

BUDGET WORK SESSION
MAY 23, 2016

The Pender County Board of Commissioners met in Budget Work Session with County Departments on Thursday, May 23, 2016 at the Hampstead Annex Auditorium, 15060 US Hwy 17 N, Hampstead, North Carolina.

In attendance were: Chairman George Brown; Vice-Chairman Fred McCoy; Commissioners Demetrice Keith, David Piepmeyer, and David Williams; County Manager Randell Woodruff; Melissa Long, Clerk to the Board; Kathy Brafford, Finance Director; Chris King, Senior Accountant; and other staff.

Chairman Brown called the Work Session to order at 4:05 p.m.

Each Department Manager was available to answer questions that the Board may have. Mr. Woodruff had provided advance copies of the recommended Department Budgets.

The following Departments reported:

ITS – At 4:09 p.m. ITS Director Erik Harvey and Mark Mitchell appeared before the Board to answer any questions the Board might have regarding the ITS Budget. Discussion began with equipment lease versus purchase. Discussion also ensued regarding ITS services that have been moved back into the departmental budgets and how that effects both the ITS budget as well as individual departmental budgets. The Board also requested a summary of ITS budget, both broken out as well as under the ITS umbrella for comparison. Upon request of the Board, Mr. Harvey discussed the \$110,000 increase for leasing and equipment. Contracted Services was then discussed. Mr. Harvey also noted that he thought an ITS Department assessment is a great idea and he looks forward to their findings to help improve the ITS department. Lastly, Mr. Harvey gave an update on the ability to use credit cards at the tax office.

Schools – At 4:30 p.m. Dr. Terri Cobb along with the Pender County Board of Education and some of her staff appeared before the Board to discuss the Budget Request from Pender County Schools. Dr. Cobb began by passing out a prepared PowerPoint presentation. Dr. Cobb discussed growth, challenges, bonds, unfunded and underfunded mandates, lottery funds, and specific budget requests for the upcoming fiscal year. Local funds regarding Personnel and Mandates and Services were discussed including: Teacher Supplements, Coaching Supplements, Assistant Principals, Nurses, Substitutes, JROTC, Administrative Personnel, Staff Development, Charter Schools, Telephone, Electrical Services, Water and Sewer, Trash, Contracted Repairs, Postage, Fuel, Internet, Security, and Insurance. Books, Online Classes, and County-wide connectivity were discussed. Growth was also discussed at length. Dr. Cobb also added that they will be coming back to the Board with the growth study and a strategic plan for future growth.

Public Works – At 6:00 p.m. Utilities Director Michael Mack and Administrative Officer Pat Simmons appeared before the Board to answer any questions the Board might have regarding the Public Works Budget. Ms. Simmons presented an organizational chart of the department to the Board and began by discussing the Building Maintenance budget. Howard Holly renovations and issues, Courthouse needs, space needs, and DSS Building issues were discussed at length. It was noted that sky enterprises is where staff orders the chemical for the boiler at the Courthouse. Ditching and prioritization of projects were discussed. Contracting of custodial services was then discussed with regard to savings and human resources. Ms. Simmons also updated the Board regarding the mold issue at the Courthouse and how staff has combated that problem. At 6:41 p.m., Ms. Simmons discussed Mosquito control. She noted the decrease in temporary wages may be an issue depending on the season Pender County has. Supplies were also discussed. At 6:50 p.m., Ms. Simmons discussed Vehicle Maintenance. Ms. Simmons stated that staff has requested \$10,000 for the computer program and that was cut to \$2,000. Ms.

Simmons stated that they will need at least \$3,000 and will be short if the budget is not corrected. At 6:53 p.m., Ms. Simmons discussed Grounds, Temporary Wages, Contracted Services, Supplies, as well as the expansion of Millers Pond Park and Hampstead Kiwanis Park.

The Board took a break from 7:00 p.m. until 7:11 p.m.

Utilities – At 7:12 p.m. Utilities Director Michael Mack appeared before the Board to answer any questions the Board might have regarding the Utilities Budget.

