

June 3, 2002

The Board of Commissioners of Franklin County, North Carolina, met in Regular Session at 7:30 P.M. in the Commissioners Meeting Room located in the County Administration Building with the following Commissioners present: Chairman John R. Ball, Vice Chairman Robert L. Swanson, Commissioner Harry L. Foy, Jr., Commissioner Edward G. Strickland, and Commissioner George T. Wynne.

1. Consent Agenda

Upon motion by Chairman Ball, seconded by Commissioner Strickland with all present voting "AYE" duly carried the following Consent Agenda Items approved:

- A. Approval of minutes of meeting held on May 20, 2002
- B. Acceptance of Tax Collector's Report for the month of April
- C. Approval of Releases & Refunds for the month of April
- D. Approval of CP&L easement – Franklin County Park power line.
- E. Budget Amendment #14 – year end adjustment
- D. RTRP Board reappointment – Lee Yarbrough 6/02 to 6/04

1. E-Communities – Ms. Lucy Allen, Local Champion

Ms. Allen presented the Franklin County E-Communities Strategic Plan to the Board. The committee has endeavored to follow the guidelines set by the Rural Internet Access Authority, while at the same time providing accurate data about Franklin County coupled with a needs assessment and plan of action for creating a true e-community. During the Needs Assessment process, the e-Franklin Steering Committee identified areas to be address in the e-Franklin Strategic Plan:

- ◆ The telecommunications providers currently underserve Franklin County. Sprint has been slow to install the equipment necessary to provision DSL on a widespread basis. Time Warner customers can subscribe to cable modem service.
- ◆ The local Chamber of Commerce office could be a location for a public access point for the visitors as well as the local residents.
- ◆ The Franklin County Libraries have become an Internet usage site either for citizens without Internet connectivity or those desiring a higher speed than available at their homes. Additionally there is a high incidence of beginning users visiting these locations. Much of the library's personnel are engaged in on-going computer and Internet training during the day. Providing training would accomplish basic goals of the RIAA.
- ◆ The Franklin County Airport, a County-owned, FAA general reliever facility could be a public access site.
- ◆ The committee has determined that the presence of a wireless high-speed Internet network would be of great importance to the underserved areas. The committee supports such an effort and is actively seeking a wireless project initiator.

- ◆ Franklin County maintains an official government web site. None of the towns in Franklin County maintain a web site. The committee recommends that the towns should investigate the creation of an official government web site and have someone to maintain it once it has been set up.

MINUTES OF MEETING OF JUNE 3, 2002---continued

The grant needs for the Public Access Points is \$12,000. The Committee also identified a need in Franklin County for Digital Literacy Training at each of the library branches. The total for this grant initiative is \$20,000.

Ms. Allen thanked all those who served on the e-Franklin Steering Committee. The committee recommends to the Board that the County provide funds for an Information Technology Office and to continue this plan. Dr. Ball thanked Ms. Allen and the committee.

1. Water Line Extension to Enertia Building Systems

Mr. Ronnie Goswick, Franklin County Economic Development Director, was in attendance to request the Board to approve a request from Enertia Building Systems, Inc. to use the County’s Water & Sewer Extension Policy for water line extension to their building. This is a Log House manufacturer, which will employ twenty people and be a 1.5 million-dollar investment to the County. In accordance with the policy, bids were obtained:

Ralph Hodge Construction	\$17,610.00 Construction \$ 1,761.00 Contingencies <u>\$ 1,761.00</u> Engineering and Inspections \$21,132.00
Welcher Utility Company	\$28,560.00 (includes contingencies, engineering and inspections)

Upon motion by Chairman Ball, seconded by Commissioner Strickland, with all present voting “AYE” duly carried the approval to accept the low bid and award the contract to Ralph Hodge Construction for the water line extension to Enertia Building Systems, Inc. in the amount of \$21,132 contingent upon Enertia signing a contract with the County.

