

FY 11-12 Projections

Expenditures:



• PO Carryforwards	\$535,540
• Cost of Living Adjustment (COLA)	\$248,655
• Fuel Needs	\$80,000
• EDC Position & Operating	\$67,538
• Stormwater Feasibility Study & Adv Costs	\$51,700
• Law Enf. Restricted fund uses	\$40,988
• County Manager's position to FT	\$16,255
• Vehicle Maintenance & Repair costs	\$28,000
• Drug Enf. Officer position	\$20,000
• Emergency Management	\$12,000
• Unemployment Costs	☀️ (\$65,000)

A look into the future **FY 2012-2013**




FY 12-13 Projections

Revenues:

• Fund Balance	(\$2,403,817)	
• Transfer from Emg Teleph Fund	(\$256,402)	
• Incredible Years Grant	(\$49,800)	
• State Inmate Reimbursement	(\$40,000)	
• VIP Grant	(\$20,000)	
• Interest Earnings	(\$17,000)	
• Property Tax Collections	\$1,170,000	
• Sales Tax Distribution	\$250,000	
• Federal Seizures	\$110,000	
• Sale of Fleet	\$20,000	
• Occupancy Tax Collections	\$30,000	


FY 12-13 Projections

Expenditures:

• Cost of Living Adjustment (COLA)	\$497,310	
• EDC Position & Operating	\$135,076	
• Fuel Needs	\$95,000	
• County Manager's position to FT	\$32,510	
• Drug Enf. Officer position	\$60,000	
• Vehicle Maintenance & Repair costs	\$25,000	
• Debt Payment on capital	\$17,001	

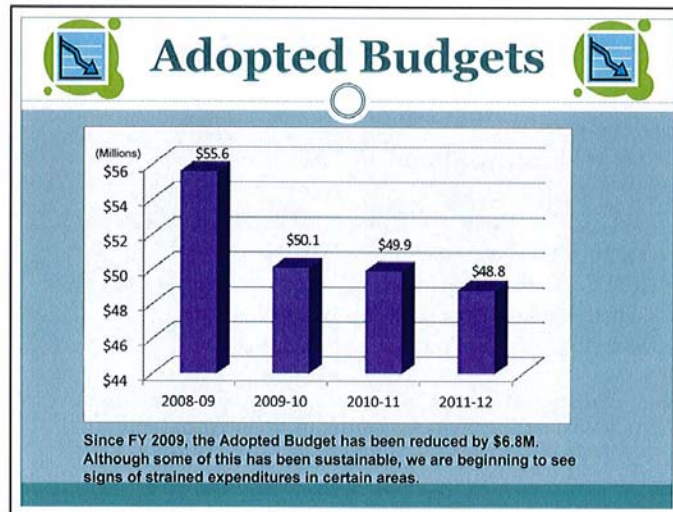
Note: Other cost elements (ie. Schools current expense, health insurance, workers comp, overtime & part-time expenses) are unknown at this time. More to come soon!

Hold the Line!!



Budget Process

- Even though we are seeing some minimal revenue growth, a *hold-the-line* operating budget may still be requested of Departments.
- It is anticipated that some operating restoration will be needed (ie. Fuel, supplies, maintenance & repair, part-time/overtime) in certain departments due to higher service demands.
- Each department will have to justify the need for any restorations during the Manager's meeting with Department Heads.
- The zero-based budgeting process will continue to be required on certain line-items.





Major Headlines!!


- Slow revenue recovery, but some recovery none-the-less!
- Clouds beginning to hover over certain areas in expenditures
- Fund Balance is above average due to cash from CIP for future debt
- Doing several much-needed capital projects. Still have some catch up to do!
- We'll know more soon when budget requests and State forecasts are in, so stay tuned!!

Ms. Wehrenberg noted the \$50,000 in the Contingency Fund designated for fuel will not be sufficient as many departments, i.e. PATS and Sheriff Department are incurring more fuels costs than were budgeted, further noting budget amendment requesting additional funds will be forthcoming to the Board. Ms. Wehrenberg told the Board she has analysis of the 2010/2011 fuel costs and can provide such. Ms. York stated staffs are reviewing best practices for a vehicle use policy when the Board members asked about the Sheriff Department staff driving vehicles home, and out of county. Vice Chairman Puryear requested a fleet inventory, user and purpose of driving the vehicle home.

FORECASTING ECONOMIC & STATE GOV'T IMPACTS:


Kevin Leonard with the North Carolina Association of County Commissioners provided the group with the following Government Relations Update:

January 30, 2012




Person County

N.C. Association of County Commissioners Government Relations Update



January 30, 2012
Presented by Kevin Leonard, NCACC



Thank you!

For letting us serve you.



What do you want to hear about?



Where We Are Now -
State of the Counties

- ★ Economic Climate
- ★ Beyond the Budget - Hot Topics



Board members specifically asked to be briefed on any potential state funded initiatives that may be proposed to pass down to counties as well as any update related to roads.

County Budget Status – Little Financial Improvement Seen

Based on annual NCACC Budget & Tax Survey

- 50 counties cut budget
- 21 counties increased property tax rate
- 39 counties under hiring freeze
- 29 counties reduced school \$
- 52 counties eliminated 600+ positions
- 24 counties laid off 126 employees



Counties Face Declining Tax Base

- 43 counties underwater
 - Cherokee = 131%
 - 10 counties > 110%
- Revals = property tax increases
 - Brunswick County = 13.75 cents
- Current law requires counties >75,000 to revalue at 115%



Counties Reset Budgets

- Budget cuts during recession and sluggish economy = \$1 billion (10%)
- Spending drops below \$10 billion statewide
 - Levels not seen since 2007



Counties Rely on Fund Balance

- 56 counties rely on fund balance to meet critical spending requirements
 - *One time option?*
 - Replacing lottery funding cuts
 - 68 counties use some or all of lottery \$ for school debt service



Counties Invest in Economic Development

- 67 counties invest in some economic development activities
 - 59 use incentives
 - 47 build/upgrade water & sewer
 - 44 build/upgrade industrial park facilities
 - 13 counties investigate broadband development
- What can the state do?
 - Incentives & infrastructure grants



State of the State's Economy



Mr. Leonard advised that the State would be having further discussion in the Fall of 2012 related to roads.

