

MINUTES

**Scotland County Board of Commissioners
Reconvened Meeting and Budget Work Session, May 24, 2010
507 West Covington Street, Laurinburg NC**

At 12 p.m. Chairman J. D. Willis reconvened the meeting. Commissioners in attendance: Chairman Willis, Vice Chair Betty Blue Gholston and Commissioners Bob Davis, Guy McCook and Joyce McDow. Commissioners not in attendance: Commissioners John Alford and Clarence McPhatter. Staff in attendance: County Manager Kevin Patterson and Clerk to the Board Ann W. Kurtzman. Chairman Willis delivered the opening prayer.

Scotland County Schools FY 2010-2011 Budget Presentation

School Superintendent Rick Stout said the County local appropriation is an estimated \$10.7 million. Major budget factors faced by the school system in the upcoming fiscal year include cuts to early college transportation funds, the non-availability of textbook money and the suspension of school bus replacement funds.

Roofs remain a priority for the schools with Covington Street, Pate Gardner and I. Ellis Johnson topping the list. Other capital priorities include furnishings and equipment and the purchase of two vehicles.

With current budget challenges, Mr. Stout said the schools are in danger of losing between 33 and 55 teachers. He said class sizes will increase.

At the request of the Commissioners, Mr. Stout said he would provide the governing board with information on the total number of school employees and a breakdown of positions.

Mr. Stout said the bid for the Wagram School expansion project would be awarded June 14. Substantial completion is expected by June 2011 with everything in place for the July 25, 2011 school opening.

Request to apply for CDBG grant for sewer extension line

County Manager Patterson asked the Commissioners to approve application for CDBG funds in the amount of \$200,000 for construction of a sewer line to Veridian Biomass. Mr. Patterson asked the Commissioners to consider authorizing Municipal Engineering Services Company to assist with the application process and environmental review required. Costs would be covered in the CDBG funds.

Motion was made by Commissioner McDow and duly seconded by Commissioner Davis to approve making application to CDBG for a sewer extension line and authorize Municipal Engineering Services Company to assist with the application process and environmental review. Vote: Motion unanimously approved.

DSS programs and personnel update

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DSS Director Joe Knott distributed informational charts on programs and personnel. Mr. Knott said the agency is experiencing high food stamp growth due to federal changes in poverty levels. Federal monies allowed the agency to hire two part-time workers for one year to assist with workload, but the funds will run out. Mr. Knott said programs notoriously are put on social services in which no supporting funds are available. He said Medicaid expansion has placed another burden on staff.

Personnel remains a critical issue for the agency, said Mr. Knott. He said when people leave, the caseloads must continue to be worked. Mr. Knott said in his opinion, lapsed salaries from vacancies do not compare to the lost revenue to the County when vacancies are not filled.

Mr. Knott said currently the agency is in need of an additional daycare worker. He said there are two workers responsible for 60 daycare providers and 677 children.

Motion was made by Commissioner Davis and duly seconded by Commissioner McCook to approve recruitment of one daycare worker for the Department of Social Services. Vote: Motion unanimously approved.

Sheriff's Department

Sheriff Shep Jones said the Jail is now short three detention officers. Mr. Jones said the State requires a certain level of detention officer staffing but with the County hiring freeze, the Sheriff's Office has not been able to fill the positions. The Sheriff asked the Commissioners to approve the hiring of three detention officers and to waive the hiring freeze on detention officer positions.

Motion was made by Commissioner McCook and duly seconded by Commissioner McDow to approve recruitment by the Sheriff's Office of three detention officers and to waive the hiring freeze on detention officer positions. Vote: Motion unanimously approved.

Sheriff Jones said the 30 percent match of \$14,000 to the Governor's Highway Safety Program is already included in the budget. The Sheriff's Office received \$27,000 in stimulus funds used to purchase of video equipment for vehicles.

Chairman Willis said the Commissioners would like a report on the Governor's Highway Safety Program at the June meeting.

