

PERSON COUNTY BOARD OF COMMISSIONERS
MEMBERS PRESENT

FEBRUARY 6, 2017
OTHERS PRESENT

Tracey L. Kendrick
Gordon Powell
Jimmy B. Clayton
Kyle W. Puryear
B. Ray Jeffers

Heidi York, County Manager

Brenda B. Reaves, Clerk to the Board

The Board of Commissioners for the County of Person, North Carolina, met in regular session on Monday, February 6, 2017 at 9:00am in the County's newly acquired property (future site of the Senior Center) located at 87 Semora Road, Roxboro, NC. This meeting was designated for the annual board retreat for the Person County Board of Commissioners.

Chairman Kendrick called the meeting to order and welcomed the group to the annual Board retreat noting the retreat provides an opportunity to give direction to the County Manager for the upcoming recommended budget.

County Manager, Heidi York told the Board the retreat was a time for staff to share relevant information related to fiscal projections. Ms. York encouraged the Board to participate and feel free to ask questions in an informal manner throughout the day.

DISCUSSION/ADJUSTMENT/APPROVAL OF AGENDA:

A **motion** was made by Commissioner Jeffers and **carried 5-0** to approve the agenda.

COUNTY SNAPSHOT AND TRENDS:

Assistant County Manager, Sybil Tate set the stage with the following presentation titled Community Snapshot and Trends.

Community Snapshot and Trends

Sybil Tate
Assistant County Manager
Feb. 6, 2017

Community Trends

1. Library
2. DSS
3. Health
4. EMS
5. Inspections
6. Sheriff
7. Econ Dev.
8. Ag



Library

Desire to work, but lack of computer skills and knowledge to create a resume and cover letter

Data: 20 people on waiting list for computer classes

Ag. Extension

Farm labor shortage

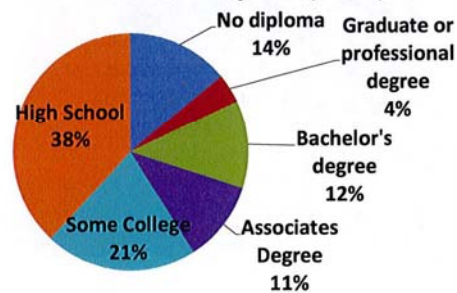
Data: 267 full-time ag jobs; 2.7% increase since 2011 compared to .5% increase statewide

Econ Development

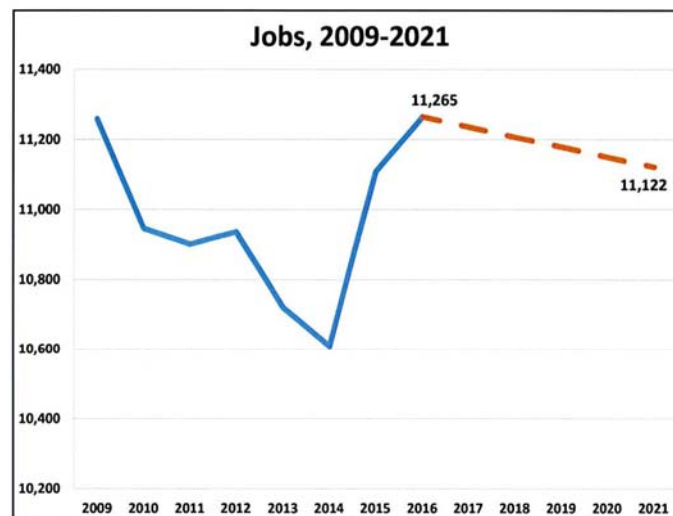
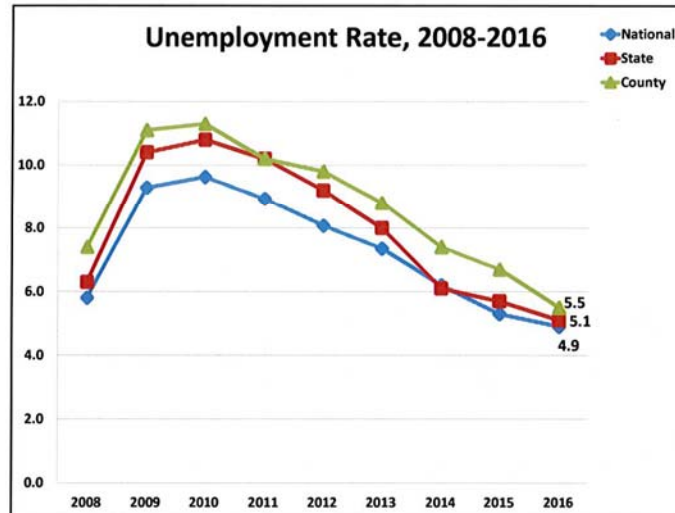
Quality and quantity of future workforce

Data: high school graduation rate is 76.3%; State-wide rate is 85.9%

Educational Attainment, 25+ years (2015)

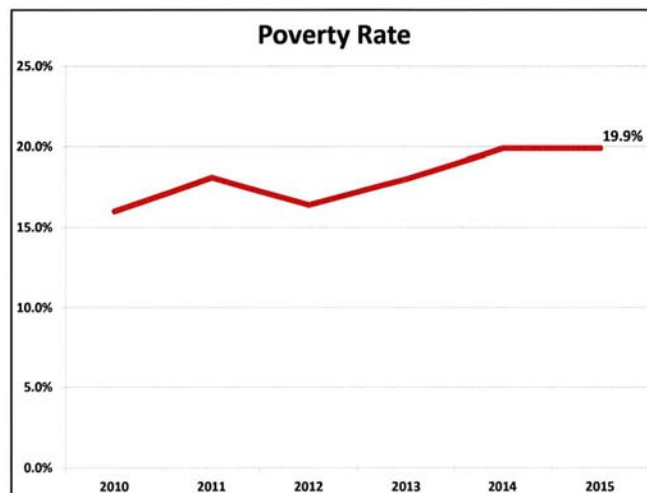
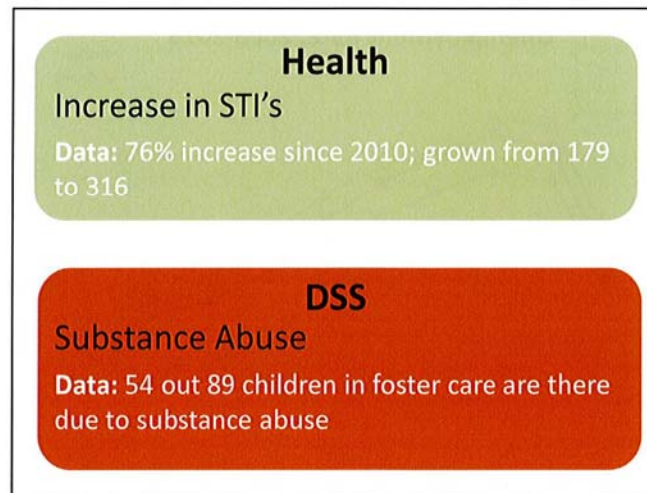


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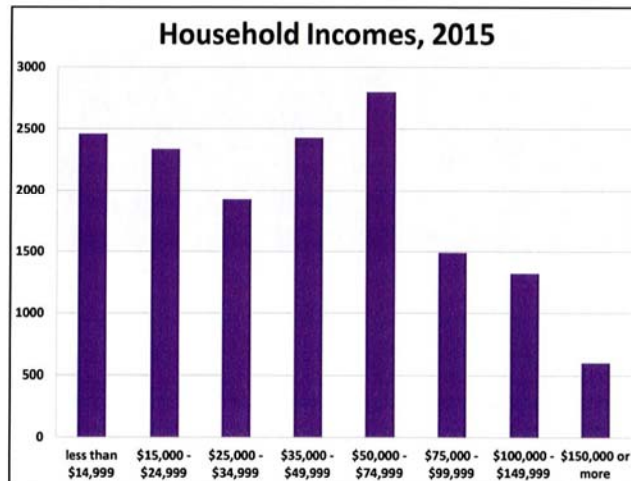
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Definition of poverty: \$1,000/month per person. Ms. Tate noted there was 19.9 % of all people in Person County live in poverty, slightly less than 2/3 of households earn less than \$50,000/year.

There are 15,383 households in the County. Person County's median income is \$42,105, which has not caught up with pre-recession median income of \$45,321. The county lags behind the State in median household income of \$46,000. The mean household income is \$52,167. The mean income gives an indication that more households are above the median, than not.

