

PERSON COUNTY BOARD OF COMMISSIONERS
MEMBERS PRESENT

Johnny Myrl Lunsford
Jimmy B. Clayton
Kyle W. Puryear
B. Ray Jeffers
Samuel R. Kennington

MARCH 26, 2009
OTHERS PRESENT

Heidi York, County Manager
Paul Bailey, Assistant County Manager
Brenda B. Reaves, Clerk to the Board
Amy Wehrenberg, Finance Director

The Board of Commissioners for the County of Person, North Carolina, met for a retreat session on Thursday, March 26, 2009 at 9:00 a.m. in the Timberlake Room at the Homestead Steakhouse Restaurant.

County Manager, Heidi York welcomed the group and introduced the retreat facilitator, Marlo Goldstein Hode. Person County Department Heads were in attendance and participated for the first half of the day.

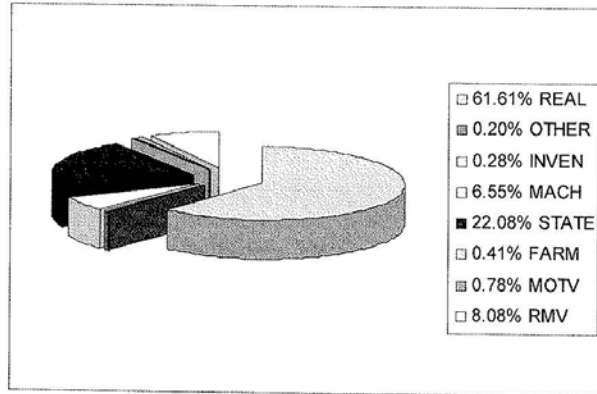
Retreat facilitator, Marlo Goldstein Hode briefly reviewed the retreat agenda explaining her role and the retreat guidelines/ground rules, as well as the retreat goals.

The Commissioners introduced themselves and outlined their top priorities, which included but not limited to, updating a County Strategic Plan, an economic development plan, keeping Person County safe and productive, committing to education and public safety.

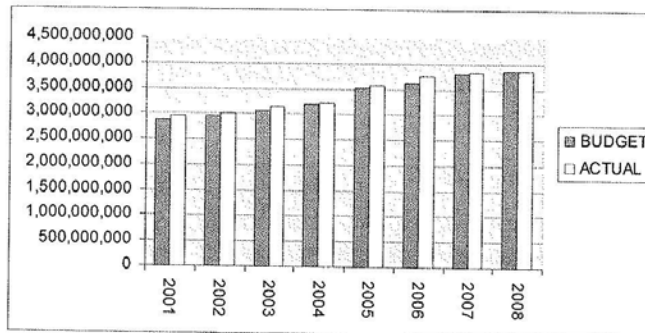
COUNTY FINANCIALS OVERVIEW:

Tax Administrator, Russell Jones presented to the group information on Person County's Tax Levy.

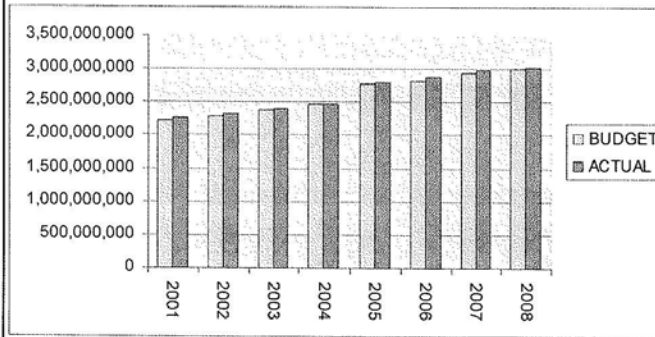
Where does our levy come from?



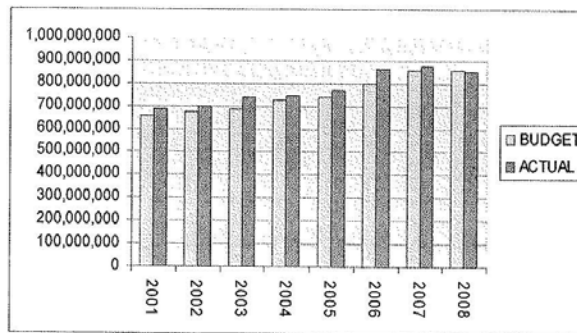
TOTAL LEVY- BUDGET VS ACTUAL



REAL VALUES- BUDGET VS ACTUAL




STATE APPRAISED- BUDGET VS ACTUAL



At a \$3.820 Billion Base, what
will one penny generate?

