

June 6, 2016

The Board of Commissioners of Franklin County, North Carolina, met for its Regular Meeting at 7:00 P.M. in the Commissioner's Conference Room located in the County Administration Building with the following Commissioners present: Chairman Sidney E. Dunston, Commissioners John M. May, Don Lancaster, David T. Bunn, E. Shane Mitchell and Harry L. Foy, Jr. Vice-Chairman Cedric K. Jones was absent.

Chairman Dunston called the meeting to order and asked the Board to remove Item I-A from the consent agenda.

Commissioner May made the motion to remove Item I-A, seconded by Commissioner Mitchell. The motion duly carried with all present voting "AYE."

Chairman Dunston then asked the Board to consider the addition of a closed session pursuant to NCGS 143-318.11 (a)(3) to the evening's agenda. The motion to add the closed session was made by Commissioner May and seconded by Commissioner Mitchell. The motion duly carried approval with all present voting "AYE."

The Board was then asked to consider approval of the consent agenda.

Commissioner Lancaster made a motion to approve the consent agenda, seconded by Commissioner Mitchell. The motion duly carried with all present voting "AYE."

The following items were approved.

## I. CONSENT AGENDA

- ~~A. Capital Project Ordinance for Phase I Sewer Improvements in Franklinton~~
- B. Capital Project Ordinance for Phase II Sewer Improvements in Franklinton
- C. Home and Community Care Block Grant Funding Plan
- D. Consider TDA (Tourism Development Authority) request to fund an \$8,500 grant for the 2016 Tar River Festival
- E. Consider TDA (Tourism Development Authority) request to fund a \$10,000 grant for the 2016 Norris Creek Concert Season
- F. Authorization for Hale Artificier Fireworks to discharge pyrotechnics on July 2, 2016 at Lake Royale for upcoming July 4<sup>th</sup> celebrations
- G. Budget Amendment #16 (Pursuant to North Carolina General Statute 159-15, the County Finance Officer is requesting a budget ordinance amendment in the amount of \$1,453,149 for the fiscal year ending June 30, 2016 to amend the General Fund and other funds for additional revenue and expenditures where needed.)

## 2. COMMENTS FROM THE PUBLIC

This was the time set aside by the Board of Commissioners to allow individuals five minutes to address the Board on issues concerning the county. No comments were offered.

**Johnny Clifton, 114 Fox Park Road, Louisburg, NC**

- Mr. Clifton spoke on behalf of the Southside Citizen Organization and Getting to Know You of Lake Royale. He presented a petition of approximately three thousand signatures of citizens interested in obtaining answers about the future of the former Franklin Regional Medical Center.

## 3. FRANKLIN COUNTY SCHOOLS CAREER TECHNICAL EDUCATION UPDATE

Franklin County Schools Career Technical Education Program updates were presented by Mrs. Elaine Webb and her team the FranklinBots Robotics Club, founded in the fall of 2014, which is under the FIRST organization. This organization is devoted to helping young people discover and develop a passion for science, technology, engineering, and math (STEM). First robotics, Franklin County Schools and the FranklinBots are all listed as a 501© 3 organization that is open to all Franklin County School high school students.

The U.S. Department of Education announced the launch of the Career and Technical Education (CTE) Makeover Challenge grant. The challenge calls upon eligible high schools to design models of makerspaces that strengthen career and technical skills through making (models of CTE makerspaces). Franklin County Schools, Career Technical Education Director Mrs. Lauren G. Jones along with a team of Louisburg High School academic, technical, VGCC, and Novozymes applied for the STEM MakeOver Challenge grant for \$20,000. This team has now entered into the second round in this challenge called Bootcamp. This grant will transform a former foods/science lab on the campus of Louisburg High School into a STEM MakeOver Science lab that will serve as an open lab for students to peak their interest in science, biotechnology, and other STEM related fields. It was noted community buy-in is important as the space is transformed.

#### 4. LEASE AGREEMENT: TAR RIVER CENTER FOR HISTORY AND CULTURE FOUNDATION

Representatives of the Tar River Center for History and Culture Foundation presented a proposal concerning the stabilization of the old county jail on East Nash Street in Louisburg. The Board was asked to consider a lease agreement with the foundation for use of the property. The cost of the repairs is \$60,000. The 2016-2017 budget includes \$30,000 toward the cost of the project.