State's General Fund Ok So Far...but

- 1st 6 months– \$150 M above \$9.4 B target
 - Revenue trends not as robust in 2nd quarter
 - Surplus due to personal income collections
 - Increased sales taxes seen in 1st quarter falling off
 - 10% increase in 1st quarter
 - Gross collections now slightly below target
 - Better corporate & franchise



State Medicaid Over Budget

- State budget cuts dependent upon CMS approval
- Court ruling prevents service roll-back
- Anticipate \$149 million deficit in state dollars
 - Budget provision allows cuts in provider rates and/or elimination of optional services
 - Discussion now on backfilling, or not, gap

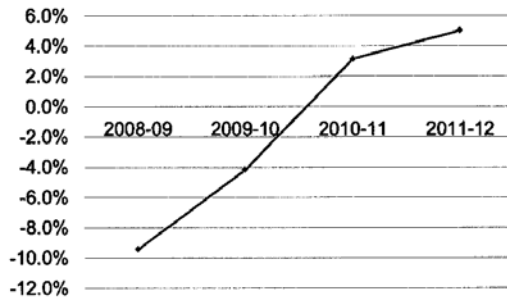


Lottery Sales above Budget

- Current appropriations provide \$100 M to counties
- Current budget provision directs excess to school capital
- Sales projected to exceed appropriations
- Current allocation of \$25 M each qtr—excess not realized until Aug. payment



Change in Baseline Sales Tax Collections



General Assembly in Action



A Series of Mini-Sessions

- 5th mini-session since adjournment
- Items of substance
 - S433
- Reconvenes Feb 16, April 23
 - Limited scope to redistricting, veto overrides, election law bills
- Returning again for: Cherokee Compact? Veto override?
- Short Session May 16



Legislative Studies

- Appropriations to begin meeting for early budget proposal
- Oversight committees to manage Medicaid deficit, LME governance
- LRCs / Select Committees to backfill studies bill



Hot Topics



Justice Reinvestment Act (H642)

What it is

- DoC/counties with jail capacity enter voluntary agreement for misdemeanants sentenced >90 days <= 180 days
 - Current law requires misdemeanants sentenced > 90 days in state prisons & <90 days to county jails
 - Counties reimbursed for new misdemeanants for entirety of sentence
- New state fees seed fund to pay counties
- Changes criminal justice partnership program



Justice Reinvestment Act (H642)

Where it's at

- Sheriff's Assn. assigns beds & sets rate
 - Jan. 2 statewide initiation
- \$40 per day, covers all internal jail expenses
 - NCSA calculates payment & sends mo. following release
 - External health care billed to NCSA
 - Transportation at IRS rate + \$25/hr officer supervision & sent mo. following event



Statewide Expansion of 1915 (b)(c) Waiver (H916)

What it is

- Expands capitated model of care for all mental health area authorities & single county programs
- Increases population threshold to 300,000 7/1/12 & 500,000 7/1/13, requiring LME merger, interlocal agreement for lead LME
- County changes included:
 - Counties held harmless for cost overruns
 - Governance structure to be studied

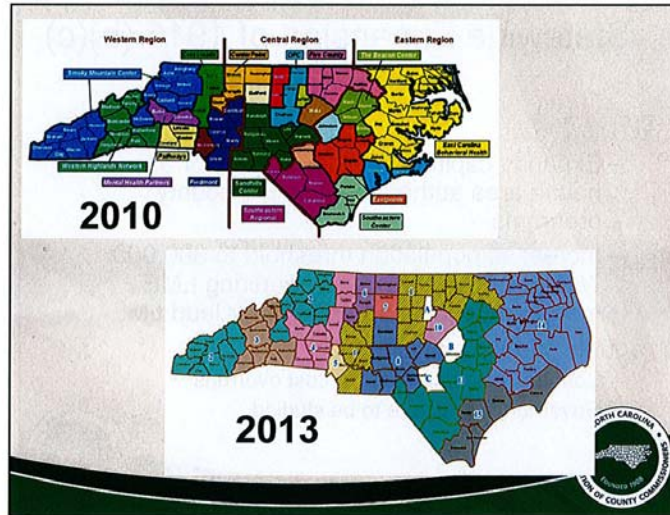


Statewide Expansion of 1915 (b)(c) Waiver (H916)

Where it's at

- All LMEs have initiated waiver implementation plans
- Discussion of governance & county role
 - NCGA forms LME governance subcommittee with county representation
 - NC-DHHS forms dept. advisory waiver committee to oversee implementation
 - Counties included



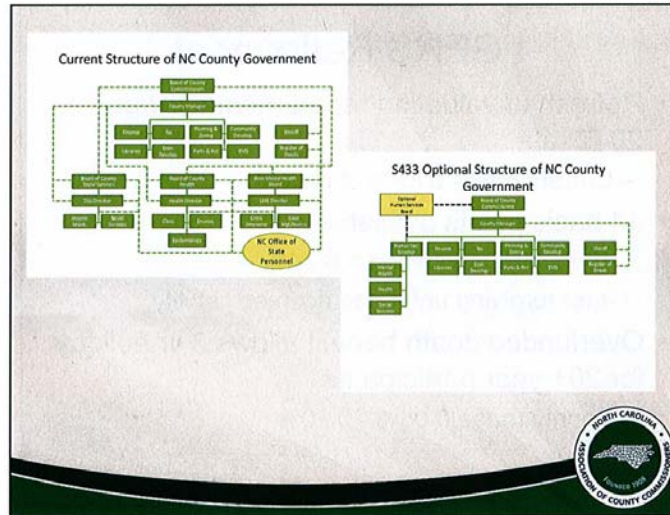


Local Human Services Administration (S433)

What it is

- Provides option to all boards of commissioners to restructure human services
 - Under BOC or create consolidated human services board
 - Current law only permits counties with pops. >425,000 to restructure
- Streamlines county administration, improves client services, enables countywide vision across depts.
- GA staff report recommends county flexibility





Local Human Services Administration (S433)

- *Where it's at*
- Passed Senate 40/9; received favorable report in House HHS
 - House version includes incentives for regional health depts & authorities
- Attempt on House floor Nov. 29th mini-session
 - 3 votes shy of super majority needed for consideration
- Final version to exclude mental health

LGERS Retirement

- Refresh of valuation report means lower 2012 rate
 - Current rate = 6.88% of payroll
- 14 basis points available
 - 10 for ARC reduction = 6.74%
 - 4 for forgiving unfunded accrued liability
- Overfunded death benefit allows 3 yr holiday for 20+ year participants
 - County range 0.05% - 0.20%

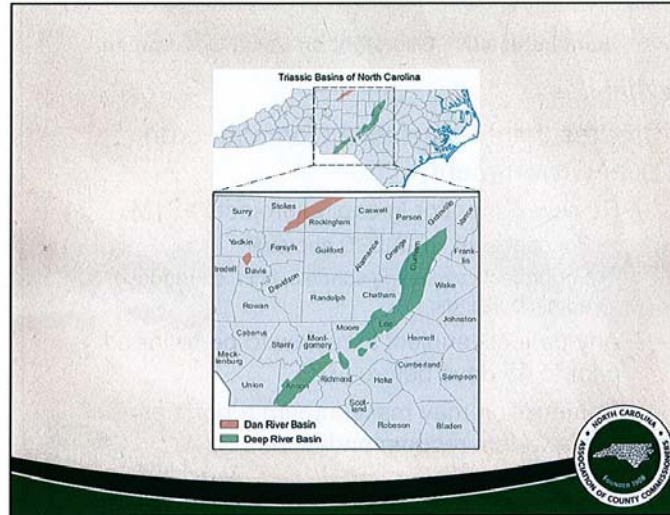


Fracking (H242)

