

MINUTES
FY 2007-2008 BUDGET WORKSHOPS
TRANSYLVANIA COUNTY BOARD OF COMMISSIONERS
June 4-8, 11 and 13

MONDAY, JUNE 4, 2007, 5:30 p.m., Community Services Conference Room

The Board of Commissioners of Transylvania County met in Special Session on Monday, June 4, 2007 at 5:30 p.m. in the Community Services Conference Room. The meeting was called for the purpose of considering the FY 2007-2008 budget. The budget was presented on CD. Printed copies of the budget are on file in the Finance Office, Administration Building and at the Library.

Commissioners present: Lynn Bullock, Chairman Jason Chappell, David Guice, Daryle Hogsed and Vice-Chairman Kelvin Phillips. Staff members present: Manager Artie Wilson, Finance Director Gay Poor, Human Resources Director Sheila Cozart, Sheriff David Mahoney, Captain Eddie Lance, Board of Elections Director Judy Mathews and Clerk to the Board Trisha McLeod.

Media: *Transylvania Times*- Kim MacQueen

There were approximately 6 people in the audience.

Chairman Chappell presiding called the meeting to order. He asked for a moment of silence to remember Charlie Bagwell and his family. Staff Sergeant Bagwell was recently killed in action in Afghanistan.

SUGGESTED PROCESS

The Manager suggested the following process for the Budget Workshops:

1. Go through the budget
2. List issues; come back and discuss on Thursday
3. Any info requested could be brought back the next day
4. Any agency requesting appearance can address the Commissioners during the Workshop on Wednesday, June 6

REVIEW OF SUMMARIES

The Manager reviewed the Budget Summaries and highlighted the following items:

FY 07-08 Budgeted General Fund Revenues

- Ad Valorem Taxes: \$23.5 million; 54.3% of revenues
- Sales Taxes: \$8.4 million; 19.4% of revenues
- Inter-government: \$7.4 million; 17.1% of revenues
- License, Fees, Miscellaneous: \$3.3 million; 7.6% of revenues

- Interest: \$600,000; 1.4% of revenues; decreased from last year due to draw down of funds for the Public Safety Facility
- Other Taxes: \$100,000; 0.2% of revenues

FY 07-08 Budgeted General Fund Expenditures

- Education: \$13.3 million; 30.7% of expenditures
- Human Services: \$9.8 million; 22.7% of expenditures
- Public Safety: \$7.1 million; 17.9% of expenditures
- General Government: \$6.3 million; 14.5% of expenditures
- Transfers: \$2 million; 4.5% of expenditures
- Culture and Recreation: \$1.7 million; 4% of expenditures
- Economic and Physical Development: \$1.5 million; 3.4% of expenditures
- Debt Service: \$2 million; 2.3% of expenditures; includes borrowed funds
- Personnel: \$15.8 million; 36.5% of expenditures; includes wages and benefits
- Operational Expenditures: \$4.5 million; 10.4% of expenditures
- Head Count Analysis: 287 employees, 14 of which are grant funded or other
- Personnel Requests: recommended 9 additional staff for FY 07-08, 2 of which are funded by grants; total cost to County would be \$405,474
- Funding for Outside Agencies: (Mandated by State Statute) Mental Health Care Provider- \$99,261 and BRCC- \$175,485; (Emergency Services) NC Division of Forest Resources- approximately 20% increase for additional funding required for vehicles, etc.; Brevard Rescue Squad- increase because of mandated physicals; (Other Discretionary Agencies) Senior Citizens Center Operation- \$20,000 in operational costs
- Capital Requests: \$1.1 million requested for capital expenditures; recommended \$890,000; includes replacement of vehicles in several departments and 911 Switching Equipment Lease
- Building and Land Improvements: Includes stabilization of rock wall beside courthouse, redoing sidewalks around the courthouse, replacing HVAC units at Courthouse, re-pointing of mortar at Courthouse and the construction of Cell #5
- General Fund Balance: Estimated to be below this same time last year; estimated balance 6/30/08 is \$19.1 million, of which \$13.4 million will be designated funds and \$5.7 million (14%) will be undesignated funds
- Fund Balances: (Projected as of 6/30/08) General Fund- \$19.1 million; Capital Projects- \$4.1 million; TDA- \$213,000; Revaluations- \$224,000; Emergency Telephone- \$824,000; Silvermont- \$241,000; Solid Waste- \$1.8 million
- General Capital Projects Fund Balance: No funds available in reserves for Board of Education; includes funds for Information Technology, Old Library Renovations, Courthouse Renovations, Animal Shelter, Health Expansion, Communications Tower

REVIEW OF REVENUES

Finance Director Gay Poor reviewed the Revenues and highlighted the following items:

- Tax Base: Projected to be \$3.96 billion; an increase of 4.3%
- Property Taxes: Tax Collection Rate per 2006 Audit is 98.08%; tax rate proposed for FY 2007-2008 is \$0.59
- Sales Tax: Estimated to be \$8.4 million for FY 2008; an increase of \$600,000; made up of 4 components (1 cents Article 39- point of delivery; ½ cents Article 40- per capita and partially earmarked for the schools; ½ cents Article 42- per capita and partially earmarked for the schools; ½ cents Article 44- point of delivery and per capita)
- Payment in Lieu of Taxes: Payment the County receives from the Bureau of Land Management as compensation for property taxes not collected on Federally owned land in the County; includes \$63,500 for National Forest Timber Receipts which is earmarked for the schools
- Board of Elections: HAVA funds are pass-through funds
- Tax Collections: Includes Tax Collection fees collected from the City of Brevard and Rosman
- Register of Deeds: Revenues estimated to be less than FY 2006-07; decrease of 8.2%; still seeing increases, just more modest increases
- Clerk of Court: Fees expected to remain flat
- Interest on Investments: Decrease because of draw down of funds for construction of Public Safety Facility and BRCC; interest rates have averaged approximately 5% over the past 12 months
- Miscellaneous: Includes TDA Administrative Fees, ABC Net Revenues, Sale of Surplus Equipment
- Sheriff: Includes 3 grants (2 Governor's Highway Safety Grants, Governor's Crime Commission Grant); Civil Process Service Fees expected to increase
- Detention Center: New revenues from Commissary Program, Medical and Prescription Co-pays, and the sale of phone cards to inmates
- School Resource Officer: Funded by the County and the School System
- SRO Cop: County assumes full costs
- Lake Toxaway Patrol: Funded by the Lake Toxaway Property Owners' Association
- Emergency Management: Includes CHAF Grant which is a carryover to next year
- Emergency Medical: Expecting an increase because of a 9.8% increase in call volume
- Animal Control: City of Brevard pays a prorated share of the Animal Control Officer's wages and benefits plus overhead for supervisory and administrative services
- Building and Permitting: Proposing an increase in fees
- Planning: Proposing changes to fee schedule
- E-Communities: Includes \$300,000 for Incubator Program at BRCC
- NC Cooperative Extension: No grants budgeted and may have carryover funds
- Soil & Water Conservation: No grants budgeted but may have carryover funds
- Health Department: Total Health Department revenues for FY 2007-2008 are budgeted to be \$969,000; increase of 8.5% attributed mainly to changes in Environmental Health

- Social Services: Increase of \$240,000 or 11.5%; \$137,000 is a pass-through for reimbursement to the County for Medicaid Transportation costs
- Veterans Services and Homecare Community Block Grant (HCCBG): Pass-through funds
- Child Development: Decrease in Smart Start is offset by an increase in the subsidy; State funds are pass-through funds that subsidize the care of eligible children at local daycare centers
- Transportation: 8% more funds available due to an increase in grant funding
- Other Services: 100% pass-through grants; Includes DJJDP and CJPP
- Recreation: Program user fees generated by recreation activities are expected to be same as FY 2006
- Library: Estimated 3.6% increase from last year; proposing increases in fee schedule
- School Debt Service: Budgeted \$10,000 more in ADM funds than last year; Fines & Forfeitures have decreased
- Transfers: Includes funds from the Court Facility Reserves to cover 3 HVAC units in the Courthouse and small courtroom and transfers from Emergency Phone System to help pay for the Lease of the new 911 System and other qualifying communications equipment

RECESS: The Chairman declared a 10 minute recess.

