

**PERSON COUNTY BOARD OF COMMISSIONERS**

**MAY 18, 2015**

**MEMBERS PRESENT**

**OTHERS PRESENT**

Kyle W. Puryear  
David Newell, Sr.  
B. Ray Jeffers  
Jimmy B. Clayton  
Tracey L. Kendrick

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, May 18, 2015 at 9:00am in the Commissioners' meeting room in the Person County Office Building.

Chairman Puryear called the meeting to order. Commissioner Kendrick gave an invocation and Vice Chairman Newell led the group in the Pledge of Allegiance.

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

Chairman Puryear requested Board consideration to add an item to the agenda for a Call for a Public Hearing to consider financial incentives for economic development project Gmcer to be advertised and held on June 1, 2015 at 7:00pm.

A **motion** was made by Commissioner Kendrick and **carried 5-0** to add to the agenda a Call for a Public Hearing to consider financial incentives for economic development project Gmcer to be advertised and held on June 1, 2015 at 7:00pm and to approve the agenda as adjusted.

**INFORMAL COMMENTS:**

The following individuals appeared before the Board to make informal comments:

Mr. Jason Torian of 959 Mollie Mooney Road, Roxboro and Board of Director for Person County Pride addressed the Board related to solid waste options advocating for the landfill to be closed.

Ms. Frances Blalock of 1504 Surl Mt. Tirzah Road, Timberlake and Co-Chair of Person County Pride told the Board of citizen accounts of coal ash plumbing and covering their vehicles with black residue and ash dust. Ms. Blalock referenced a lawsuit by the community against CPI for pollution, to which has been settled out of court and a subsequent gag order instituted. Ms. Blalock stated her preference that the landfill be closed and for one of the local trash collectors to run transfer stations and take the waste to Granville County's landfill. Ms. Blalock gave the Board a handout titled Dioxins and Furans.

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Ms. Betty Blalock of 144 Tirzah Ridge, Rougemont requested the Board to keep its promise from 20 years ago to close the landfill as well as noted her concerns about the streams not being protected as mandated by law.

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

A **motion** was made by Commissioner Kendrick and **carried 5-0** to approve the Consent Agenda with the following items:

- A. Approval of Minutes of May 4, 2015,
- B. Budget Amendment #17,
- C. ABC Board adoption of Person County Travel Policy,
- D. NC Lottery application in the amount of \$325,000 for contracted interior painting at South Elementary, North Elementary and Southern Middle,
- E. NC Lottery application in the amount of \$70,000 to replace roof at the Person County Learning Academy, and
- F. Tax Adjustments for the month of May 2015
  - a. May 2015 Tax Releases, and
  - b. May 2015 NC Vehicle Tax System pending refunds

**UNFINISHED BUSINESS:**

**SOLID WASTE MANAGEMENT STUDY REQUEST FOR PROPOSALS:**

Assistant County Manager Sybil Tate reminded the Board that at its February 16, 2015 meeting, staff presented a memo that outlined the following solid waste management options:

1. Negotiate up to a 30 year contract with the existing landfill operator and adopt a franchise agreement for up to 30 years.
2. Extend the franchise agreement for up to 10 years. Even though the contract allows the County to extend the contract for 10, 1 year agreements, it would be impractical to renew the franchise agreement and contract each year.
3. Let the contract expire. The landfill will close. Republic will pay the closure and maintenance costs for at least 30 years. The county would lose \$585K in annual revenues. If the contract expires, then the county could construct its own landfill, construct a transfer station, come to an agreement with a nearby landfill for residents to direct haul waste to or contract with a different, private landfill operator.

Ms. Tate stated the Board wanted a Request for Proposal (RFP) for a consultant to gather additional information regarding these options and to provide information on increasing recycling to which the Board reviewed the RFP and asked staff to gather information regarding environmental testing at the Upper Piedmont Environmental landfill

on March 2, 2015. The Commissioners expressed interest in better understanding the water and air quality testing systems before determining whether or not to move forward with a Solid Waste Management Study RFP so at the April 20, 2015 Board meeting, experts from NCDENR presented information about water and air quality and responded to board members' questions and the Board requested information regarding cancer rates around the landfill.

Ms. Tate noted the State has agreed to conduct further research into cancer rates around the landfill; however, the study will take a couple of months to complete.

