

June 11, 2012

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, Kemp, Haywood, and Lanier were present.

Communities In Schools (CIS)

Sandi Norman, Communities in Schools Executive Director, reported on CIS activities and successes during the past year, saying that 1,294 (unduplicated) students received Level 2 services (sustained interventions with tracked outcomes—academic performance, attendance, attitude and commitment to school). These services totaled over 33,188 hours and are valued at \$430,784. A total of 14,057 (unduplicated) students received Level 1 services (school supplies, Reality Store, attendance incentives, book distributions, Choice Bus); these services totaled 3,751 hours, with a value of \$137,055. Ms. Norman said that CIS received a grant this year from CIS National to hire two full-time site coordinators for the Randleman area: one at RMS and one at RHS. For the first year, the grant paid all salaries and benefits; for years two and three, a match of 1/3 is required, and the Randolph County Schools Board of Education has agreed to pay that match. These two site coordinators have provided Level 2 services to 196 students. The site coordinator for the three Randleman area elementary schools resigned in February. Due to financial constraints, she was replaced with only a part-time person for the remainder of the school year. For the 2012-2013 school year, CIS will not be able to hire anyone for that position. Ms. Norman added that they are also losing their Graduation Coach position, which was split between NAMS and NERMS, due to the DPI Drop-out Prevention Grants that are no longer offered by the state. In addition, donations to CIS are down \$6,000 from last year. As a result, CIS is losing 1.5 FTE staff members next year. Ms. Norman boasted that with the funding received this year from county funds, including both school systems, CIS has leveraged those funds with an actual additional \$2.73 for every \$1 invested in CIS. She asked the Board to consider her request of \$80,000.

Family Crisis Center (FCC)

Dare Spicer, Family Crisis Center Executive Director, said that she is requesting \$10,000 more than the \$41,000 they received last year. She noted that the FCC has served more than 700 children so far this year and is on pace to serve a total of 7,452 men, women and children by year's end. Along with food, shelter, support groups, and parenting classes, FCC provides a long-term effect of breaking the cycle of domestic abuse. She said that Randolph County ranks fourth in the state for reported cases of domestic violence, but ranks second for services provided.

Randolph Arts Guild (RAG)

Derrick Sides, Randolph Arts Guild Executive Director, via PowerPoint presentation, gave a snapshot of RAG's programs, activities, services and events. He said that RAG receives \$31,000 in Arts Council grants from the state. RAG administers those grants by contract, which requires RAG to re-grant out 50% of those funds, with RAG being allowed to keep the balance for operating expenses. A key component of the state funding is the local match requirement. RAG also uses earned income from gallery/gift shop sales, RAG programs revenue, and from board members and volunteers. Mr. Sides said that RAG's mission is to make the world a better place

through the Arts. He asked the Board to consider his agency's request of \$20,000 in the new budget.

Randolph County Fire Chiefs Association

Derrick Clouston, speaking on behalf of the Randolph County Fire Chiefs Association, said that additional needs had been identified due to the migration to the VIPER system as the primary communications systems for all emergency agencies in the county, as a result of the Federal Communication Commission's mandated narrow-banding regulation changes. He said that the fire departments have applied for every available grant in order to fund all of the required equipment. He said that a total of \$1.7M in grants had been awarded to various fire departments in the county, the largest of which was a \$1.2M regional grant received last year, which required a 20% local department match. Eastside Fire Department obtained a \$347,000 federal grant and Franklinville Fire Department obtained a \$225,000 federal grant. Some of the other departments have received state grants. Mr. Clouston said that they applied for a Round 2 regional grant, but were just notified that the Feds have run out of money. The hope was that that grant would have funded the remaining needed radios. He said that the following are still needed to meet federal and OSHA requirements: 239 portables, 104 mobiles, and 15 mobile vehicle repeaters, at a total cost of \$1,373,762. Also, there is the possibility that a fifth VIPER tower site will be needed in the northern Randleman or Level Cross area due to insufficient coverage issues, at an estimated cost of \$862,000. The state is studying this issue to determine what, if anything, needs to be done. According to Mr. Clouston, the chiefs voted unanimously last week to ask the Commissioners for this funding.

Innovative Solutions of the Triad in Asheboro (IST)

Larry Bulla, President of the IST Board of Directors, spoke in support of Innovative Solutions of the Triad's (formerly Randolph Vocational Workshop) request of \$45,000. He said that they really needed the County's help; they have had trouble meeting payroll for the past two or three months. They are a self-supporting agency and receive no grants, and are trying to keep 35-40 clients off the streets and off of welfare. They have taken a new direction by changing their name and have hired a new director.