EXPENDITURES

Ms. Poor reviewed the Expenditures and highlighted the following items:

GENERAL EXPENDITURES

- Board of Commissioners: Decrease due to the purchase of land for parking lot in FY 2006-2007; includes \$25,000 for Junk Disposal which is part of the Community Appearance Initiative
- Administration: Increases due to Pay Classification Study and implementation and Pay for Performance; funds are budgeted in Administration and then distributed among departments; includes Retiree Health Insurance, the 457 Plan, architectural and engineering fees, contract services, replacement of a vehicle and safety and operating supplies
- Human Resources: Reduction in salaries due to shifting an employee that was shared between Finance and HR back to Finance
- Finance: Increase due to transfer of employee; includes salary and benefits for new accountant position and funds for annual audit and maintenance contracts for the financial software
- Board of Elections: Reduction because FY 2006-2007 Budget included funds for new machines; Capital not included in the FY 2007-2008 Budget; a lot of expenditures due to State and Federal mandates; request to increase hours of PT employee which would qualify employee for benefits (not recommended by the Manager); requested a postage meter (not recommended by Manager)

- Legal: Decrease in contract services that are not anticipated in FY 2007-2008; fees higher in prior years due to the Mustard Seed Litigation; does not include DSS' legal fees
- Tax Assessment: Request to outsource mailings which will save considerable time and free up Staff to devote to other areas; decrease in Telephone budget; includes half of motor vehicle module
- Tax Collections: Increase in contract services for lock box services; includes other half of motor vehicle module; includes fees for professional mail services and a decrease in postage charges; increase in training costs for cross-training with the Tax Assessment Office
- Register of Deeds: No big changes in budget; decrease in supplies as a result of new software; difference in expenditures that are related to revenues (conveyance tax); decrease in Building Improvements due to replacement of carpet in Current Year
- Maintenance: Includes PT wages for mowing since bids received from contractors were considerably higher than anticipated; includes monies for lawn mowers and fuel; includes funds for repairing rock wall and sidewalks around courthouse; decrease in building improvements since re-pointing of courthouse may be partially done in FY 2007; removed monies for painting Board of Elections; budgeted fuel according to the City @ \$2.25/gal; increase in utilities
- Housekeeping: No big changes other than Personnel costs; includes new vacuums
- Clerk of Court: County pays for computer software maintenance and the court operations costs; utilities are budgeted in Facilities
- Information Technology: No big changes other than Personnel costs; removal of outside contract support for the HP3000 (only the Tax Office is still on this system); funds still available in IT Project
- Miscellaneous: Includes expenditures that apply to County departments; postage charged to departments when used; unemployment insurance is low; decreases in Workers' Compensation; no increases in Property and Liability Insurance; includes contingency for emergency situations; includes insurance for County employees that must be bonded; includes funds set aside for the County's 150th Anniversary
- Project Manager: Removed funds for camera and other office supplies purchased in FY 2007
- Outside Agencies: Transylvania Habitat for Humanity- fees to offset County Building and Septic Permit fees; Land of Sky Regional Council- the County is assessed an amount and required to pay it

PUBLIC SAFETY

- Requested budget is \$4.75 million (13% increase); recommended budget is \$4.53 million (8% increase)
- Sheriff's request includes salary increases for his Staff effective July 1, 2007; the recommended budget has the salary increases effective February 2008
- Sheriff: Decrease in recommended over requested budget due to timing of pay classification study and implementation; significant increase in substance screening and physicals due to turnover rate in the department; contract services is

less because fees based upon county population; includes contract fees for 24/7 legal advice specific to law enforcement; includes funds for weapon replacements; Concealed Weapons Permit Fees are offset by revenues; increases in Uniforms/Safety Equipment to provide for volunteers; includes funds to purchase 15 vests; increases in fuel costs; increase in travel/training for new recruits; includes several grants; increase in software for MDT's (half last year and half in FY 2008); cyclical replacement of computers; other non-capital expenditures includes 12 Taser Guns, digital camera, handheld radios; includes 7 replacement vehicles (6 marked, 1 unmarked)

- SRO: Difference in requested and recommended is in Personnel costs
- SRO Cops: Charged to schools
- Detention Center: Increase in salaries for 2 additional positions (Jail Cook and Lieutenant); revenues from new programs expected to offset costs of both positions

Commissioner Hogsd asked the Sheriff if he has considered outsourcing the meals for the Jail. The Sheriff said he has only 1 Jail Cook and other Staff have to fill in for him on his days off, creating additional overtime situations, etc. ACTION: The Manager will pursue this option with Transylvania Community Hospital and bring information back to the Commissioners.

- Detention Center (continued): Prisoner Medical Expense budgeted same as Amended budget for FY 2007; Overflow of Prisoners was kept the same as FY 2007 and these costs will be incurred until the new facility opens; decrease in Juvenile Detention; decreases in supplies related to the commissary supplies; budgeted food the same as the Current Year but expected to go over budget; increases in Uniforms/Safety Equipment to provide for part time staff and volunteers; increases in utilities, postage, training and travel; Finance Director is working on finding more affordable inmate insurance
- Toxaway/Sapphire Patrol: Same personnel costs as seen in other departments; non-capital equipment includes 2 handheld radios
- Narcotics Task Force: 2 employees from Investigations moved to this department; department created to get clearer picture of the cost of drug enforcement; funds related to this department were transferred from Investigations
- Investigations: Includes new grant-funded position (Domestic Violence Investigator); decrease in contract services because funds were moved to Narcotics Task Force and other decreases related to the creation of the new department
- Emergency Management: Includes 2 HVAC units
- Fire Marshal: Decreased amount for departmental apparel; decrease in computer software because a less expensive option is available; decrease in travel and training
- Emergency Management Grants: CHAF grant; carry-over

PUBLIC COMMENT

There were no public comments.

RECESS

Chairman Chappell recessed the meeting until Tuesday, June 5, 2007 at 5:30 p.m. at the Transylvania County Library Rogow Room.

TUESDAY, JUNE 5, 2007, 5:30 p.m., Transylvania County Library, Rogow Room

Commissioners present: Lynn Bullock, Chairman Jason Chappell, David Guice, Daryle Hogsed and Vice- Chairman Kelvin Phillips. Staff members present: Manager Artie Wilson, Finance Director Gay Poor, Human Resources Director Sheila Cozart, Emergency Services Director David McNeill, Captain Eddie Lance, Board of Elections Director Judy Mathews, Library Director Anna Yount, Recreation Director Rick Pangle, Tax Assessor/Collector David Reid and Clerk to the Board Trisha McLeod.

Media: *Transylvania Times*- Kim MacQueen

There were approximately 9 people in the audience.

Chairman Chappell presiding called the meeting to order at 5:35 p.m.

Chairman Chappell read Joint Proclamation 48-07 Honoring the Memory of Staff Sergeant Charlie Bagwell.

Commissioner Bullock moved to approve Joint Proclamation 48-07 Honoring the Memory of Staff Sergeant Charlie Bagwell, seconded by Commissioner Hogsed and unanimously approved.

(Joint Proclamation 48-07 attached as part of the Minutes.)

Commissioner Guice moved to reschedule the June 11, 2007 Regular Meeting and Public Hearing to June 18, 2007, seconded by Commissioner Bullock and unanimously approved.

