Chamber of Commerce and Roxboro Development Group to choose an alternate from their respective executive board to serve on the EDC for his/her term or for the City and County Managers to serve “ex officio” without voting authority.

Mr. Aycock suggested the Board allow staff to revise the wording for an amended resolution based on the Board's policy decision and bring back to the Board to confirm.

A **motion** was made by Vice Chairman Jeffers, and **carried 5-0** to recommend the following changes in the Economic Development Board's membership and to have staff to amend the Resolution Reconstructing the membership of the Person County Economic Development Board and bring back to the Board's next meeting:

- The seat held by the Person County Manager be changed to a County appointed representative of a county business,
- The seat held by the City of Roxboro City Manager be changed to a City appointed representative of a city business,
- The seat held by the Director, Piedmont Community Small Business Center, recommended to be held by the Dean of Corporate and Occupational Training serve as "ex officio" and to change the seat to a member at-large seat appointed by the County, and
- To allow the elected Chairman of both the Roxboro Chamber of Commerce and Roxboro Development Group to have the opportunity for his/her term to choose an alternate from their respective executive board to serve on the EDC.

As recommended by EDC, the City Manager and County Manager would serve "ex officio" without voting authority.

PRESENTATION OF THE FISCAL YEAR 2014-2015 RECOMMENDED BUDGET:

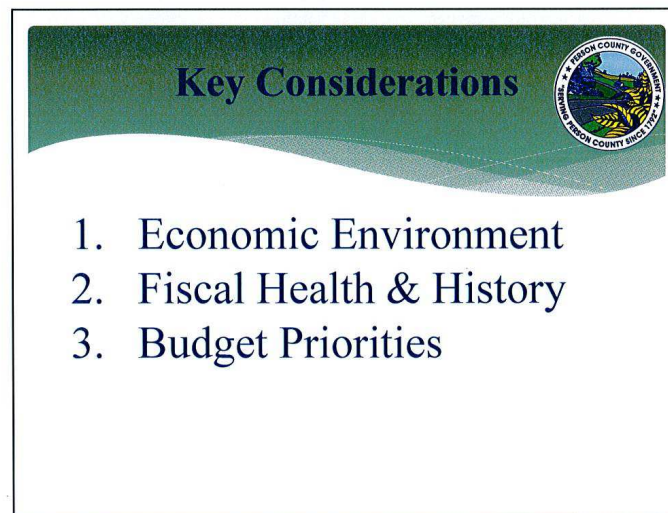
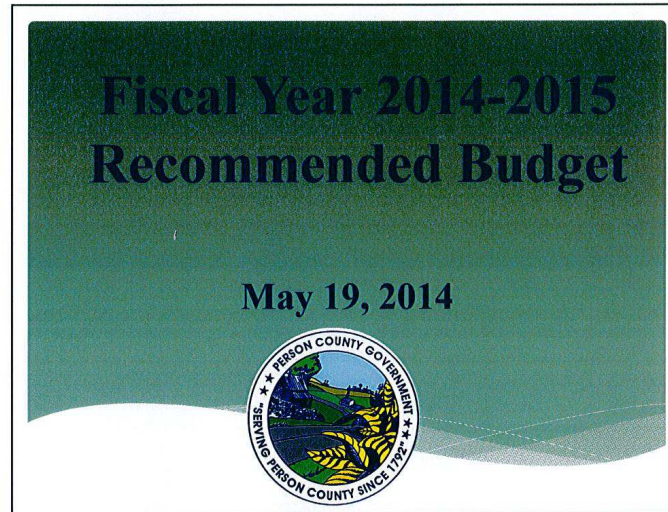
County Manager, Heidi York stated North Carolina General Statutes require that on or before June 1, the manager present her recommended budget for the next fiscal year to the Board of Commissioners.

