

CLEVELAND COUNTY BOARD OF COMMISSIONERS

April 11, 2005

The Cleveland County Board of Commissioners reconvened their recessed session of April 5, 2005 on this date, at the hour of 9:00 a.m., in the Commission Chamber of the Cleveland County Administrative Offices for the purpose of conducting budget hearings.

PRESENT: Ronald J. Hawkins, Chairman
Jerry L. Self, Vice-Chairman
Mary S. Accor, Commissioner
Johnny Hutchins, Commissioner
Willie B. McIntosh, Commissioner (*entered at 9:55 a.m.*)
David C. Dear, County Manager
Wanda Crotts, CMC, County Clerk
Eddie Bailes, Human Resources Director
Chris Crepps, Finance Director
Joy Scott, The Star
Other individual names on file in the Clerk's Office

CALL TO ORDER

Chairman Hawkins called the meeting to order.

GENERAL BUDGET INFORMATION

David Dear, County Manager, reviewed the budget requests stating, "We are anticipating a projected increase in revenue of \$1,200,000. Chris (*Crepps*) and I have sat down and looked at the revenues and that's really about all we're going to be able to squeeze out of next year's revenues. That's putting everything pretty much up to the limit . . . there is an increase in public assistance, those are the State mandated programs – Medicaid and the increase in general assistance for people that are in long term care. If you take that \$413,622 away from the \$1,200,000 that leaves you \$786,378 that's available for appropriations. I went through and looked at some of the large line items that we are going to need to be looking at next year to give you some idea of where we are and what we're up against . . . we're looking at somewhere between \$150,000 and \$200,000 increase in motor fuels just to operate our fleet for next year; health insurance increase is going to run us about \$147,000 and a 2% cost-of-living increase with fringe benefits is going to cost about \$531,000. Add those three items together, assuming \$150,000 in motor fuels, and those come to \$828,778.00 . . . so that's about \$50,000 more than the funds that we have available . . . so that gives you some idea of the dilemma that we have and the situation that we're up against . . . we'll make it work." He said the total increase in requests is \$3,176,000 from all departments.

SOCIAL SERVICES

John Wasson, Social Services Director, provided Commissioners with a written report of budget requests and information, which he reviewed.

This budget represents our best estimates for the next fiscal year. These estimates are made in the context of the General Assembly being in session as well as predictions of cuts at the federal level by the Congress. In other words, anything could happen in Raleigh or Washington to derail what we believe to be pretty sound estimates.

With that caveat, the total increase from last fiscal year is \$611,607. This figure includes all public assistance programs including the increase in Medicaid (\$329,909). The percentage increase from last fiscal year is 4.92%. The increase minus the public assistance increase is 2.15% or \$267,305.

Although caseloads in most programs continue to rise, we are requesting only one new position: to convert a temporary clerical position to a permanent position. The impact on the budget is \$830. In keeping with Commissioner McIntosh's interest in the subject, we have requested two additional vans for a total county cost of \$23,523. We have noticed a slight decrease in costs for mileage as a result of the use of the vans purchased in previous years.

Finally, within the several graphs (*reference Page _____*) we show where Medicaid dollars are spent. As you can see, the three biggest users are pharmacies, hospitals and nursing homes. Commissioner Self had requested this information through you.

Mr. Wasson also listed "agency goals" for Fiscal Year 2005-06 as follows:

1. Reduce turnover in Children's Services by 10%.
2. Train all new staff in Workplace Violence Policy and in Employee Safety Curriculum.
3. Increase Deputy service on absent Child Support parents from current 45% to 55%.
4. To continue planning and implementation of the State's Multiple Response System in Children's Protective Services.
5. To continue departmental efforts in improving our response to program integrity violations.
6. To continue recognizing staff accomplishments with an annual Staff Appreciation Day celebration.
7. To continue efforts in making employees feel safe in the workplace.
8. To advocate assertively for DSS clients who need mental health services but cannot access them.
9. To seek cost effective solutions for agency file storage.
10. Other goals may be determined by the Board of Social Services.

Other topics discussed were building renovations which expanded office space; Medicaid issues regarding increased emergency room usage; discussed diversity issues with clients, noting there are several staff members who speak Spanish; Medicaid is "tremendous portion" of DSS budget with 86% of all Medicaid going to elderly and disabled; answer is General Assembly - "they must do something - even if they don't do away with it, they could freeze it"; large Medicaid budget "hampers" other requests for areas of need at DSS; estimated 2% increase in budget without Medicaid increases.