Ms. Tate stated that due to the thoroughness of the NCDENR presentation regarding air and water quality data, the scope of the Solid Waste Management Study RFP has been revised. Ms. Tate stated the projected costs of the RFP was \$100,000 and contained the following:

1. Cost-benefit analysis of solid waste management options for Person County; include capital costs, annual operating costs and estimated timeline.
2. Cost-benefit analysis of each option's impact on the City of Roxboro; include capital and annual operating costs for the City of Roxboro.
3. Recommend an option based on cost and service quality.
4. Recommend sites for landfill, transfer stations, collection sites, etc.; include zoning recommendation.
5. Waste stream and recycling system analysis. Include a waste characterization study and recommendations for increasing recycling in our future waste management system; include analysis of MRF layout and operations. Include revenue/cost estimates and timeline for implementation of each recommendation.
6. Assist and/or lead negotiations with Republic, if contract renewal is outcome.

Commissioner Jeffers stated his opposition to item #6 being included in the revised scope.

A **motion** was made by Commissioner Kendrick and **failed 2-3** to accept the RFP's scope as presented. Commissioner Kendrick and Chairman Puryear voted in support of the motion. Commissioners Jeffers, Clayton and Vice Chairman Newell voted in opposition to the motion.

Ms. Tate clarified the RFP scope, once released, would provide the Board with interested professionals qualified that would bid the actual costs of implementing each item included in the scope.

A **motion** was made by Commissioner Jeffers and **carried 4-1** to approve the RFP scope of item 1-5 as presented. Commissioner Clayton cast the lone dissenting vote.

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A **motion** was made by Commissioner Kendrick and **carried 3-2** to approve the RFP scope of item 6 as presented. Commissioner Kendrick, Chairman Puryear and Vice Chairman Newell voted in favor of the motion. Commissioners Clayton and Jeffers voted in opposition to the motion.

## **NEW BUSINESS:**

### **ROXBORO COMMUNITY SCHOOL'S RAISE THE ROOF CAMPAIGN:**

Chairman Puryear stated Roxboro Community School (RCS) has requested the opportunity to present their Raise the Roof campaign to the Board of County Commissioners. Chairman Puryear introduced Ms. Natalie Brozy, Managing Executive Director for RCS.

Ms. Brozy noted RCS is the second largest school in Person County with 700 students. Ms. Brozy said that RCS has approximately 38,000 sq. ft. that remains to be renovated for usable space noting RCS arts and athletics functions are held off site. Ms. Brozy stated the Board of Directors at RCS commissioned a feasibility study and have officially launched a major capital campaign for the final phase of renovation of the cotton mill. The campaign is a five-year program to complete the RCS facility with the addition of a gymnasium, an auditorium and multi-purpose rooms at an estimated cost of \$2M.

Ms. Brozy stated RCS's intent to request to enter into a formal joint use agreement with Person County Recreation, Arts and Parks Department, thus, providing eligibility to jointly apply for Trust Fund grant funding.

Ms. Brozy told the group that through a recent acquisition of property adjacent to the railroad, RCS is interested to engage into dialogue with Person County for a proposed joint partnership for a public-use Aquatics Center.

Ms. Brozy offered public tours of the RCS facility on Wednesdays at 10:30am as well as extended an invitation to attend a Raise the Roof campaign event at the Roxboro Country Club on May 21, 2015 at 6:00pm.

## **FARMLAND PRESERVATION PLAN STAKEHOLDER REQUEST FOR REPRESENTATION ON THE ECONOMIC DEVELOPMENT COMMISSION:**

Mr. Jim Pentecost, Person County Soil and Water Director and Chairman of the Farmland Preservation Plan (FPP) stakeholder group stated that through the Piedmont Conservation Council, Person County applied for funds from North Carolina's Department of Agriculture and Consumer Sciences (NCDACS) to develop a FPP. Person County has been awarded \$14,000 from the NCDACS to begin this plan. The remaining funding pledged to complete the plan was from Person County \$2,000, Soil and Water \$2,000, Farm Bureau \$1,000 and the Cattleman's Association \$1,000, all supporting the total cost of \$22,000.

As part of the plan's process a stakeholder committee was created in October 2014 consisting of a variety of producers in the county, including tobacco, small grains, livestock, small vegetable growers, organics, forestry, and a representative from a farm supply organization. Commissioner Clayton serves as the liaison to this committee.

