

**CONTINUATION OF THE
MINUTES OF THE MEETING OF THE
ROWAN COUNTY BOARD OF COMMISSIONERS
(FROM JUNE 18, 2001)
JUNE 26, 2001 – 2:00 P.M.
J. NEWTON COHEN, SR. ROOM, ADMINISTRATION BUILDING
*BUDGET SESSION***

Present: Steve Blount, Chairman
Gus Andrews, Vice-Chairman
Arnold Chamberlain, Member
Frank Tadlock, Member
Leda Belk, Member

The County Manager, Clerk to the Board, Finance Director and Assistant Finance Director were also present.

Chairman Blount reconvened the meeting at 2:00 pm and the following were added as additions to the Agenda:

- Discussion on the LLEBG.
- Discussion on the Christmas Tree Light Show.
- Discussion on the NCACC Retreat this past weekend.

PROPOSED BUDGET FOR FY 2001-2002:

Mr. Russell brought the Board's attention to the proposed Budget Ordinances attached to the packets and stated that indications are that, "as we know now," the reimbursements are not at risk. Mr. Russell recommended approval of the budget.

Chairman Blount opened the floor for comments.

MEDICAID WORKERS:

Commissioner Chamberlain made a motion to add two (2) Medicaid positions at DSS at a cost of approximately \$40,000 to the County. Commissioner Tadlock the motion.

Commissioner Tadlock stated that since the reimbursements do not appear to be in jeopardy, he supports this motion. Commissioner Chamberlain added that these two

workers would greatly enhance productivity in this department. Commissioner Belk stated that with the increase in Medicaid of \$1.2 million, these workers would greatly aid in this department.

Commissioner Andrews asked Mr. Russell the difference in volume of Medicaid handled through DSS versus the Health Department. Mr. Russell stated that there is a substantial difference, in that the Health Department has a couple of caseworkers that assist clients in Medicaid eligibility. Whereas, DSS represents *all* Medicaid clients and the Health Department caseworkers assist with clients to expedite the process. All clients could go through DSS.

The motion passed unanimously.

REVIEW OF SCHOOLS:

Mr. Russell reviewed information about schools and a letter sent to Dr. Doby explaining about the state average. Mr. Russell pointed out Section 6 on page 4 the outline for funding to the schools. The charter schools were shown separately in order for the school supply money to be dispersed appropriately. Mr. Russell pointed out that the School Boards are to adopt a resolution that this money would be used for School Supply funds.

Commissioner Tadlock noted that the Board of Commissioner's have commented \$375,000 for school supply funding and the School Board contributes \$325,000 for school supply funding, which come to a total of \$700,000. Each teacher will receive approximately \$500 each.

Chairman Blount added that Rowan County is contributing \$10 more per student than Cabarrus County, which should be commended.

FIRE DISTRICTS BUDGET – FUND 201:

Mr. Russell addressed that there are two fire districts proposing a tax increase, which are South Salisbury and Mount Mitchell. It was noted that this increase was for equipment

Mr. Russell directed the Board to the comparison of fire departments and noted that approximately 90% of the fire department's revenue is the fire tax.

APPROVAL OF THE BUDGET:

Commissioner Chamberlain praised Mr. Russell, Leslie Heidrick, Finance Director and Vicki McCombs, Assistant Finance Director for their work in preparation of the proposed budget with no tax increase.

Chairman Blount reviewed approval of Funds 101-General Fund, 202-Special Fire and Service District Tax Fund, 202-The Emergency Telephone Assistance Fund, 501- The Risk Management Self-Retention Program Fund, 601-The Solid Waste Enterprise Fund,

602-The Rowan Kannapolis Consortium Fund and the two Medicaid Workers with a cost of approximately \$40,000 to the General Fund 101.

Commissioner Chamberlain made a motion to accept the proposed budget. Chairman Blount asked to add language to add that this budget is based on the reimbursements being received from the State or an interim budget.