Tax Department foreclosure assistance contract

The Commissioners received a report from Mark Bardill of Zacchaeus Legal Services (ZLS), a law firm that specializes in property tax foreclosures. Mr. Bardill discussed the history of his firm, its clients and its track record in delinquent tax collections and the reduction of delinquency rates in counties. Mr. Bardill said all his firm does is process tax foreclosures in order to collect as much tax in as little time as possible, and it is done in such a way that it is not any harsher than it needs to be.

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Mr. Bardill also explained how his firm would collect its fees from the County. Mr. Bardill said the contract length would be four years.

Motion was made by Vice Chair Gholston and duly seconded by Commissioner McCook to authorize the execution of the contract with Zacchaeus Legal Services. Vote: Motion unanimously approved.

FY 2010-2011 budget discussion and Commissioner expectations

Before discussing the FY 2010-2011 proposed budget, County Manager Patterson provided an update on Mobile Home Estates. Since the foreclosure process, a party contacted County Attorney Ed Johnston indicating it wishes to pay it off outside of the 10 days allowed for an upset bid. Mr. Patterson said since the County has not closed on the property it would be possible, at the Board's discretion, to assign the County's bid to the other party, assuming the party presents a certified check.

Motion was made by Commissioner McCook and duly seconded by Commissioner Davis to assign the Mobile Home Estates bid to the other party. Vote: Motion unanimously approved.

Returning to the FY 2010-2011 proposed budget discussion, Mr. Patterson said there would be no tax rate increase from the \$1.02 per \$100 valuation. The total budget decreased from \$51 million to \$48 million, with \$2.1 million in the General Fund. Mr. Patterson said the Health Department and DSS have had a loss in revenues, and there has been a decrease in aid to the County and a decrease in sales tax revenues. Mr. Patterson suggested that if sales tax revenues do not improve, the County will be below budget by the end of the year.

Mr. Patterson said travel will be cut again by 20 percent in FY 2010-2011. There will be no cost of living allowance for employees. Mr. Patterson said two new positions and two part-time positions are included in the budget. One new position and two part-time Title V workers would be placed in the Wagram Recreation Center. A custodian is budgeted for the Speller Building if the Commissioners agree to move forward with that project.

Mr. Patterson asked the Commissioners, since COLA is not budgeted, to consider approving 24-hour bonus leave between Christmas and New Years as was done this past fiscal year.

Motion was made by Commissioner Davis and duly seconded by Commissioner McCook to approve 24-hour bonus leave for employees in FY 2010-2011. Vote: Motion unanimously approved.

Mr. Patterson said other recommended budget changes include the Wagram Library, which will not reopen. Wagram will be serviced more frequently by the Bookmobile until an alternate plan for Wagram library services can be developed.

Mr. Patterson said putting the library in the Wagram Recreation Center was considered but a room in the Center was eliminated as a cost saving measure. Commissioner McDow, who is

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Chair of the Scotland Memorial Library Advisory Board, said the possibility of a breach in security was a point of consideration in not using the Wagram Recreation Center. She suggested the County pursue grants that might fund a stand-alone library facility.

Mr. Patterson asked the Commissioners to consider allowing Parks and Recreation practice fields to grass over and a reduction in dragging as a cost-saving measure.

Mr. Patterson said sideline fencing is in disrepair. He suggested removing fencing rather than repairing or replacing them.

The Board of Commissioners by consensus agreed to allow Parks and Recreation fields to grass over.

Mr. Patterson said Gibson Gym is underused and was not included in the Master Plan moving forward. He said nothing is budgeted for Gibson Gym. Mr. Patterson suggested another use might be found for the structure, which still has its dated original electrical wiring in place.

Chairman Willis suggested the County first offer it to the Town of Gibson before any future plans are made.

Mr. Patterson said part of the building could be converted to record storage for DSS and Health.

Commissioner McCook said he would prefer to discuss the future of Gibson Gym further over the course of next year.

Mr. Patterson said he is recommending a new fee schedule for Water Districts I and II and for MSW and C&D tipping fees. Mr. Patterson asked the Commissioners to approve a \$1.50 fee increase on the first 2,000 gallons for Water District I, now at \$16.50, and for Water District II, now at \$17.50. The increase would allow financial solvency in the Water Districts.