Dennis Zaferatos, Executive Director of IST, said that IST provides vocational evaluations and rehabilitation programs for developmentally disabled and physically disabled adults, as well as, other high-risk individuals who face challenges in maintaining employment in the community. Funding is from set-aside monies from Sandhills Center, which funds rehabilitation services for approximately 25 mentally challenged adults, some of whom have participated for nearly 40 years. These individuals would not ever be able to support themselves otherwise. Some of IST's funding comes from the NC Vocational Rehabilitation Division, where IST receives referrals for job training and job placement. Mr. Zaferatos said that IST also provides job training/placement/retention services to some County and City schools high school students who will transition into the community. He said that their funding request has increased due to the economy; some manufacturing companies are now keeping their previously outsourced projects in-house to save money, so it makes it difficult to generate revenue. Also, there are challenges with victims of lay-offs around the county; these folks are taking the jobs that IST clients might otherwise have taken. According to Mr. Zaferatos, IST is upgrading their facilities, which has not been done in more than 30 years. They also need new signage due to the name change. Grant writers are being consulted in an effort to secure grants to help stabilize the agency. When asked

why the name of the agency was changed, Mr. Zaferatos replied that it was for the following reasons: 1) Perception. The Federal government does not like the name “Sheltered Workshop” because many people associate this name with “sweat shops;” 2) Want to provide services for ANY at-risk population in need of job training/placement and retention services, not just disabled individuals. Mr. Zaferatos said that he hopes to receive some federal funding, and would like to provide services for the “Welfare to Work” initiative and homeless veterans programs. They are also considering Dept. of Commerce grants and private foundation grants.

Boys and Girls Club

Elbert Lassiter spoke on behalf of the Asheboro Central Boys and Girls Club. He thanked the Commissioners for their support that enables opportunities for children who likely would not have these opportunities otherwise. He said that the mission of the club is to make sure that when the kids graduate high school they are more equipped, more aware and more inspired; they are introduced to a world that is bigger than what they normally would have been exposed to. He commented on a statistic from last year: 88% of those who participated in the Power Hour program passed their EOG test on the first try. He also mentioned that a new director, Andrew Oliver, had been hired.

Budget Public Hearing

At 6:50 p.m., Chairman Holmes declared that the duly advertised public hearing on the FY 2012-2013 budget was open for public comment. He invited the fire departments who had requested increases in their fire tax rates to speak first.

Fairgrove Fire Department

Board of Directors Chairman Tim Zander spoke in support of Fairgrove Fire Department’s request for a fire tax increase from 6.5¢ to 8¢. The last approved increase was in 1998. In 2001, the rate decreased to 6.5¢. Since 2001, Fairgrove has added the following in Randolph: a new station, moved one paid employee from Davidson to Randolph, added a 24-hr., 7-day/wk. paid staff member, a fire engine, and a tanker. In 2011, they responded to 950 calls. The combination department is made up of 42 volunteers, 16 combination, two paid-only members, junior firefighters and auxiliary. Turnout gear costs \$2000/set. Currently, over 20 sets of turnout gear are at, or near, their 10-year life span. In fact, the turnout gear situation has gotten so bad, they have stopped taking applications for new volunteers. But their air pack situation is worse, as all of their packs are over 10 years old and several do not allow buddy breathing. Air packs are \$6000 each and all 30 need to be replaced. Last year they had to use the money earmarked to replace some air packs, to buy radios instead, due to Randolph’s changeover to the VIPER system; and they still need additional radios and pagers. The requested increase would be used to purchase the aforementioned safety items. Other line items have increased, as well, including insurance, worker’s comp, and fleet maintenance costs. Mr. Zander stressed that they are a very fiscally responsible department and said that they will be in a very serious situation without the additional funding.

Carlton Boyles, Mayor of Trinity, spoke in support of Fairgrove’s request for increase. He said that this department is very responsible and frugal. They have built a station in Randolph County without a fire tax increase. This has been a huge benefit to Trinity’s citizens. Trinity is blessed to have two fine fire departments to serve its citizens: Guil-Rand and Fairgrove. They train together and respond together. He encouraged the Board to grant the requested increase.

Tim Zander said that they now have a Randolph County resident on their board.