Mr. Pentecost stated at the last stakeholder meeting, members discussed the importance of considering agriculture as an important part of Person County's economic development strategy. According to Cooperative Extension data, Person County agriculture cash receipts to farms are over \$41M and agriculture has a value added impact of over \$90M. Cash receipts delivered to lumber mills are over \$8M and the value added impact of forestry is over \$27M. Mr. Pentecost said the FPP stakeholder group requested Board consideration that Dr. Claudia Berryhill, a member of the group as well as a Piedmont Conservation Council representative, be appointed an ex-officio member of the Economic Development Commission.

County Manager, Heidi York confirmed the Economic Development Commission was statutorily limited to nine members which is why the request was made for an ex-officio member.

A **motion** was made by Commissioner Jeffers and **carried 5-0** to appoint Farmland Preservation Plan stakeholder representative and Piedmont Conservation Council member, Dr. Claudia Berryhill, as an ex-officio member of the Economic Development Commission.

Vice Chairman Newell asked Mr. Pentecost if Soil and Water was involved with the landfill. Mr. Pentecost answered that Soil and Water is a non-regulatory agency working with surface water of agricultural operations.

### APPROVAL OF AUDITOR OF FIRE AND RESCUE SPECIAL AUDITS:

Finance Director, Amy Wehrenberg noted the Board agreed at its meeting on May 4, 2015 to expense the contract for audit services for up to nine rescue and volunteer fire departments with contingency funds in the current fiscal year, but requested to bid this contract out to secure the most competitive bid.

Ms. Wehrenberg presented a bid tabulation for the two respondents to the RFP and deferred action to the Board for an award. Ms. Wehrenberg confirmed that both respondents were vetted, reputable and equal in qualifications to achieve the scope of work.

Proposal: Provide Audit Services for up to 9 Rescue and Volunteer Fire Departments						
Audit period: FY 2013-14						
Audit Firm	Base Fee	Additional Services	Office Location(s)	Travel Costs	Years of Audit Experience	(1) Special Conditions (2) Special Conditions
W. Greene, PLLC	\$2000- \$2500	\$250/hr: Partner \$150/hr: Manager \$95/hr: Staff	Whiteville, NC Carolina Beach, NC	No charge	Over 25 years	Will only bill for inquiries if complex/time consuming Uses specialized software (CAAT) to extract data and provide analysis to client
Winston, Williams Creech, Evans & Company, LLP	\$2000- \$2750	\$250/hr: Partner \$175/hr: Manager \$125/hr: Sr. Accountant	Oxford, NC	Included in base fee	Over 27 years	Additional fees required for audit if agencies receive more than \$100K in State/Federal funding If chosen, would guarantee fee for FY 2016 to be no more than 5% over 2014 fee

Commissioner Kendrick asked Ms. Wehrenberg how many of the entities had received more than \$100,000 in state and/or federal funding to which Ms. Wehrenberg did not know the answer.

Commissioner Jeffers told staff that the Fire Chiefs have requested the scope of work included in the audit for future reference.

A **motion** was made by Commissioner Jeffers and **carried 4-1** to award the contract for audit services for up to nine rescue and volunteer fire departments for Fiscal Year 2013-2014 to Winston, Williams, Creech, Evans & Company, LLP. Commissioner Kendrick cast the lone dissenting vote.

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**PRESENTATION OF THE FISCAL YEAR 2015-2016 RECOMMENDED BUDGET:**

County Manager, Heidi York provided to the Board the following presentation as an overview of the Recommended Budget for Fiscal Year 2015-2016 as required to be done per North Carolina General Statutes on or before June 1.

Ms. York stated the budget can be adopted any time; according to the Budget Calendar, the Board is scheduled to adopt the budget at the June 15, 2015 Board meeting.

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# **FISCAL YEAR 2015-2016**

## **Recommended Budget**



**May 18, 2015**

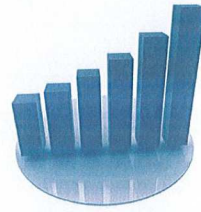
## **BUDGET THEME**

**Incorporating private sector  
values and business  
principles to improve  
operations**



## **Incorporating Business Principles**

- **Cost recovery**
- **Return on investment**
- **Negotiation**
- **Efficiency**
- **Data analysis**
- **Evaluation**
- **Right-sizing**