Upon motion by Commissioner Strickland, seconded by Commissioner Wynne, with all present voting “AYE” duly carried the approval of Budget Amendment #15 to amend the general fund to provide funding for the installation of a water line for the Enertia Building Systems Project. This Project was previously approved at the October 1, 2001 meeting.

2. Presentation of Manager’s Recommended Budget for Fiscal Year 2002-2003.

Chairman Ball stated the three functions of the Board’s responsibilities in reference to the budget: 1) establishment of overall fiscal policy through its budgetary powers; 2) regulation of private conduct through its ordinance-making powers; and 3) general administration.

County Manager Richard Self presented the Proposed Budget to the public.

He stated that this is a Program/Service Budget and the bulk of the budget is in the General Fund (property taxes, education, human resources and safety). Budget considerations were focused on service delivery, emphasis on coordination of service delivery across departmental lines of authority, examine services provided and re-evaluate the need, justification and clients served, and examine the level of services provided and explore alternatives.

Changes in the budget include:

- Social Services In-Home Aide Program - moved to the private sector
- Non-profit agencies - all outside agencies reduced 2%; Safe Space, Forestry Service, Arts Council, Mental Health, Volunteer Center, Franklin-Vance-Warren Opportunities

MINUTES OF MEETING OF JUNE 3, 2002---continued

- Aging - reduced meals and transportation to four days per week
- Adjusted Fire Tax Rate on several departments reflecting loss of tax base
- First Responder Program - three of eleven departments received General Fund appropriations to assist volunteer fire departments; these expenses have been shifted to the volunteer fire departments
- Libraries - bookmobiles reduced to three days per week; reallocation of full time staff to cover loss of funding; and the libraries can anticipate losing more funds from the State, possibly another 11% cut
- Health Services - limiting adult female health to Medicaid patients
- Board of Elections - budgeted for three elections rather than two due to court actions at the State level
- Solid Waste – reduce days of operation (Monday, Wednesday, Friday and Saturday, at least twelve hours per day), this would be a cost savings in excess of \$85,000; County to operate sites at end of current contract; fees for household trash outside of the towns is increased to equal the town's rate of \$43.45/ton; elimination of the 8 cent Sanitation Tax
- Education – increase current expense by 9.71%, \$933.25 per student to \$988.48 per student (this includes Royal Elementary School); Capital Outlay recommended as requested; Vance-Granville-Franklin Community College to get 2% below the requested amount
- Personnel – new positions – one Telecommunicator, one Animal Control Officer, one Building Inspector III (expense covered by fees), and ½ Zoning Code Enforcement Officer (shared with Louisburg). Nineteen County positions have been eliminated.

In regards to State reimbursements, the County has almost \$1 million dollars at stake. To protect the County's operations, these funds were budgeted in two areas – Capital Reserve and Employee 1.5% market adjustment and pay/classification study.

The proposed Consolidate Tax Rate is 99.95 cents. Currently the Tax Rate is in two parts: the Solid Waste Tax (8 cents) and the Countywide rate (94.5 cents) for a total of \$1.025 for those living outside the town's limits. Those inside of the towns do not pay the Solid Waste Tax but do pay a higher trash disposal fee (\$43.45/ton). County residents have been paying \$15/ton, which is being increased to a countywide fee of \$43.45/ton.

Additional changes in fees include: Library fees, recreation fees, building inspection and solid waste. Another financial impact is Medicaid which has increased 21.7%. The County pays the match on this program which has been increasing at an alarming rate over the past years. In 1985 the County paid \$203,805 and in 2003 the County will pay \$2,800,000.

As for education, Franklin County rates 19th in debt service expenditures, 24th in total capital expenditures, 38th in total school resources, and 54th in current expense. The proposed budget includes almost \$8,000,000 for current expense. The proposed budget appropriates funds at 2% below the amount requested for the community college.

