

June 25, 2001

The Randolph County Board of Commissioners met in special budget session at 6:00 p.m. in the Commissioners Meeting Room, County Office Building, 725 McDowell Road, Asheboro, NC. Commissioners Kemp, Frye, Davis, Holmes, and Mason were present.

**Budget Amendment – Medicaid**

Jane Leonard, Deputy Finance Officer, reported that Social Services will be required to spend more in 2000-2001 on federally mandated Medicaid than was originally budgeted, with expenses expected to exceed the budget by \$678,815. The Social Services budget has \$280,000 of underspent line items to apply toward this shortfall, but \$398,815 is still needed. Ms. Leonard stated that the County's investment earnings will exceed the budgeted amount and could be used to cover the needed budget increase for Medicaid.

*On motion of Frye, seconded by Davis, the Board unanimously approved Budget Amendment #55 to the FY 2000-01 Annual Budget, as follows:*

| <b>GENERAL FUND - #55</b>  |                 |
|----------------------------|-----------------|
| <b>Revenue</b>             | <b>Increase</b> |
| <i>Investment Earnings</i> | \$398,815       |
| <b>Appropriation</b>       | <b>Increase</b> |
| <i>Social Services</i>     | \$398,815       |

**Budget Amendment – Health Insurance**

Ms. Leonard explained that the County is self-insured for health insurance coverage, and the County pays the first \$50,000 of all medical claims filed during the year. Departments are charged for the premium for each covered employee. It is estimated that claims for the last two months of this fiscal year will exceed our budgeted resources. When this situation occurs, departments are charged an additional premium based on their number of employees. All departments have reviewed their budgets and have found additional funds for the estimated amount needed, except that the Sheriff & Jail department lacked \$15,000 having enough to cover their extra premium. Ms. Leonard said that the Administration budget had sufficient funds to cover this shortfall.

*On motion of Davis, seconded by Holmes, the Board unanimously approved Budget Amendment #56 to the FY 2000-01 Annual Budget, as follows:*

| <b>GENERAL FUND - #56</b> |                 |                 |
|---------------------------|-----------------|-----------------|
| <b>Appropriation</b>      | <b>Increase</b> | <b>Decrease</b> |
| <i>Sheriff &amp; Jail</i> | \$15,000        |                 |
| <i>Administration</i>     |                 | \$15,000        |

**Budget Amendment – Public Works**

Ms. Leonard stated that the amount of solid waste received at the transfer station this fiscal year has exceeded our previous estimate. Public Works anticipates needing an additional \$113,700 in the landfill operation budget in order to pay the contractor to haul solid waste to the off-site facility. Also, the tipping fee revenue needs to be decreased. The funds for this additional expense can come from a reduction in 3 other departments within the Public Works Fund, appropriated fund balance, and a transfer of some excess funds from the Landfill Closure Fund.

On motion of Mason, seconded by Frye, the Board unanimously approved Budget Amendment #57 to the FY 2000-01 Annual Budget, as follows:

| <b>GENERAL FUND - #57</b> |                 |                 |
|---------------------------|-----------------|-----------------|
| <b>Revenue</b>            | <b>Increase</b> | <b>Decrease</b> |
| Miscellaneous             | \$96,000        |                 |
| Fund Balance Appropriated | \$23,000        |                 |
| Sales and Service         |                 | \$59,000        |
| <b>Appropriation</b>      | <b>Increase</b> | <b>Decrease</b> |
| Landfill Operation        | \$113,700       |                 |
| Administration            |                 | \$4,525         |
| Recycling Program         |                 | \$5,800         |
| Other Operations          |                 | \$43,375        |

On motion of Mason, seconded by Frye, the Board unanimously approved Budget Amendment #1 to the FY 2000-01 Landfill Closure Fund, as follows:

| <b>LANDFILL CLOSURE FUND - #1</b> |                 |
|-----------------------------------|-----------------|
| <b>Revenue</b>                    | <b>Increase</b> |
| Interest on Investments           | \$40,000        |
| Fund Balance Appropriated         | \$40,000        |
| <b>Appropriation</b>              | <b>Increase</b> |
| Landfill Closure                  | \$80,000        |

### **Adoption of Fire District Tax Rates**

Chairman Kemp invited public comment on fire district tax rates.

**Larry Brower**, Chief of Guil-Rand Fire Department, asked that their rate remain at 104. They have just built a new station and will have debt service over \$2.2 million from that project.

