

**IREDELL COUNTY BOARD OF COMMISSIONERS
BUDGET SESSION MINUTES
TUESDAY, MAY 30, 2006**

The Iredell County Board of Commissioners met for a Budget Review Session on Tuesday, May 30, 2006, at 5:30 p.m., in the Iredell County Government Center (South Wing Conference Room), 200 South Center Street, Statesville, NC.

Present were:

Chairman Sara Haire Tice
Vice Chairman Godfrey Williams
Steve D. Johnson
Marvin Norman
Ken Robertson

Staff present: County Manager Joel Mashburn, Deputy County Manager Susan Blumenstein, Assistant County Manager Tracy Jackson, Code Enforcement/Planning Director Lynn Niblock, Planning Supervisor Steve Warren, Subdivision Administrator William Allison, Assistant Finance Director Deb Alford, Animal Control Supervisor Robb Tatham, and Clerk to the Board Jean Moore.

Others present: Kathryn Thier with the *Charlotte Observer*, Daniel Goldberg with the *Record & Landmark*, and Lee Ann Sherrill with the *Iredell Citizen*.

CALL TO ORDER by Chairman Tice.

GROWTH MANAGEMENT OPTIONS: Planning Supervisor Warren displayed a map of the Brawley School Road area and showed a specific one-mile segment that had four traffic signals. He said the most recent Department of Transportation (DOT) analysis indicated the road could handle 12,000 to 14,000 trips a day; however, a recent count showed 27,000. Warren said the DOT figures varied, but the congestive conditions were worsened by poor traffic-light synchronization. He said a private consulting firm had been hired by the DOT to study the synchronization. Warren then summarized the following growth control measures currently available to aid in managing development in the area.

Summary of Growth Control Measures

- ***Adequate Public Facilities Ordinance*** - must meet level of service standards for approval. County services are limited to schools, recreation, fire-law enforcement.
- ***Building Permit Caps*** – limit the number of new permits to be approved.
- ***Cost Recovery Fees*** – raise the review fees/permits.
- ***Impact Fees****- charge fees based on development size to finance public improvements.
- ***Lot Sizes (Density Limits)*** – increase the minimum lot size. Increase from 30,000 to _____.
- ***Moratorium*** – temporarily stopping the issuance of permits/approvals will require due process with a hearing and the setting of a time and reason.
- ***Subdivision Ordinance*** – revisions: change approval process by adding new requirements – open space, sidewalks, and connections with other development.
- ***Special Overlay District*** – designate specific area for attention with new requirements.
- ***Subdivision Timing or Phasing*** – establish a percentage for overall projects approved at a certain time.
- ***Taxation*** – Consider financial measures to slow growth: property taxes, real-estate, transfer tax, tax-increment financing.

- **Transfer of Development Rights*** - remove right to develop land in an area to land in another area.
- **Transportation** – limit curb cuts or required combined curb cuts; require sidewalks/bike lanes, work with DOT, require Transportation Impact Analysis for major projects, van pool/bus service.
- **Urban Service Area/Growth Boundaries** – agreement with Mooresville.
- **Zoning** – Approve/Designate neighborhood commercial in peninsula. Change District Designations to include new district specifically for new major subdivisions.

***Requires State enabling legislation**

Note : Methods can be combined to become more effective in controlling the rate of growth.

Points to Consider in Choosing Method(s)

Most of the land has been developed; therefore any method(s) adopted will only achieve partial results.

The County does not have control over the roads or the utilities. We have authority in schools, open space, recreation, and local land-use regulations.

Some of the methods are do-able/achievable by using County Staff as a resource in the proposals and process leading to adoption.

Some of the methods may require more time and study before a decision can be made about practical application.

The County may wish to consider a consultant who has expertise in preparing a comprehensive growth management strategy.

Legal consideration must be given to any approach. A draft can be reviewed by the County Attorney and Institute of Government.

Some methods require local bill being passed by State Legislature.

Warren was asked the difference between an impact fee and an Adequate Public Facilities (APF) Ordinance. He replied that impact fees had to have enabling legislation, and “in the end, the fees would drive up housing costs.” Warren said Currituck, Cabarrus, and Orange County had adopted an APF ordinance with some success. He said the APF ordinance would require (1) review by the school administration, (2) there would have to be an appeals process, (3) there would have to be a financial system worked out for payments, and (4) there would have to be bonds or contractual agreements. Mr. Warren emphasized that any APF ordinances would have to be tied to county services; such as schools, recreation fire, and law enforcement, but not to roads.