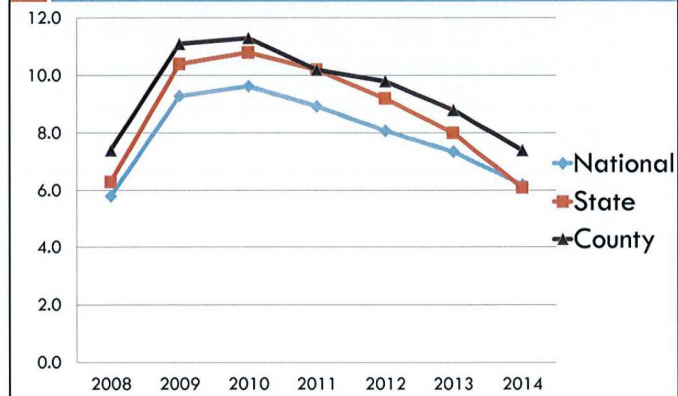
## **Business Plan**

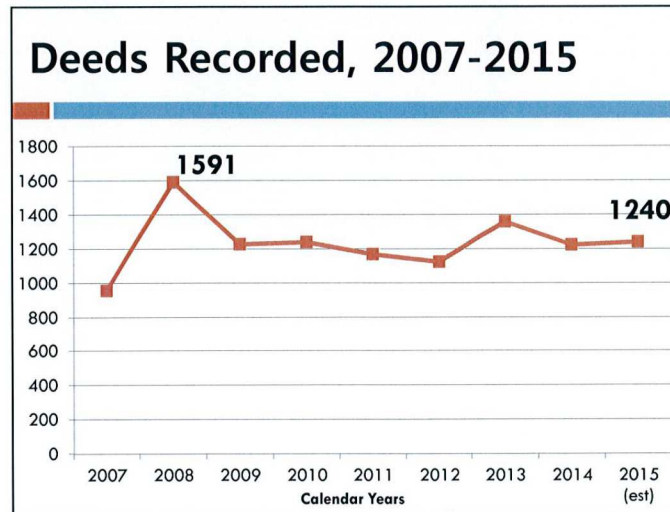
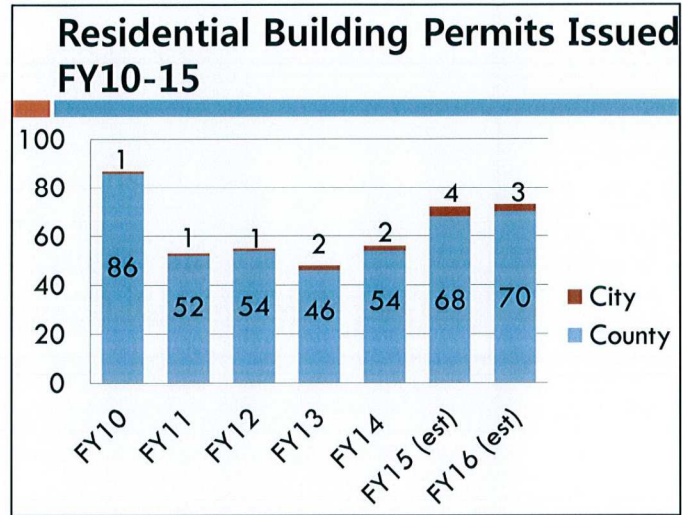
1. **Resize to reflect current realities**
2. **Redesign to meet current & future demands**
3. **Reposition to provide higher quality service**

## Current Realities

- Economic Environment
- Fiscal Health & History
- Budget Priorities
- Scope of Services vs. Willingness to Pay