County Manager Self stated that there are many needs that are not being met with the proposed budget. The Board of Elections needs more space; the Human Service building needs renovations; additional personnel are needed by various departments, and funding is needed for a Long Term Capital Improvements Plan.

MINUTES OF MEETING OF JUNE 3, 2002---continued

He also stated there are other unmet needs. Information Technology - with the growth in the use of computers and the web site, an individual with computer technology background would save the county funds by coordinating all purchases and maintaining the equipment we have. Human Resources – with 500 employees, it is difficult to ensure compliance with all federal and state laws, rules and regulations. Assistance with employee relations and finding ways to save on employee benefits. Contingencies – the proposed budget does not include a Contingency Fund. Without a Contingency Fund the “best guess” by staff on what will take place in the fifteen months following preparation of the budget.

1. Public Hearing – Proposed Fiscal Year 2002-2003 Budget Comments

Chairman Ball declared the hearing open.

The following individuals made public comments:

Sarah Strickland, 413 Mallie Pearce Road, Zebulon, NC

Spoke on behalf of her husband's business, S & W Garbage Collection; said they have been in business for sixteen years and the proposed budget changes for Solid Waste fees will affect them and their customers; stated that the outside of the towns increase equal to the town's rate of \$43.45/ton is almost triple the cost for them; the outside of town citizens are being penalized because they choose a private hauler to pick up their garbage; stated Waste Management does not pay the tipping fee for the convenience centers; this proposed increase will run small businesses like them out of business.

Grady Macon, 1825 Tarboro Road, Youngsville, NC

Mr. Macon commended the Board and County Manager Self on the proposed budget; stated this one was a better job, he has kept a copy of each year's budget. He questioned the tax values on property; County Manager Self explained the North Carolina Law regarding the eight year revaluation.

Clareese Moss, 634 New Bethel Church Road, Henderson, NC

Ms. Moss spoke on behalf of the Epsom First Responders; she stated they responded to 150 calls in Franklin County last year; even though they can not transport people they ride with EMS staff and work as a team; Epsom gets \$13,109.04 from Franklin County at this time and ask that the funds remain the same; she stated that the Bunn Fire Chief does not want the Fire Tax Rate increased.

Karl Pernell, Mayor, Town of Louisburg

Mayor Pernell spoke in regards to the Solid Waste fee increase; said citizens of Louisburg township should be treated like any other citizens in Franklin County; Louisburg takes their garbage to Oxford and Henderson and to Franklin County on holidays; felt like the proposed fee increase was on the wrong track and the Board needed to take a second look.

With no further comments from the public, Chairman Ball closed the Public Hearing. He stated he would ask for approval of the proposed budget at the next Board meeting.

2. Public Comments

Chairman Ball read the rules on public comments. Commissioner Foy questioned the rules read by Chairman Ball on "disruptive behavior" and asked what this meant. Chairman Ball stated the Board of Commissioners' meeting is for the purpose of conducting business. He spoke of personal comments made regarding Commissioners at the last two meetings. Chairman Ball stated he

MINUTES OF MEETING OF JUNE 3, 2002---continued

supports public comments and asked for appropriate comments to be made and for the Board to move on in a positive manner.

The following individuals made public comments:

Ann Marie Della Morte, 80 Fiddlers Drive, Youngsville, NC

Concerned citizen regarding Woodlief Grading Company being in violation of the law in regards to illegal burning and contaminating the water due to run off with no erosion control. Ms. Della Morte presented a packet to the Board to be given to the Planning Board. This packet included a letter from the State of North Carolina Environment and Natural Resources addressed to Mr. Woodlief in reference to the violations, and a memo from Batton and Guin , Attorneys at Law, addressed to Matthew Livingston, Planning and Inspections Director for Franklin County, in reference to a Rezoning Request and Potential Spot Zoning for Woodlief Grading.