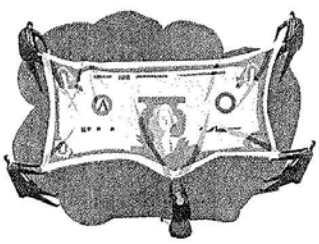
Collection Rate	Revenue
96.00%	366,720
96.25%	367,675
<u>96.50%</u>	<u>368,630</u>
96.75%	369,585
97.00%	370,540
97.25%	371,495
97.50%	372,450
97.75%	373,405
98.00%	374,360

Finance Director, Amy Wehrenberg presented to the group Fiscal and Budget Issues.




Fiscal and Budget Issues

- Nationwide Outlook
- Fund Balance
- Medicaid Swap, Lottery & ADM Funds
- Sales & Use Tax



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Nationwide Outlook

- Revenues predictions
- Methods for balancing the budget
- The fallout of diminishing revenues
- The low point of the economic downturn.
- Fund balance to save the day?
- The grander scheme: State reforms

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Fund Balance



- For counties, there appears to be one trend that could initially help offset declining fiscal conditions.
- Surveys show that counties ending balances nationwide are about 28% of general fund expenditures.
- Higher ending balances will provide a buffer against the downturn.
- As of February 2009, Person County's fund balance is around 30%. This is due to the high tax collection months and Dept. of Revenue adjustment on the sales tax collection for January.

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Medicaid Swap, ADM & Lottery for School Capital

- Medicaid swap is basically the State's term for taking over the Medicaid payments for counties. State will completely take over the Medicaid payments as of July 1, 2009.
- This phased-in swap occurs when the counties relinquish \$.50 of sales tax revenues to the State. The second quarter sales tax change will take place on October 1, 2009.
- Counties will still be responsible for the local administrative expenditures associated with Medicaid.
- Public School Capital Building Funds (ADM) and Lottery funds still remain in tact, despite earlier considerations by the State to utilize counties unallocated balances to help fund their shortage.

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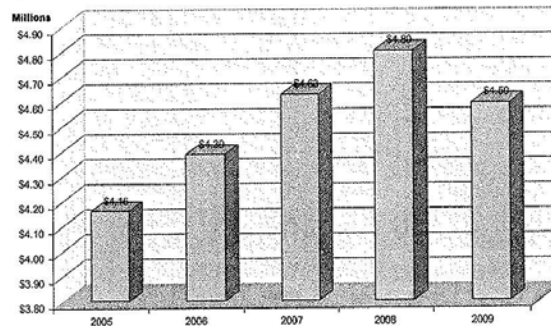
Sales & Use Tax Distribution

- o The trend in sales tax distribution is basically a reflection of consumer confidence in the economy.
- o Collections for Person County are 61% through the month of January.
- o This is up from 58% at this time last year.
- o This is an anomaly. The worst is yet to come. (Dept of Revenue error)
- o Counties are projecting a 13 to 15% shortage in this year.



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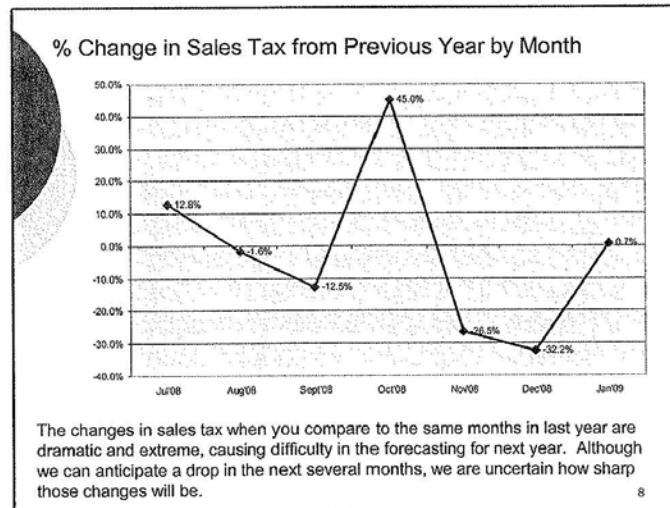
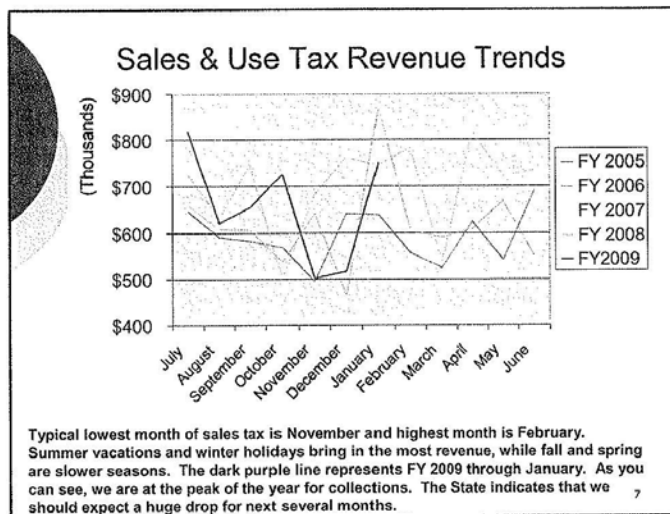
July through January sales tax collections for last 5 fiscal years



Collections for Person County are at \$4.5M through January. Does not look as critical as FY 2005 when only \$4.1M was collected for those months, but next 3 months are projected to be much lower than in previous years.