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Inspections

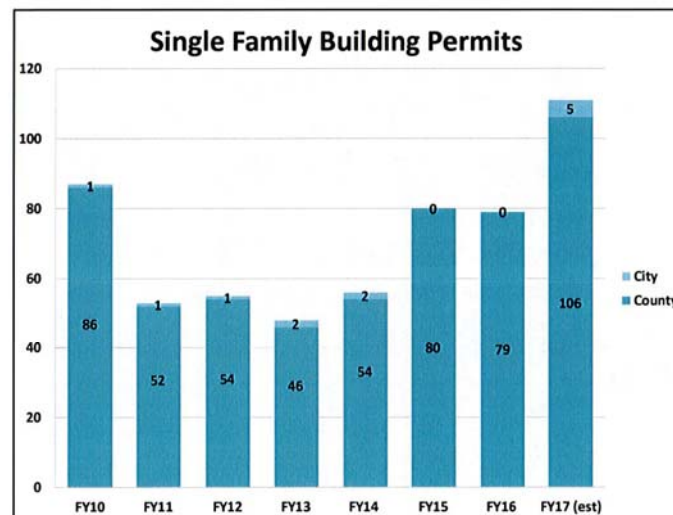
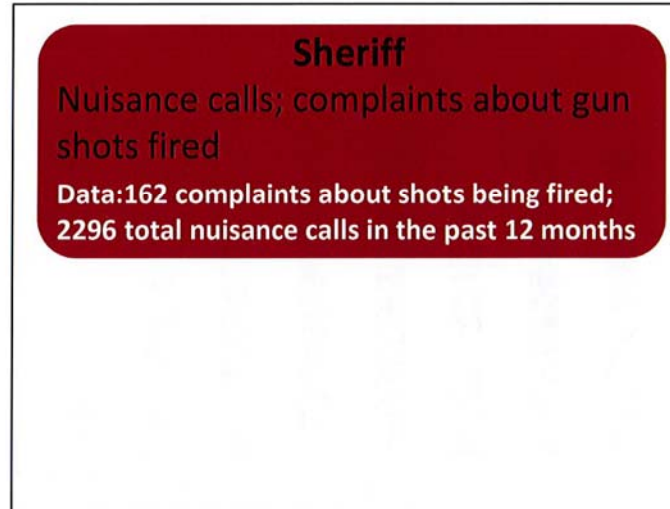
Growth in residential spec. building in the southern part of the county; smaller homes in the \$150-\$200K range

Data: Single Family Dwelling permits are up 50% when compared to last year at this time.

EMS

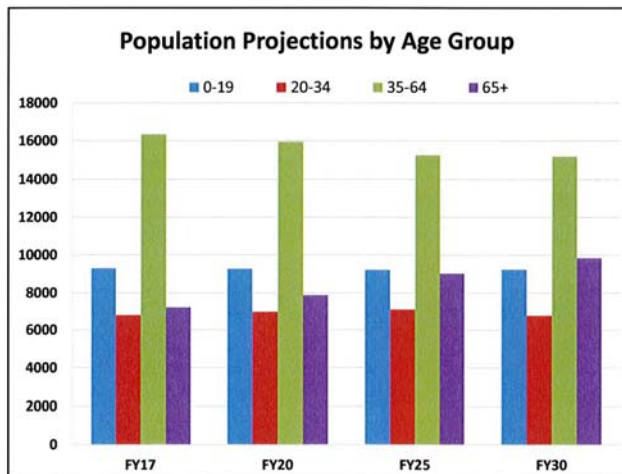
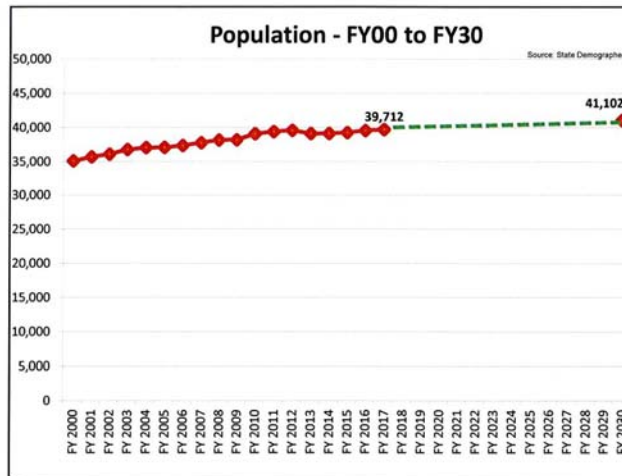
Inadequate knowledge about EMS services

Data: 25% of all 911 calls were hang-ups, open lines, or wrong numbers in calendar year 2016



Building permits are estimated to increase this year. Most of the growth projection is in the Timberlake area near the Durham County line and around Hyco Lake.

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All age groups are essentially flat, except the 65+ group. Over the next 13 years, the 65+ group will increase by 2,600 individuals.

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COUNTY SERVICES:

County Manager, Heidi York presented to the group slides based on NC General Statutes illustrating County Services: Mandated and Optional/Discretionary.

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County Services: Mandated and Optional/Discretionary

- Mandated means there is a General Statute requirement for the service
- Discretionary means there is no legal obligation to provide the service

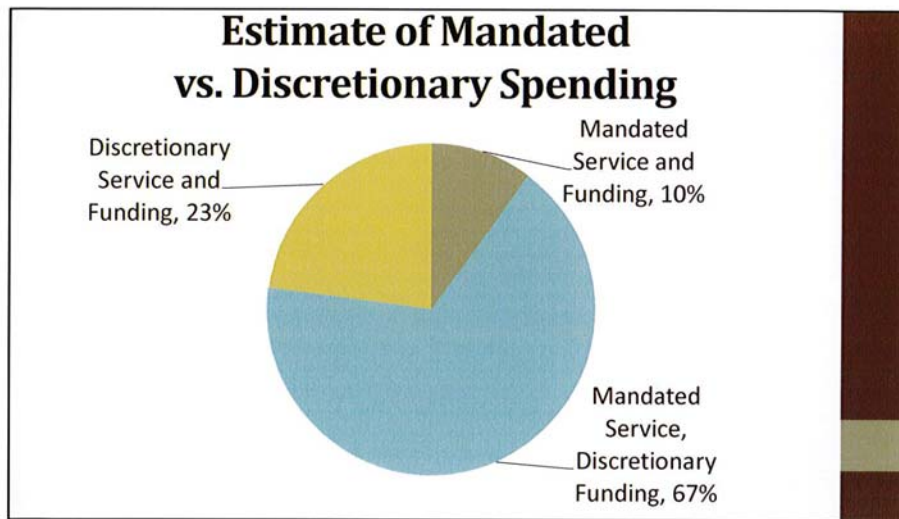
Ms. York stated the Board had no discretion with the items listed in the first column; the second column listed services that are mandated however, the Board retains discretion on the spending levels. The third column consisted of quality of life services that are not mandated to which the Board had full discretion.

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Mandated Services and Mandated Funding	Mandated Services, Discretionary Funding	Discretionary Service and Discretionary Funding
<ul style="list-style-type: none"> • Social Services • Unemployment • Retirement contributions • Law Enforcement Separation Allowance • Debt Service 	<ul style="list-style-type: none"> • Board of Commissioners • Board of Elections • Inspections • Community College • Public Health • Courts • Education • Emergency Management • EMS • 911 • Finance • Jail • Legal • Medical Examiner • Mental Health • Register of Deeds • Sheriff • Social Services • Soil and Water • Tax • Health Benefits 	<ul style="list-style-type: none"> • Senior Center • Cooperative Extension • Economic Development • Education (teacher supplements) • Animal Services • PATS • Administration • General Services • Fleet • Forestry • Veterans • IT • Library • Drug Court, Museum, HALO • Planning • Recreation

Ms. York illustrated the County's estimate of spending for mandated versus discretionary.

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AD VALOREM AND VEHICLE TAX REVENUES:

Tax Administrator, Russell Jones stated prior to the presentation on Ad Valorem and Vehicle Tax Revenues, he requested consideration on the following two items.

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Ad Valorem & Vehicle Tax Revenues

IN ADDITION:

- **ACCEPTANCE OF THE REPORT
OF UNPAID TAXES**
- **SET ADVERTISEMENT DATE FOR
MARCH 4TH**

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Acceptance of the Report of Unpaid Taxes

Mr. Jones told the Board that General Statute 105-369(a) requires that the Tax Collector report to the Board the amount of unpaid 2016 taxes that are a lien on real property as of the first Monday of February noting this was simply a check point for the Board as to the progress that the Tax Office was making on collections and a way to alert the Board if collections are down. Mr. Jones stated as of February 3, 2017, the Tax Office's collection rate was just under 95% and the unpaid real estate tax on 2016 real property was just over \$1.4M.

Mr. Jones stated no motion was required. The Board of Commissioners accepted the Tax Administrator's Report of Unpaid Taxes.

Advertisement of Unpaid Real Estate Taxes

Tax Administrator, Russell Jones stated a motion was required to order the advertisement and set the advertisement date for delinquent 2016 real property taxes. Mr. Jones stated the Tax Office would like for the date to be March 4, 2017.

Mr. Jones noted the newspaper advertisement was required under General Statute 105-369(c) and can be placed anytime between March 1st and June 30th, further noting the newspaper advertisement has been a great collection tool and the sooner the advertisement, the better the ending collection rate will be. The cost of the advertisement is charged to the delinquent real estate bills.

Mr. Jones requested the Board to make a motion to set the advertisement date for March 4, 2017.

A **motion** was made by Commissioner Puryear, and **carried 5-0** to order the advertisement of unpaid real estate taxes and set the advertisement date for March 4, 2017 for delinquent 2016 real property taxes.