What it is

- NCACC goal to create study commission on fracking
- NCGA adopted H242 directing DENR for comprehensive study
- Fracking currently illegal under NC statutory & regulatory framework





Fracking (H242)

Where it is

- NCACC goal to create study commission on fracking
- NCGA adopted H242 directing DENR for comprehensive study
- Study underway with public comment in March
- Comprehensive study of quantity, water impacts, fiscal impacts to locals, regulatory environment, funding structures

Joint Legislative Oversight on Local Government

What it is

•Creates Joint Legislative Committee on Local Government

- Review & monitor lg capital projects >\$1M
 - For debt issuance & LGC approval
 - For projects excluding schools, jails, courthouse, & admin buildings
- Any projects subject to review to be reported prior to 45 days before LGC
- Commission may make interim reports on same w/ leg. recommendations



Joint Legislative Oversight on Local Government

Where it's at

•Initial meeting to discuss legislative charge

•Cities/counties submitting project lists

- Don't submit schools, jails, courthouse, & admin buildings
- \$750 million to be considered by LGC
 - Airports & hospitals big ticket
 - Water & sewer most numerous



Joint Legislative Oversight on Local Government

Next Steps

- Feb. 13 meeting to hear local government perspective
- Committee staff requesting interest rates, length of bond term, repayment source



Looking Ahead



Counties Getting Ready

- NCACC legislative goals review & strategies to complete
- Focus on grassroots
 - *Need your help!*
- *Local bills – work on them now*
- Tax reform, revisiting intergovernmental responsibilities?



Short Session Issues

- Leadership declares in & out in 5 to 6 weeks
- Budget job #1
 - Higher revenue rates may need reduction
 - Push to replace lost federal education dollars
 - Speaker Tillis continues no shift pledge
- Budget introduced Day 1?
- Fracking, mental health governance, S433, broadband/PPPs, video sweepstakes





NCACC Upcoming Events

- Steering Committees & Taskforces

NCACC Committee Meetings Schedule				
Date	Day	Time	Committee	Location (follow link for directions)
Jan. 31	Tuesday	10 a.m. - 2 p.m.	Taxation and Finance Steering Committee (joint with Intergovernmental Relations)	Quorum Center Conference Center (second floor, Raleigh (Wake County))
Jan. 31	Tuesday	10 a.m. - 2 p.m.	Intergovernmental Relations Steering Committee (joint with Tax & Finance)	Quorum Center Conference Center (second floor, Raleigh (Wake County))
Feb. 17	Friday	10 a.m. - 3 p.m.	Justice and Public Safety Steering Committee	Kenan-Flagler Building, School of Government, UNC-Chapel Hill (Orange County)
Feb. 23	Thursday	10 a.m. - 12:30 p.m.	Public Education Steering Committee	Albert Coates Local Government Center, Raleigh (Wake County)
Feb. 23	Thursday	10 a.m. - 2 p.m.	Healthy Living Task Force	Albert Coates Local Government Center, Raleigh (Wake County)

- Risk Management Regional Meetings

Risk Management Pools Membership Meetings			
Date(s)	Time	Meeting Description	Venue
Feb. 14	9:30 a.m.	Regional meeting	Robak Community College, Lumberton
Feb. 16	9:30 a.m.	Regional meeting	Washington OMC Center (Beaufort County)
Feb. 28	9:30 a.m.	Regional meeting	Davis County EMS Training Room, Mocksville
Feb. 29	9:30 a.m.	Regional meeting	Macon County Public Library, Franklin



NCACC Upcoming Events

- District Meetings

11-Apr	NCACC District Meeting	Doubletree Biltmore, Asheville (Burke County)
12-Apr	NCACC District Meeting	Holiday Inn Express, Wilkesboro (Wilkes County)
19-Apr	NCACC District Meeting	Embassy Suites, Concord (Cabarrus County)
24-Apr	NCACC District Meeting	Piedmont Community College, Roxboro (Person County)
25-Apr	NCACC District Meeting	Mad Boar Restaurant, Wallace (Duplin County)
26-Apr	NCACC District Meeting	Bob Martin Eastern Ag Center, Williamston (Martin County)



Contact Us.

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Mr. Leonard praised Person County for having approximately 95% coverage for access to internet noting the legislative bill for Nash County only was passed in the last session to partner with public entity to offer broadband to their underserved areas.

Commissioner Jeffers asked Mr. Leonard if the State may be shifting responsibility of school buses to the counties. Mr. Leonard felt counties should be aware of the prospect but felt it was not an immediate concern for the upcoming fiscal year.

Commissioner Kennington asked Mr. Leonard how the State lottery fund and video sweepstakes relate to charter schools. Mr. Leonard stated if video sweepstakes were put into the lottery, counties are wise to ask the question noting there are unanswered questions related to charter schools especially in the case if a charter school dissolves, where the assets are forwarded. This issue has lots of debate which is why the bill was pulled last session related to eliminating the cap and appropriating capital funds to charter schools per Mr. Leonard.

The Board took a lunch break at 12:40 p.m. The Retreat reconvened at 1:15 p.m.

STRATEGIES FOR NON-DEPARTMENTAL FUNDING:

County Manager, Heidi York led the group in the discussion related to Non-Departmental Funding as outlined below:

Non-Departmental Funding



BOCC Retreat 2012

History of Nonprofit Funding

Nonprofit Agencies	FY10 Adopted	FY11 Adopted
Person County Senior Center	121,000	50,000
Group Homes-GADC	21,330	-
Partnership for Children	10,000	-
RACC Festival	3,000	2,850
Roots & Wings	-	3,000
Person County Museum	22,703	15,000
Hospital	125,068	-
Hospital Capital Outlay	-	50,000
Total	303,101	120,850

FY 11-12 Nonprofits Funded

Nonprofits	FY 2012
Roxboro Development Group	16,245
PCBIC	60,000
Person County Senior Center	100,000
Total Funding for Nonprofits	176,245

Fire Services

Fire Services	FY 09	FY 10	FY 11	FY 12
City of Roxboro	353,560	353,560	353,560	353,560
Rescue Squad	42,850	40,707	40,707	40,707
Allensville VFD	42,850	40,707	40,707	40,707
Ceffo VFD	85,700	81,415	81,415	81,415
Hurdle Mills VFD	85,700	81,415	81,415	81,415
Moriah VFD	85,700	81,415	81,415	81,415
Semora VFD	13,680	12,996	12,996	12,996
Timberlake VFD	42,850	40,707	40,707	40,707
Triple Springs VFD	42,850	40,707	40,707	40,707
Woodsdale VFD	42,850	40,707	40,707	40,707
Total Fire Svcs Funding	838,590	814,336	814,336	814,336

Beginning in FY10, while county departments & outside agencies saw decreases in funding, fire services remained flat.