Foundation member Felix Allen suggested a two-year lease would provide ample time for stabilization of the structure in order to prevent further deterioration of the site to include work on the roof, windows, porch and basic cleaning of the structure. He said other items will be examined on the inside. Already, he said, the Town of Louisburg had committed to financial assistance as well as other interested groups. Mr. Allen suggested it was likely stabilization could be complete within one year.

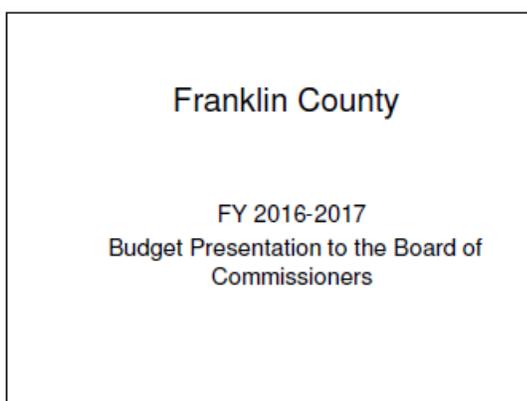
Commissioner Lancaster made a motion to approve a lease agreement with the Tar River Center for History and Culture Foundation. The motion was seconded by Commissioner Foy and duly carried approval with all present voting "AYE."

County Attorney Pete Tomlinson was tasked with creating the lease agreement.

Commissioner Mitchell asked that anyone conducting work on the facility show proof of liability insurance.

#### 5. 2016-2017 BUDGET PRESENTATION

Finance Director Mitchell Robinson shared the following presentation with the Board revealing staff's budget proposal.



<u>Total Funding for all Funds</u>	
● General Fund	\$ 76,593,786
● Public Utility Fund	\$ 9,410,354
● Solid Waste Fund	\$ 3,596,930
● Fire Protection Fund	\$ 3,470,543
● Emergency 911 Fund	\$ 393,027
● Drug Enforcement Fund	\$ 7,500
● Capital Reserve Fund	\$ 3,400,000
● Hospital fund	\$ 963,000
● Total Proposed	\$ 97,835,140

### Franklin County – General Fund Recommended Budget Fiscal Year 2016-2017

FY 2016 - 2017 Requested Budget	\$ 78,441,146
FY 2016 - 2017 Recommended Budget	\$ 76,593,786
<b>Difference</b>	<b>\$ 1,847,360</b>

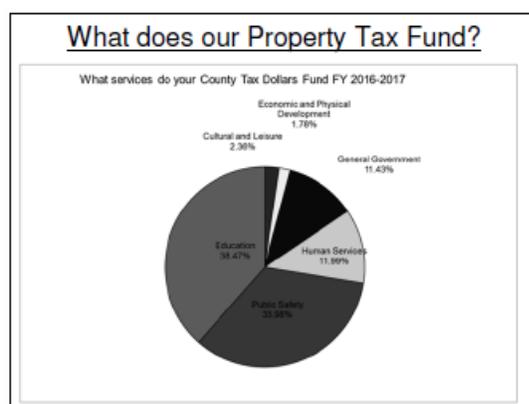
Proposed Budget keeps property tax rate at 92.50

One cent generates \$451,500

### Total Funding for General Fund

- Proposed Category Funding:
- General Government \$6,902,184
- Public Safety \$23,614,088
- Economic and Physical Development \$1,773,612
- Human Services \$19,029,477
- Cultural and Leisure \$1,432,801
- Education \$23,841,624

• Total Proposed - \$76,593,786



### 2015-2016 Current Budgeted Revenues compared to Proposed 2016-2017

Department	2016	2017	Difference
Sales and Use Tax	6,037,221	7,819,859	1,782,638
Property Taxes	40,494,480	41,767,571	1,273,091
DSS State Reimburse.	4,257,785	4,345,832	88,047
Transfer – Capt. Rev.	2,900,000	3,400,000	500,000
EMS Medicare/caid	945,000	1,300,000	355,000
Fund Balance	1,614,083	0	(1,614,083)
Jail Fees	1,447,276	1,300,000	(147,276)
Special Revenue-Hospital	0	600,000	600,000

### Fund Balance position based on estimate for FY 2015-2016

- Total Fund Balance 6/30/2015 \$24,862,691
- (less) Est. Required Reserves by Statute: (\$9,770,351)
- (less) County Earmarked Reserves ( 2,983,389)
- (less) FYE 2016 Fund Bal. Appropriation 0
- (add) Revenues over Expenses 2,013,344
- Projected Undesignated Fund Balance \$14,122,295
- Using 2016 GF Budget of \$ 76,593,786
- **Est. % of Undesignated Fund Balance** **18.44%**

