

*Scotland County Board of Commissioners FY 2009-2010 Budget Plan Public Hearing
June 18, 2009, 1405 West Boulevard, Laurinburg*

**MINUTES
Scotland County Board of Commissioners
Reconvened Meeting, June 18, 2009
Scotland County Complex, 1405 West Boulevard, Laurinburg NC**

At 7 p.m. Chairman J. D. Willis reconvened the meeting. Commissioners in attendance: Chairman Willis, Vice Chair Betty Blue Gholston and Commissioners John Alford, Bob Davis, Guy McCook, Joyce McDow and Clarence McPhatter. Staff in attendance: County Manager Kevin Patterson, County Attorney Ed Johnston and Clerk to the Board Ann W. Kurtzman. Chairman Willis delivered the opening prayer. The Pledge of Allegiance was recited.

Item 1. Budget Message and Public Hearing: Proposed 2009-2010 Budget

County Manager Patterson said in the past Commissioners indicated their wish to lower the tax rate and keep it at that level for several years. Mr. Patterson said based on the budget shortfall at the State level, which is expected to continue in the year to come, he recommends the Board of Commissioners maintain the tax rate at \$1.02. Mr. Patterson said he believed lowering the tax rate at this time and keeping it down could not be done without a significant reduction in service.

Mr. Patterson said the tax base increased to a level where it was in 2005 at \$1,961,762,782. The \$28,106,343 in the proposed FY 2009-2010 General Fund represents a nearly \$3 million decrease from the FY 2008-2009 General Fund. Mr. Patterson said the proposed FY 2009-2010 Budget Plan uses \$815,813 of Fund Balance, which is a decrease from the prior year budgeted use of \$1,176,749.

Mr. Patterson said that 46 cents of \$1.02 assessed value would support the General Fund while 56 cents would support the School Fund.

The County Manager said there is a reduction in sales tax, which would transfer back to the State for Medicaid. Mr. Patterson said there is an overall three percent reduction in sales tax just for the state of the economy.

There is no COLA for employees. As previously discussed by the Commissioners, Mr. Patterson recommended an additional 24 hours of vacation be considered at the Christmas holidays for most employees and the days taken at other times for employees who must work over the holidays.

Mr. Patterson said the County reverted to the NCACC health insurance pool, which resulted in a two percent reduction in expenditures.

Mr. Patterson said the County would continue to be aggressive in the collection of taxes as well as back taxes dating back three to five years.

Mr. Patterson said he personally would have preferred to lower the tax rate but could not in good conscience recommend doing that at this time. He added that the more difficult economic times create more need for services at the County level.

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Chairman Willis opened the Public Hearing and asked if anyone wished to speak in favor or against the proposed budget plan or to speak about the budget in general. No one came forward and the Public Hearing was closed.

Commissioner Davis distributed a list of line item budget cuts in the amount of \$419,861 for the Commissioners to consider.

The cuts included eliminating the Community Assistance Grants, halving the EMS adjustment by delaying implementation until January, the eliminating four positions, decreasing the travel budget and eliminating a line item for court facility furniture and fixtures.

Commissioner Davis said other items in the budget could be reviewed that are a concern to him. They include the cost of cell phones, uniforms, laundry and dry cleaning, small tools and minor equipment, solid waste postage, Foster Care, which jumped \$200,000 in the proposed Budget Plan, and Foster Care Special.

Commissioner Davis said he would like to lower the tax rate by reducing the budget by \$419,861 and additionally by any other line items that could be reduced to get the FY 2009-2010 tax rate to 99 cents.

County Manager Patterson said the Foster Care line item of \$800,000 only includes 18.85 percent County funds. All other funds are State and federal, based on a calculated amount. This is not a situation that can be negotiated, Mr. Patterson said.

DSS Director Joe Knott said currently there are 77 children in Foster Care, and the agency has no control over the number of children received into Foster Care. He said the distribution of funds changed this year where the County must write the entire check and then get reimbursed. Mr. Knott said the figure is large because of the cost of placement, clothing and everything else that goes along with keeping foster children. Mr. Knott said the \$200,000 increase reflects the budgeting change and how checks are written now that everything goes through the County.