Franklinville Fire Department

Kyle Dixon, Franklinville Fire Chief, spoke in support of his request for a 1½¢ increase to their fire tax rate, saying that he is very proud of his 45 firemen. He said that Franklinville's district covers 62.4 square miles and has two stations, but needs two more sub-stations in order for everyone to be included in the five-mile district. They have started a new temporary project in the northern area of their district where they house trucks in order to decrease response times. The southern area is also a concern. However, a citizen has offered to donate land to the fire department to build a sub-station there at a projected cost of \$80,000. He hopes to use the additional revenue to build new stations in these two areas in order to lower citizens' insurance rates. Chief Dixon said that his department has received nearly \$1M in FEMA grants since 2003, which has funded the purchase of air packs, turnout gear and radios. He has 10 firefighters who have either ill fitting or worn out gear, which costs \$3000/set. His new recruits now are forced to get used turnout gear instead of new. He also hopes to be able to provide annual physicals for his firemen. Maintenance on fire trucks is also a major concern. He would also like to man their stations seven days a week rather than only six days a week.

Charles Lednum, President of the Franklinville Fire Department Board of Directors, said that they have been very diligent in putting all of the tax and grant money back into the department. Over the past seven years, there have been over 75,000 hours of documented training by their 45 firefighters. He is very proud of these volunteers, and they do a great job.

Westside Fire Department

Ed Bunch, President of the Westside Fire Department Board of Directors, spoke in support of the requested increase from 9¢ to 10¢. He said that they have resisted asking for an increase for many years, but this is the first year that they are facing having to borrow the money to meet expenses until September when the new year's revenue comes in.

Recil Williamson, Westside Fire Chief, said that Westside is facing the same problems as the other fire departments. He said that they just completed their ISO rating and feels confident that they will get a 6 rating. He added that the DOI inspector was very impressed with the way they operate. Fuel, insurance and utility costs are up and the Federal government is two months behind on their payments of a SAFER (Staffing For Adequate Fire & Emergency Response) grant. He mentioned that their fund balance is nearly depleted.

Eastside Fire Department

Eric Hoffman, Eastside Fire Department Chief, said that the decline in property values over the past several years has really taken a toll on fire departments' budgets. However, Eastside has managed to acquire a district-wide (within five miles of fire station) Class 5 ISO rating, which helps residential homeowners with their insurance premiums, as well as, business owners. They have built a third station and have added personnel. They were also fortunate to have received \$1.5M in grants. However, they are facing the same issues as other departments, including aging apparatus fleet and an increased call volume of 42%. They have cut everywhere possible and need this increase.

Guil-Rand Fire Department

Brian Cox, Guil-Rand Fire Chief, said that Guil-Rand is the largest district in the county, covering 85 square miles, and provides services to 35,000 citizens. He said that last July, Guil-Rand laid off six part-time employees that maintained two full-time positions, which has placed a tremendous burden on the ability to complete the activities needed to maintain the current DOI rating. Call volume has increased by 200 calls since last year. Estimate capital needs over the next 10 years is now over \$6M. Administrative staff has secured a federal grant that will prevent the laying off of any more employees and to hire back the six part-time employees for the next two years. The requested tax increase is supported by adopted resolutions of the City of Archdale, the City of Trinity, and the Archdale/Trinity Chamber of Commerce.

Climax Fire Department

Gary McGee, Climax Fire Chief, via PowerPoint presentation, provided an overview of the fire department and their needs. He said that they have two stations that are staffed seven days/wk. They have seven career, seven part-time and 37 volunteers that provide fire protection for their district, which covers 47 sq. miles. He noted that their medical response, rescue response and hazmat services are not County funded; they provide this with other revenue sources. He also stated that call volume increases at a staggering rate every year. They have the same issues as other fire departments with increasing costs in all areas, including Workers Comp, utility costs, vehicle and fuel costs. They apply for grants and have obtained grant funding in the past. He noted that as good stewards of tax dollars, they have provided audits to the County for over 25 years. They have had a Class 6 DOI rating since June of 2000, which saves homeowners and businesses money. He said they are being graded next week by DOI, and hopes to drop to a Class 5, which will help businesses even more. He noted that their 10-year capital plan shows that even with the requested tax rate increase, they will exceed \$800,000 in debt.

Recess

At 7:50 p.m., the Board took a short recess.

Public Hearing Resumed

At 8:07 p.m., the Board reconvened. Chairman Holmes invited citizen input on the proposed budget.

Craig Frazier, Sophia, NC, said that he had actually come to represent the Randolph County Soil & Water Conservation District, but after hearing from the fire departments, he felt compelled to speak. He said that Westside Fire Department covers his district. Westside Station 16 is two miles from his business and his home, but Sophia Fire Department beats them there, and they are seven miles away. He said there is a problem, and they've been doing it for 15 years, and it needs to be addressed before we give them any more money. He said they need to look at manning the fire department.

