

Draft

**BOARD OF COMMISSIONERS
WORK SESSION** May 30, 2007

**ALEXANDER COUNTY
STATE OF NORTH CAROLINA**

PRESENT: W. Darrell Robertson, Chairman
Wes Bolick, Vice-Chairman
William L. Hammer
Harold M. Odom
Larry G. Yoder

STAFF: Rick French, County Manager
Jennifer Herman, Finance Director
Jamie Starnes, Clerk to the Board

The Alexander County Board of Commissioners held a work session on Wednesday, May 30, 2007 in the County Administration Building Conference Room, Taylorsville, North Carolina.

CALL TO ORDER

Chairman Robertson called the work session to order at 6:04 PM.

REGIONAL TRANSPORTATION UPDATE

John Tippet, Planning Director / MPO Coordinator with the WPCOG, presented a draft implementation plan for the Western Piedmont Regional Transit Authority, a regional transportation plan for the Unifour area. He discussed the current planning process as well as benefits for combining the systems, which included:

- Seamless connections and the opportunity for more efficient vehicle routing and scheduling.
- Increased ability to leverage federal transit funding with other state and federal sources, such as Medicaid.
- Potential reduction in costs.
- Funding equity – sharing urbanized area funding.
- Relief from one jurisdiction bearing the responsibility for regional services.
- Quality improvements through the development of specialized staff.
- NCDOT is advocating for regionalization of local transit agencies.
- Growth.
- Funding incentives from NCDOT.

Mr. Tippet's overview included information regarding the appointment of the board of directors, the proposed organization of the authority, budgets and funding, annual operating revenue, capital costs and expenses, proposed local buy-in amounts, proposed ongoing local funding, plans for future growth, and a proposed timeline. The timeline included:

- April-June 2007 – stakeholder outreach and refinement of implementation plan
- June 2007 – commitment from participants through resolution
- July-September 2007 – development of board and job descriptions, hiring of director, creation of bylaws, name new authority, transition plan and budget
- October-November 2007 – prepare combined grant requests
- December 2007-January 2008 – hire other key staff, develop policies for authority
- January-June 2008 – create employee transition plans, establish financial system and accounts, start public education process, hire employees
- July 1, 2008 – initiate service as a regional transit authority

The Board discussed concerns with the termination notice time period. Chairman Robertson felt that 3 years was too long to require someone to remain in the system once their termination notice had been given. Commissioner Hammer was concerned how the system would work for citizens that had appointments or other business in Statesville since Iredell County would not be a part of the regional transportation plan. Mr. Tippet replied that he would discuss these concerns with appropriate representatives.

Mr. Tippet asked the Board to review the proposed resolution to take part in the regional transportation plan to determine if the County would be willing to join in June 2007. He also pointed out that he would provide a summary of information after his meeting with Catawba County.

REQUEST FROM TURNING POINT SERVICES, INC.

Rick French, County Manager, presented a request from Turning Point Services for \$5,000 to help with costs of transportation for the participants of Alexander Opportunities. Mr. French explained that Turning Point Services took over the operation of Alexander Opportunities from Foothills Area Program in February 2006.

After discussion, the Board felt that the 2007-2008 budget was too tight to appropriate any additional funding. It was requested that Mr. French draft a letter to Turning Point Services to inform them that the County would be unable to provide any funding during the 2007-2008 budget year.

2007-2008 BUDGET REVIEW

Rick French, County Manager, stated that the Finance Committee had met twice to discuss and review the proposed 2007-2008 budget. He presented the following information for the Board's

initial review and stated that a more detailed discussion regarding the budget would take place at the next work session scheduled for June 4, 2007.

- The Solid Waste tipping fee will be increased from \$44.33 per ton to \$47.15 per ton due to increases in fees from Foothills Environmental. Commissioner Hammer suggested increasing the tipping fee to an even \$47.25 per ton.
- The City of Hickory water rates will be increasing approximately 2 ½ %. It has yet to be determined whether the base rate or the usage rates would be increased.
- The fire tax rates will remain the same, allowing fire departments to generate extra revenue from the revaluation.
- Several EMS fees will be increased. EMS staff will be changing from a 24/48 hour schedule to a 24/72 hour schedule.
- The tax rate will increase from 51 cents to 53 cents.
- There are 2 bills for Medicaid relief: one for a cap on Medicaid costs and another for a swap proposal for the state to assume the county share of Medicaid costs in exchange for the Article 44 sales tax and Article 40 and 42 food portion tax. The Senate will not pass either bill until after June 30, 2007.
- Alexander County has requested authority to enact an additional sales tax, which will not be considered by the General Assembly until July 2007.
- There are several problem bills that are still active that could negatively affect the County including property tax exempt bills and a bill that could result in the loss of the cable franchise fee.
- The County will be saving approximately \$60,000 on property and liability insurance during the 2007-2008 budget year by changing providers. Health insurance will also cost approximately \$300,000 less in the coming year by changing the deductible amount from \$500 to \$2,500 with the County paying \$2,000 of the deductible. Worker's Compensation insurance will increase \$115,000 but a deductible amount change will result in a savings of \$90,000.
- New positions include 9 EMS employees, a Communications Supervisor, a Benefits / Wellness Coordinator, a County Engineer, a Jail Supervisor, and an Animal Control employee.
- The Elections budget will increase \$50,000 for a primary and a Town election this year.
- The Rescue Squad budget will increase from \$45,600 to \$62,500. The Town is considering paying for a full-time employee for the Rescue Squad.
- \$76,000 has been budgeted for retiree insurance. Mr. French mentioned the possibility of changing the length of service requirement for future employees.
- \$50,000 has been budgeted in the Economic Development budget for incentives.
- \$6,000 has been budgeted for the Chamber of Commerce.
- \$160,000 has been budgeted for fuel costs, excluding the landfill.
- \$5 million has been budgeted for the school system.
- \$10,000 has been budgeted for community grants.
- \$325,000 has been budgeted for payment on the auditorium.
- A 2.5% COLA has been budgeted to begin in September 2007. Commissioner Robertson suggested considering a 3% COLA for employees.

- The County will have access to 3 prisoners on a regular basis for \$1 per day to perform maintenance jobs, painting, and other outside jobs.

Mr. French pointed out that there were several things that could impact the budget including Medicaid, a sales tax, or the enactment of any of the problem bills; however, he noted that the General Assembly would not make a decision on these until after the adoption of the County's budget. He noted that adjustments would have to be made as needed.

Mr. French also stated that the public hearing on the budget was scheduled for June 11, 2007 and that the budget would be adopted in late June.

OTHER BUSINESS

Commissioner Bolick felt the County should purchase a couple of hybrid vehicles to determine the savings generated.

ADJOURNMENT

There being no further discussion, the work session was adjourned at 8:46 PM.

W. Darrell Robertson, Chairman

Jamie M. Starnes, Clerk to the Board