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Forecasting Sales & Use Tax for next year?!



- Difficult to say the least.
- Another kink in the chain: the State will offset their costs to take over Medicaid by repealing \$.25 of sales tax in Article 44 on October 1, 2009.
- Based on the forecasts by other counties with the exception of Article 44, we are currently forecasting a 14% reduction in sales and use tax for Person County for next year.—OUCH!!!
- Experts are not expecting to see an increase in sales tax until the Summer of 2010.

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County Manager, Heidi York presented the Fiscal Year 2009-2010 previewing some of the opportunities and challenges ahead of Person County.

Fiscal Year 2009-2010 Budget



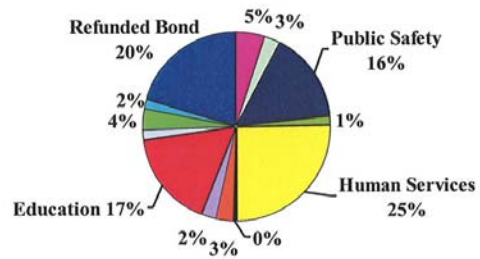
**Previewing Some of the
Opportunities & Challenges Ahead**

FY 2009-2010

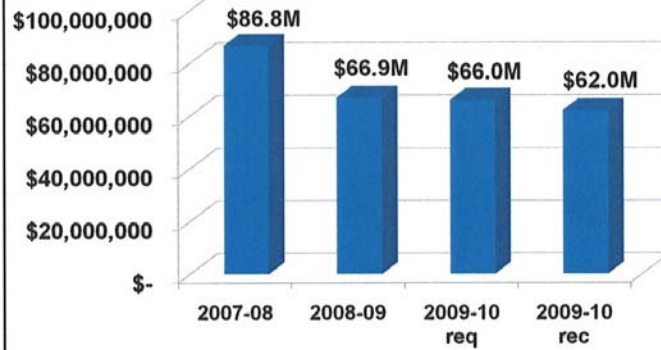
- Departments submitted requests with a 5% cut over FY 08-09
- With the exception of two departments, all proposed cuts by departments came from operating expenses
- Requested amount = \$4 Million deficit
- Substantial savings can't come from operating expenses: service cuts?

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Where Does the Money Go?



Budget Expenditures



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County Services

Mandated:

- Social Services
- Public Health
- Mental Health
- Public Schools
- Solid Waste
- Sheriff-Jail
- Register of Deeds
- Board of Elections
- Court Space
- Emergency Medical Services

Optional:

- Library
- Parks & Recreation
- Transportation
- Cooperative Extension
- Soil & Water Conservation
- Internal: IT, HR, Mgr, Finance, Public Works
- Planning
- Inspections
- Economic Development
- Nonprofits & Person Industries
- Airport
- Animal Control
- Veterans Services
- Fire Marshal
- Hospital

FY 09-10 Manager's Proposal

- No tax rate increase
- No fund balance appropriated for operating or recurring expenses
- Proposed fee increases
- Service Cuts

Cost Savings?

Considerations:

- Furloughs: based around holidays
 - savings: \$63,647 per day
- Retirement Incentives:
 - 14 eligible now;
 - 36 eligible with age 50/ 20 years or age 60/ 5 years of service
- Reducing Working Hours
- Cutting Optional Services

CAPITAL IMPROVEMENT PLAN:

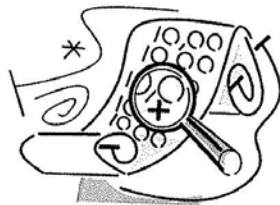
Finance Director, Amy Wehrenberg presented the Person County Capital Improvement Plan 2009-2014.

Person County Capital Improvement Plan (CIP) 2009-2014



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What is a CIP?



- Capital Improvement Plan
- Typically a 5 to 10 year plan that projects the future capital needs of an entity
- Requires annual changes and re-prioritizing—a work in progress!

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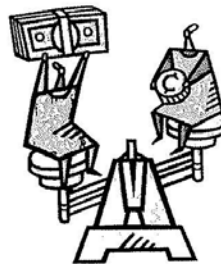
Why are we talking about capital projects during a recession?