## Unemployment Rates, 08-14

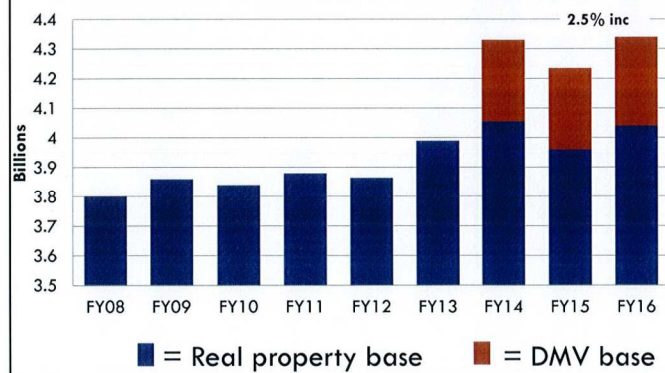


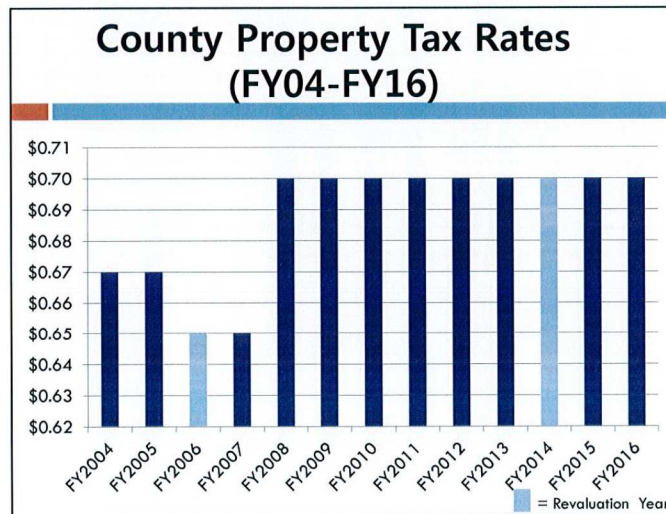
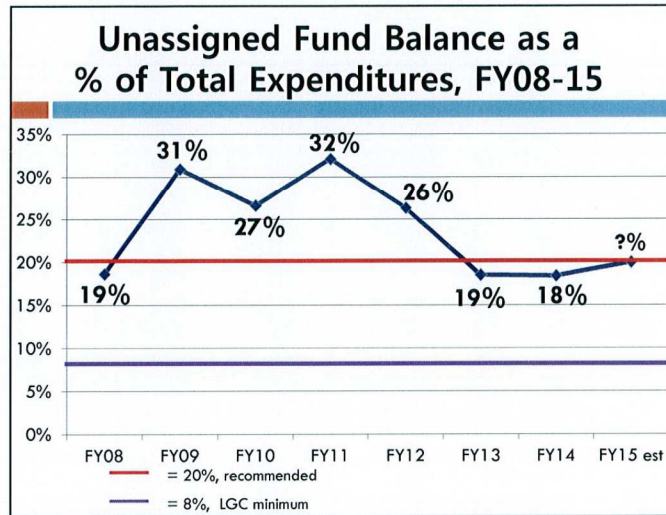


## Fiscal Health & History

- Bond rating constant since 2004 (A1 & AA-)
- Low debt service ratio
- Modest growth in property tax base
- Slight increase in unassigned Fund Balance
- Consistent tax rate

## Property Tax Base, FY08-16





<b>Budget priorities</b>	<b>YES</b>	<b>NO</b>
Reduce Fund Balance allocated to operating budget	4	1
Maintain the current tax rate	3	2
Hold PCS funding flat	3	2
Hold PCC funding flat	4	1
Senior Center	4	1
Public Safety Communication System	5	0
Roofing projects	5	0
No new positions	3	2
Hiring freeze	3	2
Self-funded insurance	5	0

## Government Services

- Mandated vs optional services
- Education: capital vs. current expense
- Tax Rate kept at FY08 level
- Services continue to expand in FY16:
  - Construction of senior center (\$2.96M)
  - Purchase & operate Roxplex (\$653K)
  - Broadband/Public Safety Towers (\$3.68M)
  - Increased spending for education (\$936K)



## FY16 Budget Overview

**General Fund = \$54,965,286**  
**(an increase of \$1.3M or 2.45%)**

**All Funds = \$59,390,819**

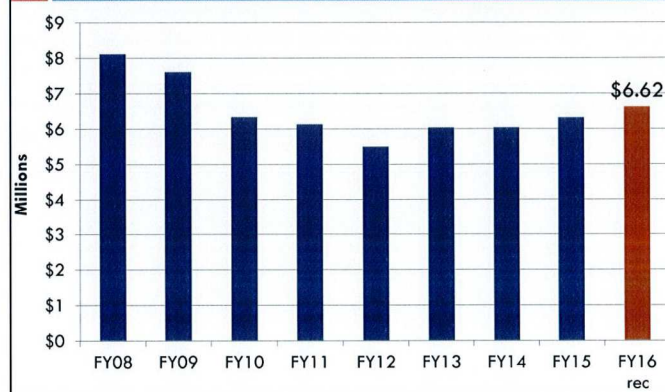
## General Fund, FY08-16



## Revenues

- \$1.3M increase overall
- 1 cent on the property tax rate  
=\$422,065
- Property tax collection rate 97.25%
  - Real Property +544,600
  - Vehicles(DMV) +180,000
  - Sales Tax +304,251
  - DSS +339,888

