

CLEVELAND COUNTY BOARD OF COMMISSIONERS

May 9, 2006

The Cleveland County Board of Commissioners *reconvened their recessed regular session of May 2, 2006 on this date, at the hour of 4:30 p.m.*, in the Commission Chamber of the Cleveland County Administrative Offices *for the purpose of conducting a budget work session.*

PRESENT: Ronald J. Hawkins, Chairman
Jerry L. Self, Vice-Chairman
Mary S. Accor, Commissioner
Johnny Hutchins, Commissioner
Willie B. McIntosh, Commissioner
David C. Dear, County Manager
Wanda Crotts, County Clerk
Eddie Bailes, Assistant County Manager
Chris Crepps, Finance Director
Lindsey Allen, *Cleveland Headline News*
Pete DeLea, *The Star*
Other individual names on file in the Clerk's Office

CALL TO ORDER

Chairman Ronald J. Hawkins called the meeting to order.

CLEVELAND COUNTY SCHOOLS: PHIFER ROAD PROJECT – KINGS MOUNTAIN HIGH

Dr. Gene Moore, Superintendent, and Dr. Larry Allen, Deputy Superintendent, accompanied by Dr. Ted Kanape, Deputy Superintendent, and Dr. George Litton, Chairman of the Board of Education, explained the Board of Education request for funding in the amount of \$600,000.

Dr. Moore explained the "Phifer Road Project" will renovate the building located across the street from Kings Mountain High School (*KMHS*) to house vocational and career technical programs. The building was purchased prior to merger and the initial renovation estimates were \$1.3 million; however, the bids came in at \$1,945,113.

Dr. Allen advised this project would hopefully allow for the elimination of at least 10 of the 17 mobile units currently being used at *KMHS*, some of which are leased. He said presently the mobile units house approximately 300 students per period. The removal of the mobile units would also allow the "parking lot to be recaptured." There was discussion regarding the safety of students crossing the road to the technical/vocational building and Dr. Allen reported that *NCDOT* is working with them to "develop appropriate signals." The Resource Officer will also be available to help direct traffic. He said the building comes with eight acres of land and, as of now, parking for students at that building has not been discussed, however, the parking lot there may be used for bus parking during the school day.

Mr. Dear explained the funding source from which the monies being requested by the Board of Education will come. Dr. Moore clarified that the Board of Education has approved the bid contingent on the Board of Commissioners approval.

ACTION: Johnny Hutchins made the motion, seconded by Willie McIntosh, and unanimously adopted by the Board, *to approve the release of the requested funds for this capital project.*

Commissioners congratulated Dr. Moore for having been selected to serve as Superintendent of the Lancaster County Schools (*South Carolina*). Commissioners expressed their appreciation to Dr. Moore for his years of service and dedication to Cleveland County Schools.

COUNTY OFFICE BUILDING: RENTAL POLICY

Greg Traywick, Cooperative Extension Director, reviewed the “committee and staff” recommendations for use and rental of the County Office Building auditorium and adjoining kitchen.

Mr. Traywick reported the current rental charge is \$50.00 per group per day, noting this does not cover the county’s utility costs. Currently, there are three groups using the facility on a regular basis. He advised the committee recommends the charge be increased to \$400, which is “still cheaper than other similar facilities in the area” but that charge will allow for expenses to be recovered. There was discussion regarding the need to inform the current users of the pending rate increase so they can make appropriate arrangements; suggestion of “step” increases rather than total increase at once; the difference between “for profit” and “not for profit” groups; the thought that leasing the facility is a “community service.”