Commissioner McDow said she is concerned about lowering the tax rate at this time because the economy is tough and it is predicted to get worse next year. Commissioner McDow said there was some stimulus money available this year but stimulus money next year will be scarce.

Commissioner Davis said as an elected official, he feels a responsibility to the taxpayers. He added that business is business and County Commissioners should be responsible for the 38,000 people who elected them.

Commissioner Alford said last year the Commissioners believed the tax rate could be reduced by three cents, but a lot happened in six months and school funding and Medicaid are being used to balance the budget. Commissioner Alford said he fears that if the tax rate is cut this year that it would not suffice beyond a year and the tax rate would have to be increased again.

Vice Chair Gholston said the Commissioners last year had no idea this would happen to the economy. Vice Chair Gholston said she worries it might happen again.

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Commissioner McCook said with a 17 percent unemployment rate and some people facing foreclosure, the \$24 saved in taxes would mean a lot when every dollar counts.

Item. 2 Sheriff: Grant Requests

Sheriff Shep Jones said he is asking support from the Commissioners on two grant applications. The first is the Governor's Highway Safety Grant which, if approved, would fund a position to patrol for drug traffic along Highway 74. Sheriff Jones said the State would fund the program 100 percent in year one, 70 percent in the year two and 50 percent in year three with the County assuming the difference and then assuming 100 percent responsibility in year four.

Sheriff Jones said there is a substantial amount of drug traffic coming off Interstate 95 onto Highway 74 heading toward Charlotte. He said neighboring counties already have successful Governor's Highway Safety Programs. He asked the Commissioners for approval to move forward with the application. Sheriff Jones said he felt certain the program would become self-sufficient with the revenue it would generate from drug arrests.

The second grant application would be through Scots for Youth for a gang prevention officer. Sheriff Jones said the four-year \$500,000 grant would be 100 percent funded and would include salary, vehicle, training and equipment. Sheriff Jones said it is important to invest the resources in the front end to prevent youngsters from getting into trouble later in life.

Motion was made by Vice Chair Gholston and duly seconded by Commissioner McPhatter to approve the Scots for Youth Gang Prevention Officer application process. Vote: Motion unanimously approved.

Commissioner McCook asked Sheriff Jones if he was certain the Sheriff's budget would be able to support the Governor's Highway Safety Grant position in successive years. Sheriff Jones said there are no guarantees but he feels certain that the position would support itself.

Commissioner Alford said drug activity in Scotland County is getting worse and the County would be neglectful if it didn't take on the problem. Commissioner Alford added that if the program does not deliver, the County could take it back.

Motion was made by Commissioner Alford and duly seconded by Commissioner McPhatter to approve the Sheriff's request to move forward with the Governor's Highway Safety Grant application process. Vote: Motion unanimously approved.

Returning to the topic of the budget, Chairman Willis asked the Commissioners whether they would approve a budget setting the tax rate at \$1.02 or approve a budget setting the tax rate at 99 cents.

Motion was made by Commissioner McPhatter and duly seconded by Commissioner McDow to approve the FY 2009-2010 Budget Plan as presented of \$28,106,343 with a \$1.02 tax rate, 46 cents of which is County General Fund and 56 cents of which is School Fund. Vote: In Favor: Chairman Willis, Vice Chair Gholston and Commissioners Alford McDow and McPhatter. Vote: Against: Commissioners Davis and McCook. Vote: Motion approved.

Item 3. Revisions: Employee Travel Policy

County Manager Patterson outlined employee travel policy revisions. Mr. Patterson said all overnight travel must be approved by the County Manager. There would be no meal reimbursements for same day travel. Mr. Patterson said the revisions could save the County about \$11,000. He added that the revisions, if approved, would become permanent policy.

Commissioner McCook advised that employees should be encouraged to use County vehicles whenever possible since that would be a cost saving measure, too.