- Helps to stimulate the economy on all levels.
- Capital projects create jobs, generate economic activity through the purchase of materials and supplies, and establish a foundation for private investment.
- Non-recurring expenditure - This is an appropriate expenditure for fund balance appropriations.
- Costs of materials are low
- Prevents higher costs for aging projects such as roofing

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How can we pay for it?

- Spread the costs out over time
- Reserve these costs in a Capital Improvement Fund
- Pay as you go
- Financing



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An unrealistic approach



- The CIP has typically been submitted each year, but the entire cost of the project was listed in one year.
- Not a realistic plan, therefore never adopted.
- Multiple financings—tying up collateral
- Financing versus Pay As You Go
- A look at the past

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Scenario #1 - Requested projects

Project Cost Summary:	Budget Year 2009-10	Planning Year 2010-11	Planning Year 2011-12	Planning Year 2012-13	Planning Year 2013-14
Revenues:					
Interest on Reserve	-	-	-	-	-
CIP Fund Balance	-	-	-	-	-
Grant Funds/Intergovernmental	-	-	-	-	-
Other Revenues	-	-	-	-	-
Appropriated Fund Balance	5,000,000	4,250,000	4,655,600	1,490,000	1,008,800
Total	5,000,000	4,250,000	4,655,600	1,490,000	1,008,800
Expenditures:					
County	4,640,000	4,025,000	3,990,000	1,300,000	625,000
PCC	450,000	225,000	65,600	190,000	1,283,800
Total	5,090,000	4,250,000	4,055,600	1,490,000	1,908,800
Project Cost Detail:					
Public Buildings:					
Hot Water repair at LEC (will need to do roofing)	110,000	-	-	-	-
New roof-Library	255,000	-	-	-	-
New roof-Adopt Puma Building	26,000	-	-	-	-
New roof-Olive Hill Gym	160,000	-	-	-	-
Courthouse Renovations	3,200,000	-	-	-	-
Paving-driveaway & parking lots-Anne Crt & PW maintenance	-	100,000	-	-	-
New roof-Kirby Civic Auditorium	-	450,000	-	-	-
Replace carpet & tile (PCOB)	-	-	200,000	200,000	200,000
Remove 4000 Gallon UST (diesel fuel tank) @ EMS and Replace with above ground tank used for the generator	-	-	60,000	-	-
New roof-PCOB	-	-	400,000	-	-
Demolition of house & pave lot	-	-	-	220,000	-
New roof-EMS	-	-	-	500,000	-
New roof at Huck Sandbery Gym	-	-	-	400,000	-

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Scenario #1 - Requested projects (cont.)					
Fire Marshal:					
Mobile Air and Light Vehicle	-	285,000	-	-	-
EMS:					
ECG Monitor Replacement Program	75,000	75,000	50,000	50,000	-
Economic Development:					
Revolving Incentive Fund	500,000	-	-	-	-
Recreation, Arts & Parks:					
Rec Center/Senior Center Engineer Fees	52,000	-	-	-	-
Helena gym improvements	53,000	-	-	-	-
Office Rec Center—old DBS building	100,000	-	-	-	-
Rec Center/Senior Center	-	3,000,000	2,500,000	-	-
Playground improvements	50,000	50,000	50,000	-	-
Paving 3 Walking tracks	65,000	65,000	-	-	-
Kirby—Renovate second floor	-	-	280,000	220,000	-
Mayo Park—camping cabins (2) and restrooms for camp area (2)	-	-	-	100,000	-
Helena park expansion	-	-	-	-	350,000
Olive Hill—construct outside restrooms	-	-	-	-	75,000
Total County Projects	4,840,000	4,025,000	3,990,000	1,390,000	625,000
Piedmont Community College (PCC):					
Tech Ed Building*	-	-	-	-	-
New roof-F, G, and I Buildings	450,000	225,000	-	-	-
New Telephone System (Voice Over IP)	-	-	65,600	-	-
Paving and Expansion-Parking Lot 4	-	-	-	100,000	-
Renovate Building F lower level, Bldg G lower level & Bldg D	-	-	-	-	1,283,800
Total PCC	450,000	225,000	65,600	100,000	1,283,800