Lynn Small, Sophia, NC, said that he had attended the last three Commissioners meetings. He is not in support of raising property taxes during these difficult economic times. Many property owners are elderly or without jobs and can barely make ends meet. People saving for retirement are earning nothing on their investments. County and City Schools have asked for money for such projects as field lights and bleachers, and upgraded restrooms for athletic facilities. The County has built multiple new schools at the requests of the Boards of Education,

and the County has a budget expenditure of \$15M per year, mostly to repay the loans and interest for these schools. He said that the Board recently promised about \$2M to redo Balfour, which will have to be financed also. He's troubled that the schools came to ask for these kinds of capital requests since they're largely responsible for the budget crisis the County finds itself in. Evidently, the schools are tone deaf to the economic conditions the County and the taxpayers are in. He is not opposed to news schools, but he is opposed to funding them without voter approval. He has not seen any marked academic improvement since these schools have been built. More money and newer buildings have not translated to better educated students. He suggests that the schools be placed on a performance-based plan for these types of requested projects, where the County will fund these projects when 95-98% or better of graduates who enroll in college don't have to take remedial classes. He said that we should be more concerned with academics than new facilities and said that new central office personnel or new board of education members might be the answer. He is also concerned that RCC, after getting a ½-cent sales tax, still came asking for more money during these bad economic times. The Sheriff's Department seems as out of touch as the schools are with their major budget requests. He suggested that the Commissioners take the proposed budget without funding any of the additional requests presented during the budget hearings, while at the same time, find additional cuts so that the tax rate remains the same. He is a conservative and thinks the County needs to get back to more conservative footing. He suggested saying "no" often until the County budget is under control.

Faye Cox, 1211 Grantville Lane, Asheboro, NC, said that due to her husband's stroke, his prescription cost is \$326/month, which she is having to figure out how to pay. She suggested that all these people that have asked for money consider the needs of the citizens of the county because everyone has needs. She said that we've all had to cut back and will continue to have to cut back because the man in the White House is an idiot, and we cannot continue paying more taxes. She said that she keeps hearing folks say that they received a grant to save the taxpayers money; don't they know that grants come from taxpayers? She mentioned that the County had promised \$500,000 for a senior center and that the money would have to be borrowed. It would be nice to be able to go, but she can't afford the gas to go. Regardless, she's got to help pay that debt. She know the emergency agencies need a lot of stuff, but we all need stuff, and times are hard for everybody. Her husband's prescriptions are more important to her than a fire truck coming to her house if her house catches on fire. If she needs an ambulance, it will just have to take them longer to get there or she will just have to lay there and die like a lot of people do. When ambulances come, there is a huge bill that follows and some people can't pay that. She has insurance, but insurance is good only if you don't need it. She can't say that the County doesn't need more money; it probably does, but we all do. She said that the Commissioners have saved them for the last several years, but things are not any better. She said that people have said they haven't gotten raises, but neither has she. A lot of people don't even have jobs. They can't buy food or drugs. The newspaper is full of foreclosures. The federal, state and local government depends on the taxpayers, and we are all just drained. She said she saw in the paper that farm deferred was 28%, but when we get rid of our farms we are in big trouble. If we only gained 400 jobs last year, why are we putting more money into RCC? She is so sick of hearing about education; 50% of graduates will not ever find a job in that field. If you increase the tax rate, you'll have more foreclosures and people going without their medications.

Janet Pate, 3901 Hillsdale Park Dr., Sophia, NC, said that she is from an abusive home where her father abused her mother. But it only made her more determined to do better in life

