

June 14, 2010

The Randolph County Board of Commissioners met at 2:00 p.m. for a special budget session in the Commissioners Meeting Room, County Office Building, 725 McDowell Road, Asheboro, NC. Commissioners Holmes, Frye, Kemp, Haywood and Lanier were present.

### **Randolph County Schools**

Donald Andrews, Randolph County Schools Superintendent, discussed the Randolph County Schools budget request. He said that with the current state of our economy and projections of a slow turnaround, they are requesting that the Board accept the County Schools' budget request with only continuation costs (projected salary increases, fringe benefit increases and rising costs associated with insurance and utilities) and a limited amount of expansion items. The expansion items include 1) \$30,000 for digital conversion of student records; 2) \$15,000 for travel expenses for participants in a Southern Association of Colleges and Schools district accreditation visit, which the County Schools are hosting; 3) \$5,000 for an upgrade for a new criminal background company for screening prospective employees; 4) \$55,000 for an additional computer technician; and 5) funding for a 20% increase in employer retirement rate and a 9% increase in employer hospital insurance cost. Mr. Andrews said that the County Schools has implemented cost savings procedures into their current budget and will include additional measures for 2010-2011. These reductions, combined with the above expansion items, result in a Current Expense request of \$18,103,500, or a \$189,368 increase over last year. Their Capital Outlay request is for \$2,311,223, same as last year.

Commissioner Haywood asked Mr. Andrews how a 3% cut would affect the County Schools budget, if the Commissioners asked them to make such a cut. Mr. Andrews responded that both current expenses and capital outlay would likely be impacted. They would also need to look at the implementation of possible student fees for participation in extracurricular activities. Mr. Andrews also said that the schools will likely have to deal with how to fill the gap a year from now when the Federal Stimulus funding is gone.

### **Asheboro City Schools**

Dr. Diane Frost, Asheboro City Schools (ACS) Superintendent, reported that ACS has completed the third year of its strategic plan and are on to the next three-year strategic plan. She said they are not requesting any additional funds for expansion budget items. In order to fund the continuation budget, they request \$4,521,564, which is \$101,658, or 2.3% over last year's appropriation. The increase is due to State budget cuts and increases in retirement rates and hospital insurance rates.

Dr. Frost requested \$600,000 for Current Capital and \$5,757,500 for Construction Capital to fund the following projects: 1) replacement of Old Balfour School (Early Childhood Development Center)--\$5.5 million; 2) replace warehouse--\$125,000; 3) construct restroom facility for AHS softball field--\$125,000; 4) roof replacements at AHS (old Sir Robert Motel)--\$62,000; and 5) various upgrades and replacements--\$202,500. Dr. Frost said that no increase in the current Asheboro City Schools Special Tax District rate of \$0.1385 is requested for FY 10-11.

When asked about a possible 3% cut, Dr. Frost said that they would have to make some hard choices and that they are also concerned about next year's budget when the Stimulus funding ends.

### **Randolph Community College**

RCC President Dr. Robert Shackelford said that RCC tried to make a request with no increase from last year, but it was impossible due to increases in employees' retirement and hospital costs and more square footage to maintain: Richard Petty Education Center, Cosmetology Center and a second rental unit at the Chevy Center. He requested \$2,505,443 in Current Capital, which is a 4.39% increase over last year's budget. He also asked that the Current Capital request of \$733,000 remain unchanged, rather than reducing it to \$500,000.

### **Communities In Schools (CIS)**

Sandi Norman, Communities In Schools Executive Director, reported on CIS activities and successes during the past year. She asked the Board consider their funding request of \$90,000.

### **Central Boys & Girls Club (CB&GC)**

Elbert Lassiter, CB&GC Board Chair, said that enrollment is up at the Club and introduced new director, Thomas Falgout. He noted that 85% of members passed the EOG on their first try. He urged the Board to fund their request of \$30,000.

### **Randolph Vocational Workshop**

Larry Bulla spoke in support of their request of \$10,000 and stated that they will get their certified audit to the County soon.

### **Aging Services**

Candie Rudzinski, Aging Services Director, said that their request is the same as the last two years and urged the Board to fund their request.

### **Sandhills Center**

Victoria Whitt, Executive Director, Sandhills Center, spoke in support of their budget request, which is the same as last year: \$1,001,565.