**Frank Thompson**, 1896 Hwy 42 South, asked the Board to reduce Eastside's rate to 44.

**Darrell Vonnannon**, Board President of Seagrove Fire Department, said no citizens had come forward to complain about their requested tax rate. He said fire departments are having trouble getting enough volunteers, and they need money to hire paid firemen.

**J. R. Beard**, Chief, Liberty Fire Department, said fire service has to grow with the County or everyone will be playing catch-up.

**Arnold Allred**, Board President of Franklinville Fire Department, said they need full funding to work towards a better ISO rating.

**Eric Hoffman**, captain for Eastside Fire Department, asked for their rate to remain the same so they can hire a daytime fireman and work towards a better ISO rating.

**Bob Beane**, Hwy 42 South, asked that Eastside's rate be reduced to 44.

**Derrick Clauston**, 2483 Linnie Court, said Eastside's expenses go up every year and that if their budget is cut, they will not be able to hire a daytime person and may have to reduce services.

**Troy Powell**, Chief of New Hope Fire Department, asked that their rate remain the same.

**Tracy Boyles**, Chief of Farmer Fire Department, said they need a new squad truck and tanker and asked that their rate remain the same.

**John Hussey**, Level Cross Fire Department, said they need to add a paid fireman to work on their ISO rating; he asked that their rate remain the same.

**David Ray**, President of the Board of the Climax Fire Department, said it is leadership's responsibility to speak in support of the fire department's request and to relate what a value to the community it is.

**Danny Burgess**, Hwy 22 North, Franklinville, said he supports Franklinville's rate remaining the same, but he would like for the department to meet with the community to discuss how they are spending fire tax funds.

**John Hulin**, Bethel Friends Road, Asheboro, asked that Eastside's rate be reduced to 44.

**Lane Moore**, Spoons Chapel Road, said the fire department saved his wife's life when they used the Jaws of Life to extricate her from a wrecked vehicle. He said when someone needs the service of a fire department, he doesn't ask how much it costs.

**Brian Barr**, Assistant Chief for Westside Fire Department, said they want to add a station in the area nearest Farmer and want to work on reducing their ISO rating. He asked that their rate remain the same.

**Jim Hill**, Chief of Tabernacle Fire Department, said they added to their building last year and had to get a loan to do that. He said over 50% of their calls occur during the day, and they need to add a paid daytime position. They could not stand a cut in their budget.

**Earl York, Jr.**, 3185 Ramseur-Julian Road, Liberty, said he is willing to pay the 84 fire tax.

Chairman Kemp asked for a show of hands of those citizens in support of their fire tax remaining at the current rate. Approximately 35-40 raised their hands in support; approximately 15 raised their hands in opposition.

**Harris Brown**, Chief of Sophia Fire Department, said they had to turn off their heat last winter because they could not pay their bill. With a reduction they won't be able to do anything. He said it is unfair that no one wants to cut school taxes or the Sheriff's budget, yet everyone wants to cut fire taxes. He talked about the enormous number of volunteer hours the firemen work on behalf of their communities, the amount of out-of-pocket expenses they incur in carrying out their duties, and the large amounts of time they sacrifice with their families to provide this service.

*On motion of Davis, seconded by Frye, the Board unanimously voted to accept the reduced rates requested by Bennett and Fairgrove and to set new tax rates for all other fire districts by calculating a 20% increase in tax revenue over the amount of tax revenue they received this year. The tax rates for fire districts for FY 2001-2002 are as follows: Bennett, 74; Climax, 9.34; Coleridge, 7.34; Eastside, 5.54;*

Fairgrove, 6.54; Farmer, 7.54; Franklinville, 7.74; Guil-Rand, 104; Julian, 9.54; Level Cross, 94; Northeast (Liberty), 6.84; Randleman, 104; Seagrove, 9.74; Sophia, 9.64; Southwest (New Hope), 9.24; Staley, 9.64; Tabernacle, 8.74; Ulah, 6.14; Westside, 8.24.

**Adoption of Archdale-Trinity School District Tax**

*On motion of Frye, seconded by Davis, the Board unanimously set the Archdale-Trinity School District tax rate at 7.54.*

**Adoption of Fee Schedules**

The Board made no changes in any County fees currently being charged.