Education

- Initial Expense Request = \$10.5 million
 - Request includes:
 - 2% supplemental increase for staff
 - Certified (teachers and administrators) @ \$370,000
 - Non-Certified @ \$110,000
 - Total Supplement Increase = \$480,000
 - Replacement of lost federal funds = \$500,000
 - Increase of state reversion = \$500,000

- Capital Request = \$3.8 million
 - Includes \$897,000 in CIP projects (with roofing, the request is \$1,526,000)
 - Includes \$903,000 regular capital
 - Includes \$2,000,000 lottery funds

NONPROFITS:

It was the consensus of the Board to not implement the application process for the nonprofits with keeping the limited number of nonprofits tied to economic development.

FIRE SERVICES:

It was the consensus of the Board to keep the fire services funding the same in the upcoming budget.

Commissioner Jeffers requested consideration to fund the estimated costs of \$14,416 for reprogramming all public safety radios to Narrowband as required by FCC mandate by January 1, 2013 with the exception of those responsible by the City of Roxboro for Fire and Police use. Ms. York recommended adding the additional appropriation to the annual funding amount for each volunteer fire department, rescue and Sheriff Department respectively to cover each associated costs to comply with the mandate. Commissioner Jeffers presented the list of needs as follows:

	Mobiles	Walkies	Pagers	
Hurdle Mills	10	18	55	
Moriah	10	16	40	
Timberlake	10	25	40	
Ceffo	12	26	37	
Triple Springs	5	10	5	
Woodsdale	10	15	30	
Allensville	10	15	30	
Person EMS	10	40	2	
Person Sheriff	55	90	0	
Person Rescue	10	20	20	
Person Animal	5	5		
Person 9-1-1	0	3	1	
Roxboro Fire	12	40	40	
Roxboro Police	30	40		
	189	363	300	852

Reprogramming costs estimate
852 \$8.00 \$6,816.00

Reprogram and align Base Station Repeaters
10 \$50.00 \$500.00

Replacement Repeater for Sheriff Channel 2 which is so old it will not narrowband

1 T3000 MTR3000 VHF 100 WATT REPEATER \$7,100.00
1 X330 VHF OPTION

January 30, 2012

**2 YEAR
WARRANTY
REPEATER DOES NOT INCLUDE
CABINET OR DUPLEXER**

Base Repeaters	\$500.00
Reprogramming	6,816.00
Repeater	7,100.00
Total Estimate	\$14,416.00

It was the consensus of the Board to increase funding as recommended by the County Manager to cover the costs for volunteer fire departments, rescue and the Sheriff Department to comply with the mandate.

Ms. York stated the contract for fire services with the City of Roxboro expires in June, 2012. Ms. York noted the City Manager has given the county a proposal to continue the contract with a built in consumer price index (CPI) for inflation every two years. The City proposes a 3% increase per CPI. Ms. York stated she has been tracking the data to confirm the county is getting a good value for the \$353,000 contracted value noting 37% of the call volume is for outside the city limits. Vice Chairman Puryear suggested negotiating the CPI at half value, in this case, 1.5%.

EDUCATION:

The initial expense request from Person County Schools represents a 16% increase in funding. When asked about the Schools' Fund Balance, Gordon Powell, Chairman for the Board of Education estimated \$400,000 in unencumbered fund balance.

It was the consensus of the Board to request the Board of Education to present a flat budget request just the same as will be requested of county departments with any additional request of funding to be based on justification for such at a joint meeting. Mr. Powell reiterated funding from the county has been the same for 3 consecutive years with funding from all other sources cut with expected layoffs for 10-17 staff.

IMPLEMENTING THE STRATEGIC PLAN:

County Manager, Heidi York presented Strategic Plan priorities and Project Updates as follows:

Implementing the Strategic Plan



BOCC Retreat 2012

2011 Retreat

- Each Commissioner stated priorities from the Person Futures workgroup that they chaired.
- These priorities were not ranked in order of importance.
- Several priorities were duplicated among outcomes.

Strategic Plan Priorities 2011 Retreat

- ✓ Voluntary Agricultural Districts
 - Welcome Center
 - Recreation Center
 - Allied Health Center
 - Work Force Center
- ✓ Resource Guide for Citizens
 - Support early childhood programs
- ✓ Neighborhood Watch Programs
- ✓ Economic Development Director
 - Economic Development Capital Fund
 - Grant Writer
 - Newcomer's Club
 - New Farmer's Market Programs
 - Expand mentoring programs

Executive Roundtable Priorities

- Grant Writer ★
- Designate staff members to focus on the Futures Project
- Senior/Recreation Center ★
- One-stop for City/County planning & zoning and inspections permits.
- Resource guide for start-up and operation of business in the county and city
- Equal opportunity for minority businesses
- Branding of Person County

Project Updates from the Strategic Plan

- Recreation/Senior Center –
“Foster a Sense of Community” (Goal 2, Objective 1)
- Multi-jurisdictional Park –
“Prosper by Developing the New Economy”
(Goal 1, Objective 3)
- County Website–
“Foster a Sense of Community” (Goal 1, Objective 2)

Recreation, Senior Center

November 4, 2008 ballot language:

“Shall the order adopted on September 12, 2008, authorizing not exceeding \$6,000,000 Recreation Facilities Bonds of the County of Person, North Carolina, for the purpose of providing funds, with any other available funds, for providing additional recreation facilities of said County, including the construction of a recreation and senior center to provide recreation opportunities to persons of all ages and the acquisition of necessary land, rights of way, furnishings and equipment, and authorizing the levy of taxes in an amount sufficient to pay the principal of and the interest on said bond, be approved?”

In laymen’s terms: Approval means that the Board may issue bonds as a means of funding the recreation & senior center construction, land, furnishings, equipment, etc. The total amount shall not exceed \$6 million.

Recreation, Senior Center

- Referendum Results
 - ✓ Yes = 8,800
 - ✓ No = 7,181
- Participants in the 2011 Community Health Assessment Survey ranked the lack of recreational facilities as the 9th most critical quality of life indicator out of 24 community issues
- Actions to date
 - ✓ CIP
 - FY13-14 = \$53,000 for design & engineering
 - FY14-15 = \$6,000,000 for construction

Recreation, Senior Center

- Request to fund design in FY12-13 = \$53,000 in preparation for grant cycle beginning FY14
- New facility cost estimates
 - \$150 per sq. ft.
 - Estimated cost = \$5,142,000
- Alternate Plan- Renovating & Utilizing the Annex
 - \$60-\$80 per sq. ft.
 - Estimated cost = \$3,500,000

Multi-Jurisdictional Park

- FY11-12 allocation = \$155,000 (feasibility, site identification, assessment)
- Request for Proposals for a Feasibility Study- October 2011
- Cost Sharing Agreement with Durham County for Feasibility Study- December 2011
- Sanford Holshouser Economic Development Consulting- January 2012
- Feasibility Study underway- February 2012

Multi-Jurisdictional Park

Feasibility Study:

- Evaluation of existing business/industrial parks
- Review of land use plans for potential development areas
- Evaluation of infrastructure capacity
- Target sectors review
- Feasibility report, presentation, & summary

Two month completion
Estimated cost: \$24,000

PROJECT UPDATES:

RECREATION, SENIOR CENTER:

Commissioner Jeffers and Recreation, Parks & Arts Director, John Hill presented a new option of manipulating the original plan to explore building the Recreation & Senior Center on the current Huck Sansbury complex. Mr. Hill explained the original plan called for approximately 34,000 sq. feet which includes 10,000 sq. feet for a gymnasium, 10,000 – 11,000 sq. feet for exercise/fitness space and an 8,000 sq. foot pool.