071 – Maple Hill Water: This fund is not subsidized by the General Fund. This system was started in 1992 and currently services 345 customers in the Maple Hill community. Mr. Mack advised that there is no change with this budget.

073 – Maple Hill Sewer: Mr. Mack stated that as residents are passing away, there is more sewer not being used because no one is moving into the property, therefore, this budget has decreased.

072 – Rocky Point/Topsail Water: The treatment plant payment was briefly discussed. Mr. Mack then pleaded his case for more staff. Mr. Mack stated that he requested four positions, but only one was approved. In his eight year tenure, there have only been two added position but the customer base has almost doubled. First, Mr. Mack stated he is requesting a meter reader adding that they have been borrowing a technician from the field to fill in. Next, he requested a technician due to another unfunded mandate that Pender County must participate in NC One Call (811). Before being added to 811, Pender County was getting about 100 locate requests per month. Once Pender County is part of 811, PCU will received locates for every NC One Call plus be charged \$0.80 per call. Mr. Mack then requested a new Clerk for the front office to help with the increased customer base with payments, applications, and requests. Discussion ensued regarding requested positions, funds, and Utilities Fund Balance.

76 – Scotts Hill Water: Mr. Mack stated that there is no rate increase for this budget as it has remained the same and the budget remains the same as the current fiscal year.

77 – Water Treatment Plant: There is no revenue for this account and is covered by the Pender County Fund Balance at this time. This budget was recommended as requested.

78 – Wastewater Treatment Plant: Construction on this plant is almost complete. Mr. Mack added that there should be a ribbon cutting on the facility sometime in August.

Solid Waste – At 7:39 p.m. Utilities Director Michael Mack remained before the Board to answer any questions the Board might have regarding the Solid Waste Budget. Mr. Mack stated that this is an enterprise fund. Due to growth and the gap between the growth and when the revenue is collected, the Solid Waste fee is recommended to be increased from \$185 to \$220 per year. Mr. Mack added that without this 19% increase there would be a \$750,000 shortfall. Extensive discussion of fees and options as well as the correlation between the CO and stickers ensued.

Sheriff – At 7:57 p.m. Sheriff Carson Smith appeared before the Board to answer any questions the Board might have regarding the Sheriff's Department Budget. Sheriff Smith began by discussing personnel requests and passing out a map of calls countywide to show how busy the department is. Sheriff Smith used response times as an example of the personnel requests. Sheriff Smith then discussed opening up the Sheriff's department annex on the East Side. Discussion then ensued regarding Courthouse Security and his request. The Board gave the nod to find \$150,000 to cut and make sure 7 bailiffs are included in the budget for Courthouse Security. Equipment for Courthouse Security and vehicles were then discussed at length. Salary compression was also discussed. Sheriff Smith noted his difficulty in hiring good deputies because of salary constraints. Sheriff Smith then reviewed the Jail and Animal Control Budgets and stated he was okay with the recommended budgets for these departments. Sheriff Smith then discussed the Federal Seizure (Funds 13 & 14). He added that he would like to start a Marine Safety Program with these funds and have both a deputy and a paramedic on the water during the season to assist with Pender EMS. Lastly Sheriff Smith discussed the EM 911 Call Center budget noting that staff is still waiting

on the state to come through for the telephone system. Sheriff Smith ended by inviting the Commissioners to ride along with a deputy one night to get a sense of the routine of working with the Sheriff's department.

Outside Agencies – At 6:15 p.m. the Board discussed the Outside Agency Budget Requests.

- (8:45 p.m.) Willard Outreach – Clifton West, President of Willard Outreach was present to discuss with the Board the budget request for Willard Outreach. Mr. West described the immediate need of Willard Outreach as Liability Insurance. He passed around some pictures of the facility. Mr. West then discussed Upgrades to the facility that are needed as well as the programs that are offered.
- (9:00 p.m.) Cape Fear Community College – Jim Morton, Vice President of Business and Financial Services at Cape Fear Community College spoke regarding their budget request adding that they are working on some upgrades to the facility. The Board agreed that Cape Fear Community College has a great return on investment.