Finance Director Gay Poor reviewed Expenditures from where the meeting ended yesterday and highlighted the following:

- Emergency Medical: Significant increase for 2 new positions (requested 6); positions needed because of increase in call volume (67% since 1996); over 30% increase in out-of-county transports; increase for new ambulance for which the costs have significantly increased
- Animal Control: Requested new position and to increase hours of PT Staff; Manager recommended waiting until new facility opens to add any new positions; increases in fuel, supplies and utilities

- Autopsies: County budgeted \$15,000 but spent \$17,000 on autopsies for the Current Year; this is an area that is difficult to predict but the County is responsible for the funding
- Communications: Requested Tele-communicator; Manager recommended waiting until new facility opens to add any new positions; capital requests include 1 vehicle replacement, LE Tactical Repeater, E911 RFP; \$70,000 of the items in this budget can be covered by the Wireless/Wireland Funds; increases in equipment maintenance and travel and training costs
- Outside Agencies: (NC Forest Service) Request is 16% higher than current budget because of the purchase of a new vehicle and personnel related costs; (Brevard Rescue Squad) Increases because of requirement for Staff physicals

ECONOMIC AND PHYSICAL DEVELOPMENT

- Building Permitting Enforcement: Includes new vehicle
- Planning and Economic Development: No major increases
- E-Communities: Includes \$300,000 for BRCC Incubator Program
- Cooperative Extension: Requested additional position that has been funded by the State in the past; State requesting the County pay 50% of the cost of the position; not included in the recommended budget; requested \$2,500 for contract services
- Soil and Water Conservation: Difference in amended and recommended budgets is grant-related
- River Clean Up: Budgeted same as Current Year
- Outside Agencies: Requests made from WNC Communities and Transylvania County Farm Bureau; neither are recommended

HUMAN SERVICES

- 1% increase in overall recommended budget; requested a School Nurse position that is not recommended by the Manager; requested to increase hours of Nutritionist
- Public Health: Increase in medical supplies for Shingles Vaccines; decreases in Flu Vaccines, telephones, computers and other equipment
- Child Services Coordination: Increases for computer
- Family Planning: Decrease due to one-time grant
- WIC Breastfeeding: Decreases due to office equipment purchased in the Current Year
- Dental Project: Refunds diverted to the State in the Current Year
- BT Preparedness: Decreases are grant related
- Environmental Health: Includes 1 new position mandated by the State; includes 1 new vehicle and 1 replacement vehicle
- Human Services partially funded by State and Federal monies; 46% paid for by local funds in Current Year; for FY 2008, 47% paid for by County funds
- Mental Health: Budgeted same as Current Year
- Social Services: Includes mostly administrative costs; requested 1 new position which is required to avoid exceeding caseload limits; also requested 2 positions to

- be reclassified due to additional responsibilities and reorganization within the unit; includes replacement vehicle; increase in legal fees by \$14,000 based on statewide trend; increase in contract services and postage; decrease in computers and printers due to the replacement cycle
- Public Assistance: Medicaid; County's portion is \$1,670,420; Medicaid Transportation is a pass-through fund
 - General Assistance: Most of the programs are funded in part by Federal and State monies; decreases in AFDC/IV-E Foster Care are more inline with actual for Current Year; IV-E/IV-B Vendor Payments (\$58,000) is a requirement
 - Veterans Services: PT Position established last year to handle concerns of veterans
 - Title III Nutrition Program: Expenses for utilities
 - Homecare Community Block Grant: Pass-through funds
 - Child Development: Decrease in salaries because moved a position to Social Services; increase for replacement computers
 - Subsidized Childcare: Payments to daycare centers for eligible children in the County; pass-through funds
 - Resource Grants: Almost 100% pass-through funds
 - New Adventure Center: Decrease in therapeutic services which varies upon number of children and their needs; decrease in operating supplies because item moved to another line item; increase in food since a number of the children are on special diets; increase in land improvements for playground equipment
 - Smart Start: Pass-through funds
 - Transportation: Approximately 31% (\$120,000) of the costs of the Transportation Programs is funded by the County
 - Senior Citizens Transportation: Funded by HCCBG, Section 5311 Grant, EDTAP Grant and County
 - TVS Transportation: Funded by Section 5311 Grant and County
 - Child Development Transportation: Required by the State to provide transportation for children under protective services; funded by Section 5311 Grant and County
 - General Public Transportation: Paid 100% by ROAP Grant
 - Med-Drive: Funded by Section 5311 Grant, Medicaid Transportation, EDTAP Grant and HCCBG
 - Grants: DJJDP and CJPP are pass-through funds
 - Outside Agencies: Includes TVS, WCCA Program, Center for Dialogue, KOALA, Volunteers in Medicine, Senior Citizens Center

CULTURE AND RECREATION

- Parks and Recreation: Includes contract services with the City of Brevard for ball field and lease for river access on Island Ford Road; increase in Building and Grounds to refinish gym floor; increase for replacement of computer
- Champion Park: Decrease in Building Improvements because new restroom removed
- Recreation Programs: Mostly paid for through user fees

- Library: Request new position; only 4 new positions granted when the library opened; recommended by the Manager (\$37,000); capital includes new Book Mobile and replacement of web server; removed janitorial services for window washing; increase in copies with the addition of a copier; increase in books to replace outdated children's books; increase in utilities since first year based on no experience; increase in Internet Connection attributable to upgrades; decrease in training and travel
- Community Programs: Includes Brevard College, Cemetery Board, JHPC, Historical Society, Parks Commission; same as FY 2006-2007

RECESS: The Chairman declared a 10 minute recess.

EDUCATION

- School Debt Service: County currently paying off three bonds; only one year remaining on one of the bonds
- School Current Expense: Requested budget is \$7.9 million (10% increase); recommended budget is \$7.55 million (5.26% increase); includes increases in Teacher Supplements, Local COLA, Utilities/Fuel, SRO's COLA, Retirement, Health Insurance, Coaching Supplement Step, and Hazardous Chemical Removal
- School Daycare: After School and Summer School Day Care make up for Title XX cuts; includes Communities in Schools
- Fines and Forfeitures: Pass-through funds; included in School System's budget as an additional revenue source
- School Capital Outlay: Requested budget is \$2.6 million; recommended budget is \$1.7 million; recommend calculating 5-year average to determine baseline for capital spending
- BRCC: Anticipate increased operational costs associated with the opening of the new Applied Technology Building

OTHER

- Debt Service: New item to accommodate capital projects; includes providing funds for renovations to old Library, new or renovated Education Center, renovations of old Jail and Sheriff's Office; payment per year would be \$1,010,000 million (assumes borrowing \$7.8 million @ 5% for 10 years)
- Transfers: Includes transfers to Economic Development Reserves (\$150,000 to help pay for gas pipeline), Fund Balance (\$931,848 which represents the surplus the County will realize next year), Law Retirement Fund (\$60,361 to cover those drawing monies out of that fund), Revaluation Fund (\$83,125), Solid Waste Fund (\$850,567 to cover cost of additional cell), Silvermont Fund (\$30,000 which was same amount appropriated last year; will be drawing down funds for renovations)

ENVIRONMENTAL PROTECTION

- Solid Waste: Operational Revenues include Scale Sales, Sticker Sales and Recycling Revenues; total operating revenues is \$1,622,577; proposed fee

increases for scale sales (increase by \$3 per ton to \$45 per ton) and sticker sales (increase by \$0.25 per bag to \$1.50 per bag); Operational Expenditures include Solid Waste Administration, Mechanical Maintenance, Collections Centers, Transportation and Landfill Operations for a total of \$1,289,552; Other Revenues include Interest, Appropriations of Solid Waste Fund Balance, and Transfers from General Fund for a total of \$2,428,888; Other Expenses include Calvert Buffer Property, Cell #5, Capital Equipment and Improvements, and Debt on Expenditures for a total of \$2,761,913