## Sales Tax Revenues, FY08-16





## **Fund Balance**

- Continued appropriation for recurring costs may indicate spending is out of line with what the market will pay
- To reduce appropriation:
  1. Increase revenues
  2. Reduce spending
- Gradual process
- FY16 amount is \$2.7M; Reduction of \$343,439
- Increased DSS revenues means a decreased reliance on Gen Fund

## **Expenditures**

- **\$1.6M decrease in Debt Service**
- **\$936K increase for education**
- **\$275K increase for econ. devel. incentives**
- **\$239K increase from Gen Fund for PI**
- **Goal for departmental spending to remain flat; last two years**

## Budget Highlights

The budget process began with...

Amount Requested: \$56,515,693  
Revenues Available: \$52,216,225

That's a \$4,299,468 gap  
Requires 10.19 cent tax rate increase

## Major Reductions

- 8 Full-Time County Positions: -\$356,629
- School Personnel Request - \$333,363
- School Regular Capital - \$467,689
- Vehicles (4 cut) - \$108,174

## County Personnel Reductions

<b>Department</b>	<b>Position</b>	<b>Salary/Benefits</b>
Gen. Services	Bldg. Maintenance Tech	\$(43,261)
Inspections	Inspector	\$(50,453)
PATS	Transportation Specialist	\$(37,018)
Public Health	Nurse II	\$(69,487)
Env. Health	Env. Health Specialist	\$(57,922)
PI	Admin Support	\$(39,362)
PI	Production Asst.	\$(38,876)
Coop. Ext.	Admin Asst.	\$(20,250)
<b>TOTAL</b>		<b>\$ (356,629)</b>

## County Workforce Funding

- Merit pay included: \$246,590 total cost
- Health insurance: \$540.43 per emp.  
7.5% increase  
Total cost is \$2.7M
- One additional day of annual leave added

## Vehicles Funded

Department	Number & Type	Cost
Sheriff	8 patrol	\$207,000
DSS*	2 sedans	\$45,332
EMS	1 ambulance	\$210,000
Animal Services	1 truck	\$31,361
Parks and Rec (Mayo)	1 truck	\$29,361
PATS*	3 vans	\$176,760
<b>TOTAL</b>	<b>16</b>	<b>\$699,814</b>

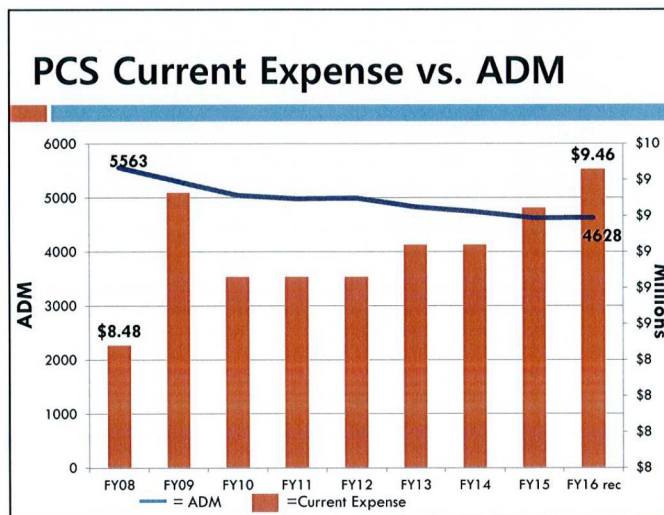
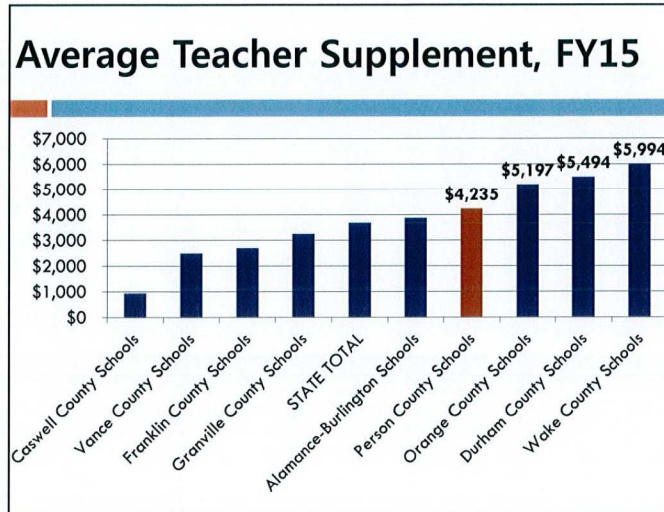
\* reimbursable