Mr. Hill requested the feasibility study to be moved up in the CIP to FY 12/13 or sooner.

Commissioner Jeffers reiterated the new option would cut the costs in half, allow the community to see some progress yet consider the economy. Commissioner Jeffers noted the new option would require the Work Force Development Center housed in part of the old DSS Building be relocated as the intent is to replace/relocate the existing senior center to the Huck Sansbury site. The group noted senior citizens have voiced their desire for the senior center to be located in town, near other services.

Mr. Hill noted once the feasibility study has been completed, he can proceed with grant applications noting the NC PARTF can be used for land acquisition or bricks and mortar. Mr. Hill stated he would propose application for the grants in two phases over 2 fiscal years to request the maximum amount of \$500,000 in each fiscal year.

Commissioner Kennington stated his concern related to parking at the Huck Sansbury site with the new option as well as need to explore an athletic field study. Mr. Hill noted there is enough acreage at the Huck Sansbury site to work around the parking or manipulate the field to accommodate. Commissioner Kennington suggested moving the athletic field to another site, i.e., at the Wilkerson Critcher site, county owned property.

It was the consensus of the Board to proceed with the Recreation/Senior Center feasibility study including the ball field study as soon as possible to assess all available sites within the county. \$53,000 has already been set aside for this project.

MULTI-JURISDICTIONAL PARK:

Ms. York confirmed Person County's share of the Multi-Jurisdictional Park feasibility study is \$12,000. Ms. York noted a joint meeting with Durham County will be planned following the feasibility study.

COUNTY WEBSITE:

IT Director, Gary Latta gave the Board a preview of the new county website that is scheduled to go live by the end of February or first part of March. All county departments will be included in the new website makeover, with the only exception to those departments that require a link. Links to outside agencies will also be available.

PRIORITY RANKING EXERCISE:

Ms. York asked the Board members to rank those strategies from the 2011 Retreat and the Executive Roundtable to begin implementing in the coming year that may have implications for the budget or CIP. Ms. York provided a form listing the strategies and asked the Board to rank 1 to 5 with 1 being the most important and return the form to the Interim Assistant County Manager, Janet Clayton.

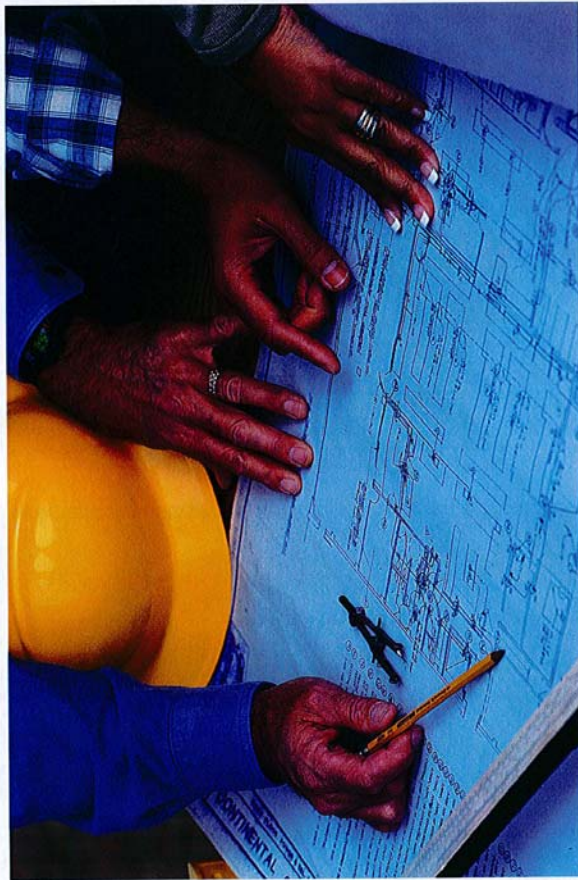
The Board took a brief break at 3:06 p.m. and reconvened at 3:14 p.m.

CAPITAL IMPROVEMENT PLAN (CIP):

Finance Director, Amy Wehrenberg reviewed with the Board the current CIP Plan Grid providing the status of the current projects for Fiscal Year 2011-2012, outlining requested CIP projects for Fiscal Year 2012-2013.



Person County Capital Improvement Plan (CIP) *Projects Review*





**■ Current
CIP Plan
Grid
■ FY 2012-2016**



City of San Diego (CSD)

Sources of Revenue for Project Costs:							
	Current Year	Budget Year 2011-12	Planning Year 2012-13	Planning Year 2013-14	Planning Year 2014-15	Planning Year 2015-16	TOTAL REVENUE SOURCES
Revenues:							
Fund Balance Appropriation	-	438,547	1,736,365	1,834,027	1,782,055	1,330,000	7,120,994
Capital Project Fund Balance at July 1	2,148,351	1,138,324	87,500	115,000	285,000	-	3,774,175
ARRA Grant-Energy Project	89,643	-	-	-	-	-	89,643
Progress Energy Contribution-Energy Project	15,042	-	-	-	-	-	15,042
Debt Proceeds - Financing (1) & (2)	4,500,000	-	-	-	6,000,000	-	10,500,000
Total Sources of Revenue:	6,753,036	1,576,871	1,823,865	1,949,027	8,067,055	1,330,000	21,499,854
Project Costs for County and PCC:							
	Current & Prior Year(s)	Budget Year 2011-12	Planning Year 2012-13	Planning Year 2013-14	Planning Year 2014-15	Planning Year 2015-16	TOTAL PROJECT COSTS
General Services:							
Hot Water repair at LEC (will need to do re-piping)	69,854	-	-	-	-	-	69,854
Remove and replace EMS Diesel Fuel Tank	16,500	-	-	-	-	-	16,500
New roof-Person Counseling Center	59,708	-	-	-	-	-	59,708
New roof-Library	206,761	-	-	-	-	-	206,761
Courthouse Renovations	2,990,619	-	-	-	-	-	2,990,619
Issuance Costs for Courthouse renov & roofing project	50,000	-	-	-	-	-	50,000
Contingency—Courthouse Renovations	100,000	-	-	-	-	-	100,000
Energy Project at PCOB & Library	174,385	-	-	-	-	-	174,385
Painting at LEC Detention Center	-	52,600	-	-	-	-	52,600
New roof-Huck Sansbury Complex	-	205,477	-	22,973	-	-	228,450
New roof-Kirby Civic Auditorium	-	32,364	-	348,277	-	-	380,641
New roof-Olive Hill Gym	-	133,145	5,023	-	-	-	138,168
New roof-Airport Pump House	-	20,880	-	-	-	-	20,880
New roof-PCOB	-	-	364,154	-	-	-	364,154
Paving-driveway & parking lots-Anim Ctrl, PW maint. & Mayo	-	-	125,000	-	-	-	125,000
Replace carpet & tile (PCOB)	-	-	-	35,000	35,000	-	105,000
New roof-Huck Sansbury Annex	-	-	-	16,257	-	-	16,257
New roof-Emergency Medical Services	-	-	-	68,949	-	-	68,949