- Interest: Earning interest on funds in reserves
- Solid Waste Administration: Decreases in engineering services because moved to another line item; additional expenditures in contract services for wood grinding (DENR will no longer allow County to stockpile for a long period of time); includes vehicle replacement
- Solid Waste Maintenance: No big increases other than capital
- Solid Waste Collections: Includes new garbage compactor for Pisgah Forest Convenience Center and roll-off containers; increase in Special Projects attributable to the handling of electronics
- Solid Waste Transportation: Significant increases for fuel; do not receive special rates since fuel purchased in bulk
- Solid Waste Operations: Increases in fuel costs and usage
- New Cell Construction: Includes \$2.7 million for engineering services and construction costs; includes 10% contingency

OTHER FUNDS

- LEO Separation Fund: Includes annual required contributions
- Occupancy Tax Fund: 4% Tax; County collects on behalf of the TDA; funds used to promote tourism
- Tax Assessment: Funds for Revaluation
- Self Insurance Fund: Earning interest on this account; includes employee health insurance premiums; anticipating additional increases
- Schools QZAB Fund: Interest earned helps to pay for this
- Emergency Telephone System: Funds from Wireline and Wireless Funds
- Silvermont: Funds to renovate Senior Citizens Center and includes monies to transfer to Fund Balance

RECESS: The Chairman declared a 10 minute recess.

FIRE DEPARTMENTS

Emergency Services Director David McNeill discussed the various Fire Department Budgets. He pointed out that all the departments have agreed to the proposed budgets. Three departments will increase their fire tax rate: Brevard/Sylvan Valley 2, Connestee and Lake Toxaway.

Connestee

Connestee has added a substation and an aerial unit to their department. The additions will enhance their response times and reduce insurance rates. Mr. McNeill added that

they have done a good job at understanding their district. Their fire tax rate will increase slightly.

Lake Toxaway

Lake Toxaway's increase results from the acquisition of a ladder truck. Mr. McNeill pointed out that they want to remodel and add on to their main station. He instructed them to first reduce their debt service and have a plan to keep their debt service at a minimum.

Brevard/Sylvan Valley 2

Brevard/Sylvan Valley 2 requested to have an aerial apparatus study. This district serves both the City and the County. Mr. McNeill feels that the County should fund less than half of this department since more services are provided within the City. After discussion with the City Manager, a 54/46 split was agreed upon. Last year, this district requested 25 dry hydrants from the County but was awarded 12. The hydrants have yet to be installed although the locations have been identified. Mr. McNeill also noted that Brevard/Sylvan Valley 2 faces challenges that other districts do not.

Etowah/Horseshoe

Etowah/Horseshoe provides services to the smallest area in the County. There has been discussion about merging with Little River which would result in a change in the insurance rating and keep revenues in the County. Commissioners agreed that it would be a good idea to begin discussions about merging the departments. Mr. McNeill noted that they will have a fire tax rate increase.

Balsam Grove

Balsam Grove presented significant increases in their budget request. Mr. McNeill noted that their requests are needed but their budget proposal would require a 21 cents increase and the allowable increase is only 15 cents. Their needs and revenues are not growing at the same rate. They will be looking at other alternatives to meet their needs.

Rosman

Rosman has significant debt service some of which will be paid off in FY 2008-2009. Their fire tax rate will remain the same.

Little River

Mr. McNeill commended Little River for being the most organized district. Their fire tax rate will remain the same.

Cedar Mountain

Cedar Mountain has done a good job over the years of identifying alternative revenue sources which helps them fund activities within their district.

North Transylvania

North Transylvania's district is growing. They are very cost conscientious and have been saving money for new equipment.

Brevard Rescue

Brevard Rescue has realigned their budgets in the same way as the Fire Departments. They had initially made reductions in their budget request but later found a requirement that staff must have physicals so they had to add those monies back to their request. They plan to purchase a new ambulance and offset the costs with the sale of their old ambulance.

Commissioners discussed the possible merge of Etowah/Horseshoe and Little River and directed Mr. McNeill to provide an assessment of each resident and business and identify the impact it would have on them if the departments combined. Mr. McNeill noted that Etowah/Horseshoe is a service district, not a tax district, so any action would require a Public Hearing.

PUBLIC COMMENT

There were no comments from the public.

RECESS

Chairman Chappell recessed the meeting until Wednesday, June 6, 2007 at 5:30 p.m.

WEDNESDAY, JUNE 6, 2007, 5:30 p.m., Transylvania County Library, Rogow Room

Commissioners present: Lynn Bullock, Chairman Jason Chappell, David Guice, Daryle Hogsed and Vice-Chairman Kelvin Phillips. Staff present: County Manager Artie Wilson, Finance Director Gay Poor, Human Resources Director Sheila Cozart, Captain Eddie Lance, Board of Elections Director Judy Mathews, Emergency Services Director David McNeill, Recreation Director Rick Pangle, Tax Assessor/Collector David Reid, Library Director Anna Yount, Captain David Jones, Health Director Steve Smith, Sheriff David Mahoney, Social Services Director Carson Griffin, several officers from the Sheriff's Department and Clerk to the Board Trisha McLeod.

Media: *Transylvania Times*- Derrick McKissock

There were approximately 50 people in the audience.

Chairman Chappell presiding called the meeting to order at 5:30 p.m.

Several agencies and departments addressed the Board to request funding.

BOARD OF ELECTIONS

Mr. Jack Hudson, with the Board of Elections, addressed the Board to request the funding of a postage meter for the Board of Elections office. He explained that the Board of Elections is required by law to contact voters by mail only. The annual cost to lease a postage meter is \$2,328. There are two postage meters in the County, one at Administration and the other in the DSS Building. He noted that the meter in the DSS

Building is not available for their use after hours because it is locked in a secure place. The Manager stated that they can request a key to Administration to use the meter there after hours.

Mr. Hudson also requested to increase the hours of one of their part-time staff because of the increased State and Federal regulations. He is requesting to increase the hours by 7.5 hours per week which would include benefits. ACTION: Chairman Chappell asked Staff to provide the cost of increasing the hours.

CENTER FOR DIALOGUE

Ms. Hulda Warren addressed the Board to request additional funding for the Center for Dialogue. She stated that the Center Dialogue provides a tremendous benefit to the County. Their success rate is 93% for adults and 96% for youth. If their clients pay a fee to the court after they complete mediation, then their case is dismissed, which, she explained, saves the County a great deal of money. Their annual budget is \$142,000 for two full time staff and some part time help. Last year the County granted the Center for Dialogue \$12,000. They are requesting an additional \$2,000 for a total request of \$14,000.

BREVARD COLLEGE

Ms. Susan Stromberg and Ms. Debra Hall addressed the Board to request funding for Brevard College. They used to receive \$12,000 from the County but due to major cuts a few years ago, their funding was reduced to \$3,000. Last year, however, the Board agreed to fund \$6,000. They are requesting \$12,000 from the County. They also discussed the impact that Brevard College has on economic development in the County and explained how they would use County funds.

FARMLAND PRESERVATION

Mr. Carrol Parker, President of Farm Bureau, addressed the Board to request funding for conservational easements. He explained that the State is losing 300 acres of farmland every day. Farmland preservation will protect present and future generations. If the County is unable to fund his request, he asked that the Agricultural Advisory Board (AAB) develop a strategy for the Commissioners' consideration. Mr. Parker further explained that the purchase of easements gives families retirement funds and preserves farmland. He urged the Commissioners to be proactive and direct the AAB to develop a strategy that would protect the County.

RECESS: The Chairman declared a 5 minute recess.

BOARD OF EDUCATION

Board of Education Chairman Teresa McCall addressed the Board. She explained that the Board of Education will not be able to meet the needs of the schools with the current budget proposal by the Manager. She asked the Commissioners to reconsider the Board

of Education's proposals. Mr. Chris Whitmire added that it is important that the County be able to recruit and retain teachers.