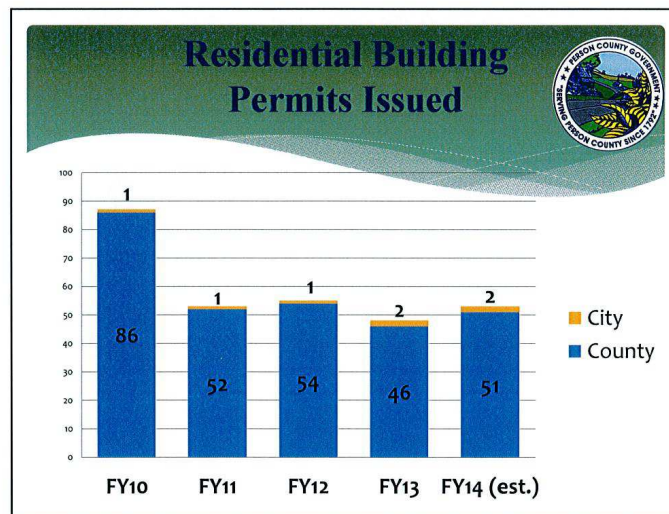
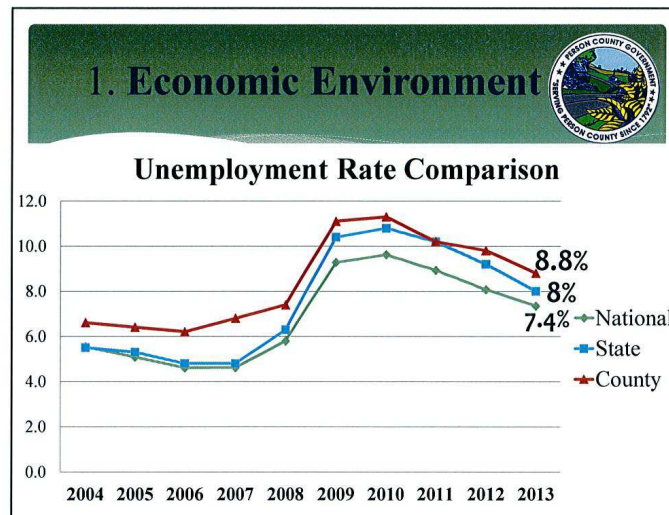
Ms. York noted the Recommended Budget maintains the current tax rate and makes strides toward restoration of fund balance. Highlights include:

- Reduced fund balance allocation by \$77,877
- Reduced CIP funding by \$942,710
- Senior Rec Center funding is in a project fund, which is set aside for that project
- Public Safety Communication funding can be pulled from FY15 contingency, or if timing allows, funding could be pulled from current year contingency...it will likely be financed, so a reimbursement of the funds is possible
- Small increases to education budget: Person County Schools approximately .5% and Piedmont Community College approximately 1%.

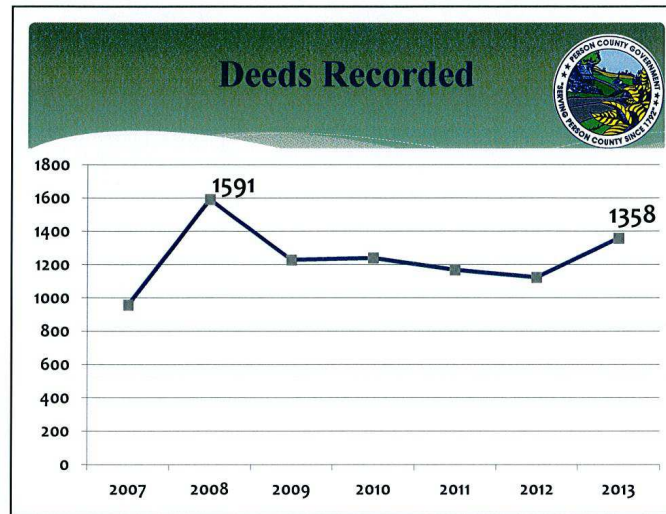
Ms. York provided the Board with an overview of the Fiscal Year 2014-2015 Recommend Budget through the following presentation:

5/19/2014





Ms. York estimated an additional \$19,000 in revenues for FY15.

