

June 6, 2013

The Randolph County Board of Commissioners met at 6:00 p.m. for a special budget session in the 1909 Randolph County Historic Courthouse Meeting Room, 145 Worth Street, Asheboro, NC. Commissioners Holmes, Frye, Haywood and Lanier were present. Commissioner Kemp was absent.

Randolph County Human Resources

Stacy Griffin, Human Resources Director, said that it had been five years since employees received an increase and she requested an increase to employees' base pay, which was not included in the Manager's proposed budget.

Ms. Griffin said she had gathered data from other NC public entities and local county businesses which indicated that the trend from '09-'11 showed that merit-based increases were in the form of a one-time bonus; those unable to reward with pay added additional vacation days. For 2012, several entities implemented cost of living adjustments (COLA), which ranged from 1.5-3% and many of the same entities released merit money in addition to the COLA. For 2013, a larger percentage of entities are not only recommending a COLA ranging from 1.3%, but are coupling that with 1-5% merit pay increases.

Ms. Griffin stated that even during the recession, the salary market has moved over the past four years and is projected to move again in 2013, but unfortunately, Randolph County Government turnover has steadily increased since 2008, as follows: 2009 – 10.31%, 2010 – 13.04%, 2011 – 13.08%, 2012 – 13.67%. Remaining employees have picked up additional duties and taken on extra work due to higher turnover and from positions that decisions were made not to fill.

Ms. Griffin said that departments have worked very hard to save money, used resources longer and have replenished the fund balance over the past five years. With no base pay increases in five years, the County is falling behind by about 3.5%. One percent of Randolph County Government payroll equals \$349,000 and Ms. Griffin asked for a 2% COLA for all employees, equaling \$698,000. She said that her fear is that if we do not start to look at this issue immediately, we will continue to see Randolph County become a training ground for other local governments and private employers, making it harder for us to competitively fill those positions that make up our 13.67% annual turnover rate.

Ms. Griffin presented other employee benefits for future consideration:

- Increase 401(k) match.
- Adjust vacation accrual leave schedules.
- Supplement dental insurance.

Randolph County Information Technology (IT)

Michael Rowland, IT Director, said the 2013-2014 IT budget was impacted by increasing maintenance costs for software and hardware. Part of this increase is due to aging hardware. He reminded the Board that a Technology Replacement plan would cover the replacement of obsolete equipment and was discussed at the April retreat.

Mr. Rowland requested a new position that was not included in the proposed budget. The cost of the position with benefits is \$56,791. IT currently has two positions that are tasked with supporting all of the enterprise applications used by the Tax Department, Finance, HR and Central Permitting. These

two positions worked 45 hours of overtime between January and March 2013, providing application support. During that time, they processed 118 support tickets and spent over 185 hours supporting these applications. This support is in addition to performing their normal jobs of database administration and project management.

Randolph County Tax Department

Debra Hill, Tax Supervisor, said that the changes in the North Carolina General Statutes for registered motor vehicles and contracted business personal property audits has created changes to the Tax Department budgeting process. Although the collection percentage will increase with the registered motor vehicle tax collection changes, there will be a cost for NCDMV to mail and collect the property tax. The cost will be \$1.69 per bill collected. Costs will be allocated among the taxing jurisdictions based upon each jurisdiction's contributions to the total tax bill. The passage of House Bill 462 in 2012 subsequently bans contingency related projects in North Carolina. To continue a full business personal property audit program as recommended by the North Carolina Department of Revenue, money will need to be budgeted for flat fees for each audit. The gross return ratio for these audits is 5:1. Associated cost increases for the revaluation are fuel, postage, paper/copier and allowance for additional Board of Equalization and Review hearing dates.

Ms. Hill is requesting an additional data entry position in the Real Property Section, which was eliminated in 2012; this position is not included in the proposed budget, and would add \$36,825 to the budget.