Chairman Chappell stated that he understands the importance of education and that the Commissioners will be considering all the requests made by different agencies.

SHERIFF

Sheriff David Mahoney addressed the Board to request pay increases for his department effective July 1, 2007. He stated that he has immediate needs in his department. With fewer people interested in the law enforcement field, he has found it difficult to recruit and retain staff. He noted that he has lost seven employees to other agencies. His department can not compete with surrounding counties or with the City of Brevard. The Sheriff stated that his request will address some of the issues. He made some cuts in other areas of his budget to help offset the costs of the pay increases and has implemented new programs at the jail to provide additional revenues to his department.

RECESS: The Chairman declared a 10 minute recess.

REVIEW AND DISCUSSION OF ISSUES

HEALTH INSURANCE

Human Resources Director Sheila Cozart stated that the County is self-insured with Blue Cross/Blue Shield providing the administrative component. The County has seen significant increases in claims. Ms. Cozart has been looking for alternatives to decrease the costs to the County, such as plan design changes. By making some of these changes, the County could see a cost reduction of approximately \$130,000.

The Manager added that the County needs to move ahead with implementing the changes so BCBS and Staff can be notified before the new fiscal year. He also said that Staff will explore Health Care Savings Accounts but will need time to do the research and educate employees.

Commissioner Guice noted that dependent coverage will increase by \$71.26 per month for a total of \$416 in premiums each month. The Manager stated that it is a significant increase but for years there have been no increases. Commissioner Guice said he is concerned about the increases and hopes the burden to the employees can be kept as low as possible. He said the County needs to explore other options for the future.

After further discussion, Commissioners agreed by consensus to implement the plan design changes and instructed Staff to move ahead and contact Blue Cross/Blue Shield.

BOARD OF ELECTIONS

Commissioners discussed options for dealing with the postage meter issue presented by the Board of Elections. After discussion, Commissioners agreed by consensus not to lease another postage meter and to allow the Board of Elections to continue to use the

meter at DSS during office hours. If there is a need to use a postage meter after hours, they can obtain a key to Administration and use the postage meter there.

Commissioners also discussed the Board of Elections' additional request to increase the hours of one of their part time staff to include benefit. After discussion, the Commissioners agreed by consensus to fund their request.

RECESS: The Chairman declared a 5 minute recess.

CENTER FOR DIALOGUE

Commissioners discussed the Center for Dialogue's request for funding in the amount of \$14,000. The Manager recommended funding \$12,000. Commissioners presented opposing views.

After further discussion, **Chairman Chappell moved to provide \$12,000 in funding to the Center for Dialogue, seconded by Commissioner Guice. The motion passed 3 to 2 with Commissioners Hogsed and Phillips voting no.**

BREVARD COLLEGE

Brevard College has requested funding in the amount of \$12,000. The Manager recommends funding in the amount of \$6,000.

Commissioner Guice advocated for funding their request at \$12,000 because of the impact Brevard College has on economic development in the County. Commissioners Hogsed and Phillips agreed with Commissioner Guice but noted that the Manager's recommendation is more reasonable at this point.

Chairman Chappell moved to provide funding to Brevard College in the amount of \$6,000, seconded by Commissioner Phillips. The motion passed 4 to 1, with Commissioner Guice voting no.

FARMLAND PRESERVATION

Chairman Chappell said while this is a worthwhile request, he would like to see the AAB develop a plan for preserving farmland in the County. Commissioner Bullock concurred with his comments.

Commissioner Guice added that Transylvania County has lost over 4,000 acres of farmland since 1995. He asked that the Commissioners provide the funding. Commissioner Hogsed concurred with Commissioner Guice. ACTION: Commissioner Guice suggested that the Manager meet with Mr. Parker about developing a plan.

After further discussion, **Comissioner Phillips moved to fund Mr. Parker's request for \$15,000 and move ahead with developing a plan, seconded by Commissioner Guice. The motion passed 4 to 1, with Chairman Chappell voting no.**

PUBLIC COMMENT

There were no public comments.

RECESS

Chairman Chappell recessed the meeting until Thursday, June 7, 2007 at 5:30 p.m.

THURSDAY, JUNE 7, 2007, 6:45 p.m., Transylvania County Library, Rogow Room

Commissioners present: Lynn Bullock, Chairman Jason Chappell, David Guice, Daryle Hogsed and Vice-Chairman Kelvin Phillips. Staff present: County Manager Artie Wilson, Finance Director Gay Poor, Human Resources Director Sheila Cozart, Board of Elections Director Judy Mathews, Sheriff David Mahoney, Captain Eddie Lance, Social Services Director Carson Griffin, Library Director Anna Yount, Tax Assessor/Collector David Reid, Recreation Director Rick Pangle, Emergency Services Director David McNeill, several officers from the Sheriff's Department and Clerk to the Board Trisha McLeod.

Media: *Transylvania Times*- Kim MacQueen

There were approximately 60 people in the audience.

Chairman Chappell presiding called the meeting to order at 6:45 p.m.

Additional business has come before the Board. **Commissioner Guice moved to amend the Agenda and add the request from the Tax Collector's office, seconded by Commissioner Bullock and unanimously approved.**

Chairman Chappell read Resolution 49-07 Directing the Tax Collector Not To Collect Ad Valorem Taxes When the Original Principal Amount Due Is \$1.50 or Below

Commissioner Bullock moved to approve Resolution 49-07, seconded by Commissioner Hogsed and unanimously approved.

Resolution 49-07 attached as part of the Minutes.

BOARD OF EDUCATION BUDGET REQUEST (Current Expense and Capital)

The Manager presented a revised recommended Current Expense Budget for the Board of Education. His recommendation indicates a 5.4% increase. Commissioners thanked the Board of Education for their budget presentations. They reviewed items that were not recommended in the budget, which were additional instructional supplies, Title XX cuts, and the sales tax rebate rescission. The Manager noted that if these items were added to the recommended budget, it would result in a 6.8% increase for Current Spending.

Chairman Chappell is concerned about increasing spending for the schools because other departments have made requests as well. He agrees with the Manager's revised Current Spending budget. Commissioner Guice feels like the County is in good shape financially and adding these items back to the budget could have a huge impact on the community. Commissioner Hogsed suggested looking at the requests from other departments before deciding on the Board of Education's Current Spending budget. Commissioner Phillips concurred with Commissioner Hogsed's comments.

The Manager's recommendation for Capital Outlay is \$1,668,222. Board of Education Chairman Teresa McCall stated that this amount will not meet their needs and the Capital Outlay budget should at least be the same as FY 2006-2007.

Commissioners discussed some of the priority items with the Board of Education and other school staff. Some of the items present safety and security concerns.

Commissioners will revisit the Board of Education's request after considering other agency and departmental requests. By consensus, Commissioners agreed with the Manager's revised Current Spending budget.

RECESS: Chairman Chappell requested a 10 minute recess.

SHERIFF'S REQUEST

The Manager stated that the Sheriff's request for pay increases for his department will affect the compensation plan for the entire County. He recommends moving ahead with the Pay Classification Study for all Staff to be implemented in February 2008. The study should indicate the inequities in the Sheriff's Department and other departments as well. The Sheriff has requested the increases for this department become effective July 1, 2007.

Sheriff Mahoney addressed the Board. He explained that his department can not compete with surrounding agencies and he urged the Commissioners to fund his request so he can recruit and retain staff.

Ms. Cozart stated that the Sheriff has requested \$215,000 to implement pay increases for his department. She explained how the County's compensation plan works. Each position in the County is slotted to a pay grade. The Sheriff's request has some staff moving up two pay grades and 13 above their maximum. The Manager added that staff who are above the maximum in their pay grade get a lump sum pay out at the end of each year and their base salary is not increased.

Commissioner Phillips said the Sheriff has immediate needs that need to be addressed and expressed his concern about not being competitive with surrounding agencies. Commissioner Guice stated that a Pay Classification Study is needed so that the

compensation plan is not skewed for the entire County. He wants to be fair to all employees.