Emergency Management Services:									
Replace cardiac monitors (\$27,208 ea.)	-	190,459	-	-	-	-	-	-	190,459
Person Memorial Hospital:									
Renovation of Cardiac Rehab Unit	50,000	-	-	-	-	-	-	-	50,000
Economic Development:									
Multi-Jurisdictional Industrial Park	-	155,000	45,000	-	-	-	-	-	200,000
Recreation, Arts & Parks:									
Helena gym-upgrade restrooms	53,000	-	-	-	-	-	-	-	53,000
Walking tracks repaving & repair	-	-	65,000	-	-	-	65,000	-	130,000
Rec Center/Senior Center Engineer Fees	-	-	-	53,000	-	-	-	-	53,000
Playground and park improvements	-	-	-	60,000	50,000	50,000	-	-	160,000
Olive Hill--construct outside restrooms	-	-	-	-	-	50,000	-	-	50,000
Recreation and Senior Center	-	-	-	-	-	6,000,000	-	-	6,000,000
Debt Service for Person Counseling Center and Public Library:	320,000	-	-	-	-	-	-	-	320,000
DSS:									
Northwoods Electronic Document Management System	326,178	-	-	-	-	-	-	-	326,178
Total County Projects	4,417,005	789,925	604,177	604,456	6,200,000	6,200,000	85,000	85,000	12,700,563
Project Costs for County and PCC:									
Piedmont Community College (PCC):									
New roofs-F&G Buildings	280,630	-	-	-	-	-	-	-	280,630
Debt Service for PCC Roofs F & G	225,000	-	-	-	-	-	-	-	225,000
New roof-A Building	-	150,545	-	-	-	-	-	-	150,545
New roof-I Building	-	201,840	-	-	-	-	-	-	201,840
New roof-J Building	-	12,465	-	-	-	-	-	-	12,465
New Telephone System (Voice Over IP)	-	52,000	-	-	-	-	-	-	52,000
Paving and Expansion-Parking Lot 4	-	-	100,000	-	-	-	-	-	100,000
New roof-D Building	-	-	-	-	159,317	-	-	-	159,317
Infrastructure for Future Expansion	-	-	-	-	-	-	375,000	-	375,000
Total PCC	505,630	416,850	100,000	-	159,317	159,317	375,000	375,000	1,556,797

Project Costs for Public Schools:		Current & Prior Year(s)	Budget Year 2011-12	Planning Year 2012-13	Planning Year 2013-14	Planning Year 2014-15	Planning Year 2015-16	TOTAL PROJECT COSTS
Public Schools:								
Exterior wall waterproofing-PHS	59,718	-	-	-	-	-	-	59,718
Fire alarm & security system replacement-PHS	187,401	-	-	-	-	-	-	187,401
HVAC control system upgrade-Oak Lane Elem	71,000	-	-	-	-	-	-	71,000
Debt Service for Northern Middle School roof	600,000	-	-	-	-	-	-	600,000
New roof-Northern Middle School	811,758	-	-	-	-	-	-	811,758
New roof-portion of Earl Bradsher	100,524	-	-	-	-	-	-	100,524
New roof-Early Intervention	-	1,671	-	-	159,705	-	-	161,376
New roof-Person County Learning Academy	-	50,634	-	-	-	-	-	50,634
New roof-PHS	-	47,067	-	-	1,104,866	-	-	1,151,933
New roof-Southern Middle School	-	20,724	-	-	-	1,528,202	-	1,548,926
Exterior wall waterproofing-PHS (additional)	-	250,000	-	-	-	-	-	250,000
New roof-North End	-	-	509,688	-	-	179,536	-	689,224
Replace tracks-PHS & SMS	-	-	200,000	-	-	-	-	200,000
Paving-PHS & South Elem	-	-	125,000	-	-	-	-	125,000
Chiller replacement-PHS	-	-	285,000	-	-	-	-	285,000
Classroom conversion-PHS	-	-	-	-	80,000	-	-	80,000
Window replacement-Earl Bradsher	-	-	-	-	-	-	370,000	370,000
Stadium restrooms & seating-PHS	-	-	-	-	-	-	500,000	500,000
Total Public Schools Projects:	1,830,401	370,096	1,119,688	1,344,571	1,707,738	870,000	7,242,494	
Total Project Costs:		6,753,036	1,576,871	1,823,865	1,949,027	8,067,055	1,330,000	21,499,854

Sources of Revenue for Operating Impact Costs:	Current & Prior Year(s)	Budget Year 2011-12	Planning Year 2012-13	Planning Year 2013-14	Planning Year 2014-15	Planning Year 2015-16	TOTAL REVENUE SOURCES
General Fund Revenues	250,526	436,524	424,284	412,044	1,654,704	1,692,064	4,870,146
Fees (Rec Center)	-	-	-	-	-	100,000	100,000
Total Sources of Revenue for Operating Impact Costs	250,526	436,524	424,284	412,044	1,654,704	1,792,064	4,970,146
Operating Impact Costs:	Current & Prior Year(s)	Budget Year 2011-12	Planning Year 2012-13	Planning Year 2013-14	Planning Year 2014-15	Planning Year 2015-16	TOTAL PROJECT COSTS
Recreation and Senior Center Project	-	-	-	-	-	250,000	250,000
Personnel/Operating	-	-	-	-	-	-	-
Debt Service Payments:							
Courthouse & Roofing Project	250,526	474,420	462,180	449,940	892,600	899,960	3,529,626
Rec & Sr Center	-	-	-	-	700,000	680,000	1,380,000
Cost Savings from Energy Grant	-	(37,896)	(37,896)	(37,896)	(37,896)	(37,896)	(189,480)
Total Operating Impact Costs	250,526	436,524	424,284	412,044	1,654,704	1,792,064	4,970,146

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

(1) Courthouse Renovation and Roofing Projects

The Courthouse renovation and six critical roofing projects were approved by the Board via Capital Project Ordinance on 5-17-10, which stated their intent to fund these projects with debt proceeds. This financing was closed on July 15, 2010 and is currently part of the County's debt obligations with the first payment scheduled for February 1, 2011.