Motion was made by Commissioner McDow and duly seconded by Vice Chair Gholston to approve the revisions to the employee travel policy. Vote: Motion unanimously approved.

Item 4. Capital Project Closeout

County Manager Patterson said the scope of work for the Morgan Recreation Complex was completed at \$102,221.31 less than originally approved by the Board for Recreation Complex projects. Mr. Patterson said in order to close the projects, the Board is asked to approve the transfer of \$327,778.69 to the appropriate funds.

Motion was made by Commissioner Alford and duly seconded by Commissioner McPhatter to approve the transfer of \$327,778.69 to the appropriate funds for the Morgan Recreation Complex. Vote: Motion unanimously approved.

Item 5. Resolution: Scotland County Landfill and Transfer Station Continued Operations

County Manager Patterson said the resolution regarding the continued operations of the C&D landfill alters a previous discrepancy so that the gross volume is now in line with that of the State.

Motion was made by Commissioner Alford and duly seconded by Commissioner McDow to approve the Scotland County Landfill and Transfer Station Facility Resolution to Approve the Continued Operations of Phase IV C&D Landfill Unit; Corrective Measures for Closed Unlined MSW Landfill Units; and Change in Service Area. Vote: Motion unanimously approved.

**SCOTLAND COUNTY LANDFILL AND TRANSFER STATION FACILITY
RESOLUTION TO APPROVE THE CONTINUED OPERATIONS OF THE PHASE IV C&D
LANDFILL UNIT; CORRECTIVE MEASURES FOR CLOSED UNLINED MSW LANDFILL
UNITS; AND CHANGE IN SERVICE AREA**

BE IT RESOLVED that the Scotland County Board of Commissioners hereby grants approval for the issuance of a landfill permit by the NC Division of Waste Management (DWM) for the continued operations of the Phase IV construction and demolition debris (C&D) landfill unit in compliance with North Carolina Solid Waste Management Rules T15A NCAC 13B.0536(c)(11)(A). Additionally, in accordance with requirements set forth in T15A NCAC 13B.0547(4)(c) and as part of the approval for the continued operations of the Phase IV C&D landfill unit, the Board of Commissioners hereby grants approval of corrective measures to include monitored natural attenuation and enhanced bioremediation for

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the closed unlined municipal solid waste (MSW) landfill at this site. Also the Board of commissioners hereby approves a change in service area for the facility to include all of North and South Carolina.

The Phase IV landfill unit is located within the previously approved landfill facility boundary as shown the attaché **Figure 1**. The Board of Commissioners hereby approves the following items related to the landfill facility:

1. Service Area:
The landfill and transfer station facility serves the States of North and South Carolina (approximate population of 12.1 million people based on Census 2000 data).
2. Waste Types and Disposal Rates:
The landfill facility will accept construction and demolition debris (C&D) waste at a maximum rate of 50,000 tons/year (179 tons/day based on 280 operating days per year).
3. Landfill Volumes:
The landfill facility will provide the following gross volumes (volume of waste plus periodic and final cover soil) consistent with the contours shown on the attached **Figure 2**:

Landfill Unit	Total Waste Footprint	Gross Volume
Phase IV	20.6 AC	1,146,118 CY

4. Landfill Service Life:
Depending upon the actual disposal rates, the Phase IV landfill unit is projected to have an approximate service life of 17.1 years (based on an average disposal rate of 15,000 tons/year).

Adopted this 18th day of June, 2009.

Motion was made by Commissioner Alford and duly seconded by Commissioner McPhatter to adjourn. Vote: Motion unanimously approved. Meeting adjourned at 7:45 p.m.