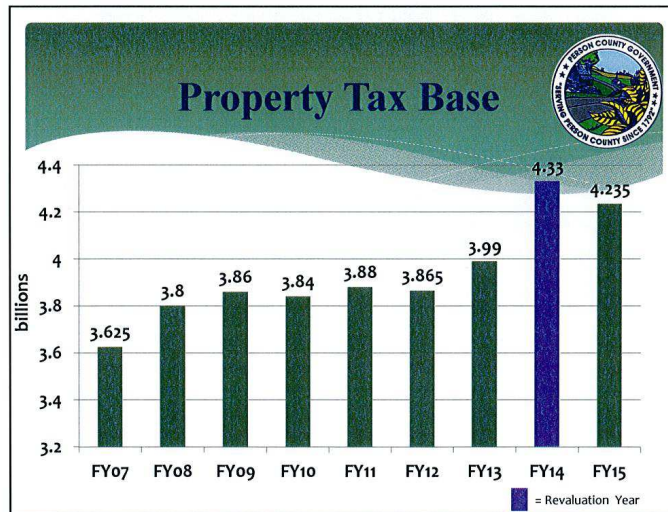
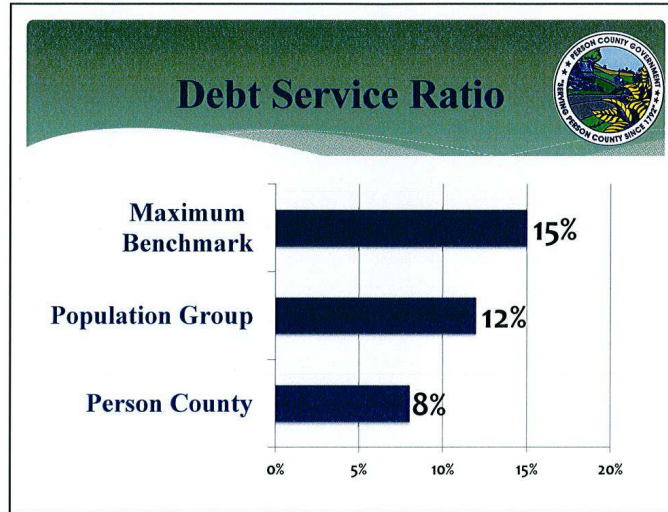


2. Fiscal Health & History

- Bond rating has remained the same (A1 and AA-) since 2004
- Debt service ratio is low compared to peer counties
- Property tax base reflects slight growth, when one-time bonus is removed
- Unassigned Fund Balance as a percent of total expenditures has substantially decreased
- Tax rate has remained the same for 8 years

Debt Service ratio is calculated as annual debt service divided by total expenses.

5/19/2014



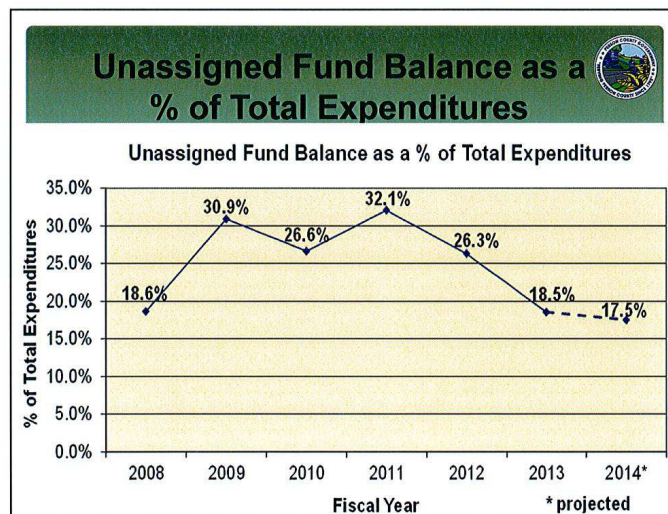
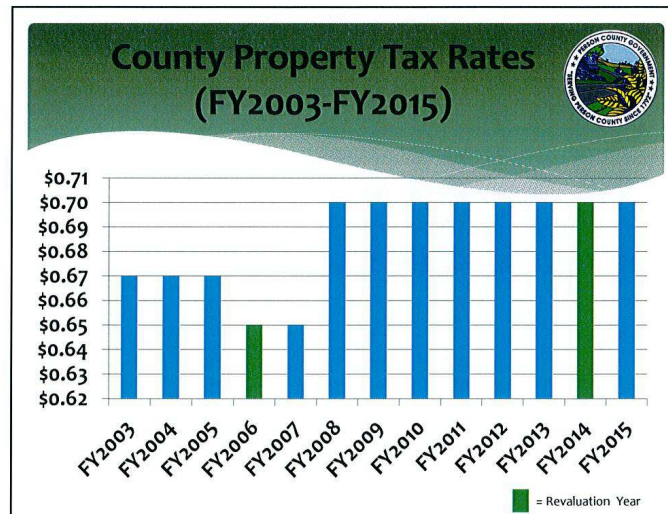
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- a loss of \$95M for FY15
- FY14 was the reval year, tax year for reval was 2013
- These represent budgeted numbers for property tax base

May 19, 2014

Ms. York stated for the 8th consecutive year, the tax rate remains at .70 per \$100 valuation.