(2) Rec and Senior Center

If it is the Board's desire to issue general obligation bonds to fund this project, we have until November 2015 to be able to go out for bond issuance. This project is currently recommended to begin in FY 2014 with the engineering study for \$53,000, the borrowing for this project is proposed for FY 2015 at an estimated cost of \$6,000,000.

FY 2011-2012 CIP Approved Projects



DEPT	PROJECT NAME	TOTAL COST
EDC	Multi-Jurisdictional Industrial Park (Ph 1)	\$ 155,000
EMS	Replacing Cardiac Monitors	190,459
General Services	New roof-Kirby Civic Auditorium (Ph 1)	32,364
General Services	New roof-Airport Pump Building	20,880
General Services	New roof-Olive Hill Gym (Ph 1)	133,145
General Services	New roof-Huck Sansbury Complex (Ph 1)	205,477
General Services	Painting at LEC Detention Center	52,600
PCC	New Roof Building I	201,840
PCC	New Roof Building J	12,465
PCC	New Roof Building A	150,545
PCC	New Telephone System (Voice Over IP)	52,000
Public Schools	New roof-PHS (Ph 1)	47,067
Public Schools	New roof-Southern Middle School (Ph 1)	20,724
Public Schools	New roof-Early Intervention (Ph 1)	1,671
Public Schools	New roof-Person County Learning Academy	50,634
Public Schools	PHS exterior waterproofing	250,000
TOTAL		\$ 1,576,871

Status of Current Projects



Project Title	Total Budget	Cost to Date	Status
EMS Diesel Tank Replacement	16,500	16,500	Completed
EMS-Cardiac Monitors	190,459	190,459	Completed
Exterior wall waterproofing-PHS	60,000	59,718	Completed
HVAC upgrade-Oak Lane Elem	71,000	71,000	Completed
Courthouse Renov & Roofing	4,500,000	4,014,563	Not completed
Contingency-CH Renov & Roofing	100,000	-	Not completed
Energy Lighting Project	174,385	128,070	Not completed
Huck Sansbury Complex-Roofing	269,752	30,163	Not completed
Olive Hill Gym-Roofing	133,145	8,846	Not completed
Airport Pump House-Roofing	20,880	1,390	Not completed
LEC Detention Center-Painting	52,600	-	Not completed
Helena Gym-Restroom Upgrades	53,000	46,000	Not completed
Multi-Jurisdictional Industrial Park	155,000	-	Not completed
PCC-I Building-Roofing	201,840	13,493	Not completed
PCC-J Building-Roofing	12,465	-	Not completed
Early Intervention-Roofing	1,671	108	Not completed
PC Learning Academy-Roofing	50,364	3,362	Not completed



Status of Current Projects (cont.)

Project Title	Total Budget	Cost to Date	Status
Kirby Civic Auditorium-Roofing	32,364	-	Not started
PCC-A Building-Roofing	150,545	-	Not started
PHS-Roofing	47,067	-	Not started
Southern Middle School-Roofing	20,724	-	Not started
PHS-Exterior Wall Waterproofing	250,000	-	Not started
Rec/Sr Center Facility Study	53,000	-	On hold



Requested CIP Projects 2012-13

County Requests:

- Roofing: PCOB, Olive Hill Gym, Bushy Fork Gym, and Work Force Training Building (\$679K)
- Paving driveways & parking lots: Animal Control, Public Works Maintenance & Mayo - cost adj. up from \$125K on current CIP plan (\$135K)
- Multi-Jurisdictional Industrial Park-Phase II (\$45K)
- *Financial & Human Resources Software Package (\$350K)
- *LEC HVAC Controls Retrofit (\$170K)
- *Emergency Services: Replace existing bay with two-story structure (\$360K)
- Recreation, Arts & Parks: Walking tracks repaving and repair (\$65K), *Rec Center/Senior Center Engineering Plan (\$53K), *Solar lights on walking tracks (\$130K), & *Outdoor basketball courts (\$60K)

Total estimated County Requests: \$2,047,000

(*) New requested projects for 2012-13



Requested CIP Projects 2012-13 (cont.)

PCC Requests:

- Repave and expand parking lot #4 (\$100K)
- *New Allied Health Building-Phase I (\$840K): Total requested project costs through FY 2017 \$8.85M
- *Kitchen equipment for upgraded dining facility in Building E (\$50K)

Total estimated PCC Requests: \$990,000



(*) New requested projects for 2012-13

Requested CIP Projects 2012-13 (cont.)

School Requests:

- Roofing: North End Elementary School and Person County Helena School Facilities (\$629K)
 - Paving: PHS & South Elementary teacher parking lots - cost adj. up from \$125K on current CIP plan (\$150K); PHS & SMS replace running tracks (\$200K); *PHS asphalt replacement in bus parking lot (\$80K)
 - *NMS fire alarm replacement (\$135K)
 - *SMS fire alarm replacement (\$175K)
 - *PHS cooling tower replacement (\$60K)
 - *South Elementary HVAC valve replacements (\$97K)
- Total estimated School Requests: \$1,526,000**



(*) New requested projects for 2012-13



Total Requested CIP Project estimates for 2012-13



County	\$2,047,000
PCC	990,000
Schools	<u>1,526,000</u>
Total	<u>\$4,563,000</u>



Requested CIP Projects 2012-13 by Type



■ Roofing	\$1,308,000
■ Equipment upgrades	1,227,000
■ New construction	885,000
■ Paving	730,000
■ Building renovation	360,000
■ Other	<u>53,000</u>
Total	<u>\$4,563,000</u>

Roofing Costs - How do we pay for this?

■ 2013	\$1,307,440
■ 2014	1,970,764
■ 2015	2,449,955
■ 2016	1,821,498
■ 2017	<u>1,393,364</u>
Totals	<u>\$8,943,021</u>