ACTION: Willie McIntosh made the motion, seconded by Jerry Self, and unanimously adopted by the Board, *to approve, effective July 1, 2006 through July 1, 2007, charging \$150.00 to those who have used the building for the past twelve months and charging \$300.00 for all new users; and, effective July 1, 2007, all users will be charged \$300.00. Mr. Traywick will make the appropriate changes to the policy (copy of final version found on Page _____).*

RESOLUTION: CONTINUED SUPPORT OF THE 505TH ENGINEER COMBAT BATTALION COMPANY B

ACTION: Jerry Self made the motion, seconded by Mary Accor, and unanimously adopted by the Board, *to approve the following resolution:*

NUMBER 08-2006
RESOLUTION
FOR CONTINUED SUPPORT OF THE 505TH ENGINEER
COMBAT BATTALION COMPANY B

WHEREAS, the United States Armed Forces, a total force comprised of active, National Guard and Reserve personnel, are now undertaking courageous and determined operations in the war on terrorism; and,

WHEREAS, B Company 505th Engineer Battalion currently has 135 members overseas, 62 of which are from the Kings Mountain Armory; and,

WHEREAS, soldiers in the B Company 505th Engineer Battalion were deployed to Fort Dix in support of Operation Iraqi Freedom on August 4, 2005 and were sent overseas October 2005; and,

WHEREAS, we support the men and women in B Company 505th Engineer Battalion and salute them for their sacrifice on behalf of our nation. We thank them for their willingness to risk their lives; and,

WHEREAS, through the efforts of the brave men and women of our Armed Forces, millions of people have been freed from oppression and torture, and democratic elections have taken place in Afghanistan and Iraq; and,

WHEREAS, the ability of the B Company 505th Engineer Battalion to successfully perform their mission requires the support of their nation, community, and families.

NOW, THEREFORE, WE, THE CLEVELAND COUNTY BOARD OF COMMISSIONERS, express heartfelt gratitude to the brave soldiers in B Company 505th Engineer Battalion and their families.

BE IT FURTHER RESOLVED, that we will continue to stand united in support of our troops until victory is achieved and our brave soldiers return home.

ADOPTED THIS THE 9th DAY OF MAY 2006.

NUMBER 7 VOLUNTEER FIRE DEPARTMENT: ANNUAL BUDGET

Mr. Dear noted that the Number 7 VFD charter requires the Board of Commissioners approve their budget.

ACTION: Johnny Hutchins made the motion, seconded by Jerry Self, and unanimously adopted by the Board, ***to accept the budget as presented*** (copy on Pages _____ of this Minute Book).

BUDGET REVIEW

Mr. Dear distributed the following budget summary sheet, stating the recommended budget provides for a “balanced budget with no tax increase” as per the direction of the Commission.

Expenditures:

Public Assistance	\$967,722
Health Insurance	225,000
Debt Service	141,926
Motor Fuels	113,500
Utilities	87,500
Property & Liability Insurance	50,000
Economic Development Incentives	63,245
All Other Expenditures (Net)	<u>94,805</u>
<i>Total General Fund Increases</i>	<i>\$1,743,698</i>

Revenues:

Property Taxes (current year)	\$445,440
Property Taxes (prior years)	115,141
Sales Taxes	375,000
Fund Balance Appropriated	100,000
Investment Earnings	200,000
Departmental Fees & Services	438,000
All Other Revenues (Net)	<u>70,117</u>
<i>Total General Fund Increases</i>	<i>\$1,743,698</i>

Discussion was as follows:

- Debt service: By the year 2011, the county will be entirely out of debt.
- Department fees and services: “Lion’s share is from EMS billing and collections.”
- State estimates a 4% increase statewide on sales tax revenue.
- Only new equipment included in the budget – eight deputy cars and one ambulance.
- No cost-of-living (COLA) for employees.
- All increased revenue going toward “energy in one way or another” or Medicaid.
- Impact of Medicaid: Mr. Dear stated, “This is the last year we can absorb Medicaid, if it continues to increase at the current rate, without raising taxes, cutting services, cutting staff, or all of the above.”
- Emphasized citizens need to contact legislators regarding the need for Medicaid relief, since taxes and services will be affected.