Ann W. Kurtzman
Clerk to the Board

J.D. Willis
Chairman

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SCOTLAND COUNTY, NC, BUDGET ORDINANCE

JULY 1, 2009 – JUNE 30, 2010

**BE IT ORDAINED BY THE BOARD OF COMMISSIONERS OF SCOTLAND COUNTY, NORTH
CAROLINA**

	Amount	Subtotals
<u>Section 1. General Expenditures</u>		
<u>General Government</u>		
Governing Body	87,952	
Administration	737,999	
General Services	449,585	
Tax Department	623,092	
Board of Elections	200,038	
Register of Deeds	239,350	
Inspections	291,903	
Planning and Zoning	7,671	
Legal	35,000	
Court Facilities	105,000	
Information Technology	274,947	
Public Buildings	1,340,352	
Subtotal		4,392,889
<u>Law Enforcement</u>		
Sheriff's Department	2,779,595	
Drug Fund	10,000	
Jail	1,801,370	
Subtotal		4,590,965
<u>Emergency Services</u>		
Emergency Medical Services	1,993,590	
Subtotal		1,993,590
<u>Health and Human Services</u>		
Health Department	3,310,370	
Department of Social Services	9,378,500	
Veteran Service Office	50,097	
Transportation	583,696	
Subtotal		13,322,663
<u>Cultural & Recreational Activities</u>		
Parks and Recreation	568,053	
Splash Pad	39,979	
Recreation Complex	83,934	
Adult Athletics and Senior Events	25,856	
Scotland Memorial Library -- Local	465,464	

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Historic Properties	18,000	
John Blue Cotton Festival	30,723	
<i>Subtotal</i>		1,232,009
<u>Contributory Allocations</u>		
<u>Economic Development:</u>		
Incentive Grants	600,000	
NC One Fund - Pass Through	-	
Southeastern Economic Development Corporation	3,960	
<i>Subtotal</i>		603,960
<u>Government Related:</u>		
Mental Health – Local Funds	72,920	
ABC Bottle Tax	8,000	
Cooperative Extension	178,884	
Cooperative Extension Grants	-	
Soil Conservation	111,410	
Rescue Squad	50,000	
Forestry Service	89,750	
Medical Examiner	40,000	
Lumber River Council of Governments	29,500	
Richmond Community College	165,384	
Criminal Justice Partnership Program Grant	150,000	
Home Community Care Block Grant -- LRCOG	-	
JCPC Pass Through Funding	215,000	
<i>Subtotal</i>		1,110,848
<u>Non-Government Related:</u>		
Community Assistance Grants	159,450	
Humane Society	83,800	
Home Community Care Block Match	15,340	
<i>Subtotal</i>		258,590
<u>Reserves:</u>		
Revaluation Reserve	100,000	
<i>Subtotal</i>		100,000
<u>Debt Service:</u>		
Debt Service	500,786	
<i>Subtotal</i>		500,786

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TOTAL GENERAL EXPENDITURES: 28,106,300

Subtotals/Total

Section 2. School Funding

Expenditures

*The following amounts are hereby appropriated in the
School Fund for the Fiscal Year Beginning July 1, 2009,
and ending June 30, 2010*

School Funding Formula	10,530,637	
Capital Expenditures	680,015	
Lottery Funded Capital Expenditures	825,000	
Debt Service	1,511,520	
Fines & Forfeitures Pass Through	400,000	
TOTAL SCHOOL EXPENDITURES:		13,947,172
TOTAL GENERAL FUND EXPENDITURES (GENERAL AND SCHOOL EXPENDITURES):		42,053,472

Section 3. General Fund Revenue

*It is estimated that the following revenues will be available
in the General Fund for the fiscal year beginning July 1,
2009 and ending June 30, 2010:*

Property Taxes - Undesignated	9,733,221	
Property Taxes - Designated	12,249,447	
Local Option Sales Tax – Unrestricted	5,084,950	
Local Option Sales Tax – Restricted	1,297,725	
User Fees and Unrestricted Intergovernmental Revenues	1,512,454	
Restricted Intergovernmental Revenues	10,056,357	
Program Grants and Retained Earnings	2,119,318	
TOTAL GENERAL FUND REVENUE:		42,053,472