Reduction of debt liability in
FY 2015 \$617K

Reduction of debt liability in
FY 2016 \$2.2M

Fund balance appropriation

Group roofing projects and
borrow funds

Defer projects

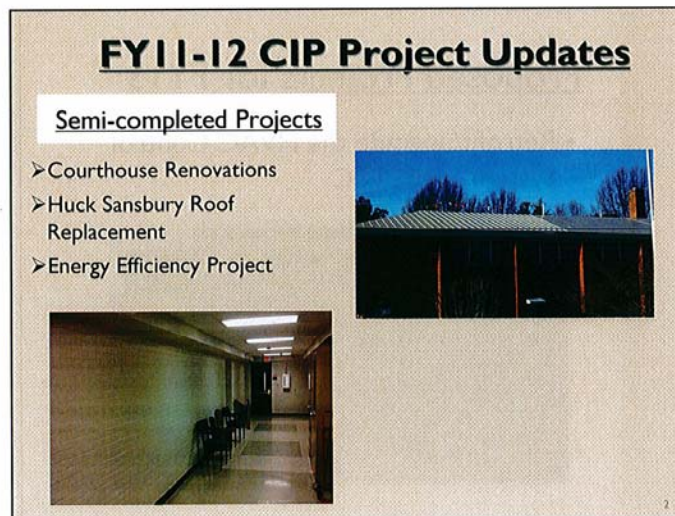
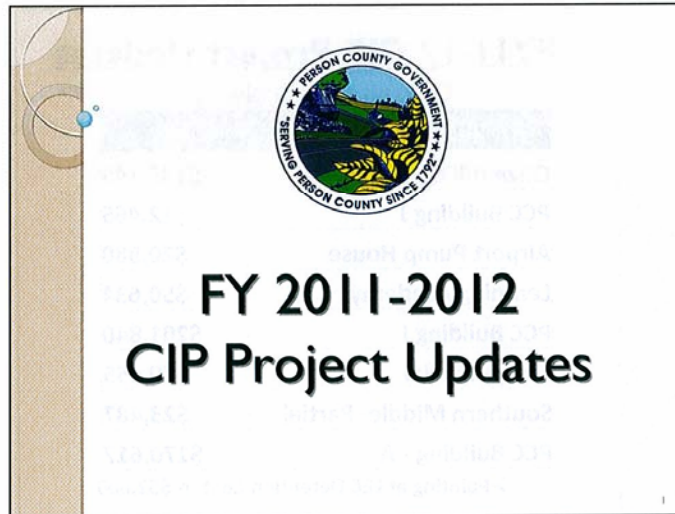


CIP Schedule

- Friday/Jan 6: Distribute CIP Requests to Depts
- Friday/Jan 20: CIP Requests due to Finance
- Monday/Mar 12: CIP Recommendations to Board
- Monday/Apr 16: Board adopts CIP



General Services, Ray Foushee provided the Board with detailed CIP Project Updates:



FY11-12 CIP Project Updates

Outstanding Projects

Roofing Projects	
Olive Hill Gym	\$133,145
PCC Building J	\$12,465
Airport Pump House	\$20,880
Learning Academy	\$50,634
PCC Building I	\$201,840
Kirby - Partial	\$40,455
Southern Middle- Partial	\$23,487
PCC Building - A	\$170,617

➤ Painting at LEC Detention Center- \$52,600

3

Proposed Projects for FY13

- Retrofit/upgrade the HVAC Control System at the LEC



4

FY 2012-2013 Roofing Survey

- ❖ Survey Format – REI Engineers
- ❖ Current Roof Conditions
- ❖ Cost Structure Used in Survey
- ❖ Bid Procedure

5

Person County Fleet Program Summary

- FY11-12- Implemented Vehicle Replacement Policy
 - Current Replacement Criteria

Vehicle Type	Mileage
Sheriff Pursuit	90,000
Sheriff Admin	100,000
Ambulances	250,000
Trucks/Vans	100,000
Cars-Normal Use	125,000

6

Mr. Foushee confirmed the Person County Museum of History facility, old Helena School complex, VFW facility, and Bushy Fork Gym will now be included in the roofing study and CIP as appropriate.

January 30, 2012

Fleet Program Funding

- FY11-12= \$150,000
 - Purchasing 6 vehicles
- Additional & Supplemental Funding-
 - Sale of obsolete equipment/vehicles = \$14,542
 - Sale of PATS vehicles = \$5,019
 - Possibly will sell 9 additional vehicles in the spring

7

Fleet Program Goals

- Investigate unified maintenance program
- Propane vs. gasoline



8

Mr. Foushee stated a presentation will be provided to the Board at the February 20, 2012 meeting related using propane vs. gasoline.

January 30, 2012

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ALIGNING STRATEGIC PRIORITIES WITH THE CIP:

Interim Assistant County Manager, Janet Clayton noted the top three priorities as submitted by the Board members as follows:

- 1) Senior/Recreation Center
- 2) Grant Writer position (potential partner with the City of Roxboro)
- 3) Economic Development Capital Fund

Ms. Clayton stated the following two priorities were tied for rankings 4 and 5:

- 4) Welcome Center
- 5) Early Childhood Program

Ms. Clayton stated the following two priorities were tied for rankings 6 and 7:

- 6) Designate staff to focus on the Futures Project
- 7) Decrease property tax

Commissioner Kennington stated his preference for the Board of County Commissioners to promptly pass a Resolution requesting Piedmont Community College (PCC) transfer the old Education Opportunity Center/old Post Office to the county.

Vice Chairman Puryear stated he submitted the priority to decrease property tax due to many tax papers that do not benefit from a COLA or supplemental increase. Vice Chairman advocated for a penny reduction in the tax rate noting when he voted for the COLA increase for county staff, he also wanted to decrease the tax rate. Tax Administrator, Russell Jones noted on a \$100,000 tax value home, the savings would equate to \$10. Ms. York noted the context of cutting the county budget by approximately \$400,000 to save each homeowner \$10.

STRATEGIC BUDGETING:

County Manager, Heidi York presented the following slides noting the Strategic Budgeting discussion could continue at the Board's upcoming meeting.

Strategic Budgeting

Aligning the FY12-13 Budget
with
The Board's Strategic Priorities

FY12-13 Budget: What we Know

- ▶ Revenues will be down about 2.34% overall assuming no fund balance appropriation
- ▶ Assuming the same level of expenditures as FY11-12, without any fund balance appropriation for operating: \$440,615 short
- ▶ We know we have \$893,503 in new recurring expenses
- ▶ Looking at \$1.3M gap

Interim Assistant County Manager, Janet Clayton stated the following Retreat action items and follow-up:

- Report fuel costs for the last two years by department including the fleet inventory list and vehicle use.
- No application process for nonprofits with the Senior Center and economic development nonprofits to be funded as last year.
- Include the costs of radio upgrades to Fire Services noting the funding levels to remain the same.
- Incorporate the Museum of History in the CIP.
- Move forward immediately with the feasibility study for the Recreation/Senior Center including a ball field study.
- Request the old Post Office building from PCC as a possible site for a Welcome Center.
- Keep in mind the old Helena School site property (feasibility study needed) as a potential site to partner with PCC and Durham County.
- Feasibility study of all county owned property.

SUMMARY OF RETREAT & EVALUATION:

County Manager, Heidi York stated she would be forwarding to the Board a Retreat Summary. Ms. York requested the Board members to complete the Retreat Evaluation sheet.

Chairman Clayton stated appreciation to the staff that organized the Board Retreat as well as commended everyone's participation.

ADJOURNMENT:

A motion was made by Commissioner Kennington, seconded by Commissioner Jeffers, and carried 5-0 to adjourn the meeting at 4:34 p.m.

Brenda B. Reaves
Clerk to the Board

Jimmy B. Clayton
Chairman

(Draft Board minutes are subject to the Board approval).

January 30, 2012