Special Board of Equalization and Review

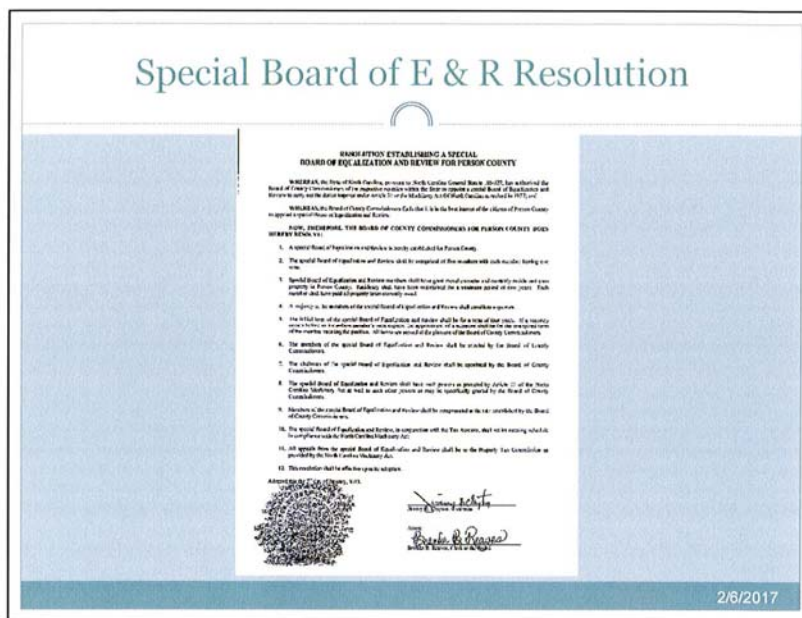
- Authorized by NCGS 105-322
- Established by Board of Commissioner by resolution on January 7, 2013
- 5 member board, serving term of 4 years, along with 2 alternates
- Members appointed by Board of Commissioners, one member is also selected as Chairman
- Members must own property, have maintained residency for 2 years, and be current on property taxes
- Must appoint members on or before March 6th

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Mr. Jones stated the 2017 appointed members of the Special Board of Equalization and Review would serve through February 2021; the term would expire prior to the next scheduled revaluation.

Mr. Jones confirmed the Board of Commissioners could abolish its Special Board of Equalization and Review. However he noted the NC Dept. of Revenue's new Appraisal Standards, which will take effect for 2018, requires a special board. There are over 60 counties in NC with a special board.

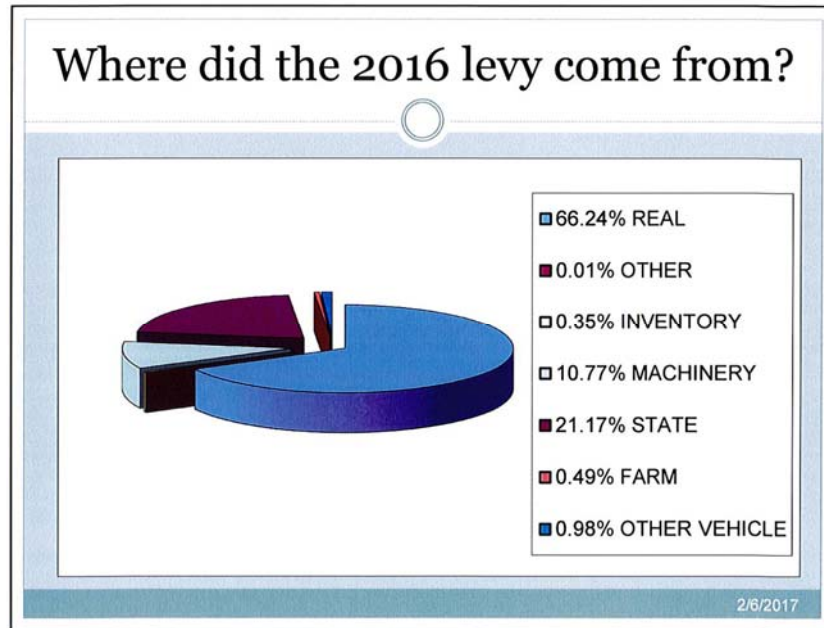
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Chairman Kendrick asked each commissioner to bring to the Board's February 21, 2017 meeting a recommendation for the special board and asked Mr. Jones to informally poll the previous members for availability to continue to serve in this capacity.

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Mr. Jones noted for the current Fiscal Year 2016-2017, the biggest players are, of course, real property (land and buildings) for 66%, then state appraised property (Duke Energy) at just over 21%, then machinery (business equipment) at almost 11%. DMV has transitioned to the new NCVTS system, and it now collected by NCDMV local tag offices.

What causes the LEVY to change?

- **Real Property**-Growth (new construction), splits of parcels, demolitions, changes in exempt status, changes in acreage in deferred (farm use)
- **State Appraised**-Changes each year, unpredictable by the County
- **Equipment**-Additions/Deletions, depreciation
- **Registered Vehicles**-New vehicles/current year depreciation(approximately 42,000 total). Collected by NCVTS (NCDMV).

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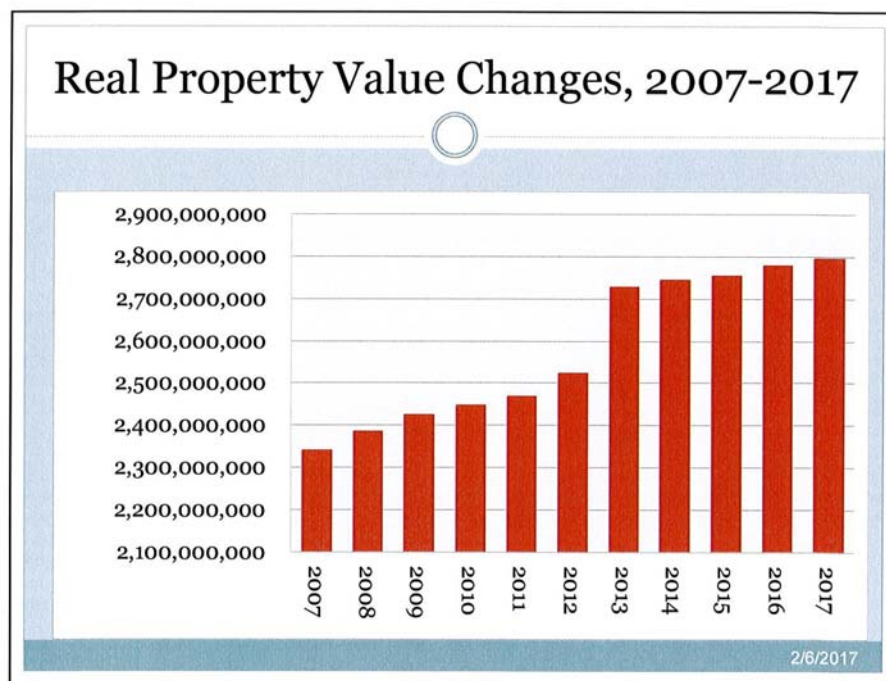
Mr. Jones noted his projections were based on good information for real and vehicles, but State appraised would not be available until September, and the equipment numbers sometime in late April.

Changes in FY2018 Real Property Values

- Added new construction= +17 Million
- Actual value for 2016-2017=\$2.779 Billion
- Estimate value for 2017-2018=\$2.795 Billion

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Minimal new construction projected at \$17 million. Total value for Fiscal Year 2016-2017 was based on actual, not budgeted. Mr. Jones projected .60% growth for Fiscal Year 2017-2018.



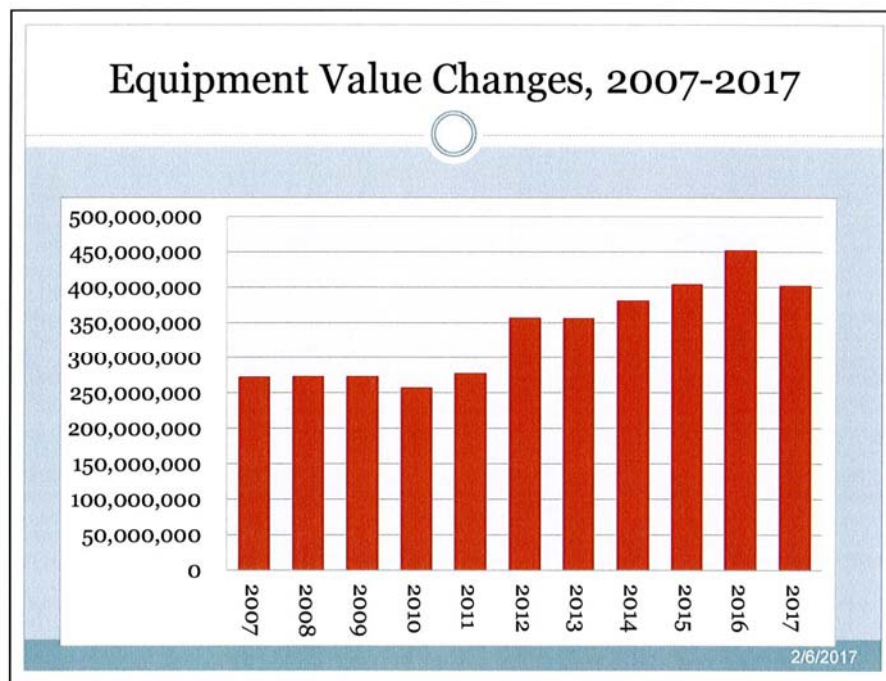
This shows continued growth in the real property values, from \$2.779B to \$2.795B.

Changes in FY2017 Equipment Values

- Reduced for additional depreciation= - \$49 M
- No numbers available for additional equipment
- Value for 2016-2017=\$451 M
- Value for 2017-2018=\$402 M

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These are mainly place-holder numbers for now. Other increases here will not be known until late April. No new major projects for this year, however there are new projects in the works for FY2019 (GKN for example at \$38M) Spuntech was a big new major project for last year. 9% loss mostly due to depreciation.



There may be additional equipment that has been added by other companies, but this will not be known until late April. With the -\$49M and limited new investments, this is projected to be slightly down from the previous year. In 2016 \$451M, 2017 estimated at \$402M.