Randolph County Board of Elections

Melissa Johnson, Elections Director, informed the commissioners that the Board of Elections (BOE) had successfully conducted a second primary in July 2012 and the presidential election in November, with one of the largest voter turnouts in county history. Prior to November, BOE moved two polling places to more accessible facilities. BOE completed a comprehensive wellness check to ensure compliance with laws, as well as, accessibility surveys on all 44 election day and one-stop voting facilities. BOE received grants for ballot coding reimbursement and for equipment to make polling places more accessible. The 2013-14 budget includes funding for municipal elections in November, a primary election in May 2014, a potential City of Asheboro primary in October 2013, a possible second primary in June, and candidate filing period for both elections.

Ms. Johnson reminded the Commissioners that at the April retreat she informed them that Elections was looking at combining precincts and that in May, the BOE passed a resolution to combine 40 precincts into 22. This will be done to meet handicap accessibility for all voters because several were out of compliance. Some may even have to find new locations. This reduction in precincts will reduce the long term costs to tax payers and ease the burden on finding qualified precinct judges for election locations.

The only change in the BOE budget is a decrease in salaries since there is no presidential election and fewer people will be needed. Included in the proposed budget is a one-time increase in postage to notify all affected voters and annual maintenance fees on the voting equipment.

Randolph County Register of Deeds

Krista Lowe, Randolph County Register of Deeds, said that her department has had several changes to adapt to in 2012-'13, which are governed by NC state statutes and the Secretary of State's office. She said there are still a few bills that could affect ROD in 2013-14, depending on the General Assembly vote.

Ms. Lowe stated that ROD has shown a 12.8% increase in revenues compared to last year at this time and hopes that is a good sign.

Ms. Lowe said ROD is continuing to be as economical as possible and utilizing staff instead of outsourcing tasks in order to be able to maintain the 2012-13 operating costs at the same level in the 2013-14 fiscal year. A big part of the ROD budget for this coming year will be spent on the preservation of the land and vital records books in ROD's care. She said that they have 260 books that have not been microfilmed and are not on file with State Archives. It costs \$1800-\$2500 to preserve each book. There are over 1000 books in the ROD office dating as far back as 1779.

Randolph County Public Buildings

James Chriscoe, Public Buildings Director, stated that he is requesting to replace two maintenance trucks at a cost of \$45,324 and to add two maintenance positions at a cost of \$80,044. None of the items were included in the proposed budget. One of the F150 trucks has over 200,000 miles and needs repair constantly. The other is a F250 lift-gate truck that can be used by any department.

Mr. Chriscoe said that the two requested new maintenance workers would be used for painting at county facilities.

Randolph County Sheriff's Office/Jail

Jane Leonard, Sheriff's Office Assistant Business Manager, said that the Manager's proposed budget eliminated some essential capital outlay that is needed by the Sheriff's Office and listed those items and cost, as follows:

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| • Live Scan Finger Print System Upgrade - | \$35,000 |
| • Evidence Building Security System - | \$22,000 |
| • Vehicles – Jail Transportation Vehicle - | \$24,000 |
| • Vehicle – Jail Van - | \$19,500 |
| Total | \$100,500 |

Randolph County Emergency Services (ES)

Donovan Davis, ES Director, said that over the last 10 years, the only positions added to the 9-1-1 call center were two 12-hour positions in 2007 and one 8-hour (M-F) position in 2009. He said call volume continues to increase in 911 and EMS with 115,000 calls a year and multiple calls on the same incident due to cell phone calls, but fewer than 80,000 of those were actually dispatched. Mr. Davis said that 70% of the calls are from cell phones. An actual address is not obtainable but can be pinpointed within 25 meters of a physical address. A lot of time is spent on investigating the location.

Mr. Davis stated that ES is at a point where the call taking and dispatch function needs to be separated to effectively serve citizens. Mr. Davis is requesting four additional telecommunicator positions at an expense of \$183,038 with salary and benefits (*recurring*) that was not in the proposed budget.