Chairman Chappell moved to approve the Sheriff's request for a \$215,000, seconded by Commissioner Hogsed.

After discussion and clarification on the motion, **the motion passed unanimously.**

PERSONNEL REQUESTS

Chairman Chappell noted the positions that have been requested by Staff and thanked the Manager for his recommendations. Commissioners reviewed the positions.

Finance- Accountant

Chairman Chappell moved not to fund the Finance position, seconded by Commissioner Phillips.

Commissioner Guice urged the Commissioners to consider funding this position. After further discussion, **the motion passed 3 to 2, with Commissioners Guice and Hogsed voting no.**

Social Worker III

Commissioner Phillips moved to approve the Social Worker III position, seconded by Commissioner Hogsed and unanimously approved.

Reclassify DSS Positions

Social Services Director Carson Griffin has requested to reclassify two positions within her department. She requested to reclassify an Income Maintenance Case Worker II to an Income Maintenance Case Worker III and an Office Assistance IV to an Administrative Assistant I. Ms. Cozart offered the justification.

Chairman Chappell moved to reclassify the positions, seconded by Commissioner Bullock and unanimously approved.

Domestic Violence Investigator (grant funded)

Commissioner Hogsed moved to approve the Domestic Violence Investigator, seconded by Commissioner Phillips and unanimously approved.

Environmental Health (grant funded)

Chairman Chappell moved to approve the Environmental Health Technician, seconded by Commissioner Bullock and unanimously approved.

Jail Lieutenant

Sheriff Mahoney explained that the Commissary Program at the jail will offset the cost of this position by 75% and will provide additional savings to the County when his inmate work program is instituted.

After discussion, **Commissioner Guice moved to approve the Jail Lieutenant position, seconded by Commissioner Phillips.**

Commissioners requested to see periodic reports from the Sheriff on the progress of the Commissary Program.

The motion passed 3 to 2, with Commissioners Bullock and Hogsed voting no.

EMS Paramedics (2)

David McNeill said the County has had a significant increase in call volume and out of county transports. There have been times when there is no ambulance available in the County.

After discussion, **Commissioner Bullock moved to approve 2 EMS Paramedics, seconded by Commissioner Hogsed and unanimously approved.**

Library Assistant

Library Director Anna Yount addressed the Board. She explained that when the new Library first opened, she had requested 9 new positions. The County granted 4 positions with the plan to evaluate the needs after being in operation for one year. Ms. Yount noted that over 800 patrons visit the Library on a daily basis.

After discussion, **Commissioner Phillips moved not to fund the Library Assistant position, seconded by Chairman Chappell. The motion passed 4 to 1, with Commissioner Guice voting no.**

PUBLIC COMMENT

Board of Education Member Chris Whitmire thanked the Commissioners for funding the Sheriff's request.

RECESS

Chairman Chappell recessed the meeting until Friday, June 8, 2007 at 5:30 p.m.

FRIDAY, JUNE 8, 2007, 5:30 p.m., Transylvania County Library, Rogow Room

Commissioners present: Lynn Bullock, Chairman Jason Chappell, David Guice, Daryle Hogsed and Vice-Chairman Kelvin Phillips. Staff present: County Manager Artie Wilson, Finance Director Gay Poor, Human Resources Director Sheila Cozart, Board of Elections Director Judy Mathews, Library Director Anna Yount, Tax Assessor/Collector David Reid, Social Services Director Carson Griffin, Captain Eddie Lance, Sheriff David Mahoney, Transportation Director Keith McCoy, Recreation Director Rick Rangle, Emergency Services Director David McNeill and Clerk to the Board Trisha McLeod.

Media: *Transylvania Times*- Derrick McKissock

There were approximately 15 people in the audience.

Chairman Chappell presiding called the meeting to order at 5:30 p.m.

The Commissioners continued their discussion of Personnel Requests and other issues.

PERSONNEL REQUESTS

School Nurse

The Manager did not recommend funding a School Nurse position. Commissioner Hogsed urged the Commissioners to consider funding one School Nurse position to help ease the burden on the existing School Nurse.

After discussion, **Commissioner Hogsed moved to approve the School Nurse position. The motion died for lack of a second.**

WIC Nutritionist

Social Services Director Carson Griffin requested to increase the hours to the WIC Nutritionist position by 7.5 hours. The Manager stated that there has been a 17% increase in the caseload since 1994.

After a brief discussion, **Commissioner Hogsed moved to approve the additional hours, seconded by Commissioner Guice and unanimously approved.**

Jail Cook

The Sheriff has requested a part time Jail Cook to alleviate overtime in this area. Staff recently met with representatives at Transylvania Community Hospital to discuss the costs of contracting food services. Ms. Poor pointed out that the savings would be minimal.

After discussion, **Commissioner Guice moved to approve the part time position with full time benefits, seconded by Commissioner Bullock and unanimously approved.**

VEHICLES AND OTHER CAPITAL REQUESTS

The Manager explained the justification for new or replacement vehicles and other capital requests in the following departments: Administration, Sheriff's Department, EMS, Communications, Building Permitting, Health Department, Social Services, Library and Solid Waste.

Commissioner Hogsed moved to approve the replacement of C8, seconded by Commissioner Guice and unanimously approved.

Commissioner Hogsed moved to approve the purchase of 2 unmarked equipped vehicles for the Sheriff's Department, seconded by Chairman Chappell and unanimously approved.

Commissioner Guice moved to approve the replacement of 6 Crown Victoria's in the Sheriff's Department, seconded by Commissioner Phillips. The motion passed 4 to 1, with Commissioner Hogsed voting no.

Commissioner Bullock moved to replace the ambulance in EMS, seconded by Commissioner Hogsed and unanimously approved.

Commissioner Hogsed moved to approve the LE Tactical Repeaters and 911 Switching Equipment Lease, seconded by Commissioner Phillips and unanimously approved.

Commissioner Phillips moved not to replace a vehicle in Communications, seconded by Commissioner Hogsed. The motion passed 4 to 1, with Commissioner Guice voting no.

Chairman Chappell moved not to replace a vehicle in Building Permitting, seconded by Commissioner Bullock. The motion passed 4 to 1, with Commissioner Guice voting no.

Commissioner Bullock moved to approve the purchase of a vehicle for Environmental Health, seconded by Commissioner Guice and unanimously approved.

Commissioner Phillips voted not to replace a vehicle in the Health Department, seconded by Chairman Chappell. The motion passed 4 to 1, with Commissioner Guice voting no.

Commissioner Hogsed moved to approve the replacement of C13, seconded by Commissioner Guice and unanimously approved.

Commissioner Phillips moved to approve the replacement of the Book Mobile, seconded by Commissioner Hogsed and unanimously approved.

Commissioner Hogsed moved to approve the replacement of the web server at the Library, seconded by Chairman Chappell. After discussion, the motion passed 4 to 1, with Commissioner Phillips voting no.

Commissioner Bullock moved not to approve the purchase of a theft identify system for the Library, seconded by Commissioner Phillips and unanimously approved.

Commissioner Hogsed moved to hold off funding of a metro-ethernet upgrade at the Library until next fiscal year, seconded by Commissioner Phillips. The motion passed 4 to 1, with Commissioner Guice voting no.

Commissioner Hogsed moved to approve the purchase of a garbage compactor for Solid Waste, seconded by Chairman Chappell and unanimously approved.

Commissioner Hogsed moved to approve the purchase of a vehicle for Solid Waste, seconded by Commissioner Guice. The motion failed 3 to 2, with Commissioners Bullock, Chappell and Phillips voting no.

FIRE DEPARTMENTS

Commissioners voted on the Fire Department Budgets for FY 2007-2008.