State Appraised Property Value Changes

- Appraised annually by the State
- Person County will not receive valuation until September 2017
- Value for 2016-2017 was \$888 M, an increase from prior year
- Declined in 2010-2011 and 2011-2012, but increased in 2012-2013 by \$47 M to \$822 M
- Previous highest value was in 2009 at \$876 M
- Recommended value for 2017-2018=\$853 M

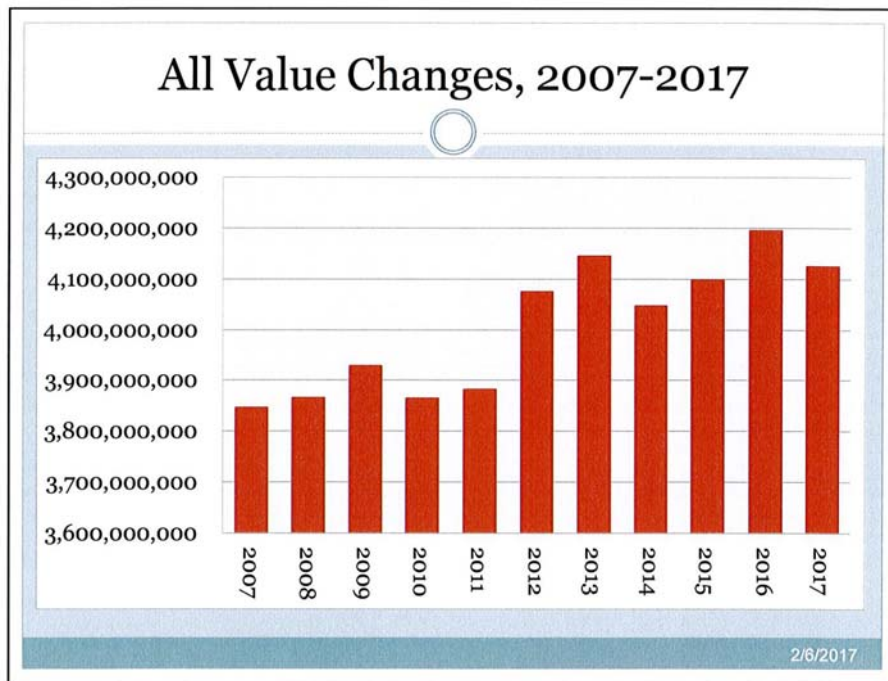
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21% of the County's base will not be known until September. The state will not see any of these numbers until late May at which time there will be estimates. Estimated \$800M for 2014-2015, but came in at \$849M, or \$49M over. Estimated \$815M for 2015-2016, but came in at \$865M. Conservative budgeting (normally hold between \$25 and \$35M); estimating \$853M for 2017-2018 (holding \$35M based on last year value).

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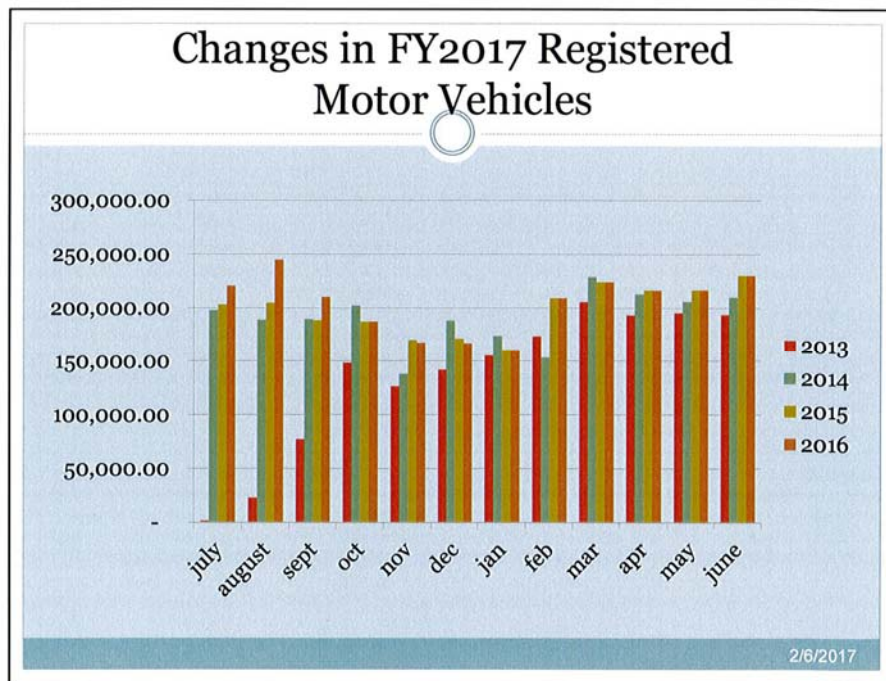


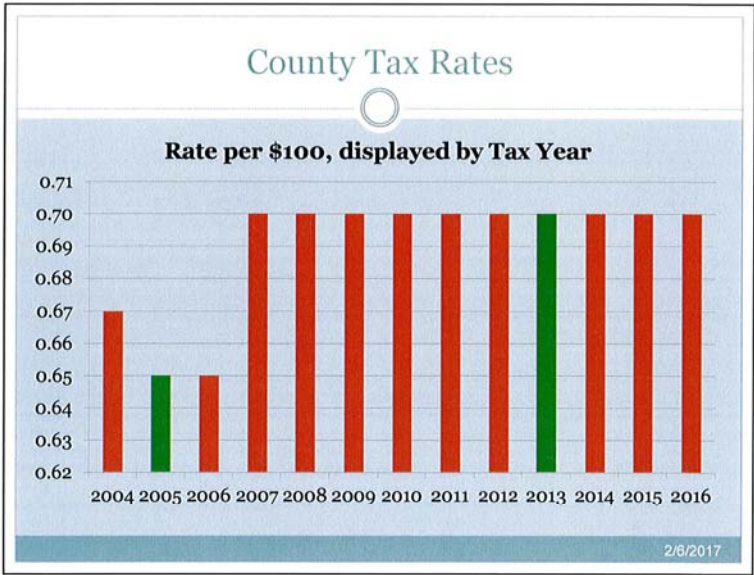


Changes in FY2017 Registered Motor Vehicles

- Collected by NCDMV since September 2013
- Collection rate is better than old system
- This revenue source has continued to trend upward
- Budgeting for \$204,000 per month in revenues

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For the past 10 years, Person County’s tax rate has remained unchanged at \$.70 per \$100.
100,000 house = \$700 in county property taxes annually
Revaluation year in green.

For FY 18,
what will one penny generate?

Collection Rate		Revenue
96.00%		\$430,954
96.25%		\$431,985
96.50%		\$433,017
96.75%		\$434,048
97.00%		\$435,079
97.25%		\$436,110
97.50%		\$437,142
97.75%		\$438,173
98.00%		\$439,204


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While the tax rate has remained unchanged, the revenue per penny has grown as the county continues to experience some growth. Any change in the tax rate will only affect vehicles from October-June, due to renewal notices already mailed for preceding months. Takes into account all projections and budgeting conservatively.

Mr. Jones stated these were the total four options that were discussed two years ago. To implement a fire tax option for Fiscal Year 2018, only options 1 and 2 can be considered.

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Fire Tax Options



1. No Change, Continue to fund Fire Departments out of General Fund
2. Add a Fire **Service** District, based on property values, distributed by Board of Commissioners, or value based on corrected district lines
3. Add a Registered Motor Vehicle Fire Tax (flat rate), distributed based on Fire Commission
4. Add a Fire **Protection** District by Petition and Vote, distributed based on property value

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Option 1: General Fund

- Each penny on from the General Fund produces \$436,110
- Provides for the most revenue per penny of any option since all taxable properties are included
- To get the funding as provided in the current year (\$1,039,970), a rate of .02385 (2.4 cents) was encompassed into the general tax rate of .70 cents

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No new rules apply. Person County is currently spending 2.4 cents of the general levy in the current fiscal year to support fire/rescue services.

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Option 2: Fire Service District Tax

Levy a Fire **Service** District Tax

- A tax, based on value, charged on all taxable property, excluding property inside the City of Roxboro.
- Must be distributed based on needs and desire of County Commissioners, since fire service lines do not match parcel lines
- Will need guidance before May 1st to update situs (change tax records to identify all properties that are in the fire tax district so that new tax is charged correctly)

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Mr. Jones noted the term fire service district may need to be changed to fire/rescue district to more accurately reflect that the rescue is included. Mr. Jones confirmed that state appraised property would be eligible to be taxed although previously reported they would not. He outlined the process below:

1. Requires demonstrated need,
2. 4 weeks prior to public hearing, must provide maps and plan,
3. Conduct public hearing to hear public comments,
4. adopt by resolution,
5. must start July 1, and
6. may include the City of Roxboro, if agreed by City Council .

Should the City of Roxboro agree, one penny still provides less funding in first year due to DMV at 9 months (-\$ 14,528).

Fire Tax, what will one penny generate?

Collection Rate		Revenue
96.00%		\$354,762
96.25%		\$355,633
96.50%		\$356,503
96.75%		\$357,374
97.00%		\$358,245
97.25%		\$359,115
97.50%		\$360,857
97.75%		\$361,727
98.00%		\$362,598

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At 97.25%, one penny (without City and only 9 months of County DMV) would be less by \$76,995. Even if City was included in fire district, one penny would still be affected by 9 months of DMV, so one penny with City would be \$421,582 (not \$ 436,110, less by \$14,528).

