

June 17, 2010

The Board of Commissioners of Franklin County, North Carolina, met for a recessed meeting at 6:00 P.M. in the Commissioner's Conference Room located in the County Administration Building with the following Commissioners present: Chair Penny McGhee, Vice-Chairman Sidney E. Dunston, Robert L. Swanson, E. Shane Mitchell, Donald C. Lancaster, David T. Bunn and Harry L. Foy, Jr.

The meeting was the second in a series of sessions scheduled to discuss the proposed 2011 budget.

Chair McGhee called the meeting to order.

1. BUDGET WORK SESSION

County Manager Angela L. Harris and Finance Director Chuck Murray presented the following PowerPoint outlining changes to the original 2011 budget proposal.

Franklin County

Work session on the FY 2010-2011
proposed budget.

Budget Schedule

- **June 17, 2010** – conduct budget work session if necessary.
- **June 21, 2010** – Goal is to Adopt Budget

Changes to current proposed budget

EMS – Ambulance Service - Elimination of 4 proposed position paramedic positions – Cost Savings of \$178,140

Adding the \$178,140 to part-time salaries to accomplish the following:

Covering for White Level Rescue on weekends - \$40,000

Taking Supervisors off ambulance - \$78,700

Remainder to part time salaries to cover Vac, sick, and other needs. \$59,440

No net change to budget

Career Advancement Program

- Career Advancement is budgeted for all staff that are currently eligible this year as well as staff that did not receive it last year.
- This puts the county back on the normal rotation. Staff that did not receive career advancement last year will also be eligible in FY 2011-2012 to keep the program on track.
- The total cost of the Career Advancement Program for FY 2010-2011 is \$446,346. This includes all costs such as FICA Tax, etc.
- The difference in the two cycles is as follows: 212 employees would be eligible for FY 2010-2011 that were not eligible last year. If you decided to delay career advancement for those employees, it would save approximately \$200,000.

Other requested items for consideration

- **Franklin County Arts Council** has requested \$10,000, the Manager is asking the BOC to consider appropriating \$5,000. The BOC funded the Arts Council with \$5,000 last Fiscal Year.
- **Sheriff Sub Station** – The Sheriff has requested to open a sub station in the Bunn area. The cost of adding this back to the proposed budget is \$46,277.
- **Water Rates** – Town of Franklinton's proposed rate has been decreased from \$6.65 to \$5.75. County staff and Town staff continue to negotiate.

□ **Savings to date: \$112,500**

Other requested items for consideration

- **EMS Incentive Program** – The Program was established in 1998 and the distribution methodology (50/30/20) has not been updated in 12 years. In 1998, the County was answering about 50 % of the calls. That pattern has changed dramatically and now the County answers 90+% of all calls.
- **Other Commissioner Questions????**

One recommended change included eliminating four proposed paramedic positions at a cost savings of \$178,140 then adding that savings to part-time salaries without a net change to the budget. Doing so would provide weekend coverage for White Level Rescue, remove Supervisors from ambulances and cover vacation time, sick time and other needs.

The Board was asked to consider options for the Career Advancement Program which is available for staff on a two-year rotation. Currently the program is budgeted for all staff that are currently eligible this year as well as staff that did not receive career advancement last year. This option would place the County back on the normal rotation. The total cost of the Career Advancement Program for FY 2010-2011 is \$446,346. It was noted that if the Board elected to delay career advancement for those who were not eligible last year, an approximate \$200,000 savings would be realized.

Commissioner Dunston made a motion to delay career advancement another year, seconded by Commissioner Mitchell. The motion carried 6 to 1, with Commissioner Swanson voting "NO."

Bryce Mendenhall, Public Utilities Director, asked the Board to reconsider its decision and take into consideration the County faces a substantial amount of debt next year that could once again threaten career advancement. He pointed out that employees will already be affected by new adjustments in health insurance. No action was taken on Mr. Mendenhall's request.

Another topic of discussion was funding provided to the Franklin County Arts Council. The group requested \$10,000, however the County Manager's recommendation was \$5,000, the amount equal to the allocation in the current fiscal year.

Commissioner Dunston then made the motion to appropriate \$5,000 for the Arts Council, seconded by Commissioner Swanson. The motion duly carried with all present voting "AYE."

Franklin Granville Vance Partnership for Children (Smart Start) requested \$5,000 to be used for matching funds. They submitted their request well after the budget process had started and provided inadequate documentation supporting the request. Mrs. Harris recommended against funding the request in light of the above.

The Board was also asked to consider a request by Sheriff Pat Green to open a substation in the Bunn area. The cost of adding the request back to the proposed budget was \$46,277. The Board did not vote on this item, but requested additional information before making a formal decision. It is expected to be discussed again at the Board's June 21, 2010 meeting.

Another topic of discussion was the increase of water rates from the Town of Franklinton. The rate has now been decreased from \$6.65 to \$5.75. County and Town staff are continuing negotiations on the rate.

Other requested items for consideration included the Emergency Medical Services Incentive Program. The program was established in 1998 and the distribution methodology (50/30/20) has not been updated in 12 years. In 1998, the County answered approximately fifty percent of the calls. That pattern has dramatically as the County currently answers over ninety percent of all calls.

Following an inquiry from Commissioner Foy regarding changes in health insurance coverage, Human Resources Manager Kelly Faulkner presented a brief summary on the two plans that are available to employees.

Blue Options - Low

Service Category	Current Plan	New Plan (July 2010)
Emergency Room Co-Pay	\$150	\$200

Blue Options - High

Service Category	Current Plan	New Plan (July 2010)
Physician Office Visits Co-Pay	\$10	\$20
Specialist Office Visit Co-Pay	\$20	\$40
Emergency Room Co-Pay	\$150	\$200
Deductible (Hospital Based Services)	\$250 one person \$500 - two or more	\$500 - one person \$750 - two or more

Co-Insurance after deductible (Hospital Based Services)	100% after deductible with \$0 out-of-pocket maximum	10% after deductible with \$1,000 out-of-pocket maximum for individual and \$2,000 for 2 or more covered individuals
Prescription Drugs	\$5/\$15/\$30/25%	\$10/\$20/\$30/25%

Benefits will pay 90% after deductible and coinsurance for In-Network services and 70% for Out of Network services as of 7/1/2010. Services no longer covered at 100% after deductible.

It was stated that a workshop will likely be held in the near future regarding Capital Improvements. The object of the workshop will be to prioritize capital needs and then to begin looking for revenue sources.

The proposed 2011 budget does not include a tax increase. Changes discussed will be incorporated into the budget with the expectation the budget will be adopted at the Board's next regular meeting on June 21, 2010.

2. CLOSED SESSION

The Board was asked to enter into a closed session pursuant to G.S. 143-318.11 (a) (3) to consult with an attorney employed or retained by the public body in order to preserve the attorney-client privilege between the attorney and the public body, which privilege is hereby acknowledged.

Commissioner Swanson made the motion to enter into closed session, seconded by Commissioner Dunston. The motion carried 6 to 1, with Commissioner Foy voting "NO."

At approximately 9:05 P.M., Commissioner Dunston made the motion to enter back into open session, seconded by Commissioner Lancaster. The motion duly carried with all present voting "AYE."

No action was taken.

Commissioner Dunston made a motion to adjourn, seconded by Commissioner Mitchell. The motion duly carried with all present voting "AYE."

Penny McGhee, Chair

Kristen G. King, Clerk to the Board