Motion was made by Commissioner Davis and duly seconded by Commissioner McDow to approve the \$1.50 fee increase for Water Districts I and II. Vote: Motion unanimously approved.

Mr. Patterson recommended that the tipping fee for C&D now at \$37 a ton and for MSW now at \$43 a ton each be increased by \$4. Mr. Patterson said the \$4 increase would make MSW a break-even operation while the increased C&D fees would support post closure costs.

Chairman Willis explained that up until now the County has been subsidizing MSW tipping fees, and the practice is no longer financially feasible. He also stressed the importance of generating revenue to support post closure of the C&D landfill.

Motion was made by Commissioner McCook and duly seconded by Commissioner Davis to increase MSW and C&D tipping fees each by \$4 a ton. Vote: Motion unanimously approved.

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Mr. Patterson said the convenience centers have not been paying for themselves. He said Palmer Road is the least used facility, and the County would save \$10,000 a year by closing it. Mr. Patterson said residents could instead use the Snead's Grove Road convenience center since it is not that far away.

Capital projects recommendations

Mr. Patterson said proposed capital expenditures include five new vehicles for the Sheriff's Office as part of the annual rotation. In Parks and Recreation the budget is geared toward maintenance, repair, fall protection for playgrounds and equipment upgrades. He said repairs to walking tracks at Hammond Park and Laurel Hill Community Center are high priority.

Mr. Patterson said capital funds also are budgeted for painting the Jail, IT general maintenance and HVAC system replacements.

Also in the budget is \$150,000 for the Speller Building, which the City of Laurinburg would be asked to match. If the funds are approved, the Speller Building would house the County Tax Office staff and the City's utilities billing staff.

Mr. Patterson said space would be limited from the onset and there would be a need for creative space solutions. The capital monies would refurbish the building, develop expanded space for a waiting area and security enhancements.

Mr. Patterson said he is in receipt of a letter from Superior Court Judge Richard Brown asking that the Tax Office space be used as a jury room and small claims court to free up limited courtroom facilities.

Mr. Patterson said it is his opinion that a better use of the Tax Office space would be for Child Protective Services. This would free space at DSS and bring CPS employees to the Courthouse where they conduct most of their daily business.

Chairman Willis said the Commissioners must look at total future space needs. He suggested the Speller Building funds be left in the budget so the Board could discuss it further at a mid-year planning retreat.

Commissioners McCook and Davis said they have reservations about investing a large amount of money into refurbishing an older structure like the Speller Building.

The Board of Commissioners by consensus agreed to leave \$150,000 in the budget until the Speller Building issue is resolved.

Mr. Patterson recommended that if the Commissioners agree not to use the Speller Building, the \$150,000 might be used for a lighting and HVAC upgrade in one of the County buildings.

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Mr. Patterson provided general financial information. He said the industrial tax base has declined and older, vacant industrial buildings are selling for less per square foot. Business personal property remains consistent.

Mr. Patterson warned that after revaluation, home values are expected to increase 10 percent, but there will be no noticeable change in the tax rate because the industrial base is not as robust as it once was.

General budget discussion

Commissioner Davis said he is concerned about a piece of metal that is sticking out from the bleachers at the Morgan Complex. County Manager Patterson said he would get the issue resolved.

Chairman Willis said a group that will hold a cleanup campaign in New Town asked if the County would waive the tipping fees. He reminded the Commissioners that if tipping fees are waived for one group, it would set a precedent.

The Board of Commissioners by consensus agreed to follow the policy and not waive tipping fees.

Commissioner McCook asked if free days could be reinstated. Commissioner Davis said he felt free days encouraged people to hoard trash for the once or twice a year event until free days became costly for the County to host.

Commissioner McCook suggested that with the appropriate guidelines or restrictions, free day could be reinstated. He asked County staff to investigate it.

Motion was made by Commissioner Davis and duly seconded by Commissioner McCook to recess to 4 p.m. Wednesday, May 26, at 507 West Covington Street. Vote: Motion unanimously approved.

Ann W. Kurtzman
Clerk to the Board

J.D. Willis
Chairman