

MINUTES

**STATE OF NORTH CAROLINA
COUNTY OF HENDERSON**

**BOARD OF COMMISSIONERS
MAY 23, 2005**

The Henderson County Board of Commissioners met for a special called meeting at 6:00 p.m. in the Commissioners' Conference Room of the Henderson County Office Building.

Those present were: Chairman Bill Moyer, Vice-Chairman Charlie Messer, Commissioner Larry Young, Commissioner Shannon Baldwin, Commissioner Chuck McGrady, County Manager David E. Nicholson, Assistant County Manager Justin Hembree, County Attorney Russell Burrell, and Clerk to the Board Elizabeth W. Corn.

Also present were: Director of Finance J. Carey McLelland, Budget and Management Director Selena Coffey, and Public Information Officer Chris S. Coulson.

CALL TO ORDER/WELCOME

Chairman Moyer called the meeting to order and welcomed all in attendance. He explained that this was the first of the budget workshops.

FY 2005-06 BUDGET WORKSHOP

David Nicholson started the overview of the budget with Carey and Selena to follow. The County Manager's recommended budget included a four cent property tax increase with enhancements which would increase the tax by up to eight cents, if adopted. He briefly discussed the issue of voting machines for the County. We're not sure of what the State will mandate for voting machines and may not know by the time our budget is adopted. We experienced good growth in our two largest revenues, property tax and sales tax.

Staff reviewed the following:

Revenues

- Property Tax
- Sales Tax
- Fee Increases

Expenditures

- Base Budget
- Personnel
- Compensation Study
- Schools
- Debt Service

Compensation Study

The County Manager recommended funding half the Compensation Study Implementation this year within the base budget with a 1 cent tax increase to implement. He recommended funding the other half of the implementation next year. During discussion some Commissioners felt it should be implemented over a longer period, not 2 years. Several agreed that it should be no more than three years.

Personnel

Mr. Nicholson recommended two telecommunicator positions for the E-911 Center of the Sheriff's

DATE APPROVED _____

Department. He recommended four detention officer positions for the jail which will offset a net decrease in overtime that we won't have to pay. He recommended increased funding for the implementation of the CCP (County Comprehensive Plan). This year we started the first phase of the small area planning process. We will need to continue that into next year. He recommended funding to cover four income maintenance caseworker positions in DSS. The net is offset with state revenues. Also recommended were positions in Inspections and the Development and Enforcement Officer with increased fees covering the positions. Two positions were recommended in Animal Services, to be hired upon the completion of the new shelter with 6 months funding in the budget. Two additional positions were included, debt service and social services for Medicaid.

The base budget was started this year with having to include a 27th payroll which amounts to roughly a 4% increase in the base budget initially. Included is a 2% COLA (cost of living adjustment) increase and pay for performance as well as longevity increase for employees who reach certain marks within their longevity with county government (5, 10, 15, and 20 years).

Schools

Mr. Nicholson reviewed the School's budget with the Board very briefly. He reminded the Board that they do not adopt the school budget by function but rather give them an amount of money and they can administer the budget how they see fit. Their current expense budget is \$15.9 million plus with the total recommended current expense totaling almost \$16.5 million. There are some things on the enhancement list which did not make the recommended budget.

The School's total recommended capital expense budget totaled \$1.6 million which included an offset of funds from the Schools Capital Reserves. Debt Service on capital projects totaled \$7.2 million for a total education budget of \$25,295,463.00.

Department of Social Services

Present for this presentation were: Liston Smith, Director; Peggy Gray; Dave Adams and Lee Luebbe of the Social Services Board.

Liston Smith presented the DSS budget request for \$132 million of which 7% is County and 93% is Federal and State money.

Five million dollars of county money is needed for Medicaid alone. That \$5 million pulls down Federal and State revenue of \$106 million. Medicaid demands 80% of the DSS budget. They have seen a 25% increase in Medicaid this year only.

There is an increase in needs for aging Americans. Medicaid pays for long term care, not Medicare, either Medicaid or private pay. Most people want to stay at home rather than going to a nursing home or extended care facility and Liston stated that we need to figure out a way that can be done and to control the costs.

Liston Smith requested one case manager (revenue available to cover cost/government partnership with Council on Aging), one in-home aide (these 2 work as a team), and one intake worker. These positions are all to assist older people with growing old in their homes or staying at home rather than going into a nursing facility.

He stated that N.C. wages are growing at 2% and health care costs are growing at 11.5%.

Liston Smith discussed mandates, mandates, and more mandates (unfunded), on top of growth his department is experiencing. He requested 7 positions (the County Manager put 4 positions in the base budget), five of those positions are due to four additional mandates, and 2 positions are due to growth (March request revisited).

Public Health Department

Present for this presentation were: Director of Public Health Tom Bridges, Diane Edney, Nursing Director Barbara Stanley, and Environmental Health Supervisor Seth Smith.

Mr. Bridges explained that Public Health is a mandated service. He has been with Henderson County 7 years. He requested funding for a Nurse (Communicable Disease Control) and for an Interpreter (Spanish speaking). The nurse position would require 60% local dollars. His third request was for a contract for a Medical Health Director.

Adjournment

Commissioner Messer made the motion to adjourn the meeting. All voted in favor and the motion carried.

Attest:

Elizabeth W. Corn, Clerk to the Board

William L. Moyer, Chairman