

MINUTES

**Scotland County Board of Commissioners
Budget Work Session, May 27, 2008
507 West Covington Street, Laurinburg, NC**

At 12 p.m. Chairman J. D. Willis reconvened the meeting for a Budget Work Session. Commissioners in attendance: Chairman Willis, Vice Chair Betty Blue Gholston and Commissioners John Alford, Leon Butler, Guy McCook, Joyce McDow and Clarence McPhatter. Staff in attendance: County Manager Kevin Patterson, Clerk to the Board Ann W. Kurtzman, Human Resources Manager Susan Butler, Deputy Finance Officer Nancy Bostick and Accountant Charles Nichols.

Scotland County Schools FY 2008-2009 Budget Presentation

School Superintendent Shirley Prince said the total increase over what the schools received in FY 2007-2008 is \$213,531, which is two percent more in local current expense than last year and a reflection of what schools in other low wealth counties have been getting in recent years.

School Finance Officer Sharon Hales provided a summary of the local current expense budget.

Dr. Prince discussed long term plans for the smaller learning academies at the high school and the high school's relationship with Richmond Community College.

Dr. Prince and Ms. Hales answered questions about staffing and what salaries the State pays for, possible staff shifts, how the early college experience might affect the budget, graduation rates, worker's compensation and teacher retention.

School Maintenance Director Roger Ammons discussed the capital outlay budget and capital projects planned for the coming fiscal year.

Ms. Hales said approximately \$1.5 million is appropriated to Fund Balance every year to balance the budget. Total school budget is between \$65 million and \$70 million and includes Federal, State, County funds plus grant monies.

FY 2008-2009 Budget Summary

County Manager Kevin Patterson said the FY 2008-2009 Budget Plan includes a four-cent decrease in the tax rate from \$1.06 to \$1.02 and a three percent cost of living increase for employees. One additional position has been budgeted from the revaluation fund for a full-time person. Mr. Patterson said that some reclassifications and step increases for employees attaining certifications also are included.

Mr. Patterson said the County proposes to contract out the cleaning of buildings at night, which would eliminate unsupervised personnel working at night and increase efficiency among Public Buildings staff when working on building and grounds maintenance.

*Scotland County Board of Commissioners 2009 Budget Work Session
May 27, 2009, 507 West Covington Street, Laurinburg, NC*

An increase in fees for Inspections and Solid Waste is proposed, according to Mr. Patterson. The fee increase in Inspections will be based on project size and cost. Mr. Patterson said the proposed fee schedule for Inspections would be distributed by the end of the day. He said the fee schedule is similar to that used in surrounding counties.

Mr. Patterson then discussed capital requests and capital recommendations by department. Mr. Patterson said there would be Jail upgrades in the amount of \$90,000 as recommended by the State. The Office of the Sheriff will receive five new vehicles, which would include cameras and mobile data equipment.

Mr. Patterson said funds have been set aside for the mostly electrical upgrade of the Commissioners Chamber. He asked that the transfer of the Emergency Operations Center to the Chamber be discussed in the future.

Mr. Patterson said the County is at least several years away from doing an expanded project, which would include aging services, Cooperative Extension and the Commissioners Chamber under one roof.

Mr. Patterson said funds have been set aside for new tax software and some park improvements.

Mr. Patterson said EMS would not get a new ambulance this year, but he expects to budget for that in FY 2009-2010. Mr. Patterson said included in the budget is funding for the Sheriff to purchase a live scan device, which is a paperless fingerprinting process.

Mr. Patterson said if the Commissioners wish to lower the tax rate below \$1.02 then the County would have to look at across-the-board operational reductions, a COLA reduction or a three-month rolling freeze on employment.

Chairman Willis said he did not want to look at cutting salaries or a three-month hiring freeze when positions become vacant. Chairman Willis said that all these reductions might work to reduce the tax rate a little more, but it would ultimately have a negative impact.

Chairman Willis said using savings from Medicaid to pass on to the taxpayer should run a year behind to ensure the County actually realizes the savings. Chairman Willis pointed out that although counties received Medicaid relief, the State might cut revenue to the counties from other sources.

Vice Chair Gholston agreed and explained that she would not want to jeopardize the County's financial standing until it has the funds in hand.

The Commissioners discussed the possibility of decreasing the tax rate an additional three percent by using Fund Balance.

After a lengthy discussion on Fund Balance and whether to use monies from it to lower the tax rate the Commissioners, by consensus, agreed to keep the Fund Balance at its 18 percent level.

Motion was made by Vice Chair Gholston and duly seconded by Commissioner McDow to hold the tax rate at \$1.02 as recommended in the FY 2008-2009 Budget Plan. Vote:For Chairman

**Willis, Vice Chair Gholston and Commissioners McDow and McPhatter. Vote: Against:
Commissioners Alford, Butler and McCook. Motion approved.**

Commissioner McCook said there is a mental state among citizens knowing that theirs is the highest tax rate. Commissioner McCook said he felt the County had an opportunity to no longer be that.

Chairman Willis said all other counties in the State are not in the position that Scotland County is in as far as funding mandated programs.

Departmental Budget Requests

Health Director Ron Sapp said after a discussion with County Manager Kevin Patterson, the agency agrees with the budget for public health as presented for FY 2008-2009.

(A break was called. The meeting resumed at 1:45 p.m.)

Sheriff Shep Jones was on hand to entertain any questions the Commissioners might have about the budget for the Office of the Sheriff and the Jail.

Several Commissioners asked the Sheriff if his department could make do without the introduction of five new vehicles into the fleet this year.