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Scenario #1 - Requested projects - Schools					
	Budget Year 2009-10	Planning Year 2010-11	Planning Year 2011-12	Planning Year 2012-13	Planning Year 2013-14
Revenues:					
Interest on Reserve	-	-	-	-	-
Capital Reserve for Schools Fund Balance	-	-	-	-	-
Restricted sales tax for schools	-	-	-	-	-
ADMs	85,000	100,000	100,000	100,000	100,000
Literary funds	2,785,000	2,350,000	1,620,000	225,000	3,035,000
Appropriated Fund Balance	2,610,000	2,400,000	1,535,000	315,000	4,635,000
Total					
Expenditures:					
Public Schools:					
PHS fire alarm & security system replacement	200,000	-	-	-	-
New roof-Northern Middle School	1,500,000	-	-	-	-
Exterior wall waterproofing Person High	75,000	-	-	-	-
Window replacement-Earl Bradsher	370,000	-	-	-	-
Window replacement-North Elem	450,000	-	-	-	-
New roof-SMS Gym	160,000	-	-	-	-
Greenhouse Person High—applied for literary \$5 as funding source	85,000	-	-	-	-
Window replacement-North End Elem	-	500,000	-	-	-
Stadium restrooms & seating	-	500,000	-	-	-
Window replacement-Woodland Elem	-	600,000	-	-	-
New roof-portion of PHS	-	1,000,000	-	-	-
Window replacement-Oak Lane Elem	-	-	600,000	-	-
Window replacement-South Elem	-	-	600,000	-	-
New roof-Emily intervention	-	-	125,000	-	-
Paving PHS & South Elem	-	-	600,000	-	-
Window replacement-Person High	-	-	-	125,000	-
VCT floor tile replacement Earl Bradsher	-	-	-	200,000	-
Paving tracks at PHS & SMS	-	-	-	-	1,500,000
Maintenance Facility	-	-	-	-	750,000
New roof-North End	-	-	-	-	1,500,000
New roof-Southern Middle	-	-	-	-	285,000
Chiller replacement @ PHS	-	-	-	-	-
Total Public Schools	2,870,000	2,400,000	1,925,000	225,000	4,035,000

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What does a realistic approach look like?

- Spreading the costs
- Prioritizing needs
- Reserving funds for future projects.
- Pacing your revenue streams to reflect a reasonable funding scenario
- 2 funding scenarios
 - Spreading the costs
 - Financing options



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Scenario #2 – Spreading the costs

Project Cost Summary:	Budget Year 2009-10	Planning Year 2010-11	Planning Year 2011-12	Planning Year 2012-13	Planning Year 2013-14
Revenues:					
Interest on Reserve	1,000	5,000	7,000	10,000	12,000
CIP Fund Balance	-	551,000	183,500	911,500	1,155,000
Grant Funds/Intergovernmental	-	-	-	-	-
Other Revenues	-	-	-	-	-
Appropriated Fund Balance	713,000	605,000	1,120,000	360,000	163,000
Total	713,000	1,161,000	1,310,500	1,281,500	1,350,000
Expenditures:					
County	575,500	706,000	682,500	723,000	817,000
POC	127,500	150,000	216,100	150,500	125,500
Debt Service	-	300,000	497,000	497,000	497,000
Total	713,000	1,156,000	1,385,600	1,289,500	1,349,500

Project Cost Detail:

Public Buildings:

Hot Water repair at LEC (will need to do re-piping)	110,000	-	-	-	-
Courthouse Renovations	-	251,400	251,400	251,400	251,400
New roof-Library	125,000	125,000	-	-	-
New roof-Airport Pump Building	-	25,000	-	-	-
New roof-Grove Hst Gym	-	160,000	-	-	-
New roof-Kelley Civic Auditorium	225,000	225,000	-	-	-
Paving-driveway & parking lots-Artis Cst & PW maintenance	-	25,000	25,000	25,000	25,000
Remove 4000 Gallon UST (w/soil fund tank) @ EMS and Replace with above ground tank-used for the generator	-	-	40,000	-	-
New Roof-EMS	-	-	-	200,000	-
Replace carpet & tile (PCOB)	-	-	200,000	200,000	200,000
New Roof-PCOB	-	-	250,000	150,000	50,000
New roof-Huck Sanbury Gym	-	-	-	-	400,000
Demolition of house & pave lot	5,000	5,000	5,000	5,000	5,000

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Scenario #2 – Spreading the costs (cont.)

Fire Marshal:					
Mobile Air and Light Vehicle	-	5,000	5,000	5,000	5,000
EMS:					
ECG Monitor Replacement Program	-	5,000	5,000	5,000	5,000
Economic Development:					
Recycling Incentive Fund	-	2,000	2,000	2,000	2,000
Recreation, Arts & Parks:					
Helen's gym improvements	53,000	-	-	-	-
Rec Center/Senior Center	-	-	107,000	107,000	107,000
Playground Improvements	25,000	25,000	25,000	25,000	25,000
Paving-3 Walking tracks	32,500	32,500	32,500	32,500	-
Kirby-Renovate second floor	-	50,000	50,000	50,000	75,000
Mayo Park-camping cabins (2) and restrooms for camp area (2)	-	4,000	4,500	5,000	5,500
Helen's park expansion	-	5,000	6,000	6,000	7,000
Olive Hill--construct outside restrooms	-	7,500	7,500	7,500	7,500
Office Rec Center--old DSS building	-	5,000	5,000	5,000	5,000
Total County Projects	578,500	957,400	1,040,900	1,081,400	1,175,400
Piedmont Community College (PCC):					
Technical Education Building	-	48,600	48,600	48,600	48,600
New roof-F, G, and I Buildings	112,500	112,500	112,500	112,500	112,500
New Telephone System (Voice Over IP)	-	-	65,000	-	-
Paving and Expansion-Parking Lot 4	25,000	25,000	25,000	25,000	-
Renovate Building F lower level, Bldg G lower level & Bldg D	-	13,000	13,000	13,000	13,000
Total PCC	137,500	199,100	264,700	199,100	174,100