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Option 2: Fire Service District Tax

- Will only affect 9 months of DMV renewals for FY18
- One penny will generate \$359,115 for FY18
- To get the funding as provided in the current year (\$1,039,970), a rate of .02896 would be needed (2.9 cents)
- 2 cents would provide \$718,230 (an decrease of \$321,740)
- 3 cents would provide \$1,077,345 (an increase of \$37,375)

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Must be distributed based on need and desire of the Board due to fire service lines not matching parcel lines. City can be included if they desire. County decides rate and funding. Money must go into a restricted fund, to be used in current/future years by fire/rescue. A fire service tax that includes all monies distributed would better demonstrate their funding level (fire to City for mutual aid, VIPER radios, capital, etc.). A decrease in the general tax rate of 2 cents would roughly need a 3 cents fire tax.

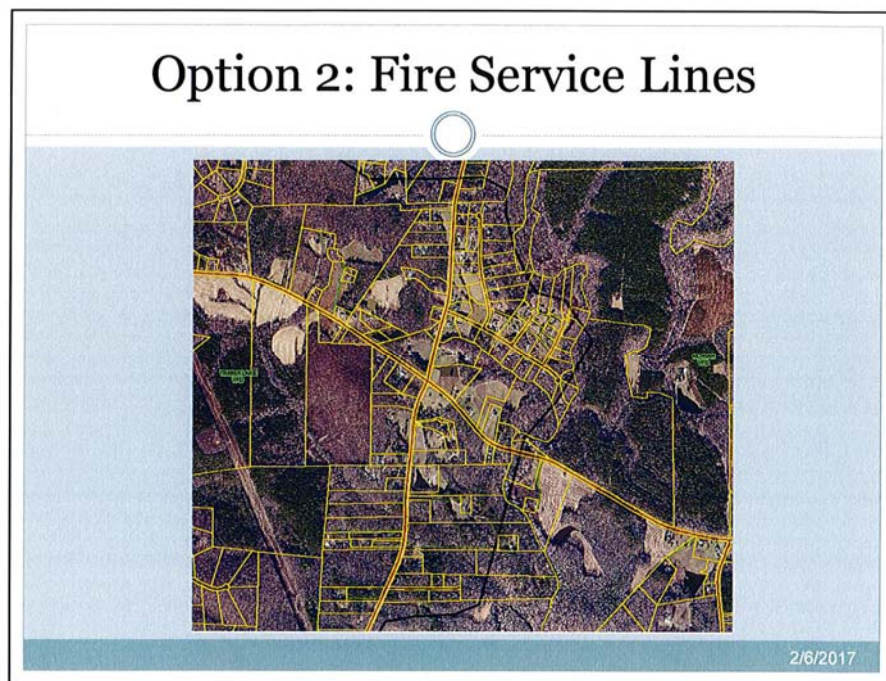
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This chart compares annual insurance premiums for a new wood frame home valued at \$100,000 with smoke detectors to illustrate how the ISO ratings affects citizens' insurance costs.

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ISO ratings and Insurance Costs		
ISO CLASS	AGENT 1	AGENT 2
10	\$	\$
9S	\$735	\$531
8	\$706	\$499
7	\$706	\$451
6(optimal rating)	\$676	\$372
5	\$676	\$372
4	\$676	\$372
3	\$676	\$372
2	\$676	\$372
1	\$676	\$372
Max Savings	\$59	\$159

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Even if only 1 fire district is interested in a petition and the fire protection district, up to 4 districts may see lines affected (and maybe adjacent counties). This demonstrates why one tax based on need is needed as the district lines do not follow parcels.

The Board had consensus that the volunteer fire and rescue departments were in need of additional funding and discussed possible options which included:

- Raising the tax rate from .70 cents by 1 to 2 1/2 cents for fire and emergency services,
- Cutting discretionary spending for non-mandated services in lieu of a tax increase,
- An across the board cut on discretionary funding, and
- Renegotiating contract with Republic to earmark increased revenues to be used for more funding to VFDs.

Ms. York reminded the Board of the Fiscal Year 2017 approved budget related to fire and rescue services provided in the County.

Fire and Rescue VFDs/Rescue - Operating	\$567,902
Fire and Rescue – City of Roxboro – Operating	\$381,443
VFD and Rescue Capital Reserve Fund	\$ 90,625

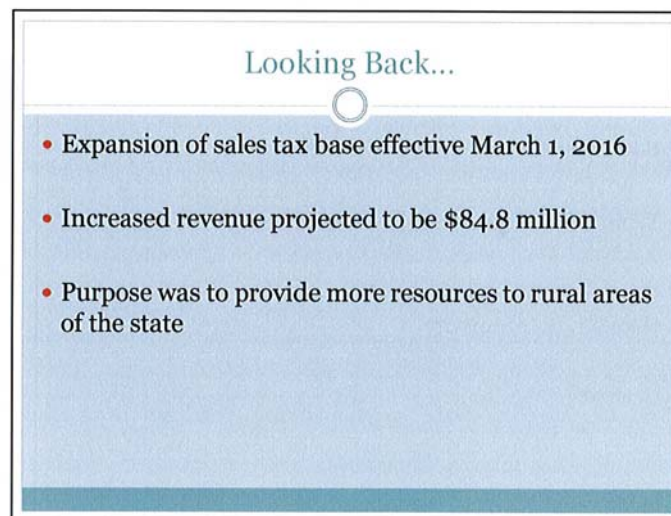
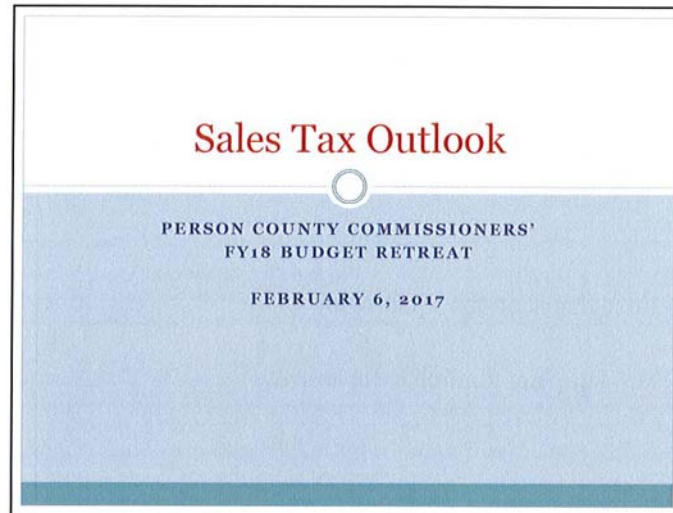
Ms. York noted that the capital reserve fund would need a new appropriation from the General Fund should the Board continue this program.

Related to cutting across the board for discretionary funding, Ms. York added that departmental budgets are already lean and that a cut would impact staffing. She and Commissioner Jeffers stated staff supervisor/employee ratios were already deficient and not meeting standards within the Department of Social Services, Emergency Services and 911 Communications.

Chairman Kendrick announced a brief break at 10:45am. He reconvened the meeting at 11:00am.

NEW SALES TAX LEGISLATION:

Assistant Finance Director, Laura Jensen provided the Board with the following update related to New Sales Tax Legislation.



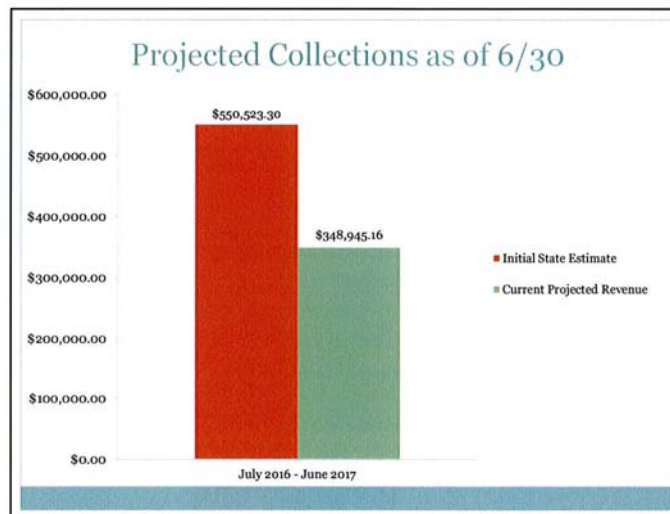
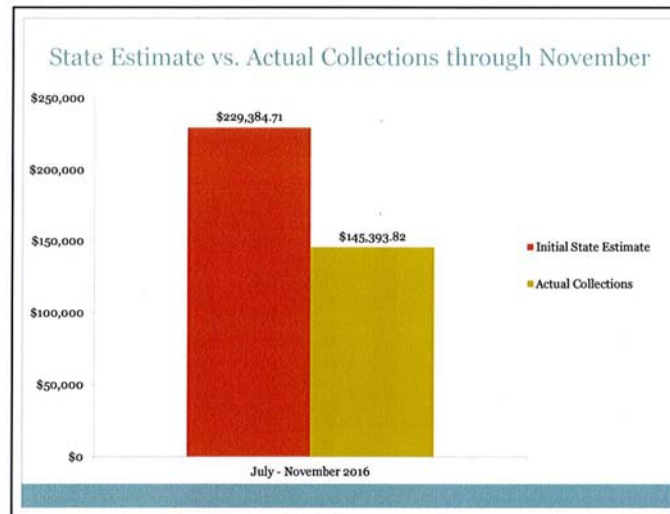
Ms. Jensen commended the Board's decision to not budget last year for the projected increase for the Sales Tax Expansion program due to concerns which proved to be a smart move.