Section 4. Solid Waste Fund

Expenditures

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The following amounts are hereby appropriated in the Solid Waste Enterprise Fund for the Fiscal Year beginning July 1, 2009, and ending June 30, 2010:

Personnel	550,663	
Operating Expense	1,656,715	
Capital Outlay	276,000	
Transfer to General Fund		
TOTAL S/W FUND EXPENDITURES:		2,483,378

Revenue

It is estimated that the following revenues will be available in the Solid Waste Enterprise Fund for the Fiscal Year beginning July 1, 2009, and ending June 30, 2010:

Sale of Recyclables and Tipping Fees	2,418,378	
State White Goods/Tire Fees	65,000	
TOTAL S/W FUND EXPENDITURES:		2,483,378

Section 5. Water District I

Expenditures

The following amounts are hereby appropriated in the Water District I Fund for the Fiscal Year beginning July 1, 2009, and ending June 30, 2010:

Personnel	67,175	
Operating Expense	323,960	
Capital Outlay	5,000	
Debt Service	126,322	
TOTAL WDI FUND EXPENDITURES:		522,457

Revenue

It is estimated that the following revenues will be available in the Water District I Fund for the Fiscal Year beginning July 1, 2009, and ending June 30, 2010:

Water Sales and Tap Fees	522,457	
Appropriated Fund Balance	-	
TOTAL WDI FUND REVENUE:		522,457

Section 6. Water District II

Expenditures

The following amounts are hereby appropriated in the Water District II Fund for the Fiscal Year beginning July 1, 2009, and ending June 30, 2010:

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Operating Expense	184,800	
Capital Outlay	-	
Debt Service	278,553	
TOTAL WDII FUND EXPENDITURES:		463,353

Revenue

It is estimated that the following revenues will be available in the Water District II Fund for the Fiscal Year beginning July 1, 2009, and ending June 30, 2010:

Water Sales and Tap Fees	463,353	
Appropriated Fund Balance	-	
TOTAL WDII FUND REVENUE:		463,353

Section 7. Scotland County Fire Service District

Expenditures

The following amounts are hereby appropriated in the Scotland County Fire Service District Fund for the Fiscal Year beginning July 1, 2009, and ending June 30, 2010:

Operating Expense	263,000	
Capital Outlay	11,000	
TOTAL FIRE SERVICE DISTRICT TAX FUND EXPENDITURES:		274,000

Revenue

It is estimated that the following revenues will be available in the Scotland County Fire Service District Fund for the Fiscal Year beginning July 1, 2009, and ending June 30, 2010:

Tax Levy	219,000	
Sales Tax	55,000	
TOTAL FIRE SERVICE DISTRICT TAX FUND REVENUES:		274,000

Section 8. 911 Emergency Communications

Expenditures

The following amounts are hereby appropriated in the Scotland County 911 Emergency Communications Fund for the Fiscal Year beginning July 1, 2009, and ending June 30, 2010:

Personnel	-	
Operating Expense	273,220	

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Capital	125,000	
Reserve	-	
TOTAL 911 EMERGENCY COMMUNICATIONS FUND EXPENDITURES:		398,220

Revenue

It is estimated that the following revenues will be available in the Scotland County 911 Communications Fund for the Fiscal Year beginning July 1, 2009, and ending June 30, 2010:

Fees	248,333	
Appropriated Fund Balance	149,887	
TOTAL 911 EMERGENCY COMMUNICATIONS FUND REVENUES:		398,220

Section 9. Revaluation Fund

Expenditures

The following amounts are hereby appropriated in the Revaluation Fund for the Fiscal Year beginning July 1, 2009, and ending June 30, 2010:

Personnel	89,538	
Operating Expense	100,300	
Capital	25,000	
TOTAL REVALUATION FUND EXPENDITURES:		214,838

Revenue

It is estimated that the following revenues will be available in the Revaluation Fund for the Fiscal Year beginning July 1, 2009, and ending June 30, 2010:

Interfund Transfer	100,000	
Appropriated Fund Balance	114,838	
TOTAL REVALUATION FUND REVENUES:		214,838