### **Randolph County Building Inspections**

Paxton Arthurs, Chief Building Inspector, said that building permit issuances have steadily decreased for the past several years due to the bad economy. He recommends no increase in fees. He said that inspectors have been busy for the last two years with the renovation at the historic courthouse. The first floor is complete and is now occupied by tenants: Randolph County Economic Development Corporation and the Randolph County Tourism Development Authority. The second floor, which will be a meeting room used by the Commissioners and other governmental groups, should be completed by the end of the year.

### **Randolph County Child Support Enforcement (CSE)**

Damon Brown, CSE Director, said that this is his first budget with the County since the State just transferred CSE responsibility to the County, effective 7/1/10.

### **Randolph County Cooperative Extension Service**

Carolyn Langley, Cooperative Extension Director—Randolph Center, reminded the Board how important agriculture is to Randolph County. She said this is the fourth year that her department has had a "hold the line" budget. She said that she continues to seek grants and donations to help fill funding gaps.

### **Randolph County Day Reporting Center (DRC)**

Pam Smith, DRC Director, said that the DRC has not received any increase in funding for several years from the State. She estimated that the DRC saved Randolph County \$624,210 last year in costs that would have otherwise required jail bed space. She said that so far, she has not heard any rumors regarding state cuts to her programs.

### **Randolph County Board of Elections**

Patsy Foscue, Elections Director, said that her budget has decreased by about \$5,000. She said that her office has been very busy this year with primaries, special elections and run-offs. Ms. Foscue said that her staff has made several upgrades in the Elections Office in order to better serve the public.

### **Randolph County Emergency Services (ES)**

Donovan Davis, ES Director, said that reducing the Emergency Services budget by 3% for the past two years has been very difficult. The call volume continues to increase at a rapid rate. The last time an ambulance crew was added was 2006. He mentioned an additional \$40,000 expense his department has incurred due to Randolph Hospital no longer replenishing the ambulances with supplies at no cost to the County. They have several vehicles that need to be replaced due to high mileage. He said that they have instituted some policy changes so that they are more cognizant of overtime hours. They have decreased the travel budget and are not replacing computers as often as before. They are closely tracking hours and personnel costs and have changed to cheaper uniforms. They will no longer be able to come to mass gatherings except for emergency responses. Mr. Davis said they are doing everything they possibly can to reduce costs and hopes that the quality of service will not be compromised. He mentioned several capital needs: replacement of the 1998 Chevrolet Tahoe, expansion and remodel of the 911 Center, and the FCC mandate, which will cost the County approximately \$5 million to convert to the State's VIPER system by 2013.

### **Randolph County Information Technology (IT)**

Michael Rowland, IT Director, reported several cost savings measures that his department has implemented, including renegotiation of service contracts, reduction of phone circuits, implementation of power savings features on desktops, and utilization of free open source software. Mr. Rowland said that his department operates efficiently due to the highly skilled and intelligent employees in the department and stated that his department cannot run without these employees.

### **Randolph County Public Library**

Suzanne Tate, Library Director, also reported cost savings measures implemented by her department, including reassignment of job duties, travel savings due to limiting staff meetings to five per year and limiting conference attendance. She said that approximately 2,300 people come to the library every day and gave other statistics on increased public use of the library system.

### **Randolph County Maintenance**

James Chriscoe, Maintenance Director, said that his department is responsible for the maintenance of 38 buildings; 11 of these have been added in the past couple of years and without additional personnel. Maintenance personnel have also been helping with the renovation at the historic courthouse. Mr. Chriscoe said that his department does the best it can with limited resources and personnel and urged the Board not to cut any of his department's positions.

### **Randolph County Planning & Zoning**

Hal Johnson, Planning & Zoning Director, said that his department tried to be proactive 1½ years ago in anticipating the bad economy and eliminated one full-time position. Since then, another position has been frozen. The County's Central Permitting program has saved on personnel costs and has become a model program in North Carolina. He said that the Zoning and Building Inspections offices have consolidated operations in order to save money and improve efficiency. He commended all County departments on the great job they do in working together.

### **Randolph County Public Health**

MiMi Cooper, Health Director, said that when the economy is bad, public health service needs increase. Animal Control complaints have increased and Environmental Health specialists are being used to fill in at the Animal Shelter. Cost savings measures include limiting workshop training unless it is free of charge or required for licensure, using students and volunteers, and taking advantage of grant opportunities. She said that one position has been eliminated from her department. She commended her excellent staff, especially those at the Animal Shelter who work under difficult conditions.