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Scenario #2 – Spreading the costs - Schools

	Budget Year 2009-10	Planning Year 2010-11	Planning Year 2011-12	Planning Year 2012-13	Planning Year 2013-14
Revenues:					
Interest on Reserve	1,000	5,000	5,000	5,000	10,000
Capital Reserve for Schools-Fund Balance	-	518,500	1,654,335	707,670	376,500
Restricted sales tax for schools	-	-	-	-	-
ADP	-	-	-	-	-
Lottery funds	85,000	100,000	100,000	100,000	100,000
Appropriated Fund Balance	827,000	543,000	843,000	1,350,000	275,000
Total	913,000	1,166,500	2,599,335	2,162,670	761,500
Expenditures:					
Public Schools:					
PHS fire alarm & security system replacement	290,000	-	-	-	-
Greensboro Person High--applied for lottery	-	-	-	-	-
SS as funding source	85,000	-	-	-	-
New roof-Northern Middle School	500,000	500,000	500,000	-	-
Exterior wall waterproofing Person High	37,500	37,500	-	-	-
Window replacement-East Bradsher	-	123,335	123,335	123,335	-
Window replacement-North Elm	-	225,000	225,000	-	-
New roof-SHS Gym	-	50,000	50,000	-	-
Window replacement-North End Elem	-	-	250,000	250,000	-
Stadium restrooms & seating	-	250,000	-	-	-
Window replacement-Woodland Elem	-	-	200,000	200,000	-
New roof-portion of PHS	-	-	1,000,000	-	-
Window replacement-Oak Lane Elem	-	-	-	500,000	-
Window replacement-South Elm	-	-	-	600,000	-
New roof-Early Intervention	-	-	-	125,000	-
Paving-PHS & South Elm	-	-	-	50,000	50,000
Window replacement-Person High	-	-	-	150,000	150,000
VCT floor tile replacement East Bradsher	-	-	-	62,500	62,500
Paving tracks at PHS & SHS	-	-	-	100,000	100,000
Maintenance Facility	-	-	-	-	100,000
New roof-North End	-	-	-	-	100,000
New roof-Southern Middle	-	-	-	-	100,000
Chiller replacement @ PHS	-	-	-	-	100,000
Total Public Schools	913,000	1,185,835	2,608,335	2,169,835	767,500

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Scenario #3 – Financing Options

Project Cost Summary:	Budget Year 2009-10	Planning Year 2010-11	Planning Year 2011-12	Planning Year 2012-13	Planning Year 2013-14
Revenues:					
Interest on Reserve	1,000	1,000	5,000	3,000	3,000
CIP Fund Balance	-	489,200	1,739,230	3,262,500	4,702,400
Grant Funds/Intergovernmental	-	-	-	-	-
Other Revenues	-	-	-	-	-
Appropriated Fund Balance	647,000	682,000	90,000	-	-
Total	648,000	1,368,200	1,834,230	3,255,500	4,705,400
Summary of Expenditures:					
County	225,500	246,000	307,500	308,000	302,000
PCC	121,800	271,870	309,370	337,500	408,800
Debt Service	300,000	850,000	1,217,000	1,217,000	1,217,000
Total	647,300	1,367,870	1,823,870	1,852,500	2,017,800

Project Cost Detail:

Public Buildings:					
Hot Water repair at LEC (will need to do repairs)	110,000	-	-	-	-
Courthouse Renovations & PCC Tech Ed Bldg	300,000	500,000	300,000	300,000	300,000
Roofing for county & school - debt inv (County's portion is 23%)	-	550,000	550,000	550,000	550,000
Replace carpet & tile (PCOB)	-	100,000	100,000	200,000	200,000
Remove 4000 Gallon UST (distel fuel tank) @ EMS and Replace with above ground tank - used for the generator	-	-	60,000	-	-
Paving driveway & parking lots - Anim Ctr & PHS maintenance	-	-	-	50,000	50,000
Demolition of house & pave lot	5,000	5,000	5,000	5,000	5,000

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Scenario #3 – Financing Options (cont.)