5/19/2014



5

Ms. York recommended appropriations from Fund Balance to be halted with other alternative revenue sources pursued by either a tax rate increase or substantial reductions in spending.

May 19, 2014


3. Budget Priorities



- ☒ Maintaining the current tax rate
- ☒ Restoring the County's dwindling Fund Balance
- ☒ Delaying all Capital Improvement Projects
- ☒ Funding for a Recreation and Senior Center
- ☒ Funding the Public Safety Communication and Broadband initiative
- ☒ Holding education funding flat

Survey Items for FY15	YES	NO
Delay all CIP projects for 1 year (-\$1.5M)	5	0
Hold education funding flat (\$10.6M)	3	2
Fund Public Safety Communication/Broadband Project (\$4M)	3	2
Fund Rec Senior Center (\$4-5M)	3	2
Fund some strategic plan projects (\$116,137)	2	3
Fund the least expensive strategic plan project from each group (\$25,500)	2	3
Fund a new recycling facility (\$2-3M)	2	3
Fund Pay & Classification study over 3 years (\$279,836/year 1)	1	4
Fund all strategic plan projects (\$166,037)	0	5

FY15 Budget Overview




General Fund = \$53,649,933

- A decrease of \$826,841 or -1.52%

All Funds = \$57,490,434

- A decrease of \$772,530 or -1.33%

Revenues



- Property valuation of \$3.96B
- Collection Rate of 97.25%
- One cent = \$412,610
- Overall, revenues are down, loss of the one-time bonus (\$776,675) from the Tax and Tag program
- Were able to recoup some of that loss
- Some growth in tax base

The General Fund provides for services funded through property tax dollars which had a decrease in revenues and an increase in expenditures. Adjusting collection rate by quarter percentage provides additional \$70,000. A decrease in revenues due to the exclusion of one-time bonus in motor vehicle collections from the State's new Tax & Tag together program which gave the County 16 months of collections over a 12 month period. There is some growth in tax base due to investments (Eaton & GKN \$577K).

Property Tax Revenues



Overall, net loss from the property tax revenues is \$386,804.

Revenue Type	FY14	FY15	Net Gain/Loss
Real, business and personal	\$27,533,450*	\$26,957,700	-\$575,750
DMV	\$1,731,054	\$1,920,000	\$188,946
TOTAL	\$29,264,504	\$28,877,700	-\$386,804

*Included a 4 month, one-time bonus of \$776,675

Other Revenues



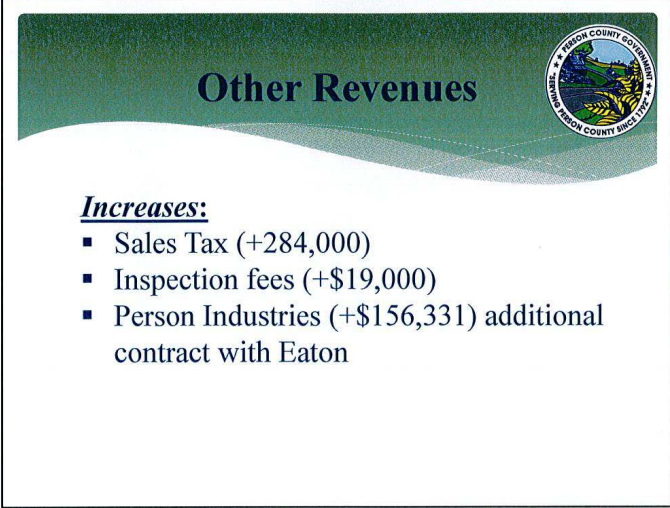
Decreases:

- EMS fees (-\$180,000) NCFast
- Very Important Parents (-\$51,763) loss of grant
- Health Department (-\$302,861) end of grant
- DSS (-\$22,095) decrease in State funds
- Inspections (-\$30,000) loss of minimum housing partnership with City
- Recycling (-\$20,000) due to market changes

\$85M in tax base growth (+\$577,150, primarily from Eaton and GKN investments), higher than estimated DMV revenues (+\$188,946) and an increase in the collection rate from 97% to 97.25% (+\$69,300) helped bring the net loss down to \$386,804 instead of the full \$776,675. The Tax and Tag revenues are estimated using a collection rate of 99% in FY15.