HEALTH DEPARTMENT

Denese Stallings, Health Director, provided highlights of the proposed budget requests through a Power Point presentation as follows:

- State and Federal grants: 2004/2005 budget - \$1,554,708 (17.85%); 2005/2006 requested budget - \$1,415,945 (15.19%)
- Medicaid: 2004/2005 budget - \$2,096,099 (23.61%);
- Grants/fees/Medicare: 2004/2005 budget - \$2,111,517 (23.78%); 2005/2006 requested budget - \$2,214,474 (23.76%)
- County funds: 2004/2005 budget - \$3,086,958 (34.77%); 2005/2006 requested budget - \$3,503,222 (37.58%)
- Total 2004/2005 budget - \$8,879,282; 2005/2006 requested budget - \$8,321,400.

What is creating requests for increased County funds?

Short term:

- Salaries (COLA) 2.5% and healthcare insurance, interpreter costs (legal, paying lower rates, increased number of patients not speaking English).
- Public Health Annex operations costs.
- Technology upgrades past due (hardware software incompatibility)

Long term:

- Reduced Medicaid cost settlement
- Increase volume of no pay patients

Budget Requests:

- Ultrasound and non-stress monitors
- Truck – animal control
- Truck – environmental health
- Lab hematology analyzer

Personnel

- Interpreter
- Environmental health specialist
- Animal shelter attendant

Operation Issues

- Kings Mountain Clinic
- Dental clinic
- Utilities, fuel, etc.

Solid Waste Program

- 2004/2005 adjusted: solid waste disposal - \$3,969,355; manned site collections - \$1,566,642
- 2005/2006 requested: solid waste disposal - \$3,870,378; manned site collections - \$1,589,054

(053) Solid Waste – Disposal

- (2) 20 hour part-time employees, transition to 40 full with benefits
- Reduced engineering services
- Replacement truck
- Hydroseeder
- Equipment shed
- Litter prevention (awareness, education, enforcement) HHW Collection Day
- Money is escrowed for future construction

(474) Manned Sites and Collections

- Maintenance of building/grounds
- Support equipment for handling waste
- Not raising the annual household fee or tipping fee

Other discussion topics were the impact that Shelby's new trash pick-up policy will have on the county; pros and cons of animal control officers being sworn law enforcement officers; how a 24-hours clinic may help to offset emergency room costs and agreed that, at this time, there are no disincentives to get Medicaid patients to not use the emergency room.

SHERIFF'S OFFICE

Raymond Hamrick, Sheriff, reviewed each line item in his proposed budget. He reported the anticipated motor fuels increase is \$15,000 due to the ever increasing cost of gas. He reported on his departments participation in the "Do the Right Thing" program; the increased cost of "bonding"; the need for a total of twelve new vehicles, four of which will be purchased through drug forfeiture monies;

and stated he wanted to “publicly thank” Keeter Ford for their donation of a new Ford Explorer to the DARE program.

EMERGENCY MEDICAL SERVICES (EMS)

Joe Lord, EMS director, reviewed his proposed budget by line item, reviewing areas of increase as: motor fuels, training, utilities, contracted billing, maintenance, licensing and fees, and capital equipment. Discussion centered around full-time and part-time staffing challenges; health and fitness expenses, modular units verses buying entire ambulances, collections percentages, in-house collections verses contract collections percentages – stating collections are 20-25% higher when done on a contract basis; and grant applications.

BOARD OF ELECTIONS

Steve Wells, Chairman of the Board of Elections, reviewed the budget worksheet (*copy found on Pages _____ of Minute Book 28*), noting that ballot costs have increased due to “more ballot styles” being needed, more “unaffiliated” voters, and the fact that a better quality of ballot has been selected in order to avoid being damaged torn when placed in the voting machine.

CLEVELAND MEMORIAL LIBRARY SYSTEM

Carol Wood, Board of Trustees Chair, accompanied by Yvonne Boggs, Board of Trustee member, and Carol Wilson, Library Director, reviewed proposed budget information found on Page _____ of Minute Book 28.

Other topics discussed were the new Children’s Wing being added to the Spangler Branch in Lawndale, which is being funded through donations. There was also discussion regarding the Library becoming a “county department” since Cleveland Memorial Library is one of only three remaining in the State not under county or municipal government and discussed how this “partnership” would save money. Commissioners requested the Library Board of Trustee members contact the City as to how this move may affect their funding of the Library.

GENERAL DISCUSSION

It was the unanimous consensus of the Board to direct the County Manager and the Finance Director to proceed with preparing a budget that would require “no new taxes or a tax increase”; to eliminate any functions feasible and appropriate; go back to department heads and ask them to “cut closer”; remove COLA from budget only as a last resort; budget cuts should not affect services.

ADJOURN

There being no further business to come before the Board at this time, Willie McIntosh made the motion, seconded by Jerry Self, and unanimously adopted by the Board, to *adjourn the meeting* (at 12:15 p.m.).

*Ronald J. Hawkins, Chairman
Cleveland County Board of Commissioners*

*Wanda Crotts, CMC, Clerk
Cleveland County Board of Commissioners*