Fire Marshal:					
Mobile Air and Light Vehicle	-	5,000	5,000	5,000	5,000
EMS:					
ECG Monitor Replacement Program	-	5,000	5,000	5,000	5,000
Economic and Physical Development:					
Revolving Incentive Fund	-	2,000	2,000	2,000	2,500
Recreation, Arts & Parks:					
Helena gym improvements	53,000	-	-	-	-
Office Rec Center - old DSS building	-	5,000	5,000	5,000	5,000
Rec Center/Senior Center	-	-	107,000	107,000	107,000
Playground improvements	25,000	25,000	25,000	25,000	25,000
Paving - 3 Walking tracks	32,500	32,500	32,500	32,500	-
Kidz - Renovate second floor	-	50,000	50,000	50,000	75,000
Mayo Park - camping cabins (2) and restrooms for camp area (2)	-	4,000	4,500	5,000	5,500
Helena park expansion	-	5,000	6,000	6,000	7,000
Olive Hill - construct outside restrooms	-	7,500	7,500	7,500	7,500
Total County Projects	525,500	1,086,000	1,264,500	1,355,000	1,349,000
Piedmont Community College (PCC):					
Roofing (included in with County's debt service above, PCC's portion is 6%)	-	-	-	-	-
New Telephone System (Voice Over IP)	21,800	21,870	21,870	-	-
Paving and Expansion Parking Lot 4	-	25,000	37,500	37,500	-
Renovate Building F lower level, Bldg G lower level & Bldg D	100,000	225,000	250,000	300,000	408,800
Total PCC	121,800	271,870	309,370	337,500	408,800

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Scenario #3 – Financing Options – Schools					
	Budget Year 2009-10	Planning Year 2010-11	Planning Year 2011-12	Planning Year 2012-13	Planning Year 2013-14
Revenues:					
Interest on Reserve	1,000	1,000	5,000	10,000	5,000
Capital Reserve for Schools-Fund Balance	-	1,000	102,000	529,500	1,587,000
Restricted sales tax for schools					
ADN					
Lottery funds	85,000	100,000	100,000	100,000	100,000
Appropriated Fund Balance	365,000	555,000	725,000	-	-
Total	450,000	661,000	927,000	1,029,500	1,687,000
Expenditures:					
Public Schools:					
PHS fire alarm & security system replacement	200,000	-	-	-	-
Exterior wall waterproofing Person High	75,000	-	-	-	-
Roofing (included in with County debt service above, school's portion is 66%)	-	-	-	-	-
Window replacements debt service	-	-	260,000	260,000	260,000
Greenhouse Person High-applied for lottery SS as funding source	35,000	-	-	-	-
Stadium restrooms & seating	-	500,000	-	-	-
Paving-PHS & South Elem	-	50,000	50,000	-	-
VCT floor tile replacement Earl Bradsher	-	-	62,500	62,500	-
Paving-tracks at PHS & SMS	-	50,000	50,000	100,000	-
Maintenance Facility	-	-	500,000	500,000	500,000
Chiller replacement @ PHS	-	-	-	50,000	235,000
Total Public Schools	450,000	660,000	922,500	972,500	985,000

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Planning Ahead!!

- Adopting a CIP
- CIP Fund
- Capital Reserve for Vehicles
- Capital Reserve for Schools
- Moving to the front of the line instead of constantly trailing behind!



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DEPARTMENT REPORTS:

The facilitator read the departmental reports acknowledging the accomplishments and challenges for each.

CURRENT ISSUES:

The Board discussed the following current issues:

Fire Protection Goals/Fire Tax

Fire Marshal, Johnny Gentry presented the vision to lower Insurance Services Rating (ISO) across the county from 9s to a 7 rating within 5 years. The Fire Marshal stated the Fire Chiefs Association does not support the fire tax, however wants guaranteed county funding each year. Fire Services are currently funded through the County General Fund. Volunteer fire districts are proposed to receive a 5% cut. The Fire Marshal explained if a countywide 3 cents Fire Tax should be imposed that the estimated savings could potentially be \$150 - \$250 annually for homeowners as a result of the lower ISO rating. The Commissioners felt the Fire Districts would need to be in favor of the fire tax and since that has not been indicated, this issue will be tabled for this year's budget.

Strategic Plan

The Board would like to revisit the last working document related to the Strategic Plan. A copy of the October 15, 2007 document related to the Strategic Plan will be distributed to Board members. Commissioners Puryear and Kennington will take the lead to create a timeline and suggest a potential consultant to bring back to the Board for further action.

Economic Development Goals

The Board would like the Economic Development Goals to be part of the Strategic Plan. The current vacancy of the Economic Development Director will remain open until decisions are made for the direction of Person County Economic Development.