Ms. York stated the stormwater fees will remain flat \$239,000.

5/19/2014

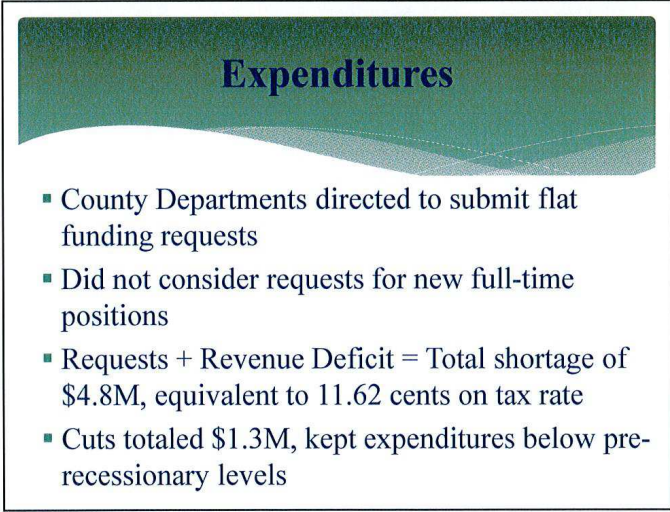


Other Revenues

Increases:

- Sales Tax (+284,000)
- Inspection fees (+\$19,000)
- Person Industries (+\$156,331) additional contract with Eaton

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Expenditures

- County Departments directed to submit flat funding requests
- Did not consider requests for new full-time positions
- Requests + Revenue Deficit = Total shortage of \$4.8M, equivalent to 11.62 cents on tax rate
- Cuts totaled \$1.3M, kept expenditures below pre-recessionary levels

The slide features a green header with the title "Expenditures".

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Ms. York noted the new merit pay system in its first year of implementation caused increases in all salary lines. This was exempted in the flat spending requirement. Ms. York reminded the Board approved 10.2 positions in the current fiscal year.

May 19, 2014

Expenditures



Decreases:


- Recycling Center (-\$134,345) end of lease, equipment debt
- Contingency (-\$158,123) \$75,000 available in unassigned
- General Services (-\$32,575) removed EMS fence and boardroom seating project
- Public Health Dept. (-\$242,222) end of grant


Expenditures



Increases:

- EMS(+\$226,843) ambulance
- Sheriff (+\$106,374) cert. increases, merit, etc
- Jail (+\$92,889) food contract, cert. increases
- IT (+\$66,768) pos reclass & 12 mos of position
- HR (+\$60,233) 12 mos of position, unemployment costs
- Kirby (+\$22,658) sound equipment
- Tax Office (+\$33,100) DMV collection fees

<div> <div>Vehicle Requests</div>  </div>		
Dept.	Number of vehicles	Cost
Sheriff	7 patrol	\$185,500
DSS	1 4WD	\$31,930
EMS	1 ambulance	\$190,000
Animal Services	1 truck	\$28,000
Parks and Rec (Mayo)	1 truck	\$27,000
PATS (90% reimburseable)	2 vans	\$105,007 (includes tags)
TOTAL	13	\$567,437

<div> <div>Volunteer Fire Departments</div>  </div>			
	FY14	FY15	Increase
Allensville	\$43,533	\$43,533	\$0
Ceffo	\$87,046	\$87,046	\$0
Hurdle Mills	\$87,073	\$87,073	\$0
Moriah	\$86,956	\$86,956	\$0
Semora	\$13,958	\$13,958	\$0
Timberlake	\$45,107	\$45,107	\$0
Triple Springs	\$43,551	\$43,551	\$0
Woodsdale	\$43,401	\$64,826	\$21,425
Rescue	\$44,106	\$44,106	\$0
TOTALS	\$ 494,731	\$516,156	\$21,425

Ms. York stated the City of Roxboro's increase was 2% or \$7,333 for FY15 for a total contract of \$373,964 for FY15.