### **Randolph County Public Works**

David Townsend, III, Public Works Director, said that he would be asking for an increase in solid waste tipping fees; the last increase was in 2006. He continues to see a reduction in solid waste at the transfer station. He said that his staff of five oversees all the CDBG and Federal Stimulus housing grants and the Federal Stimulus Energy Efficiency grants.

### **Randolph County Register of Deeds**

Krista Lowe, Randolph County Register of Deeds, said that her budget has not increased. They have been busy converting paper to digital images, which is very tedious due to the fragile condition of many of the documents. She has loaned staff to the Department of Social Services to help out with their increased activity.

### **Randolph County Sheriff's Office/Jail**

Allen McNeill, Sheriff's Office Business Manager, said that the Sheriff's Office budget has been a "hold the line" budget for the last several years. Operating costs have increased, especially automotive, largely due to gas prices. He said they continue to ask officers to park their cars in high crime areas for 10 minutes at a time, in order to save gas and as a crime deterrent. He urged the Board to appropriate \$150,000 for the renovation at the jail in order to gain 25-30 much needed beds.

### **Department of Social Services**

Beth Duncan, DSS Director, gave statistics on how the recession is impacting Randolph County citizens and her department, and stated that one in seven Randolph County citizens receive food benefits. She said that they currently need at least 12 new positions, but she knows that that is not possible right now. The economic stresses aggravate Child and Adult Protective Services, as well. She said that with Federal food services outreach resulting in increased food and nutrition cases, the State shifting costs to the County, the lack of State automation and changes in NC Medicare Program causing more Medicaid applications for DSS with no added staff, have been challenges of the FY 09-10 budget. While programmatically, there is nothing left to cut, she noted ways that DSS is trying to manage these fiscal challenges, including encouraging innovation, reducing ink/toner/postage cost, looking for ways to increase automation, and internal audits. Ms. Duncan also warned of challenges ahead, such as health reform legislation that will expand Medicaid

significantly, the State simplifying eligibility for all public assistance programs, and the pending increase in the FNS poverty level (July 1); these changes will compound her department's ability to maintain necessary staffing levels to adequately manage the workload. She thanked the Board for their support of continued automation and technical support efforts and for employee benefits.

### **Randolph County Soil & Water Conservation District**

Craig Frazier, Soil & Water Conservation District Supervisor, asked the Board for the funding to reclassify the Soil and Water Specialist position in their department at a cost of \$4,548.

### **Randolph County Tax Department**

Debra Hill, Tax Supervisor, said that the Tax Department has saved postage costs by contracting with an outside provider. They have cut travel and training for all staff that do not require continuing education classes. They try to find day classes that do not require overnight stays. They have four vehicles that are over ten years old, but continue to try to hold the line as much as possible.

### **Randolph County Veterans Services**

Terry Van Vliet, Randolph County Veterans Services Officer, distributed written information to the Commissioners on cost savings measures that have been implemented at the Veterans' Office. She also gave an update on services provided by her department.

### **Recess**

At 5:50 p.m., the Board took a short recess.

### **Regular Session Resumed**

At 6:30 p.m., the meeting resumed.

### **Budget Public Hearing**

At 6:30 p.m., Chairman Holmes declared that the duly advertised public hearing on the budget was open for public comment. He said that speakers would each be allowed five minutes to speak.

**Iris Goins**, 6109 Hazelwood Lane, Archdale, spoke in opposition to a property tax increase and distributed petitions from the Archdale area in opposition of an increase. She said that she found some discrepancies in the proposed budget concerning allocated positions. She said that citizens can't take on any more financial burden; people are losing jobs. Ms. Goins said that basically, the only benefits that Randolph County citizens get are ambulance service and Sheriff's department services. Ms. Goins criticized the Commissioners for funding school lunches prepared specially for some children who have specific religious beliefs. She said she was proud of Randolph County but with these taxes, she cannot afford to live here. She urged the Board to be considerate of citizens.

**D.L. Smith**, 926 Monroe Ave, Asheboro, said that he wants to pay his fair share of property taxes, but asked the Commissioners to find a way to require renters to pay tax, as well.

**W.R. Gay**, 120 Kinview Dr., Archdale, said that he wants to know why the County Commissioners lied to citizens. He understood that the ¼-cent sales tax referendum was to prevent a property tax increase.