### Departmental Total Budget Comparison

Department	Original - 2015-16	Proposed 2016-17	Difference
Capital Improvements	200,000	525,000	325,000
Maintenance	938,328	1,092,282	153,954
Sheriff	6,529,626	7,244,069	714,443
Animal Control	479,299	580,292	100,993
Jail	3,352,241	3,712,736	360,495
Communications-911	1,307,634	1,443,565	135,931
Education – C. E.	14,472,841	15,265,283	792,442
Education - Capital	1,100,000	1,448,100	348,100

### Capital Funding :

- Capital Improvements – \$525,000
- Board of Elections – Voting Equipment \$125,000
- Vehicles: \$1,063,134
- Tax Assessor \$ 20,000
- Inspections \$ 48,000
- Recreation \$ 40,000
- Maintenance \$ 27,500
- Sheriff's Office \$ 425,000
- EMS – Two Ambulances - \$ 400,000
- Animal Control \$ 26,724
- Soil & Water \$ 30,910
- Social Services \$ 45,000

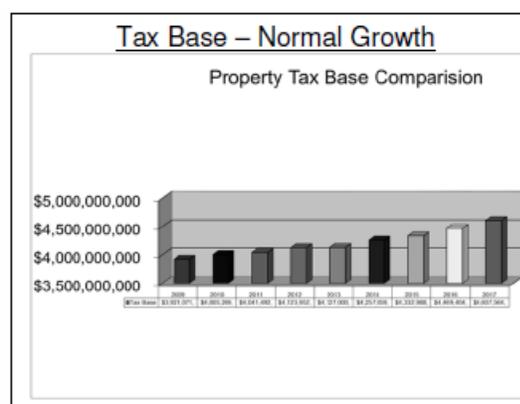
### Funding Increases

- Implement Option 2 of Salary Study 1/1/2017  
\$500,000 (\$407,000 plus matching benefits)

Would bring employees within the minimum range or 2% increase for those currently within range.  
Full year cost would \$813,884, with matching benefits would be aprox. \$965,250

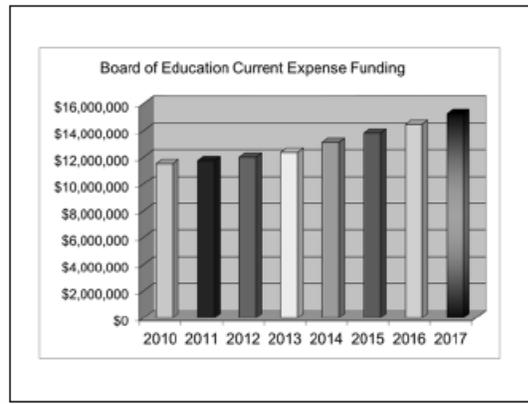
### Tax Base – Normal Growth

- FY 2016-2017 Budgeted Tax Base \$ 4,607,564,371
- FY 2015-2016 Budgeted Tax Base \$ 4,469,404,390
- **3.1% increase in tax base**
- Tax Collection Rate for 2014-2015 was 98.25% rate.
- Budgeted Current Taxes for FY 2016-2017 \$ 41,767,571
- Budgeted Current Taxes for FY 2015-2016 \$ 40,494,480
- **Additional Revenue from Property Tax** **\$ 1,273,091**



**Education Request**

- **Board of Education:**
- FYE 2016 - Current Expense Funding - \$ 14,472,841
- Proposed FYE 2017 - 15,265,283
- Additional Funding \$ 792,442
  
- FYE 2016 - Capital Expense Funding - \$ 1,100,000
- Proposed FYE 2017 - 1,448,100
- Additional Funding \$ 348,100
  
- **Total Board of Education Increase \$ 1,140,542**



**School Bond Funding Proposed**

- Issue \$11,400,000 in School Bonds for various capital projects by 1/1/17.  
Interest Payment 6mos. - \$177,000
- Debt Service required to fund projects for full year 2017-2018:  
  
\$925,000

**Water and Sewer FY 2016-2017 Proposed Budget**

- Proposed Operational Expenditures: \$ 7,310,762
- Proposed Debt Service 2,099,592
- Total Proposed Expenditures \$ 9,410,354
  