**Budget Discussion**

Chairman Kemp reported that the Manager had found \$281,082 in additional revenues to cover the additional appropriations discussed at the last meeting. These appropriations included a pay plan adjustment to 3% from 2.5%, classification/market changes to pay plan, part-time cost for 2 additional early voting locations, and new 20-hour position in Elections.

Commissioner Frye stated that he would like to see the County Schools teacher supplement issue on a referendum. He said the County has a huge debt and needs to remain financially sound.

**Adoption of Final Budget for FY 2001-2002**

*On motion of Frye, seconded by Holmes, the Board unanimously voted to adopt the Budget Ordinance for FY 2001-2002 (ATTACHED), which sets the property tax rate at 484 and makes the following changes to the County Manager’s proposed budget: (1) appropriate \$645,793 from the Fund Balance to give the County Schools an additional \$518,572 for current expense to provide an additional 1% supplement for teachers in the County School System and to give the Asheboro City Schools an additional \$127,221 for current expense, (2) approve the proposed changes in appropriations and revenues of \$281,082 discussed earlier. These changes are as follows:*

**Proposed Budget: \$75,579,465**

**Additional Appropriations**

|           |   |                   |
|-----------|---|-------------------|
|           | Pay Plan Adj. to 3% from 2.5 %              | \$ 99,664         |
|           | Classif./Market chgs to Pay Plan            | \$ 145,000        |
|           | Part-time cost for 2 add. early voting loc. | \$ 19,942         |
|           | New 20-hr. Position in Elections            | \$ 16,476         |
| 10-690-50 | County Schools Current Expense              | \$ 518,572        |
| 10-690-54 | City Schools Current Expense                | <u>\$ 127,221</u> |
|           | <b>Total:</b>                               | <b>\$ 926,875</b> |

**Additional Revenues**

|           |   |           |
|-----------|---|-----------|
| 10-367-02 | Gasoline Tax Refund                           | \$ 4,500  |
| 10-340-00 | Gross Receipts Tax on Lease & Rental Vehicles | \$ 21,600 |
| 10-350-00 | Court Facility Fees                           | \$ 20,000 |
| 10-318-00 | Tax Garnishments                              | \$ 4,000  |
| 10-351-00 | Officer & Jail Fees (Clerk of Court)          | \$ 8,000  |
| 10-378-00 | Tax Collection Fees-Asheboro                  | \$ 3,000  |
| 10-378-03 | Tax Collection Fees-Archdale                  | \$ 1,000  |
| 10-378-05 | Tax Collection Fees-Randleman                 | \$ 1,800  |
| 10-377-01 | School Resource Officer                       | \$ 8,562  |
| 10-377-02 | RCC Resource Officer                          | \$ 1,974  |
| 10-372-02 | Ambulance Fees                                | \$ 24,000 |

|           |                                       |                            |
|-----------|---------------------------------------|----------------------------|
| 10-334-00 | Rebate-Elderly Exemptions             | \$ 23,240                  |
| 10-378-78 | Collections Fees-Occupancy-TDA        | \$ 800                     |
| 10-378-85 | CMV Tax Collection Fees               | \$ 2,000                   |
| 10-335-31 | Gasoline Rebates                      | \$ 1,000                   |
| 10-345-00 | 1% Local Option Sales Tax             | \$ 57,917                  |
| 10-346-00 | ½% Local Option Sales Tax (70%)       | \$ 45,802                  |
| 10-346-01 | Rest. ½% Local Option Sales Tax (30%) | \$ 19,629                  |
| 10-346-10 | Additional ½% Sales Tax (40%)         | \$ 12,903                  |
| 10-346-11 | Rest. Add. ½% Sales Tax (60%)         | \$ 19,355                  |
| 10-390-00 | Fund Balance Appropriated             | \$645,793                  |
|           | Total:                                | \$ 926,875                 |
|           | <b>Amended Budget:</b>                | <b><u>\$76,506,340</u></b> |

**Asheboro City Schools Tax**

*Commissioner Kemp made a motion to set the Asheboro City Schools tax at 134. After discussion among the Board members, he withdrew his motion.*

*On motion of Kemp, seconded by Mason, the Board unanimously agreed to set the Asheboro City Schools tax at 13.854.*

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Phil Kemp, Chairman

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Darrell L. Frye

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J. Harold Holmes

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Robert B. Davis

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Robert O. Mason

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Alice D. Dawson, Clerk to the Board