Mr. Russell stated that if the reimbursements were to “go away,” and taxes were raised, an interim budget might be an option. Mr. Russell stated that if reimbursements were not to be received there would be a cuts in the areas of capital projects, 43 positions would be “riffed,” (5% of the workforce), schools and the community college by 5%, special appropriations by 5%, \$1 million from the fund balance, which would take a two-year period to recover.

Mr. Russell stated that there are 60 counties, to date, that have passed budgets.

Chairman Blount stated that at the NCACC meeting over the weekend was tense and there is concern about the reimbursements. Of the 60% of the counties that have approved budgets, many of these had tax increases. Chairman Blount reiterated his concern to pass an interim budget at the current tax rate.

Commissioner Chamberlain reviewed his motion to approve the budget. Commissioner Tadlock seconded the motion.

Commissioners continued to discuss the prospect of an interim budget. Mr. Russell stated that his recommendation is to pass the budget today.

Chairman Blount made a motion to amend the motion to approve an interim budget. Commissioner Belk seconded.

Ms. Heidrick stated that with interim budget there would be no increases, such as a COLA or merit, until the final budget. When the final budget is passed the increases could be retroactive.

Commissioners continued to discuss this issue.

Commissioner Chamberlain made a motion to call for the question, which died for a lack of a second.

The motion for the amendment did not pass by a 2/3 vote. With Commissioners Blount and Belk voting in favor of the amendment and Commissioners Andrews, Chamberlain and Tadlock voting against the amendment.

Commissioner Andrews commended staff on the job well done for a no tax increase budget, but stated that an increase in fire tax is a tax increase. Commissioner Andrews emphasized that in the future, we are requesting a no tax increase, it means a no tax

increase. There is to be “no sneaking in the back door.” Commissioner Andrews expressed distress that a few people will receive a tax increase and asked to go on record as saying, “don’t give me a tax increase.”

Commissioner Chamberlain made a motion to modify the motion to pull Fund 201-Special Fire and Service District Tax and approval of all the remaining Funds with the addition of the two Medicaid positions. Commissioner Tadlock seconded and the motion passed unanimously.

FUND 201-SPECIAL FIRE AND SERVICE DISTRICT:

Commissioner Tadlock made a motion to approve Fund 201-Special Fire and Service District Tax Fund as presented. Commissioner Belk seconded the motion.

Commissioner Chamberlain stated that he personally went to the South Salisbury Fire Department and was reassured that everyone was advocating this increase.

The motion passed on a 4/1 vote with Commissioner Andrews voting against the motion.

RESOLUTION TO SUPPORT THE LOCATION OF THE FEDERAL EXPRESS MID-ATLANTIC HUB AT PIEDMONT TRIAD INTERNATIONAL AIRPORT:

Commissioner Belk made a motion to approve the Resolution to support the location of the Federal Express Mid-Atlantic HUB at the Piedmont Triad International Airport. Commissioner Tadlock seconded and the motion passed unanimously.

AIRPORT HANGER RATES:

Tim Russell presented the need to have a standardized rated for the rental of hangers and the Rowan County Airport. Mr. Russell presented the rate schedule.

Commissioner Tadlock made a motion to approve the rates as presented by the County Manager. Commissioner Andrews seconded and the motion passed unanimously.

LLEBG:

The Local Law Enforcement Block Grant (LLEBG) was explained as a possible source of revenue for the Courthouse Security Program. The Board discussed this possibility and that there would be a 10% match.

Chairman Blount stated to keep this project in mind during the goal setting retreat to list as a priority.

NCACC RETREAT:

Chairman Blount discussed the recent retreat for the Board of the NCACC and the feeling that the sales tax will be replacing the reimbursements. This tax had also been considered to request in the area of public school needs.

Other topics discussed were Mental Health and Tourism concerns.

There being no further discussions, Chairman Blount adjourned the meeting at 4:05 pm.

Respectfully Submitted,

Rita K. Foil
Clerk to the Board