Mr. Davis summarized the requested items not included in the proposed budget, as follows:

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| Four full-time Telecommunicator positions (recurring) | \$ 183,038 |
| Two vehicles (replacements) | |

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| <i>One vehicle for Fire Inspectors (9 years old)</i> | \$35,000 |
| <i>One vehicle for Emergency Management (9 years old)</i> | \$35,000 |
| Bariatric Equipment for EMS | \$ 25,000 |
| Replace SCBA & turnout gear for Fire Inspectors <u>increase</u> | \$ 20,000 |
| <i>Current gear 12 years old –OSHA requirment</i> | |
| Emergency Notification System (recurring) | \$40,000 |
| Medical Storage Shed (replacement) | <u>\$ 15,000</u> |
| TOTAL | \$ 353,038 |

Mr. Davis stated that another important issue is the increasing need for a new headquarters, which would combine and enlarge the 9-1-1 Center, Asheboro EMS base, emergency operations center (EOC) and offices for the administrative staff and Fire Inspectors. Total estimated project cost for the consolidated facility would probably be \$6 million. The estimated cost of adding and replacing the following bases at \$225,000 each: New Trinity, replacing Liberty, new Southeast and Southwest ambulance bases, and Randleman bases is \$900,000. Twelve paramedic positions for the Southwestern and Southeastern bases would cost \$653,086 (recurring).

Randolph County Building Inspections

David Bryant, Chief Building Inspector, said that the 2013-14 budget for Building Inspections will remain the same. Replacement of one high-mileage vehicle was included in the proposed budget but he also requested replacing a second high mileage vehicle at a cost of \$17,500 that was not in the proposed budget and advised that they will need to replace another one in the 2014-15 fiscal year.

Mr. Bryant also advised the Commissioners that due to the department's dependency on the computer and software programs that the replacement of outdated computer equipment will be needed in 2014-15.

Randolph County Day Reporting Center (DRC)

Pam Smith, DRC Director, advised the Commissioners that the budget for the Juvenile Day Reporting Center (JDRC) will remain the same. Because of major cost issues to renovate the building, the Community Merge (Randolph Co. Schools, Mental Health, and JDRC) that was discussed at the April Commissioners retreat, will not happen at this time. The only change will be that the Teen Court program will be an additional program under the auspices of the JDRC. Hopefully, this program will be operational in a few months. The Teen Court program is a program for first-time offenders, who have committed misdemeanor crimes or who have excessive undisciplined problems at school. The target population is Randolph County youth between ages 11-17, who are referred by Juvenile intake or law enforcement.

The Pre-Trial Release Program offers an alternative to incarceration by reducing the overcrowded jail population. The Pre-Trial Release Program also creates a significant cost reduction for State and local government, a reduction in local taxes, as well as, reserving jail and prison space for repeat and violent offenders. This Pre-Trial Program has been partially funded by the County in the past with the remaining services provided in conjunction with State-required services.

The Adult DRC management believes that the Pre-Trial Release Program is a very effective program and would like to continue to provide this program to the offenders in current and future years. The Pre-Trial Release Program Services that the DRC would like to continue to provide are substance abuse assessments, substance abuse treatment, weekly urine drug screens, anger

management classes, GED classes, Cognitive Behavioral Intervention classes and Job Skills Training classes. The GED classes, Cognitive Behavioral Intervention classes and Job Skills Training classes are already being provided by Randolph Community College to the DRC offenders on-site at the agency at no cost to the County or the offender. The Day Reporting Center is also a testing site for RCC for GED services.

Ms. Smith said that due to the benefits of the Pre-Trial Release Program, the DRC would like to continue to provide this service to the community even though State funds are no longer provided. To continue to provide the Pre-Trial Release Program in the 2013-'14 fiscal year, the DRC requested \$118,000, which is included in the proposed budget, to continue to fund this beneficial program.

Lt. Lanny T. McIver, Sheriff's Office Electronic House Arrest division; Major Joann D. Sapp, Sheriff's Office/ Randolph County jail; and Aleta Ore, a Pre-Trial Client, spoke in support of the DRC.