Etowah/Horseshoe

Chairman Chappell moved to approve the budget and requested tax rate, seconded by Commissioner Bullock and unanimously approved.

Brevard/Sylvan Valley 2

Chairman Chappell moved to approve the budget, seconded by Commissioner Bullock and unanimously approved.

Rosman

Chairman Chappell moved to approve the budget, seconded by Commissioner Bullock and unanimously approved.

Little River

Chairman Chappell moved to approve the budget, seconded by Commissioner Bullock and unanimously approved.

Connestee

Commissioner Guice moved to approve the budget, seconded by Commissioner Phillips and unanimously approved.

Chairman Chappell asked the Commissioners if they had any issues with any of the Fire Departments' requests and if not asked to approve all the budgets simultaneously.

Chairman Chappell moved to approve the recommended budgets for all the Fire Departments, seconded by Commissioner Bullock and unanimously approved.

RECESS: Chairman Chappell declared a 10 minute recess.

MEDICAID

The Manager explained that his budget recommendation assumes the reduction in the House budget. After discussion, Commissioners agreed by consensus to add back the \$178,000 to cover Medicaid expenditures.

PAY CLASSIFICATION STUDY

Commissioners discussed whether or not to recommend a Pay Classification Study for the entire County and fund its implementation. Commissioners already voted for pay increases for the Sheriff's Department.

Commissioners Bullock and Guice agreed that all employees should be treated fairly and urged the Commissioners to fund the study. Chairman Chappell believes the Sheriff's Department issues are separate from other County departments. The Manager emphasized the importance of the study. Commissioner Phillips noted that he does not see the same inequities in other departments as in the Sheriff's Department.

The Manager pointed out that the study was recommended by the Personnel Board. Commissioner Guice added that the funds to complete the study and fund its implementation are already included in the Manager's recommended budget. Commissioner Hogsed said he willing to revisit the issue after looking at all the budget requests.

Commissioners asked to hear from Department Heads. Sheriff Mahoney is in support of a countywide Pay Classification Study. Social Services Director Carson Griffin and Library Director Anna Yount urged the Commissioners to be fair to all County employees.

After further discussion, **Commissioner Bullock moved to approve the Pay Classification Study with implementation in February 2008, seconded by Commissioner Guice. The motion failed 3 to 2, with Commissioners Chappell, Hogsed and Phillips voting no.**

Commissioner Hogsed moved to continue Pay for Performance and COLA's, seconded by Commissioner Phillips and unanimously approved.

RECESS: Chairman Chappell declared a 10 minute recess.

CAPITAL PROJECTS

The Manager's recommendation includes borrowing \$7.8 million to complete several capital projects. The County currently has over \$3 million in reserves to partially cover the costs of renovating the 3rd floor of the DSS building, building a new Animal Shelter, dealing with Courthouse security and space needs. The annual debt service over a 10-year period would be approximately \$1 million.

TELE-COMMUNICATORS

There are tele-communicator positions in both the Sheriff's Department and Communications. The pay increases at the Sheriff's Department creates disparity in

these positions. The Manager recommended awarding 7% pay increases to the tele-communicators in the Communications Department.

Commissioner Hogsed moved to approve the pay increases for tele-communicators in Communications, seconded by Commissioner Bullock and unanimously approved.

CAPITAL PROJECTS, continued

The Manager stated that Architect Rich Worley is working on projects for the County and designing a plan to address Courthouse security. Daggett Architects is designing the new Animal Shelter. He noted that the designs for the parking lot were rejected by the City.

Chairman Chappell and Commissioner Phillips expressed concern over the cost of the Animal Shelter and renovations of the old Library. Commissioner Hogsed noted that he was not advocating for any of these projects; however he feels comfortable in moving ahead with renovations to the 3rd floor of the DSS building. He would like to see the Animal Shelter built with the funds that are already reserved. He believes that all options have not been pursued to address space needs. Commissioner Hogsed said debt is irresponsible and the County should be saving more money.

Commissioner Guice stated that the County is committed to renovating the 3rd floor of the DSS building and the Animal Shelter. The County has over \$3 million in reserves that Commissioners can use in a variety of ways.

PUBLIC COMMENT

There were no comments from the public.

RECESS

Chairman Chappell recessed the meeting until Monday, June 11, 2007 at 6:00 p.m.

MONDAY, JUNE 11, 2007, 6:00 p.m., Transylvania County Library, Rogow Room

Commissioners present: Lynn Bullock, Chairman Jason Chappell, David Guice, Daryle Hogsed and Vice-Chairman Kelvin Phillips. Staff present: County Manager Artie Wilson, Finance Director Gay Poor, Human Resources Director Sheila Cozart, Captain Eddie Lance, Board of Elections Director Judy Mathews, Project Manager Larry Reece, Health Director Steve Smith, Solid Waste Director Jeff Brookshire, Library Director Anna Yount, Transportation Director Keith McCoy, Social Services Director Carson Griffin, Marcy Thompson, Register of Deeds Cindy Ownbey, Tax Assessor/Collector David Reid, Lisa Sheffield, Recreation Director Rick Pangle and Clerk to the Board Trisha McLeod.

Media: *Transylvania Times*- Derrick McKissock

There were approximately 45 people in the audience.

Chairman Chappell presiding called the meeting to order at 6:00 p.m.

Commissioners continued discussing key issues.

CAPITAL PROJECTS

Commissioner Hogsed said he opposes an increase in the tax rate and borrowing money. He believes the County should focus on projects it is already committed to and save money for future projects. Chairman Chappell and Commissioner Phillips concurred with his comments.

Commissioner Guice commented that the County is in good shape because of planning by previous Boards of Commissioners. He said they set aside funds for future projects and set the tax rate to generate those funds and they did this even in tough financial times. He explained that there are issues that need to be addressed, such as courthouse security, but Commissioners have not embraced any of the plans brought forth by Staff. He encouraged Commissioners to reconsider their stance on this issue.

Chairman Chappell said he would like to keep the tax rate as low as possible while still planning for the future. Commissioner Hogsed concurred with Commissioner Guice's comments. He said he will not close the door on the other projects but would like to see the County start saving money. He does not agree with a tax increase to fund one time building projects.

Commissioner Guice noted that the County has \$745,000 in reserves for the construction of the new Animal Shelter. The estimated cost of the construction is \$1,050,000. Commissioner Bullock suggested the County attempt to build the Animal Shelter with the funds already reserved.

The Manager said the DSS project is moving forward and the designs for the Animal Shelter should be ready soon. He said the estimated cost of the new Animal Shelter is on target. Architect Rich Worley is working on plans for providing additional space in the Courthouse. Earlier in the year, Commissioners voted to delay the plans for renovating the old Library. The Manager noted that the funds set aside for the Courthouse must be used for that purpose.

Commissioner Hogsed moved not to borrow \$7.8 million to fund capital projects, seconded by Commissioner Phillips.

After further discussion, **the motion passed 4 to 1, with Commissioner Guice voting no.**

LEGAL FEES

Commissioners had asked Staff to provide more detailed information about the County's legal fees. The Manager explained some of the major items and reasons for some of the high costs, i.e. Mustard Seed Litigation. Commissioners agreed that the information cleared up any questions they previously had.

DRUG TASK FORCE

The Elected Officials Drug Task Force met recently to discuss resources to fight the drug problem in the community. Committee members discussed raising taxes 3/10 of 1% to generate approximately \$100,000 and agreed that it must be both the City and the County agreeing with this.

Commissioners agreed that this is an important issue but would like to see more information about how the monies would be spent before moving forward.

PAY CLASSIFICATION STUDY AND IMPLEMENTATION

Commissioner Hogsed requested to revisit the Pay Classification Study for County employees. He supports the Sheriff's Department but thinks it is fair to do the study for all the departments. Commissioner Guice agreed that it is important that Commissioners authorize the study and its implementation per the recommendation of the Personnel Board. He stated that the employees are the County's greatest asset and it not fair not to identify inequities in other departments.