Requirements for Use

- Must be spent on one or more of the following:
 - Public Education (can include debt service)
 - Community Colleges
 - Economic Development
- No % distribution requirement
- May supplant funding in those areas

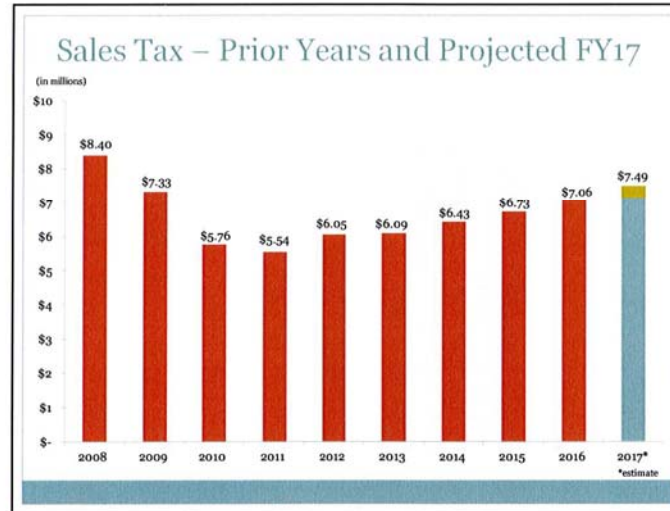
However...

- 84.8 million only an estimate
- What form would the distribution take?
- Concerns that the General Assembly would amend the use requirements



The Finance Department estimated Person County's collection would be just under \$349,000 versus the \$550,000 the state had projected for the current fiscal year.

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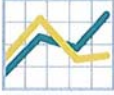
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84% of the projected growth is due to the Sales Tax Expansion program.

FISCAL REVIEW & CAPITAL PROJECTS:

Finance Director, Amy Wehrenberg provided a mid-year fiscal review compared to a year ago. Ms. Wehrenberg stated comparing mid-year revenues and expenditures was often a good measurement of the county's current fiscal indicators, as well as an indicator of where things might fall at fiscal year-end.

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Person County Fiscal Review & Capital Projects

Person County Board of
Commissioners Annual Retreat
February 6, 2017

Amy Wehrenberg
Finance Director



Discussion Summary

- Mid-Year Comparisons: Revenues and Expenditures
- UFB Projection-FYE 2017
- CIP
- Major Projects
- Debt Service-FY 2018
- Trends and Projections

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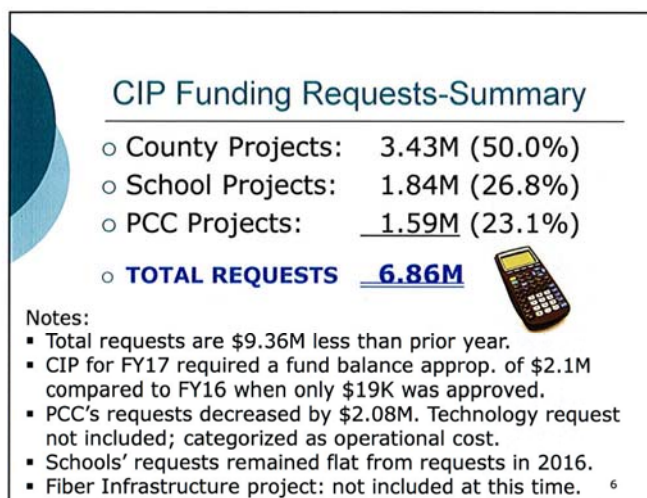
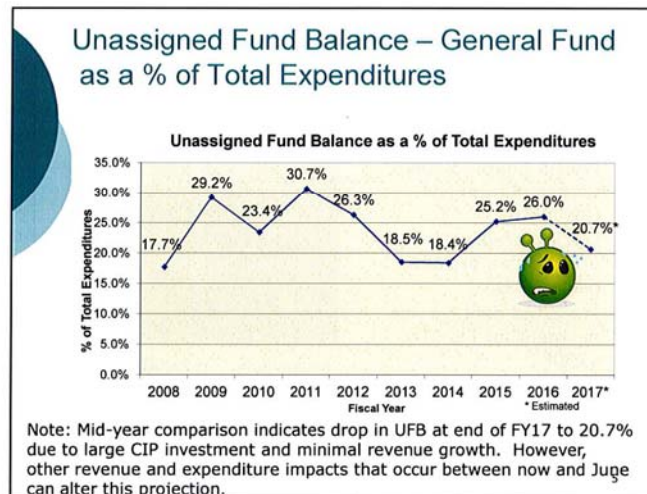
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Revenues: Mid-Year Comparison				
REVENUES	Dec'15	Dec'16	Difference	% Change
Ad Valorem Taxes	27,231,275	27,391,286	160,011	0.6%
Sales & Other Taxes	2,660,227	2,706,122	45,895	1.7%
Fees & Licenses	2,404,460	2,355,100	(49,360)	-2.1%
State & Federal Funding	3,430,643	3,292,623	(138,020)	-4.0%
Other Revenues	194,487	222,582	28,095	14.4%
TOTAL	35,921,092	35,967,713	46,621	0.1%

Expenditures: Mid-Year Comparison				
EXPENDITURES	Dec'15	Dec'16	Difference	% Change
Personnel	11,261,299	11,533,808	272,509	2.4%
Operating	13,464,910	13,363,498	(101,412)	-0.8%
Capital	480,306	171,475	(308,831)	-64.3%
Debt Service	1,077,538	1,054,383	(23,155)	-2.1%
Transfers to Other Funds	1,050,737	2,228,025	1,177,289	112.0%
TOTAL	27,334,790	28,351,190	1,016,399	3.7%
NET (Revs over Exp)	8,586,302	7,616,523	(969,778)	-11.3%
Deficit is result of larger increase in expenditures than revenues.				

Showing significant drop in UFB for fiscal years 2013 and 2014 as the attempt was made to address deferred capital. Revenues have been slow to recover, but there are signs of improvement (i.e. sales tax, occupancy tax, DMV collections, DSS revenues) along with the reduced CIP expenditures that indicate a possible increase in the UFB for the current year.

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Person County Senior Center Project

- Financing for the new Person County Senior Center: **\$2.256M** (estimate)
- LGC granted authority to finance as a privately placed G.O.
- Projected debt service payment for FY2018: \$230K.
- Based on 15 year term at 3%, which may change during final negotiations with the lender



Acquisition	\$2,050,000
Planning/Eng.	133,635
Renovations	40,600
Issuance costs	<u>31,765</u>
TOTAL	\$2,256,000

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Public Safety Communication System Upgrade & Broadband Project




- The Board set aside \$100K for environmental studies to be done on 4 towers (currently **\$20,150** remaining).
- The State will construct 2 towers; leaving 2 towers funded by the County.
- Includes purchase of radio equipment for public safety organizations and equipment to install on towers
- Latest estimate is \$4M (does not include costs to be determined with 911 tower)
- Will consider financing options for this project
- Current timeline for construction bids to be received is April 2017; awaiting agreement with the City for access to 911 tower

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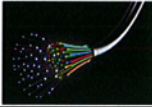
Assistant County Manager, Sybil Tate presented the update on the Public Safety Communication System Upgrade & Broadband Project noting the Mt. Tirzah tower was completed. Ms. Tate noted no cell phone vendors will be allowed on the state owned towers. The City of Roxboro is reviewing the 911 tower study analysis to which the County will be asked to partner in the upgrades for lifetime use on the tower for IT and emergency services.

Ms. Tate encouraged the Board to contact state representatives for possible grant opportunities from the General Assembly for the broadband project.

2/6/2017




Fiber Installation Project

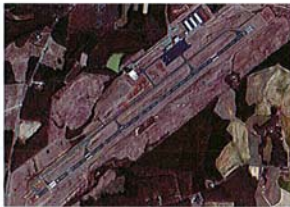


- Staff is engaged in contract development; expected to be complete by March 2017.
- Cost estimates for this project are uncertain at this time.
- \$150,000 was set-aside in the FY16 CIP to fund a consultant and some wireless installation.
- Stokes County received \$250,000 from the General Assembly (HB1030) for their broadband project in 2015.
- No funding options have been determined.

9



Airport Runway Extension Project



- Significant grant opportunity from NCDOT
- Project is listed for approx. \$10.1M with required County match of **\$1.07M** (10%)
- Forecasts construction period to be FY 2019
- Board resolution of commitment required by June 2017.
- Good: Large economic development potential
- Bad: Expensive match with already anticipated funding challenges.

10

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Ms. Wehrenberg corrected that the required match would be \$1.01M and not the posted \$1.07M for the Airport Runway Extension grant from NCDOT.

February 6, 2017

Increase in Debt Service – FY 2018



Debt Service Impact	FY 2018
New debt payments:	
Roxplex & Reroofing (actual)	298,162
Senior Center (estimate)	232,000
Towers & Broadband (estimate)	369,270
Projected Debt Cost Increase	\$ 899,432

Note: Debt service is increasing with three new debt payments in place for almost \$900K in FY18. Represents three approved financings in the span of one year.

11

Trends and Projections



- Revenues showing flatter trend than anticipated at mid-year.
- Expenditures increase due to CIP funding, health insurance and retirement contributions.
- Current trends indicate decrease in County's Unassigned Fund Balance at FYE.
- Anticipating other cost constraints in public safety depts.
- Over \$6.9M in CIP requests for FY18 to be considered.
- New potential projects could reap positive economic development results; however, significant costs will present funding challenges.
- Estimating \$900K increase in County's debt service costs for FY18.