Education



- PCS requested a **10.2%** increase
- PCC requested a **24.3%** increase
- Requires a **3 cent** increase to tax rate

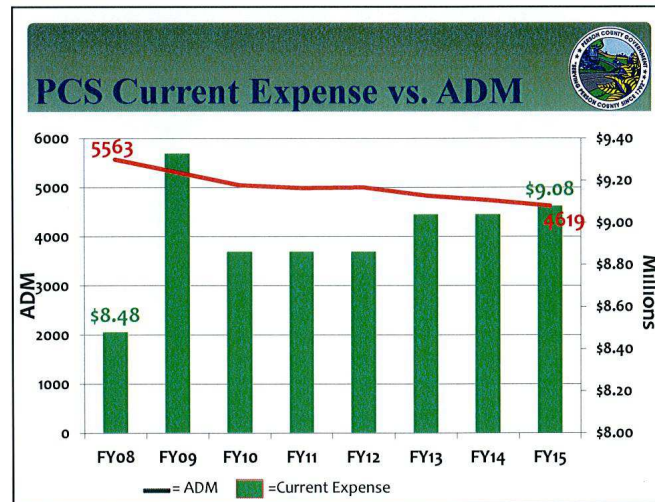
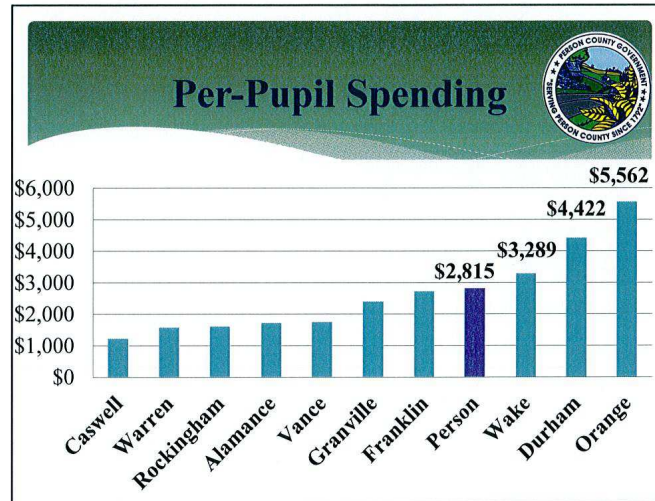
Person County Schools




Requested: \$10,478,931 for current expense & capital (2.35 cents on tax rate)

Recommending: \$9,554,711 for current expense & capital. Funds all requested technology needs & a 2% increase to teacher supplements

Current Expense	Capital	CIP	Debt Service	Total
\$9,079,411	\$475,300	\$726,533	\$2,778,101	\$13,059,345



Ms. York stated Person County is 80th out of 100 counties for highest pupil funding. Dare County funds the most per pupil with \$6,516 per pupil, Orange is next with \$5,562 per pupil. Person County is on par with Avery, Macon and Currituck Counties with each funding approximately \$2,800 per pupil. Since 2008, ADM has decreased by 14.81%, while the county's current expense allotment has increased by 6.59%.




Piedmont Community College

Requested: \$1,377,328 for current expense & capital (.65 cents on tax rate)

Recommending: \$1,120,533 for current exp. & capital. Funds cameras, locks, insurance, electricity, phone, and pay increases for custodians

Current Expense	Capital	CIP	Debt Service	Total
\$1,075,533	\$45,000	\$80,000	\$95,350	\$1,295,883



Economic Development

- Increase in Economic Catalyst Fund of \$125,000, total funding is \$525,000
- Increase of \$11,503 in Economic Development budget, due primarily to an increase in RTRP dues

Ms. York noted RTRP dues increased by \$8,000; Person County's dues are \$12,000 annually; .30 per capita.

Employee compensation is one area that over the past several fiscal years has been hit heavily as a means of balancing the budget in the midst of declining revenues and increased demands on services which has created not only morale issues, but also impacted new recruitment.