Chairman Chappell said he is concerned about the taxpayers and ongoing expenses. Commissioner Phillips concurred with his comments. Commissioner Bullock said he is in favor of the study and the County can not afford to lag behind in employee compensation.

After further discussion, **Commissioner Hogsed moved to fund the Pay Classification Study and its implementation effective February 2008, seconded by Commissioner Guice. The motion passed 3 to 2, with Chairman Chappell and Commissioner Phillips voting no.**

MEDICAID

Commissioner Guice asked to revisit the additional funding for Medicaid. He said after receiving further information, it looks as though the County will get some relief from the State.

Commissioner Guice moved to remove \$178,784 not in the Manager's recommended budget, seconded by Commissioner Hogsed. After discussion, the motion failed 3 to 2, with Commissioners Bullock, Chappell and Phillips voting no.

BOARD OF EDUCATION (Current Expense and Capital)

Commissioner Guice asked the Commissioners to reconsider funding additional instructional supplies and the Title XX cuts. Commissioner Hogsed concurred with Commissioner Guice and added that more monies should be spent in the classroom.

Commissioner Hogsed moved to approve the Current Expense Budget for the Transylvania County School System as amended, seconded by Commissioner Guice, and unanimously approved.

Chairman Chappell noted that once the Commissioners approve the Capital Outlay Budget, the Board of Education can spend the funds how they see fit. Board of Education Chairman Teresa McCall requested that they at least receive the same amount in capital as in FY 2006-2007 and to not include lottery funds.

Commissioner Hogsed moved to approve the Capital Outlay funding for FY 2008 for \$1,868,385 for the School System with the understanding that no lottery funds will be used as a portion of that, seconded by Commissioner Guice and unanimously approved.

Chairman Chappell noted that in an earlier motion, Commissioners decided not to borrow funds for capital projects which would include \$2.9 million for a new Education Center. Commissioner Guice commented that the County has a statutory obligation to deal with this issue. Commissioners will look at other funding sources to address this need.

RECESS: Chairman Chappell declared a 10 minute recess.

AD VALOREM TAX RATE INCREASE

Chairman Chappell noted that Commissioners made increases in the budget which resulted in a shortfall of \$444,113. Commissioners discussed options in dealing with the shortfall.

Vice-Chairman of the Board of Education Mike Rogers requested to address the Commissioners. He said he believes there is a discrepancy in the funding for BRCC. Staff will look further at this issue.

Commissioner Guice stated there are several options to handle the shortfall. A \$1.2 cents tax increase would generate approximately \$445,000 or Commissioners could ask Staff to make additional departmental cuts.

The Manager added that the shortfall could be made up from the Fund Balance but cutting departmental budgets would be difficult.

Commissioners instructed Staff to go back through all the departmental budgets, including the Schools' budget, and try to make cuts wherever possible.

PUBLIC COMMENT

There were no comments from the public.

RECESS

Chairman Chappell recessed the meeting until Wednesday, June 13, 2007 at 4:00 p.m.

WEDNESDAY, JUNE 13, 2007, 4:00 p.m., Community Services Conference Room

Commissioners present: Lynn Bullock, Chairman Jason Chappell, David Guice, Daryle Hogsed and Vice-Chairman Kelvin Phillips. Staff present: County Manager Artie Wilson, Finance Director Gay Poor, Human Resources Director Sheila Cozart, Cooperative Extension Services Director Eric Caldwell, Tracy Fisher, Register of Deeds Cindy Ownbey, Health Director Steve Smith, Library Director Anna Yount, Social Services Director Carson Griffin, Soil and Water Conservation Director Jeff Parker, Transportation Director Keith McCoy, Recreation Director Pick Pangle, Sheriff David Mahoney, Project Manager Larry Reece, Communications Director Kevin Shook, Tax Assessor/Collector David Reid and Clerk to the Board Trisha McLeod.

Media: *Transylvania Times*- Derrick McKissock

There were approximately 20 people in the audience.

Chairman Chappell presiding called the meeting to order at 4:00 p.m.

Commissioners continued discussion of key issues.

DISCUSSION OF ISSUES

The Manager addressed the concern presented by Vice-Chairman of the Board of Education Mike Rogers at the meeting on Monday evening. The Manager explained that the funds (\$1,000,050) for BRCC were not appropriated from the Fund Balance properly resulting in an overage in the Budget. He also explained that Staff went back through the departmental budgets to look for additional cuts, per the Commissioners instruction.

Chairman Chappell thanked Staff for looking for additional cuts, especially knowing that next year will be tough financially. Commissioner Hogsed commented that in light of Staff's findings, he is concerned about cutting budgets any further. Commissioner Guice added that Staff has done an exceptional job at preparing their budgets. He sees this as a great opportunity to begin next year's budget with a surplus. He encouraged the Commissioners not to make any additional cuts in the departmental budgets.

Commissioner Bullock moved not to implement any additional cuts, seconded by Commissioner Hogsed. The motion passed 4 to 1, with Commissioner Phillips voting no.

Commissioner Hogsed requested to revisit some of the items that were not funded by the Commissioners. He provided information to the Commissioners showing the need for an additional School Nurse. He added that he does not know why this is not a priority for the Schools but he fears it is a liability to have only one School Nurse covering the entire Transylvania County School System.

After further discussion, Commissioner Guice moved to approve a School Nurse position for 10 months employment with a total benefit package of approximately \$40,000, seconded by Commissioner Hogsed. The motion failed 3 to 2, with Commissioners Bullock, Chappell and Phillips voting no.

Commissioner Guice asked that Commissioners reconsider funding an Accountant position in the Finance Department. He commented on Ms. Poor's outstanding performance and commitment to her work.

Commissioner Guice moved to approve an Accountant position for the Finance Department with a total benefit package to \$60,501, seconded by Commissioner Hogsed. The motion failed 3 to 2, with Commissioners Bullock, Chappell and Phillips voting no.

Commissioner Hogsed also requested that Commissioners reconsider funding some the vehicles that were requested by Department Heads and recommended by the Manager.

Commissioner Hogsed moved to approve the vehicle requests for EMS, Communications, Building Permitting and the Health Department, seconded by Commissioner Guice for point of discussion.

Commissioner Hogsed noted that the vehicles are on a replacement schedule and will have to be dealt with next year if not now. Commissioner Guice noted that more focus should be made on the maintenance history of the vehicles, not the mileage. It is important that the County have reliable vehicles and Commissioners should give the requests some consideration. Commissioner Bullock added that he would be more inclined to be in favor of replacing these vehicles if he had information about the maintenance history.

Health Director Steve Smith and Communications Director provided a brief history about the vehicles they are requesting to be replaced. They both reported more frequent repairs and increasing maintenance costs.

The motion failed 3 to 2, with Commissioners Bullock, Chappell and Phillips voting no.

TAX RATE

Chairman Chappell moved to leave the tax rate the same as the Current Year 2006-2007, seconded by Commissioner Phillips and unanimously approved.

PUBLIC COMMENT

A member of the audience thanked the Commissioners for their time and diligence put into the budget process.

COMMISSIONERS' COMMENTS

Chairman Chappell announced that a Public Hearing will be held on the Budget on Monday, June 18, 2007 at 7:00 p.m. He thanked the Commissioners and Staff for their work on the Budget.

Commissioner Guice said is remains concerned about delaying the capital projects. Commissioner Hogsed thanked Staff and noted he was astounded by all the things that were accomplished. Commissioner Bullock thanked the citizens for their input during this process.

ADJOURNMENT

Commissioner Guice moved to adjourn the Budget Workshops, seconded by Commissioner Bullock and unanimously carried.

Jason R. Chappell, Chairman
Board of County Commissioners

ATTEST:

Trisha D. McLeod
Clerk to the Board