Landfill

The Board agreed that discussions related to the Landfill should begin after the budget is adopted. Commissioner Puryear recommended that the costs of the Landfill Study should be included in the new budget. Assistant County Manager reminded the group that letters went out to agencies requesting quotes for the study which included information to be gathered on two points, 1) waste alternatives and 2) the health effects. The quotes Mr. Bailey received are now a year old, then approximately \$30,000 in costs

relative to the waste alternatives but agencies were unclear exactly what health effect criteria to measure. Commissioner Kennington volunteered to send out an email to the Board members, and other stakeholders requesting information defining the criteria to be measured for the study, using the guidelines in the special use permit as a starting point. Once Commissioner Kennington compiles the responses, the County Manager will then request quotes for that specific scope or work and present to the Board for approval for inclusion in the new fiscal year's budget. Commissioner Puryear stated the purpose of study is to obtain the facts and costs related to the three options for a county owned landfill, landfill expansion and/or transfer sites.

Hwy 501 North

Assistant County Manager, Paul Bailey gave the group an update on this project advising this project is now broken into three phases. The first phase, currently underway is the land acquisition of the right of way from Roxboro to Halifax Road on 501 North. Mr. Bailey stated this is not a shovel ready project.

Capital Improvement Plan (CIP)

The Finance Director and the County Manager will schedule a budget work session to focus solely on CIP.

ROUNDTABLE DISCUSSION:

The Board and County Manager discussed briefly challenges they had experienced including but not limited to, lack of time to discuss or study agenda items prior to the meetings, scheduling difficulties, and communication differences. Advice commissioners offered to each other included listening to all the facts, not making promises, gather all information, being open minded, voting your principles, consistency, respect and caring for the welfare of the citizens of the county.

BUDGET PRIORITIES

The Board agreed on the top four budget priorities:

- No tax increase
- No layoffs
- No cut in services
- No fund balance appropriation

Criteria for consideration of cuts /non cuts to balance the budget.

Services:

Do not cut services that 1) generate revenue or 2) will create other expenses (and social problems).

Programs:

What programs can be cut from mandated programs?

What programs/services from Parks & Rec can/can't be cut?

Other Ideas:

- Furlough
- Review non profits requests for use of funding and duplication of services and program services
- Appropriate Public Health or DSS fund balance
- Fee Increases may fill gaps

The Board agreed that mandated services will receive funding first. The Board also felt that the following were important funding issues:

- Economic Development Reserve Fund – The Board would like a proposal to put funds into a Economic Development Reserve Fund each year.
- Park and Recreation
- Court Space

Commissioner Kennington shared a County Survey Study.

County Survey Study – Number of Employees per Citizen

<u>Surrounding Counties</u>	<u>Population</u>	<u>Municipalities</u>	<u>08 – 09 Tax Rate</u>	<u># of Employees</u>	<u># of Employees per Citizen</u>
Caswell	23,508	2	.67	207	113.6
Durham	254,740	3	.70.8	1,869	136.3
Granville	44,667	5	.75	348	160
Orange	127,344	5	.98.8	875	145.5
Average			79.7		138.85
<u>Nearby Counties</u>					
Alamance	143,154	11	.58	954	150.1
Franklin	56,456	5	.82.25	500	112.9
Rockingham	91,646	7	.70.5	739	124.0
Vance	43,583	3	.92	310	140.6
Average			71.92		133.7
<u>Counties of Like Size</u>					
Alexander	36,656	1	.53	270	135.8
Davie	40,447	1	.66	296	136.6
Hoke	42,932	1	.70	321	133.7
Jackson	36,815	5	.36	360	102.3
McDowell	44,064	2	.55	311	141.7
Pasquotank	40,880	1	.50	308	132.7
Scotland	36,830	4	1.06	320	115.09
Watauga	44,696	5	.31.3	302	148.0
Yadkin	37,850	4	.76	295	128.3
Average	40,130		60.37		130.5
Total Averages			71.92		133.7
PERSON	37,640	1	.70	390	97.0

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SUMMARY OF RETREAT:

The Facilitator felt the Board had a very productive retreat.

CLOSING REMARKS:

Commissioner Lunsford thanked everyone for attending and for the work prepared by all parties with special thanks to the County Manager, Finance Director and the IT Dept.

EVALUATION OF PROGRAM:

Positives of the day include the financial reporting, the facilitator, department reports, the department heads attending, having the department heads reporting their budget requests directly to the County Manager as well as the early start on the budget work.

Negatives of the day include not having all the department heads present and the facilitator mentioned having a more user friendly survey to gather the departmental reports data.

Brenda B. Reaves
Clerk to the Board

Johnny Myrl Lunsford
Chairman

March 26, 2009