and to not get in the same situation. She didn't have County services to go to to give her a pat on the back and say, "Oh, I'm sorry," and teach her that there is an entitlement program. It made her grow up to be a conservative. Regarding the proposed budget, she said for County employees, the County matches 9% for two retirement plans. Some Sheriff's Dept. employees have four plans. She mentioned that the dues for the NC Association of County Commissioners were \$64,000 and asked if we were getting our money's worth. Regarding schools, 88% of the County's debt is for the schools. She referred to an email that was sent last year asking why the fringes were so high for county management. This time, she got a detailed list showing \$115,000 in the merit pay system, and she noticed that fringes went from \$48,000 two years ago to \$165,000 and then to \$189,000 and wants to know what the merit pay system is. Plus, there is an employee life insurance program of \$16,000. She suggested that insurance and bonds and unemployment insurance be spread over the departments. For Emergency Medical Services, there is allocated three part-time positions. When she totals up the salaries for part-time, it comes up to over \$400,000. She questioned why this was, when there are only three positions. Is the County understating how many employees it has? The FICA expense for Emergency Medical Services is overstated by \$24,000. The Collection Service Fees line item is \$168,000. She knows that last year it was approved to outsource the billing. Were there any positions that were eliminated when this was done? She asked if the County was going to fund the YMCA's request for \$50,000. She's concerned that it might be "snuck in" at the next meeting. When people compare Randolph to Guilford County, they shouldn't because they are nothing alike. She works in Guilford County because Randolph has no jobs. Years ago, there were good jobs in Randolph, but not anymore; nonetheless, we're spending more in government. She disagrees with departments saying that they have cut and cut their budgets. She sees the budgets grow more every year. If Randolph County continues to raise taxes, she will move to Guilford County. She knows she'll pay more, but she said she'll get more. She owns property in Brunswick County and her tax rate is 38¢; she know that's because of the tourism there. We're spending money on tourism in Randolph. She said that we need to go through this budget by line item. The County departments have said that they cut 3%, but then it shows all these salaries, and it appears like the County is trying to keep from showing that we have more employees, and that's deceiving to the taxpayer. She pointed out a \$11,988 item for Administration part-time salaries, but there isn't an allocation for a part-time position. Also, she noted \$9477 for Public Buildings for part-time, but there isn't an allocated position there. She said we need to go through this a little better to see if we can save some more money to get the services we do need. She said our county poverty rate is 17.2%, 20.7% in the city, and the state's is 15.1%. Entitlements mean "give, give, give," or "You build it and they will come." She charged that "You give it and they will come." Regarding the Balfour School issue, she asked, "Since when is property tax supposed to pay for day care services?"

Todd Cutler, 1548 Danny Bell Rd., Asheboro, NC, spoke in support of Randolph County Schools and their proposed budget. He said that education is an investment for our county, as we provide the resources for our students, teachers, and administrators to address the additional costs of rising insurance and retirement costs, upgrades to original high schools, and purchasing land for a new elementary school in the Randleman area. Randolph County Schools has operated lean, imposing creative cost saving measures, and has reduced employment, due to decreased funding from government. If this continues, the quality of education will suffer. We should put our children's needs first. Current children will be the next taxpayers, business leaders, job creators, emergency services personnel, law enforcement officers, etc. Is Randolph County

competitive when compared to surrounding counties relating to local government funding for students? Are facilities adequate? Is technology adequate? Are teacher salaries competitive? He asked the Board to fund the County Schools request for funding.

Laney Preston, 702 Redding Rd., Asheboro, NC, said that she moved here nine years ago with her two children and worked part-time in several different jobs, including the YMCA part-time. When that didn't turn into full-time, she left the YMCA. When she couldn't find a job in Randolph County, she had to resort to taking a job in Florence, SC., where she commuted. She had to leave that job last year because her daughter graduated, but she still cannot find a job anywhere, even with good job recommendations. She is not receiving unemployment. The house that she bought nine years ago for \$194,000 is on the market. She finally had an offer of \$179,000 for it, but just found out it was appraised for only \$173,000, even after \$80,000 of upgrades. She still cannot find a job here. She's had three offers in South Carolina. She thought her tax dollars were for the fire departments and police departments, not for the YMCA, or the Senior Center, or the Arts Guild. These entities can go out into the community and raise their own funds. She asked if they would be giving the YMCA money.

Vice Chair Frye said that it was not in the proposed budget and he doesn't see it being in there.

Commissioner Kemp explained to Ms. Preston that her city taxes pay for her police and fire protection. Ms. Preston said that she understands that, but she believes that police and fire should be the Commissioners' budget priority rather than some of the other organizations that have asked for money.

Assistant County Manager/Finance Officer Will Massie said that the Merit program was suspended in 2008, although it's been budgeted because we had hoped the economy would turn around, but that has not happened. That money has lapsed at the end of each year. There has not been any merit program for County employees since then. He said that we have a few part-time employees that are treated as temporary employees to fill the gap while the Board deals with bigger needs. Emergency Services does have quite a few temporary employees.

Commissioners Kemp and Frye said that the dues to the NCACC have been cut four years in a row. They are very instrumental in lobbying our General Assembly, and, were very instrumental in getting the Medicaid match off the backs of Counties, which has saved us millions of dollars.

Commissioner Haywood said that his understanding is that he has three options to fund the Balfour project: 1) raise taxes, 2) borrow the money, or 3) cut a percentage of the budget. Chairman Holmes said that another option is fund balance appropriation.

At 8:45p.m., hearing no further comments on the proposed budget, Chairman Holmes closed the public hearing.

Adjournment

At 8:45p.m., there being no further business, the meeting adjourned.

J. Harold Holmes, Chairman

Darrell L. Frye

Phil Kemp

Stan Haywood

Arnold Lanier

Cheryl A. Ivey, Clerk to the Board