Section 10. Canteen Fund

Expenditures

The following amounts are hereby appropriated in the Canteen Fund for the Fiscal Year beginning July 1, 2009, and ending June 30, 2010:

Expenditures	80,000	
TOTAL CANTEEN FUND		80,000

Revenue

It is estimated that the following revenues will be available in the Canteen Fund for the Fiscal Year beginning July 1, 2009, and ending June 30, 2010:

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Revenue	80,000	
TOTAL CANTEEN FUND REVENUES:		80,000

Section 11. Tourism Development Authority

Expenditures

The following amounts are hereby appropriated in the Scotland County Tourism Development Authority for the Fiscal Year beginning July 1, 2009, and ending June 30, 2010:

Expenditures	338,600	
TOTAL TOURISM DEVELOPMENT AUTHORITY EXPENDITURES:		338,600

Revenue

It is estimated that the following revenues will be available in the Scotland County Tourism Development Authority for the Fiscal Year beginning July 1, 2009, and ending June 30, 2010 based on a 6% motel/hotel Occupancy Tax:

Revenue	338,600	
TOTAL TOURISM DEVELOPMENT AUTHORITY REVENUES:		338,600

SECTION 12. PROPERTY TAX LEVY:

There is hereby levied an ad valorem property tax at the rate of \$ **1.02** per \$100 valuation of properties listed for taxes as of January 1, 2009. The property tax rate includes **\$.56** school tax and **\$.46** general government services tax. The levy and corresponding estimate for current year property tax collection is based on a projected 1,961,762,782 tax base and a prior year estimated collection rate of 96.44 percent on real property and 75.66 percent on motor vehicles.

There is hereby levied an additional \$.02 cent Fire Service Tax on all property outside the corporate limits of Wagram, Gibson, and Laurinburg, including property within the corporate limits of East Laurinburg, to fund volunteer fire departments. It is recommended that in the future this fire service tax never exceed \$.04 cents and that the Fire Service Fund Balance not exceed \$500,000. These policies are provided to give future guidance to the Budget Officer and for consideration by the governing body.

SECTION 13. PERSONNEL & COMPENSATION

FY 2009-2010 - Additional 24 hours of vacation leave to be accrued with the closure of departments as coordinated with the County Manager. For departments that can not close the 24 hours will accrue on December 16, 2009.

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FY 2009-2010 - County Commissioners annual compensation is \$10,820 for the Chairman and \$7,191 for each Commissioner.

SECTION 14. FEE SCHEDULES

Solid Waste

Fee schedules attached

Inspections

Fee schedules attached

Water Districts I and II

Fee schedules attached.

Parks & Recreation

Fee schedules attached.

Emergency Medical Services

Fee schedules attached.

General & Administrative Fees

Fee schedule attached.

SECTION 15. BUDGET OFFICER

The Budget Officer is hereby authorized to review and process transfers of appropriations as stipulated below:

- a) He may transfer amounts between objects of expenditure within departments, without limitations and without a separate report.
- b) He may transfer amounts up to \$1,000 between departments lying within the same fund. In such cases, a separate report of such transfer shall be submitted to the County Commissioners at its next regular meeting.
- c) He may *not* transfer any amount between funds and may transfer no more than \$1,000 from the General Fund Contingencies Account.
- d) He shall provide the governing body with a Midyear Financial Review.
- e) He may, during the month of June, make any necessary interdepartmental budget transfers and amendments in order to close out the fiscal year. All such adjustments shall be reported to the governing body in a separate report.
- f) He may, with approval of the Finance Officer, transfer amounts between agency accounts supervised by a single department without limitation and without a separate report. These agency accounts include, for example, law enforcement, public health and public assistance.

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SECTION 16. BUDGET ORDINANCE

This Budget Ordinance has been prepared in compliance with the Fiscal Control Act. Copies of the Budget Ordinance shall be furnished to the Budget Officer, Clerk to the Board, Finance Officer, and Tax Collector.

Adopted this the 18th day of June 2009