- Commissioners will travel to Raleigh on May 17th to stress to the Legislative delegation the importance of Medicaid relief.
- Discussed “cap” of Medicaid.
- \$8.3 million goes to Medicaid (*24% of tax rate*).
- Three largest budget expenditures: public safety, human services and education.
- Commissioner Hutchins expressed his concern with increasing any department budget when “there is no COLA.”
- Commissioner McIntosh suggesting setting a “figure to be held to then let department heads determine priorities themselves.”
- Mr. Dear stressed if changes needed to be made to the proposed budget, then direction needs to be given today in order to meet Statute advertising mandates.
- Council on Aging “increase” is actually a “re-routing” of funds and is specifically for the Meals-On-Wheels program in order to maintain their current level of service. Funds will be given with the stipulation that they must not cut services.
- Increase reflected in EMS salary is to correct mistake in last year’s budget.
- No “wish list” items were granted.
- EMS: Approximate \$12,000 for new program which is a pilot “heart program” in which Cleveland County was selected by the State to participate.
- EMS funds to improve diversity included.
- EMS: Directed the County Manager to “pull” request for walkie-talkies (*approximately \$12,000*).
- Joe Lord participated in “career fair” today for minority recruitment.
- Cleveland Community College has agreed to offer Spanish classes to EMS staff for free.
- Health insurance has increased 8% in every department.

MERIT PAY DISCUSSION

Eddie Bailes explained the current pay plan, including grade, step and merit increase.

The following points were discussed:

- 50-60% of employees are in the “standard increase range.”
- There are a limited amount of merits, even in larger departments.
- Commissioner Accor stated that merit increases should be “performance based” and a new evaluation model should be developed.
- Commissioner Hutchins stated his research seems to indicate the same people get the merit increases “year after year.”
- Suggested that a written explanation should be given as to why a person does or does not receive a merit increase – along with clearly stated goals for that employee.
- That evaluation forms should be “job specific.”
- Department heads should set goals for each year and employee should be rated on achievement of those goals.
- There should be an “on-going evaluation” throughout the year – suggested beginning, mid-year, and end of year.
- Discussed possibility of having merit monies used to give an across the board raise.
- Discussed possibility that merits should go to 50% of those employees in the “lower pay range” and 50% going to those in the “higher pay ranges.”
- Chairman Hawkins stated merit should not be used to “shore up” salaries in order to keep employees, stating “that is the Commissioners problem and should be addressed.”
- Commissioner Hutchins said “more documentation” on merit increases would “eliminate the good ole’ boy system.”
- For those getting merit increases, supervisors should be “accountable, responsible, and truthful.”
- Commissioner Hutchins felt merit money should be given to eligible employees in an equal amount as a “bonus.”
- Chairman Hawkins cautioned about “taking drastic steps of change without proper study.”
- Commissioner McIntosh questioned “how can we use the above Step 4 people’s merit money and give everybody something?”
- Vice-Chairman Self expressed concern that some of the methods being discussed would take away the supervisors ability to supervise and suggested training for supervisors regarding performance driven evaluations.
- Discussed possibility of a cost-of-living raise being given later in the year if “Medicaid relief comes through.”
- Encourage employees to speak with legislators regarding Medicaid relief.

- Vice-Chairman Self noted “this discussion should be notice to supervisors to make system work fairly and that Commissioners will evaluate again next year.”

ACTION: Jerry Self made the motion, seconded by Mary Accor, and *adopted by a majority vote of the Board* (Commissioner Hutchins voted no, all others voted yes), *to approve the following:*

“To have a training session with supervisors to let them know what we expect from the merit pay in terms of performance based and evaluation of the people and feedback to the people, and limit the merit increases to half percent (half merits) with 50% of those people eligible going to the lower 50% of the people and 50% going to the upper 50% of the people.”

BUDGET ADVERTISEMENTS

Commissioners directed the County Manager to advertise the budget the same as last year.

Commissioner McIntosh emphasized all media should receive the information.

RECESS TO RECONVENE

ACTION: At 8:30 p.m., Willie McIntosh made the motion, seconded by Jerry Self, and unanimously adopted by the Board, *to recess this meeting to reconvene on May 16, 2006 at 4:00 p.m. for the purpose of sitting as a Board of Equalization and Review.*

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

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