**Lynn Lancaster**, Asheboro, said that there were 25 people out in the hall who can't hear what's going on. He said that \$40,000 was spent on the special election; that tells him that the County

wrote RCC a blank check. He told the Commissioners that they can't spend their way to prosperity; "You can't spend what you don't have." The unemployment rate is up. He said that the County employs 670 full-time people and 66 positions have been added to the payroll of Randolph County in the last six years. He said that \$450 million in COPS is a spending bill that we can't afford. He asked the Board to take a hard look at priorities and make appropriate adjustments.

**Faye Cox**, 1211 Grantville Lane, Asheboro, said that she read in the paper that the proposed increase in property tax was due to the two new high schools. She said she wasn't asked if the schools should be built. She said that she doesn't see the economy and the employment situation improving for several years. People are struggling. Her taxes are going up. Taxpayers pay everything. People who don't pay a dime in property taxes still get Sheriff and ambulance services. Ms. Cox said that if the Board increases property taxes this year, there will be fewer taxpayers next year because they will lose their homes and the County will be in worse shape.

**Gloria McClanahan**, 1847 Back Creek Ct., Asheboro, asked the Board why they can't use the County's fund balance (or rainy day fund) rather than a property tax increase. She said a 16% increase in property tax was unconscionable.

**Donald Chapman**, 3552 Tom Brown Rd., Franklinville, spoke about all the foreclosures in the county and predicted there would be a lot more if there is a substantial property tax increase. He asked the Board to look hard at the budget and suggested pay cuts for County employees.

**Philip Shore**, 307 Armfield Avenue, Asheboro, spoke in support of the County's "wonderful, up-to-date, state of the art" library system. He said that the libraries serve the public well.

**Roger Yates**, 828 Monroe Ave., Asheboro, spoke in opposition to a tax increase, stating that an increase would be detrimental to new businesses.

**Barbara Ward**, 1049 Snowden Ct., Asheboro, spoke in opposition to the tax increase, stating that she is sure more people would have come to the meeting to voice their opinions, but they didn't have the time. She said that there have been times that the County has not recouped its investment from some companies that were given economic incentives. She urged the Board to cull out what is not necessary in order to not raise taxes.

**Gene Hines**, Asheboro, asked why citizens have to vote to raise sales tax, but the Commissioners can raise property tax anytime they want to.

**Donna Jones**, 388 Abby Lane, Asheboro, said that there will be fewer and fewer property owners in Randolph County if taxes go higher because people will lose their homes. She said she was a widow who is trying to keep her home, but higher taxes mean higher house payments. She is a retired teacher and is worried about herself and others in her position, especially retired folks. Some folks live off Social Security only and have to pay property tax.

**James Nance**, said that RCC throws money away at the end of the year and asked why RCC doesn't save for the next year. He said Randolph County is always trying to take more money out of his pocket, and he's not going to rest until he gets the Commissioners out of office.

**Faye Cox** spoke again, saying that she wants to know why citizens have to pay for those schools when the citizens didn't vote for them.

**Gary King**, 592 Colony Rd., Asheboro, said that just voting Commissioners out won't help hard times. He said he owns rental property and has a large tax burden. He said that the Commissioners' only option is to cut the budget. He supports a higher sales tax than an increase in property tax; it would be more fair.

**Roger Yates** spoke again, suggesting the Commissioners institute impact fees for new residents.

**Jimmie L. Moffitt**, 465 Browns Crossroads Rd., Staley, asked the Board why this county supports two school systems.

**Iris Goins** spoke again, and asked the Board to consider cutting County employees' salaries.

**Edward Reed**, 4713 Huff Rd., Archdale, asked the Board why they can't make the same kind of cuts that families in the county have to make. He had to take a 20% cut in pay but was happy to have a job. He doesn't understand the increase in county spending over the past five years.

**Gary Garner**, 3974 Old Red Cross Rd., Climax, said that his land is inherited and that he won't be able to keep it if taxes continue to increase.

**Steve Allgood** asked if any governments cut pay.

Hearing no further comments on the proposed budget, Chairman Holmes closed the public hearing.

**Adjournment**

There being no further business, the meeting adjourned at 7:48 p.m.

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J. Harold Holmes, Chairman

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Darrell L. Frye

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Phil Kemp

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Stan Haywood

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Arnold Lanier

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Cheryl Ivey, Clerk to the Board