Recess

At 7:23 p.m., the Board recessed.

Meeting Resumed

At 7:35 p.m., the Board returned to regular session.

Randolph County Planning & Zoning

Hal Johnson, Planning & Zoning Director, said that his budget has remained unchanged for the last four years, but he requested the replacement of a 20-year-old vehicle that was not included in the proposed budget at a cost of \$22,000.

Randolph County Cooperative Extension Service

Carolyn Langley, Cooperative Extension Director, thanked the Board for their continued support to Cooperative Extension. Ms. Langley stated that the increase shown in the proposed budget comes from the match for the horticulture position that the Board approved in May, and increases in their health care costs.

Randolph County Soil and Water Conservation District

Craig Frazier, Soil and Water District Supervisor, stated that their total expenditures had an increase of \$4,100 but most of that was captured in funds raised to host the Farmer Appreciation Day with a net difference of \$107. He asked the Commissioners to try to find a way to help them fund the Piedmont Conservation Council yearly dues at an expense of \$500.

Randolph County Public Health

MiMi Cooper, Public Health Director, stated that the Health Department budget is basically the same as the past five years with no additional positions or capital outlay and that county revenues are slightly more than last year due to the animal control positions that the Board approved in January.

Ms. Cooper has concerns about ongoing state and federal funding and will continue to watch what happens. The biggest concern is with Medicaid reimbursement.

Ms. Cooper said that in years prior, the Health Department has made use of escrow funds to make up for lost revenue. Escrow funds were Medicaid reimbursement and cost settlement from the years

past. Due to changes in Medicaid, these cost settlement numbers have decreased significantly. This is the last year that the department will be able to depend on those funds to carry them through.

Ms. Cooper stated that the Health Department will continue to provide prevention services to a large number of county residents and will respond to health emergencies in a fast and efficient manner.

Department of Social Services

Beth Duncan, DSS Director, via PowerPoint presentation, stated that there are a few pressure points for DSS in this proposed budget, which were discussed at the Commissioners retreat.

- Local economic challenges
- Shift in State leadership and policies.
- The DHHS secretary's outlined priorities for Social Services
 - Medicaid Reform – Beginning October 1, 2013: US DHHS will sell policies on the insurance exchange, effective January 1, 2014.
 - Technology – Citizens will access 19 social services through one digital application. Conversion has resulted in benefit delays. Randolph County was around two months behind and should be up to date in July.
 - Customer Service – with the NC FAST automation, clients will tell their story once and one staff member will have the ability to gather all the data into one system and determine eligibility for multiple programs. This will result in some reorganization in the department. The activation of NC Tracks will go live July 1, 2013.
- Reduction in Federal Funding – Critical that the NC General Assembly fully fund mandated services from the federal block grants
- Building Needs (space/maintenance)
- Staffing Levels (add/reorganize)

Richard Park, DSS Business Officer, via PowerPoint presentation, reviewed the budget and operations for DSS and made requests, as follows:

- Spending authority for \$19,886,284, which is included in the proposed budget.
 - Request \$3.00 additional County contribution from \$6,571,180 this FY to \$6,571,183
 - Remaining expenditures realized from revenues
- Six new positions, which are included in the proposed budget at a cost of \$272,518 at no additional cost to the County.
 - Two existing positions currently unfunded
 - Four new positions
 - Eliminates 1 Full Time and 1 Part Time unfunded

Randolph County Veterans Services

Terry Van Vliet, Randolph County Veterans Services Officer, reported that the Veterans office has operated with one full-time and two part-time staff. However, this office needs one full-time assistant as opposed to two part-time assistants. A trained full-time assistant could more efficiently carry the office in the event the Veteran Service Officer was out due to sickness, death or injury. The office needs the stability of a full-time veteran service officer and a full-time assistant. As more and more troops return from active duty, there are going to be more and more claims to be filed. By assisting these veterans in the filing of their claims the County ensures the reality of more monies coming into Randolph County. This change was included in the proposed budget.