- Current Proposed Revenues \$ 9,410,354
  
- **No appropriated Fund Balance**
- **Water and Sewer Rates are the Same as previous year**

**Water and Sewer FY 2016-2017 Proposed Budget**

- Includes \$327,757 for debt service for the Franklinton Acquisition
- \$118,000 for construction and repair needs
- \$204,600 for equipment and capital outlay

**Solid Waste FY 2016-2017 Proposed Budget**

- Proposed Operational Expenditures: \$ 3,596,930
- Current Proposed Revenues:
  - Tipping Fees - \$ 1,300,000
  - Solid Waste Availability Fee \$ 2,015,106
  - Misc. \$ 164,190
  - Appropriated Fund Balance \$ 117,634
  - Total Revenues \$ 3,596,930

Solid Waste Availability Fee proposed to remain at \$80.  
Tipping Fees to remain the same.

**Fire Departments**

Proposed Budget Contains a Franklinton Fire rate increase from 5.5 cents to 6.25 cents as requested by the Franklinton Fire Department.

**Fire Protection**

Department	Last year	Recommended
Central Fire District	230,000	235,026
Epsom Fire District	92,500	100,000
Gold Sand Fire District	61,000	61,000
Justice Fire District	120,000	130,350
Kittrell Fire District	1,000	1,000
Pilot Fire District	219,343	224,277
White Level Fire District	87,000	87,000
Michiners Fire District	142,500	142,500
Hopkins Fire District	19,500	20,500
Franklinton Fire District	220,000	240,824
Youngsville Fire District	1,428,000	1,540,866
Bunn Fire District	567,000	626,000
Castalia Fire District	1,200	1,200
Centerville Fire District	60,000	60,000
<b>TOTAL</b>	<b>3,249,043</b>	<b>3,470,543</b>

**Total Funding for all Funds**

- General Fund \$ 76,593,786
- Public Utility Fund \$ 9,410,354
- Solid Waste Fund \$ 3,596,930
- Fire Protection Fund \$ 3,470,543
- Emergency 911 Fund \$ 393,027
- Drug Enforcement Fund \$ 7,500
- Capital Reserve Fund \$ 3,400,000
- Hospital fund \$ 963,000
  
- **Total Proposed - \$ 97,835,140**

**Questions!**

Following the presentation, Commissioner Foy made a motion to call for a public hearing on the budget to be held on June 20, 2016. The motion was seconded by Commissioner Lancaster and duly carried approval with all present voting "AYE."

A budget work session will be held on June 15, 2016 at 2:00 P.M. at the County Administration Building.

## 6. OTHER BUSINESS

- Franklinton Utility System Update

## 7. BOARD, MANAGER, AND CLERK'S COMMENTS

This was the time set aside for the Board of County Commissioners, the County Manager, and the Clerk to the Board to report on various activities. The Board may also discuss other items of interest.

**County Clerk Kristen G. King:** No comments were offered.

**Commissioner Foy:** Commissioner Foy asked for an update on the status of the former Novant Franklin Medical Center and extended an invitation to a Father's Day Celebration on June 17, 2016 at the Franklinton Senior Center.

**Commissioner Bunn:** No comments were offered.

**Commissioner May:** Commissioner May attended several recent events including County Assembly Day (sponsored by the North Carolina Association of County Commissioners), the State of the Region address, White Level Fire Department Board Meeting and meeting of the Department of Social Services Board.

**Commissioner Jones:** Commissioner Jones was absent.

**Commissioner Mitchell:** No comments were offered.

**Commissioner Dunston:** No comments were offered.

**Commissioner Lancaster:** No comments were offered.

**County Manager Angela L. Harris:** Mrs. Harris introduced Mr. Doug Buttram, the county's new Maintenance Director.

## 8. CLOSED SESSION

The Board was asked to enter into closed session pursuant to NCGS 143-318.11 (a)(3).

Commissioner Mitchell made the motion to enter into closed session, seconded by Commissioner May. The motion was approved 5 to 1, with Commissioner Foy voting "NO."

No action was taken following closed session.

Commissioner Foy then made a motion to enter back into open session, seconded by Commissioner May. The motion duly carried approval with all present voting "AYE."

At 9:21 P.M., Commissioner Mitchell made a motion to adjourn, seconded by Commissioner May. The motion duly carried approval with all present voting "AYE."

---

Sidney E. Dunston, Chair

Kristen G. King, Clerk to the Board