5/19/2014

Workforce Funding



- Merit pay is included, \$192,545 cost for FY15, funded through lapsed salaries
- For comparison, a 1.5% COLA would cost \$236,493 (not included)
- Health insurance \$495 per employee, \$2.4M cost 5.3% increase
- Employee Compensation Study not included, would cost \$279k for first year; (3 years to implement)

Capital Improvement Plan



Reduced General Fund contribution to CIP by \$942,710

Entity	FY15 Funding	Project Examples
County	\$2,142,357	Recycling Center, Kirby roof
PCS	\$726,533	Earl Bradsher roof, Oak Lane window replacements
PCC	\$80,000	Campus sidewalk upgrade

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Debt Service




- Total Debt Service is \$4,030,834
- Debt Service decreased by \$454,958 (due to retiring of bus garage/old health dept. debt)
- Anticipate \$2.3M in debt service drop-off for FY16

Challenges



- Continued increase on service demands
- PCS and PCC funding needs increase as State continues cuts
- Declining Fund Balance
- Capital Projects
- Shortage of revenue


Work Sessions and Public Hearing



Work sessions
Today, 5/19 after budget presentation, Rm. 215
Tuesday, 5/27 at 2:00pm, Rm. 215
Tuesday, 6/3 at 2:00pm, Rm 215

Public Hearing
Monday, 6/2 at 7pm, Auditorium

For More Information



Recommended Budget Document, Manager's Message & Presentation can be found at
www.personcounty.net

Copies for viewing are located in the Clerk to the Board's Office and at the Library.

County Manager's Office: 597-1720

Ms. York recognized and thanked the Budget Team: Amy Wehrenberg, Laura Jensen, Sybil Tate, Russell Jones and Angie Warren. Ms. York thanked the Board members for meeting with her individually to preview the Recommended Budget.

Vice Chairman Jeffers requested information from Person County Schools Superintendent, present in the audience; the amount in the School's Fund Balance and what percentage of that balance does it represent the county budget.

CHAIRMAN'S & COMMISSIONER REPORT:

Neither Chairman Clayton nor any member of the Board had a report.

MANAGER'S REPORT:

County Manager, Heidi York introduced Mr. Adam Decker, MPA student at UNC Chapel Hill who also is in the military who will be sponsored by the US Army to intern this summer with Person County.

Chairman Clayton announced a brief recess at 11:30 am prior to the budget work session.

BUDGET WORK SESSION:

Chairman Clayton called the recessed meeting to order for the purpose of a budget work session at 11:45 am.

County Manager, Heidi York opened the floor at the budget work session for the Board to ask questions. Vice Chairman Jeffers suggested the Board discuss Health Insurance.

Ms. York stated initially Coventry gave Person County a renewal proposal with a 21% increase to which Person County decided to go out for bids. After going out for bid, Coventry came back with a 13% increase and the League of Municipalities bid with a 5.3% increase. Ms. York stated her Recommended Budget went with the lower bid due to the difference costing the County an additional \$132,272.

Commissioner Newell asked about the cost sharing from Coventry. Ms. York explained the County may receive a savings if the loss ratio is under 86% for the year. Ms. York stated there was no guarantee to receive noting historical data has the County over 100%.

Commissioner Newell also asked about the discounts both Coventry and the League offer providers on billable claims. The discount Coventry offered is 60.5% compared to 45.4% by the League.

Mr. Phillip Allen, Broker on behalf of Person County for health benefits (along with Bryan Bickley of Scott Insurance, who was unable to attend the Board meeting), stated he and Coventry had given the League data to bid insurance services that mirror the current plan noting the negotiation process has Person County as the beneficiary. Mr. Allen provided savings data of over \$1M for the five years prior to Ms. York as the County Manager and over \$1.5M during the five years as County Manager. Mr. Allen told the Board Coventry offered Person County the best carrier, best broker and professional services through Scott Insurance and select partners. Mr. Allen confirmed the Coventry proposal has been updated to only an 8% increase over the current plan (\$65,000 over current premium) and recommended the Board to go with the carrier with the deepest discounts if concerned about claims.

Commissioner Blalock advocated for wellness initiatives and asked Mr. Allen if Coventry could provide employee access to health and fitness gyms at no costs. Mr. Allen stated he would check on a fitness incentive.