Gilbert Silva, 78 Walter Grissom Road, Kittrell, NC

Mr. Silva asked the Board for an update on the Wynne investigation. Wanted to know if there was written documentation from the County Attorney to the District Attorney asking for the investigation. Chairman Ball stated that there was no documentation provided and County Attorney Darnell Batton stated there was no document necessary for this action; he verbally spoke with the District Attorney and this matter was already addressed and there was no need for formal response from the District Attorney.

Mary Jane Jennings, 566 Jones Chapel Road, Louisburg, NC

I particularly appreciate the public comment period initiated by Chairman Ball and the

Commissioners because it saves the Board's time and it saves agenda time for formal reports and requests for action. Last week the New York City Council heard dozens and dozens of people speak during their Public Comment period on plans for rebuilding on the World Trade Center site. Not one single person was rude or accusatory. Freedom isn't free. It requires responsibility, dedication, and hard work. It means listening and discussing and sometimes compromising on a variety of difficult issues. It does not mean doing or saying whatever one pleases. That is anarchy. And it doesn't mean intimidating anyone who holds a different opinion. That is a version of terrorism. I'm not sure that I think you should put up with the attacks and rudeness of the last few weeks any longer, but I hope you will give us another chance. Public comment gives us all the opportunity to hear and consider new ideas - a precious component of freedom and one we should all cherish and respect.

Karl Pernell, Mayor, Town of Louisburg

Mr. Pernell spoke to the Board regarding placing a Solid Waste Convenience Center near Louisburg; the receptacle at Town Hall is overloaded; the one at the Moose Lodge was done away with; one is needed on the east side. He also spoke about the Bike Trail. Said there was a \$450,000 grant; Louisburg has to put up \$50,000 and they need help from Franklin County. Joyner-Hicks Park is getting a \$250,000 grant and Louisburg has to match. They asked the County for \$50,000 last year and did not get so this year they are asking for \$100,000. He stated that 65% of the children that use these facilities are from the County. Stated that the children are our future and we need to provide for them.

Chairman Ball to discuss the Convenience Center with the Board.

MINUTES OF MEETING OF JUNE 3, 2002---continued

Ralph S. Knott, 310 Edward Lane, Louisburg, NC

Mr. Knott thanked the Board for staying focused and looking after the citizens of Franklin County. He also thanked County Manager Self, Angela Harris, Assistant County Manager, Chuck Murray, Finance Director, for their hard work on the proposed budget.

3. Committee Reports

Commissioner Foy, Commissioner Strickland, and Commissioner Wynne reported that they had no meetings scheduled; Commissioner Swanson reported that he attended the Social Services meeting and there were no new items.

Chairman Ball reported on his meeting in Raleigh with the Legislative. He reported to them that it has taken a lot of years to build the services we have in the County and how quickly they can dissolve; the County had already been asked to pick up services from the State and Chairman Ball stated that we cannot pick up these costs. Does not know what else to expect from the State as far as the budget.

Commissioner Foy asked Chairman Ball if another budget workshop was needed.

A request for a motion was made by Commissioner Foy to hold another budget workshop.

Upon motion by Commissioner Foy, seconded by Commissioner Strickland, with all present voting "AYE" duly carried the Board hold a second budget workshop, June 17, 2002 at 5:00 p.m.

4. **Manager's Report**

County Manager Richard Self reported the following to the Board:

Holland Consulting Planners, Inc.