Recess - The Board recessed the meeting at 9:27 p.m. and will reconvene on Thursday, May 26, 2016 at 4:00 p.m. in the Commissioners Chambers in Burgaw.

On Thursday, May 26, 2016, the Board continued their recess until Tuesday, May 31, 2016 at 3:30 p.m.

BUDGET WORK SESSION MAY 31, 2016

The Pender County Board of Commissioners reconvened in Budget Work Session with County Departments on Tuesday, May 31, 2016 at the Pender County Public Assembly Room, 805 S. Walker Street, Burgaw, North Carolina.

In attendance were: Chairman George Brown; Vice-Chairman Fred McCoy; Commissioners Demetrice Keith, David Piepmeyer, and David Williams; County Manager Randell Woodruff; Melissa Long, Clerk to the Board; Kathy Brafford, Finance Director; Chris King, Senior Accountant; and other staff.

Chairman Brown called the Work Session back to order at 3:32 p.m.

The Board began by discussing the proposal of contracting out custodial services. The Board asked Ms. Mulhollen if she was aware of the the issues brought up by Ms. Simmons. She stated she was aware of the issues, also that there was no issue with employee "E" whom Ms. Simmons recommended retaining on staff. Discussion then ensued regarding the use of the Hampstead Annex and wear and tear on the building. Charging a deposit for the use of that building was also discussed. Next, the Board discussed the proposed Solid Waste fee increase, who pays the fee, and options to save on Solid Waste.

At 3:49 p.m., the Board continued the Outside Agency discussion. Bob Holm from the Greater Currie Community Action Group (GCCAG) spoke to the Board regarding their plan and a possible partnership with Pender County. Discussion of Grants, Donations, options, investments, and partnerships that may help the group was discussed. The Board stated that there would not be funding in this fiscal year, but with the suggestions from the Board a plan could possibly be worked out in the future. Discussion ensued regarding other Outside Agencies. The Board requested that the Hwy 17 Association be removed. Ms. Keith asked about Willard Outreach. Ms. Brafford stated that \$3,200 was budgeted in the Parks and Recreation Budget. Discussion then ensued regarding services on the western side of the county.

At 4:17 p.m. Revenue discussion ensued. Mr. Woodruff stated that staff was really conservative with revenue projections for the next fiscal year. He noted a bill that was introduced in the General Assembly and explained

the effects it could have on Pender County. The tier system was also discussed and how to change tiers or appeal Pender County's tier rating. Other topics discussed were a small Fund Balance appropriation, positions, Comprehensive Plan, vehicles, credit ratings, and Beach Renourishment.

At 4:52 p.m. the Board discussed Debt Services. The BASF (Commerce Park Property) is now paid for. Debt service for schools was discussed at length including old bond debt, new bond debt, and tax increase. The bonds for County projects were also discussed.

At 4:58 p.m. the Board discussed Transfers. Mr. Woodruff read through the transfers. The Board discussed the Solid Waste Transfer and the Maple Hill Fire Department transfer briefly.

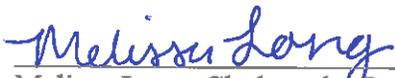
At 5:06 p.m. the Board discussed the Medical Examiner budget. Brief discussion ensued as to who on staff should oversee the Medical Examiner budget as right now Finance is handling this. The various payees for the medical examiner budget and options for the medical examiner were also discussed.

At 5:11 p.m. the Board discussed Industrial Incentives. The Board briefly discussed the Shell Building and its options.

At 5:13 p.m. the Board began wrapping up the discussion beginning with Solid Waste. In regards to Solid Waste, recycling was discussed with regard to costs and options to cut costs. Options for the Shell Building and Office space was then discussed. Options for the Shell Building included a Jail, Courthouse Annex, Health and Human Services Building, and EMS/Emergency Management/Sheriff's Department storage. After extensive discussion, the Board agreed to remove the Bank of America Lease and the Assistant County Manager from the budget and keep the Risk Manager in the Budget.

There being no further discussion, the Budget Work Session adjourned at 5:44 p.m.

Respectfully Submitted,



Melissa Long, Clerk to the Board

Reviewed By:



Ann Jones, Administrative Assistant II