Randolph County Child Support Enforcement (CSE)

Damon Brown, CSE Director, said that due to the expense and the end of a waiver that allowed CSE to file other motions without paying the filing fee, \$175,963.00 was included in the FY 2013-'14 proposed budget for Clerk of Court fees. Sixty-six percent of this expense (\$59,827.00) is reimbursed by the federal government. CSE will also recoup this expense, by court order, from the defendants. Without this funding, CSE would not be able to file necessary papers to enforce child support orders.

Mr. Brown stated that he requested the addition of Laserfische scanning to their office technology during the spring retreat and that \$35,000.00 has been included in the proposed budget for the computer hardware and software, and to cover the cost of licenses, equipment and labor for Laserfische. Sixty-six percent of the cost (\$11,900) will be reimbursed by the federal government.

Mr. Brown stated that in 2008, the State Office of Child Support made a decision to move two agent positions for Union County's office to the Randolph County office. This decision was made based on the fact that size of the caseloads was too large for the number of agents we had and that it was needed and necessary. The N.C. Division of Social Services (DSS) developed a caseload standard that recommends 300-325 cases per CSS agent. In addition, it is necessary to have adequate clerical staff. Mr. Brown stated that they currently have 5,502 open cases. The average number of cases per agent for his office is 612.

To compare with other CSE offices around the state, Mr. Brown said he would need between four and seven new positions, but he is asking for only one agent position to be approved as part of the 2013-'14 budget. CSE has the office space and equipment in place now. The additional cost would be \$44,829.60 for salary, wages and cost of benefits, which is reimbursed by the federal government at a rate of 66%, \$15,300.00 cost to the County. This position is not included in the proposed budget.

Randolph County Public Library

Ross Holt, Library Director, stated that the Library does not have any requests beyond the manager's recommended budget and there is no increase in the bottom line – in fact, there is a slight decrease. A big part of that is uncertainty about State Aid to Public Libraries, which makes up about 10 percent of their budget. The governor's budget proposed a 4.8 percent cut to State Aid, but Mr. Holt budgeted for this potential cut and absorbed that loss. On the "up" side, the Senate budget does not include a cut to State Aid, and he is guardedly optimistic about the House.

The State Library Commission is reviewing the formula by which State Aid is distributed among the 78 public library systems. The formula is based on population and per capita income, and hasn't changed in 20 or so years. Mr. Holt said they would have to see how that ends up affecting their budget.

Administration

Will Massie, Assistant County Manager/County Finance Officer, said that due to changes in State of N.C. unemployment legislation, the County will have to prepay \$167,000 for 2014 claims, as well as, anticipated 2013 annual benefits. As a result, an additional \$210,000 is budgeted for next year's unemployment costs.

As with many other departments, workloads continue to increase in the Finance Office. With initiatives such as acceptance of credit and debit cards, finance personnel have considerably more work to reconcile and record transactions.

The new Tag and Tax program will result in quicker vehicle tax collections, but will require additional processing of municipal and district taxes and allocations of DMV collection costs.

As a result of card acceptance, other department's changes and the Tag and Tax program, the requested budget includes an additional Finance Technician (\$45,238) to handle the level of work. Beginning in 2013, the Tourism Development Authority is reimbursing the County for financial and human resource services. This would fund a portion of the new position, which is not included in the proposed budget.

Mr. Massie said that PNC Bank wants to start charging fees where there used to be a compensating balance. Nothing has been budgeted in Administration for banking fees. Mr. Massie said the County may need to do requests for proposals for a new banking relationship.

Mr. Massie stated that the IRS is currently auditing counties and is of the opinion that some of our contractual relationships, such as the County Attorney, are actual County employees and that the County should be paying payroll taxes on those. Mr. Massie is waiting on clarification.

Adjournment

There being no further business, the meeting adjourned at 8:50 p.m.

J. Harold Holmes, Chairman

Darrell L. Frye

Stan Haywood

Arnold Lanier

Amanda Varner, Deputy Clerk to the Board