NC Housing Finance Agency – anticipates completion by June 30, 2002

Crisis Housing Assistance Program

3 of 3 repairs completed; 11 of 15 replacements completed

Other Counties – 5 of 7 repairs and 1 of 3 replacements completed

Mr. Self reported on the NCACC Legislative Briefing held in Raleigh May 29, 2002:

- **Additions to 2002-03 revenue**

- One-time use of Highway Trust Fund \$100 million
- Suspend Local Government Reimbursements \$333.4 million

- **Governor Easley's Budget:**

- Public Schools Reductions**

- Delay School Bus Replacement \$20.0 million
- Reduce Non-Instructional Support Staff (clerical, custodial) \$46.1 million
- Eliminate Inflationary Increase (Supplies Equipment) \$6.2 million

- Community Colleges**

- Reduce Instructional/Academic Support Supplement \$21.8 million
- Loss of 5,600 instructional positions
- Elimination of 100,000 student slots

MINUTES OF MEETING OF JUNE 3, 2002---continued

- Dept. of Health and Human Services Division of Child Development**

- Reduce local Smart Start partnerships \$16 million
- Reduce State match for Child Care & Development Fund \$500,000

- Division of Public Health**

- Implement \$10 fee per specimen for Newborn Screening \$1 million

- Division of Social Services**

- Eliminate Adult Care Home Resident Assessment Program \$1.1 million

- Eliminate Adult Care Home Case Management Funding \$1.5 million
- Reduce funds to Family Resource Centers (46 centers) \$1.7 million

Division of Medical Assistance

- Allow no new eligible clients for CAP-DA, CAP-MR/DD (Community Alternative Program) \$40.2 million
- Medicaid rate reductions, other eligibility limitations \$20.4 million

Division of Aging

- Reduce Home & Community Care Block Grant \$375,000

Division of Mental Health, Devel. Disab. And Substance Abuse Services

- Reduce Area Mental Health allocations \$38 million

The Governor also proposes \$30 million in expansion: \$28 million for “More at Four” Pre-kindergarten Program and \$2.6 million for TEACH (Teacher Education and Compensation Helps) scholarships. Funds for these two expansion items would come from the Education Lottery.

• **Legislative Options:**

Division of Child Development

- Reduce various Smart Start Appropriations \$32.4 million

Division of Public Health

- Reduce Aid to County Health Departments \$1.0 million
- Reduce Health Promotion Funds to County Health Depts. \$700,000
- Eliminate Infant Formula in WIC program \$355,000

Division of Social Services

- Reduce Aid to County Social Services Administration \$8.0 million
- Eliminate Intensive Family Preservation Services \$1.5 million
- Eliminate Carry-forward funds for Work-First Electing Cos. \$600,000

Division of Medical Assistance

- Reduce Medicaid Drug Dispensing Fee \$5-\$15.5 million
- Reduce Health Dept. Medicaid rates to private provider rates \$2.4 million
- Reduce Area Mental Health Medicaid rates to private rates \$745,000
- Eliminate Case Mgmt. Fees for Carolina ACCESS providers \$8.4 million
- Increase co-payments for Health Choice enrollees \$933,800
- Cut Health Choice coverage for vision, dental, & hearing aids \$4.6 million
- Health Choice premiums using Medicaid provider rates \$8.6 million
- Counties pay 100% non-federal admin. For Health Choice \$1.9 million
- Counties pay 15% non-federal program costs for Health Choice \$5.4 million

Division of Aging

- Reduce Area Agencies on Aging Admin. Funds \$700,000

- Reduce Adult Day Care funds \$700,000

MINUTES OF MEETING OF JUNE 3, 2002---continued

• **Governor Easley's Budget:**

Department of Environment and Natural Resources

- Aid to County Environmental Health \$1.03 million
- Cut solid waste management trust fund \$500,000
- Reduce 2002-03 appropriation to Clean Water Management Trust Fund \$30 million

Department of Commerce

- Reduce state aid to COGs \$102,850

Department of Agriculture and Consumer Services

- Close Robbins lab (Vet Science) \$126,000

Department of Administration

- Eliminate agency for state public television, including Open/net \$1.07 million
- Total positions eliminated 84 (41 filled)

Department of Cultural Resources

- Reduce aid to local public libraries by 11% \$1.8 million

The meeting was recessed until June 17, 2002.

JOHN R. BALL, CHAIRMAN

RICHARD B. SELF, CLERK