A **motion** was made by Commissioner Newell, and **carried 3-2** to remain with Coventry for health benefits for Fiscal Year 2014-2015. Vice Chairman Jeffers and Commissioners Puryear and Newell voted in favor of the motion. Chairman Clayton and Commissioner Blalock voted against the motion.

The Board elected to discuss the Sheriff's Office food and services contract for inmates next. Vice Chairman Jeffers noted the Recommended Budget shows an increase of about \$93,000 over the \$115,900 increase in that contract last year which takes it up to over \$571,500. Vice Chairman Jeffers stated his desire to have the contract bid out and wondered if the local hospital and/or nursing home would be interested in providing a quote.

Sheriff Jones explained when the last five-year contract ended, he spoke with individuals interested but when he explained the other services included in the contract, and they were no longer interested. Sheriff Jones stated the Jail requires 7,000 more meals currently over last year and noted the contract also includes canteen, phone cards, laundry, supplies, and equipment provisions. Sheriff Jones said the \$2.90 cost per meal has remained flat the last several years and his average number of inmates is 120 daily.

Finance Director, Amy Wehrenberg stated the County receives revenue from the phone cards and concessions to the amount of \$25,000.

Ms. York stated she would contact the local hospital and nursing home to inquire of their interest in providing a proposal for consideration.

The Board then discussed the Person County School budget. Superintendent Dan Holloman was present at the budget work session and commented the School's Fund Balance is \$781,500 which represents 8.6% of the county appropriation.

Ms. York stated the Recommended Budget included an appropriation of \$24,000 for teacher supplements to which she took into account the Governor's recommendation. To fulfill the teacher (certified) supplement from the Schools' the appropriation would be at \$60,783. Ms. York noted she did not include in the Recommended Budget any funding for the initial supplement for classified school's staff (\$146,200) nor the principals' supplement request (\$13,770). Ms. York further noted the total supplement requests for all categories not recommended in the Manager's Budget totaled \$196,440.

Mr. Holloman clarified as the ADM is declining for traditional schools; the ADM follows each child in charter schools as well. Approximately 4,600 students are enrolled in traditional public schools and 1,000 participate in charter schools. Mr. Holloman the ADM appropriation to charter schools is between \$1.7M to \$1.8M. Mr. Holloman stated the state has not funded any technology requests the last two fiscal years and the technology funds retained by the schools are carried-over from year to year.

The Board next discussed fire services. Commissioner Blalock asked the group if a fire tax would be more appropriate than a county appropriation. Vice Chairman Jeffers stated the county developed a formula last year based on call volume data but that was not used in the Recommended Budget. Ms. York noted the intention to alternate funding increases between the City of Roxboro and the volunteer fire departments (VFD) every two years. Ms. York stated she would bring back options to fund the VFDs based on call volume and a flat 2%.

The Board proceeded to discuss the vehicles recommended for replacement. Commissioner Newell asked if the vehicles recommended for replacement could be skipped for next year. Ms. York stated the ambulances are on annual rotation and that option was skipped in the current budget year with two due for replacement next year. Ms. York noted the Sheriff requested eight vehicle replacements and she recommended seven due to mileage and age of the vehicles. Commissioner Puryear requested a report justifying the replacement of the recommended vehicles that included mileage and maintenance history.

Vice Chairman Jeffers suggested a fleet contract for maintenance and service for the county.

Commissioner Newell asked about staffing in the Inspections Department as an example for the Manager to justify the number of employees to match the workload.

Vice Chairman Jeffers requested more information related to the Kirby sound equipment purchase versus renting.

Other topics up for discussion include funding requests for Personality, Drug Court, Person County Partnership for Children and the employee's compensation study.

Commissioner Blalock advocated for departments to do what is necessary to save money.

Commissioner Puryear asked for more information on overtime and good management to lower overtime costs for those departments that went over their budgeted appropriation.

Commissioner Puryear asked if NC FAST was necessary to implement. Ms. York told the group NC FAST is mandated by the state and the Governor is recommending more positions to support the program.

RECESS:

A **motion** was made by Commissioner Blalock, and **carried 5-0** to recess the meeting at 1:45 pm until May 27, 2014 at 2:00 pm for the purposed of a budget work session.

Brenda B. Reaves
Clerk to the Board

Jimmy B. Clayton
Chairman