Sheriff Jones said that since the vehicles are made to perform at a certain level, trading them off is more efficient than paying the high cost of maintenance. Sheriff Jones said he would not request the vehicles if they were not needed because it is important that his office has vehicles that perform the job required. Sheriff Jones said older vehicle with more miles are rotated out to jobs with less demand.

Chairman Willis said if the County skips a year in the rotation of vehicles for the Office of the Sheriff, it will catch up at some point in time.

Commissioner McCook asked how idling and the rising cost of fuel will be addressed. Sheriff Jones said only vehicles that carry K-9 are permitted to idle, and when calls come in the Office does its best to dispatch the vehicle closest to the call. Sheriff Jones added that unless the call involves a disturbance or has some high risk, one vehicle is usually sent without a back up.

Sheriff Jones said fuel costs run the department between \$11,000 and \$13,000 a month. The Sheriff explained that much of the mileage involves transporting patients to mental health facilities outside the County.

Commissioner Butler suggested the Sheriff contract out transport services if it would save in fuel and manpower. Sheriff Jones said that contracting that service out might be a feasible option.

The Commissioners were given a brief presentation by Northwoods on its electronic document management system and how the system would allow DSS to see significant return on its investment in the way of saved space, employment replacement through attrition and the cost of supplies such as toner and paper.

***Scotland County Board of Commissioners 2009 Budget Work Session
May 27, 2009, 507 West Covington Street, Laurinburg, NC***

DSS Director Joe Knott said the Northwoods system would cost an estimated \$688,000, which includes software, hardware, staff training and maintenance. He said actual cost would be around \$275,000 after reimbursement from the State. Mr. Knott said that the efficiency savings might be realized in three to four years. Mr. Knott said his concern is to preserve records, and the records are now being stored in two trailers, one of which is completely full.

Mr. Knott then discussed the FY 2008-2009 budget and shared some concerns with the Commissioners. Mr. Knott said the agency did not get all the positions it requested. Mr. Knott said he is concerned about step increases and reclassifications and how they are determined. Mr. Knott added that the agency experiences a high rate of turn over, which can become costly.

DSS Finance Officer Myra Hill said the State has changed how it makes payment for foster care and that DSS must pay up front and seek reimbursement for expenditures and, as a result, the line item has increased considerably. Ms. Hill added that foster care board rates increased 22 percent. Ms. Hill said it is difficult to project these expenditures, and she hopes enough is budgeted to meet projections.

Mr. Knott added that the agency is receiving more children in foster care with 79 currently in foster care and four additional cases pending.

Mr. Knott added that security within the agency has become an issue, particularly in Adult Services where there were three incidents in the past month. Mr. Knott said he fears someone will get hurt, especially if the Laurinburg Police Department or the Sheriff is unable to respond in time.

Mr. Knott said he would like to get a controlled lock installed in Adults Services but because it is a certain kind of lock, the agency must get permission from the Fire Marshall.

Commissioner McPhatter motioned to make the installation of a security lock a priority at Social Services but withdrew his motion pending additional information.

Mr. Knott said he would have a cost estimate for the Commissioners at the June 2 meeting.

Ms. Hill compared the DSS budget request to the one recommended for FY 2008-2009, which 498,000 less. Ms. Hill said DSS it would be difficult to operate with \$4.3 million when we have \$4.6 million this year. Ms. Hill provided a counter proposal to add \$300,000 to the DSS budget.

Commissioner Alford, who is also DSS Chairman, questioned how some departments could request and receive step increases while others did not.

Mr. Patterson discussed how he arrived at the DSS budget recommendation for the coming fiscal year. He added there were many requests for step increases that were not recommended.

Chairman Willis asked if \$300,000 could be set aside in a contingency fund in case the agency needs it, then it can request the funds.

Commissioner Alford said if step increases are involved, the budget would have to be approved up front.

*Scotland County Board of Commissioners 2009 Budget Work Session
May 27, 2009, 507 West Covington Street, Laurinburg, NC*

Commissioner McCook asked if the agency could take care of step increases if it did not fund a foster care position.

Mr. Knott said he felt the agency could not afford not to have that foster care coverage considering the number of children the agency is now taking in.

Chairman Willis directed the County Manager and DSS Director to review the DSS budget and present the revised budget proposal at the June 2 meeting.

(Commissioner Alford was excused at 2:45 p.m.)

Mr. Knott distributed a 2008 spreadsheet of Scotland County DSS positions as they compares to Bladen, Moore, Richmond, Robeson, Hoke and Franklin counties.

Commissioner McCook asked the County Manager to present a break down of the economic development budget in the FY 2008-2009 Budget Plan.

Chairman Willis updated the Commissioners on the search for an economic developer. Chairman Willis said some applicants withdrew from consideration, accepted a similar position elsewhere or elected to stay with their current positions. Chairman Willis said the interview process continues.

Commissioner McDow said she is still interested in the County hiring a grant writer.

EMS Director Roylin Hammond, who was not on the agenda, requested and received permission to address the Board.

Mr. Hammond described the salary range for paramedic in other counties, which is \$6,000 to \$9,000 more than the salaries offered at Scotland EMS. Mr. Roylin said that at some point in time the paramedic salary issue would have to be addressed.

Chairman Willis directed the County Manager to study the paramedic salaries in July, August and September and to make a recommendation that might resolve the issue.

Community Assistance Grant Policy

Chairman Willis said the Community Assistance Grant Policy would be on the June 2 regular meeting agenda so all Commissioners would have opportunity to discuss it.

Motion was made by Commissioner McPhatter and duly seconded by Commissioner Butler to adjourn. Vote: Motion unanimously approved. Meeting adjourned at 3:05 p.m.

Ann W. Kurtzman
Clerk to the Board

J.D. Willis
Chairman