## Person County Schools

**Requested:** \$11,292,029 a 17.85% increase

**Recommended:** \$10,469,202 a 9.26% increase:  
new laptops for middle & elem schools  
(\$834,889) in capital

Current Expense	Capital	CIP	Debt Service	Total
\$9,475,313	\$993,889	\$69,781	\$900,815	<b>\$11,439,798</b>





## Piedmont Community College

**Requested:** \$1,223,536 a 6.53% increase

**Recommending:** \$1,198,016, includes tractor, snow blower, and HVAC  
(difference of \$25,520 to be appropriated once State determines COLA)

Current Expense	Capital	CIP	Debt Service	Total
\$1,111,836	\$86,180	\$50,000	\$95,242	<b>\$1,343,258</b>

## Volunteer Fire Departments

- 2% increase across the board
- Total operating funds: \$547,902; an increase of ~\$32K
- Establishment of a capital funding program to come from Revolving Loan Fund
- Auditing costs estimated at \$24,750

### Capital Projects: Senior Center

Capital Financing planned in CIP:  
\$2.96M

Currently funding rent (\$7,200) and  
Operations (\$100,000)

Recommending a combined funding of  
\$92,800 in FY16

### Capital Project: Roxplex

<b>Capital Costs</b>	<b>\$559,500</b>
<b>Operating Costs</b>	
Annual Expenditures	\$93,673
Annual Revenues	\$66,201
<b>NET</b>	<b>-\$27,472</b>

## **Work Sessions & Public Hearing**

### **Proposed Work Sessions**

May 26, 5:30pm

June 3, 9:00am

### **Public Hearing**

June 1, 7:00pm, Auditorium

## **For More Information**

Recommended Budget Document,  
Manager's Message & Presentation can be  
found at [www.personcounty.net](http://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



Commissioner Jeffers asked Ms. York if Judge Galloway's request was included in the Recommended Budget to which Ms. York replied no.

A **motion** was made by Chairman Puryear and **carried 5-0** to schedule the Board's budget work sessions for May 26, 2015 at 5:30pm and June 3, 2015 at 9:00am.

A notebook containing the detailed Fiscal Year 2015-2016 Recommended Budget was given to the Board members.

**CALL FOR A PUBLIC HEARING TO CONSIDER FINANCIAL INCENTIVES FOR ECONOMIC DEVELOPMENT PROJECT GMERCER TO BE ADVERTISED AND HELD ON JUNE 1, 2015 AT 7:00PM**

A **motion** was made by Commissioner Clayton and **carried 5-0** to schedule a Public Hearing to consider financial incentives for economic development project Gmecer for June 1, 2015 at 7:00pm and by such action direct the Clerk to advertise and provide notice of such called public hearing.

**CHAIRMAN'S REPORT:**

Chairman Puryear reported the following:

- Safety Banquet will be held on May 21, 2015 at 6:00pm at Roxboro County Club, and
- Roxboro Community School's Raise the Roof event on May 21, 2015 at the Roxboro Country Club at 6:00pm.

**MANAGER'S REPORT:**

County Manager, Heidi York introduced to the group Ms. Caley Trujillo, an MPA student at UNC-Chapel Hill who will be serving as the County Manager's Office Intern this summer.

**COMMISSIONER REPORT/COMMENTS:**

Commissioner Jeffers thanked the group for condolences extended to him and his wife following his father-in-law's death.

Commissioner Clayton reported an Upper Neuse River Basin Association meeting would be held on May 20, 2015 at 9:00am in Butner.

Commissioner Kendrick had no report.

Vice Chairman Newell had no report.

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**RECESS:**

A **motion** was made by Vice Chairman Newell and **carried 5-0** to recess the meeting at 10:18am until 5:30pm on May 26, 2015 for the purpose of a budget work session.

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Brenda B. Reaves  
Clerk to the Board

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Kyle W. Puryear  
Chairman