12

Chairman Kendrick announced a lunch break at 12:04pm and asked the group to return for the meeting to be reconvened at 1:00pm.

Chairman Kendrick announced the meeting back in session at 1:00pm.

BUDGET PRIORITIES:

County Manager, Heidi York led discussion for the Board's FY17-18 Budget Priorities.

2/6/2017

**Determining Your
FY17-18 Budget Priorities**

- Economic Development
- Education
- Capital Projects
- Operating Needs
- Polling on Priorities

COMMISSIONER'S BUDGET RETREAT
FY2018

Economic Development

FY17 Budget is \$196K + \$1.38M for Catalyst fund
(catalyst fund increased by \$584k)

FY17 highlights:

- Launched Econ Dev. website
- \$250,000 for water line design at megasite
- Increased PT personnel position to FT
- 15% increase in overall budget

FY18 highlights:

- vehicle needs: \$37K replacement cost, exceeded maintenance budget in January

Vice Chairman Powell pointed out that \$2M of the \$11.7M budget for PCS was distributed to the Charter Schools (Person County students' funding allowance follows student to charter schools). Commissioner Jeffers stated the schools were having issues with snow removal. Ms. York added that both Bethel Hill Charter was requesting funding for technology and Roxboro Community School was requesting funding for safety and security issues.

2/6/2017

Education					
FY17 Budget was for PCS:					
Current Expense	Capital	Tech. Capital	CIP	Debt Service	Total
\$9,376,614	\$159,000	\$619,014	\$848,925	\$795,722	\$11,799,275
FY17 Budget for PCC:					
Current Expense	Capital	CIP	Debt Service	Total	
\$1,111,836	\$0	\$189,000	\$92,037	\$1,392,873	
Considerations: study of facilities needs, activity buses, ADA issues					

Capital Improvement Plan	
FY18 CIP recommendation will be minimal spending, in order to restore fund balance...Increased \$2.1M over FY16.	
FY18 CIP Highlights:	
<ul style="list-style-type: none"> ▪ Replace boilers – LEC: \$85K ▪ Relocate IT: \$127K ▪ Tax software: \$375K ▪ Schools requesting ~\$1.84M in projects <ul style="list-style-type: none"> ▪ (roof of maintenance bldg., bleachers NMS, ADA upgrades Woodland, valve replacement SES, security cameras elems.) ▪ PCC requesting ~\$1.6M in projects <ul style="list-style-type: none"> ▪ (roof bldg. D) 	

Ms. York noted the IT Dept. was not recouping its costs for providing services to the City of Roxboro. New funding is needed for the following operating needs. Ms. York noted that the VFD/Rescue funding and impact to the landfill decision could be added the list below noting the Year 2 Market Study may cost up to \$100,000. Ms. York asked the Board to participate in the Budget Straw Poll to help identify budget priorities.

2/6/2017

Anticipating Operating Needs

- Add a shift to EMS (8FTE's): \$450K
- Add 2 911 Supervisors: \$115K
- Add 1 Deputy to Sheriff's Office: \$65K
- Add 1 FTE to Information Tech: \$70K
- Vehicles: 3 vehicles cut last year
- Employee Health Clinic: \$60K
- Implementation of Market Study for Health & Human Services Agencies (Year 2): \$60K?

Budget Straw Poll

FY17-18 Budget Straw Poll

* 1. Please rank the following categories in order of importance to you for the FY17-18 budget year.
(1=highest priority, 5=lowest priority)


1	Government Efficiency
2	Education
3	Public Safety
4	Quality of Life
5	Economic Development

Next


3

February 6, 2017

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* 2. Which operating expense increases would you support in the FY18 budget? 


	Yes	No
Increase VFD operating funding	<input type="radio"/>	<input type="radio"/>
Increase VFD capital funding	<input type="radio"/>	<input type="radio"/>
Hire 8 FTE's for additional EMS shift (\$450K)	<input type="radio"/>	<input type="radio"/>
Hire 2 FTE's Supervisors at 911 (\$115K)	<input type="radio"/>	<input type="radio"/>
Hire 1 FTE Deputy for Technology -Sheriff's Dept. (\$65K)	<input type="radio"/>	<input type="radio"/>
Hire 1 FTE and reclass 1 FTE -IT (\$70K)	<input type="radio"/>	<input type="radio"/>
Employee health clinic (\$60K)	<input type="radio"/>	<input type="radio"/>
Increase school funding	<input type="radio"/>	<input type="radio"/>
Increase PCC funding	<input type="radio"/>	<input type="radio"/>

* 3. Tax rate - I will... (choose 1) 


☐ NOT support a tax increase. Keep tax rate flat by cutting certain services.

☐ support a tax increase for specific needs (examples: fiber, VFD funding, schools, Economic Dev, CIP, etc)

2/6/2017

* 4. In order to keep the tax rate flat, I would be willing to cut... 

	Yes	No
CIP funding significantly	<input type="radio"/>	<input type="radio"/>
vehicles (-\$500K)	<input type="radio"/>	<input type="radio"/>
senior center operating expenses (-\$100K)	<input type="radio"/>	<input type="radio"/>
HALO position (-\$60K)	<input type="radio"/>	<input type="radio"/>
Reduce programs and services	<input type="radio"/>	<input type="radio"/>
Other	<input type="text"/>	

* 4. I would be willing to increase the tax rate to fund... 

	Yes	No
An annual set-aside for Fiber	<input type="radio"/>	<input type="radio"/>
An annual set-aside for Economic Development	<input type="radio"/>	<input type="radio"/>
More CIP projects	<input type="radio"/>	<input type="radio"/>
Increased funding for schools	<input type="radio"/>	<input type="radio"/>
Increased funding for VFD's	<input type="radio"/>	<input type="radio"/>
Instead of increasing General Fund money for the VFD's, I prefer to implement a fire tax, which would offset ~\$1M from the General Fund	<input type="radio"/>	<input type="radio"/>
Other (please specify)	<input type="text"/>	

5

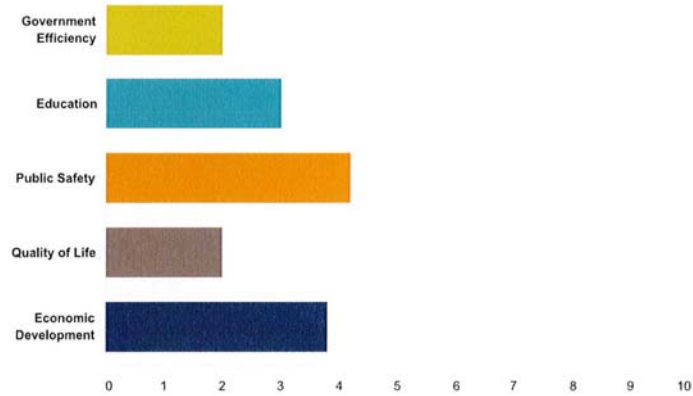
Chairman Kendrick announced a break at 1:40pm and reconvened the meeting at 1:55pm.

Ms. York presented the results of the informal, non-binding poll with the Board for FY17-18 Budget Priorities.

February 6, 2017

Q1 Please rank the following categories in order of importance to you for the FY17-18 budget year. (1=highest priority, 5= lowest priority)

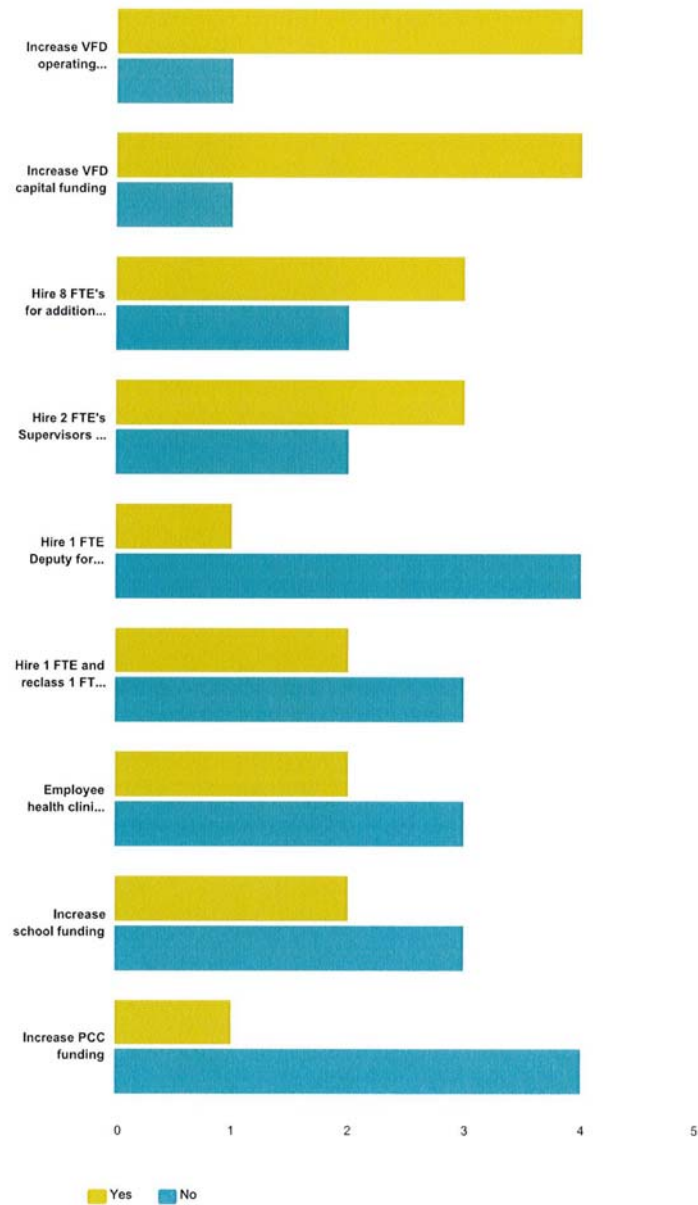
Answered: 5 Skipped: 0



	1	2	3	4	5	Total	Score
Government Efficiency	0.00% 0	0.00% 0	20.00% 1	60.00% 3	20.00% 1	5	2.00
Education	0.00% 0	60.00% 3	0.00% 0	20.00% 1	20.00% 1	5	3.00
Public Safety	60.00% 3	0.00% 0	40.00% 2	0.00% 0	0.00% 0	5	4.20
Quality of Life	0.00% 0	20.00% 1	20.00% 1	0.00% 0	60.00% 3	5	2.00
Economic Development	40.00% 2	20.00% 1	20.00% 1	20.00% 1	0.00% 0	5	3.80

**Q2 Which operating expense
increases would you support in the FY18
budget?**

Answered: 5 Skipped: 0



FY17-18 Budget Straw Poll

SurveyMonkey

	Yes	No	Total	Weighted Average
Increase VFD operating funding	80.00%	20.00%		
	4	1	5	1.60
Increase VFD capital funding	80.00%	20.00%		
	4	1	5	1.60
Hire 8 FTE's for additional EMS shift (\$450K)	60.00%	40.00%		
	3	2	5	1.60
Hire 2 FTE's Supervisors at 911 (\$115K)	60.00%	40.00%		
	3	2	5	1.60
Hire 1 FTE Deputy for Technology -Sheriff's Dept. (\$65K)	20.00%	80.00%		
	1	4	5	1.20
Hire 1 FTE and reclass 1 FTE -IT (\$70K)	40.00%	60.00%		
	2	3	5	1.40
Employee health clinic (\$60K)	40.00%	60.00%		
	2	3	5	1.40
Increase school funding	40.00%	60.00%		
	2	3	5	1.40
Increase PCC funding	20.00%	80.00%		
	1	4	5	1.20

Q3 Tax rate - I will... (choose 1)

Answered: 5 Skipped: 0

NOT support a
tax increase...support a tax
increase for...Other (please
specify)

0 1 2 3 4 5

Answer Choices

- NOT support a tax increase. Keep tax rate flat by cutting certain services.
- support a tax increase for specific needs (examples: fiber, VFD funding, schools, Economic Dev, CIP, etc)
- Other (please specify)

Responses

40.00% 2

60.00% 3

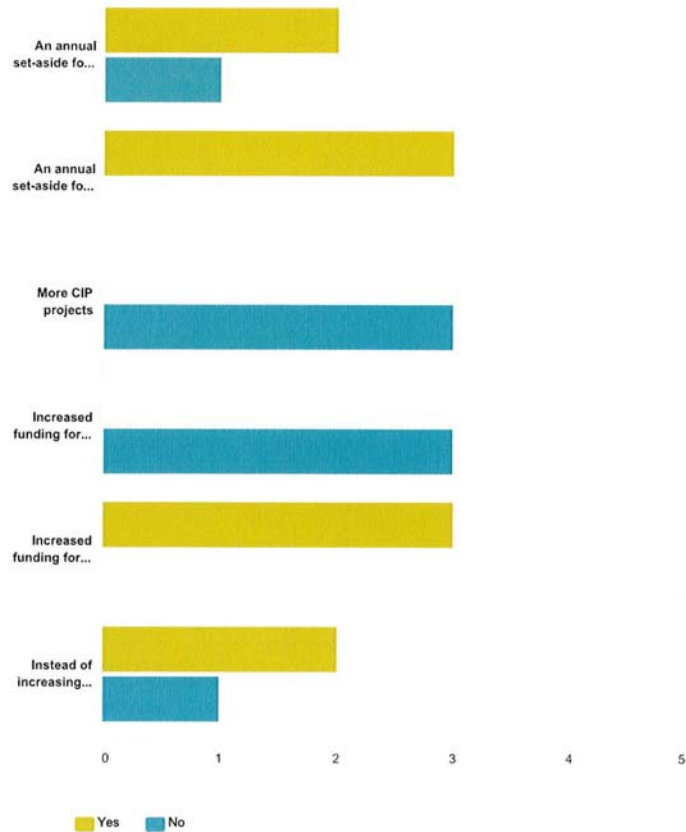
0.00% 0

Total

5

Q4 I would be willing to increase the tax rate to fund...

Answered: 3 Skipped: 2



	Yes	No	Total	Weighted Average
An annual set-aside for Fiber	66.67%	33.33%		
	2	1	3	1.67
An annual set-aside for Economic Development	100.00%	0.00%		
	3	0	3	2.00
More CIP projects	0.00%	100.00%		
	0	3	3	1.00

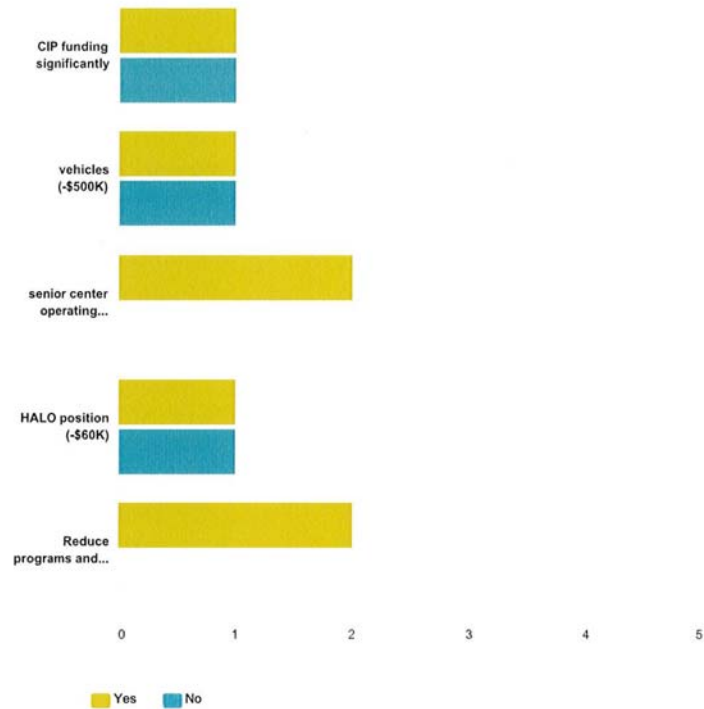
FY17-18 Budget Straw Poll

SurveyMonkey

Increased funding for schools	0.00%	100.00%			
	0	3	3	1.00	.
Increased funding for VFD's	100.00%	0.00%			
	3	0	3	2.00	.
Instead of increasing General Fund money for the VFD's, I prefer to implement a fire tax, which would offset ~\$1M from the General Fund	66.67%	33.33%			
	2	1	3	1.67	.

Q5 In order to keep the tax rate flat, I would be willing to cut...

Answered: 2 Skipped: 3



	Yes	No	Total	Weighted Average
CIP funding significantly	50.00%	50.00%		
	1	1	2	1.50
vehicles (~\$500K)	50.00%	50.00%		
	1	1	2	1.50
senior center operating expenses (~\$100K)	100.00%	0.00%		
	2	0	2	1.00
HALO position (~\$60K)	50.00%	50.00%		
	1	1	2	1.50
Reduce programs and services	100.00%	0.00%		
	2	0	2	1.00

Ms. York thanked the Board for participation in the informal straw poll noting it gives staff direction for the recommended budget.

Commissioner Jeffers stated his support for a tax increase only if the funds were earmarked for public safety including EMS and the volunteer fire and rescue needs.

Commissioner Puryear stated he would not support a tax rate increase and he advocated for cutting discretionary spending for the needed increase to volunteer fire and rescue funding.

When asked by Vice Chairman Powell about the \$250,000 expenditure, Ms. York stated that expense was authorized for the engineering design for water lines to the mega site to obtain site certification. She added that before the award was made, this item would be before the Board for contract approval.

Chairman Kendrick volunteered discussion to forgo his salary and the salaries of the commissioners as well as the travel budget of the governing body.

Ms. York clarified for the group that of the \$1.6M of Capital Projects submitted by Piedmont Community College, she only recommended including the roof for Building D at this time.

Chairman Kendrick and Commissioner Jeffers stated support that the IT Dept. contract with the City of Roxboro should sustain all costs for the services provided.

Vice Chairman Powell asked if the new insurance vendor would save the County costs related to the employee health benefits. Ms. York stated Mark III was projecting a small increase, less than the average market increase of 8% and much lower compared to the City's increase of 40%.

Commissioner Clayton made the group aware that the mental health advisory board that formerly represented Orange-Person-Chatham may grow to include Alamance and Caswell.

Commissioner Clayton asked for Board consideration to move the regular scheduled July 17, 2017 meeting to be held on July 10, 2017. Chairman Kendrick asked that this be placed on the next Board agenda.

CLOSING REMARKS & EVALUATION:

County Manager, Heidi York asked Board members to complete the retreat evaluation and return to staff.

Chairman Kendrick thanked staff for the informative presentations and the Senior Center for use of the space.

ADJOURNMENT:

A **motion** was made by Commissioner Puryear and **carried 5-0** to adjourn the meeting at 2:29pm.

Brenda B. Reaves
Clerk to the Board

Tracey L. Kendrick
Chairman