Pertaining to moratoriums, Warren said these typically were enacted for short periods of time. He said improvements for the Brawley School Road weren’t scheduled by the DOT for at least two years, and the construction itself would take another two years. (Construction to begin with Chuckwood to Williamson Road with the second phase beginning at Williamson Road to I-77 including a new interchange. Final Phase I-77 to Charlotte Highway). Warren said the moratorium route probably wouldn’t provide much assistance due to the DOT schedule.

Warren and Niblock mentioned that several of the measures could be combined to develop a growth management strategy.

Chairman Tice said she was in favor of doing anything to assist the Brawley School Road residents. Tice said for many years she had been trying to help the citizens in this community.

Mr. Warren then discussed the Perth Road area.

Commissioner Williams mentioned that he would like to see a draft APF ordinance for the Perth Road area.

Niblock suggested the usage of the following four measures in creating a growth control plan for the county.

1. Placing a cap on building permits
2. Increasing lot sizes
3. Using Special Overlay Districts
4. Timing/Phasing of Subdivisions

Commissioner Johnson said objective criteria would be needed for overlay districts. He also mentioned that he was in favor of subdivision interconnectivity.

Warren said interconnectivity would have much opposition.

Commissioner Robertson asked the timeframe for a draft plan.

Niblock said it would take 60-90 days to draft the lot size provision and the overlay would take another 90 to 120 days. He said the actual APF ordinance drafting would take the most time.

Robertson requested that any proposal include the pros and cons.

Niblock and Warren assured the board that the proposals would include the good and bad aspects.

EROSION CONTROL PROGRAM: County Manager Mashburn said the local Soil and Water Office had more thoroughly reviewed the concept of contracting with the county to provide erosion control assistance, and unfortunately, the representatives had concluded the costs would be comparable to the county's in-house estimate (\$187,344 the first year decreasing to \$155,844 the second year).

Niblock said the program would be administered in only the county's jurisdiction, but a memo of understanding could be adopted with any municipalities wanting the service. He said the ordinance would have to stipulate which entity would provide the enforcement.

MOTION by Commissioner Robertson to incorporate the erosion control program into the FY 2006-07 budget.

VOTING: Ayes – 5; Nays – 0.

AMOUNT OF SPACE BEING USED FOR MENTAL HEALTH SERVICES: Deputy County Manager Blumenstein said that at a previous meeting, Commissioner Williams asked the total square footage of space being used by mental health. She provided the following summary and stated Iredell County's monetary contribution for the housing of mental health was \$307,556.

	<u>Sq. Ft.</u>	<u>Rate</u>	<u>County Cont.</u>	Est. Population	Per Capita
Statesville site	14,970	14.00	\$209,580.00		
Twin Oaks site	3,464	7.00	24,248.00		
Mooresville site	4,608	16.00	<u>73,728.00</u>		
			307,556.00	139,468	\$2.21
Cash contribution			502,085.00	139,468	\$3.60
Total contribution			\$ 809,641.00	139,468	\$5.81

TRAVEL ALLOWANCE FOR BOARD MEMBERS: Deputy County Manager Blumenstein said the board's travel had not been increased since 1997. She recommended the following increases:

	<u>Current</u>	<u>Proposed</u>
Chairman	\$2,700	\$4,920
Commissioners	\$2,400	\$4,320 (ea.)

MOTION by Commissioner Norman to increase the board's travel in the FY 06-07 budget as proposed by the Deputy County Manager.

VOTING: Ayes – 5; Nays – 0.

COUNTY MANAGER'S TRAVEL: Chairman Tice noted an error in the budget submitted for the county manager's travel.

Blumenstein said she would correct the error by increasing the manager's travel allowance from \$7,200 a year to \$9,000. (The manager's travel increased on February 7, 2006.)

SCHOOL FUNDING: Deputy County Manager Blumenstein distributed updated current expense spreadsheets for the schools using January enrollments. She provided the information due to dissatisfaction from the Mooresville Schools about the funding method. (At the May 18 budget meeting, Mooresville Superintendent Dr. Boyles said that by using the Best 1 of 2 method, the system would have a \$300,000 deficit during 06-07, and this was because there was no consideration of the number of students added after the first month.) Blumenstein said the findings, after using the same pool of funds allocated for 2006-07, and using the January 2006 enrollment numbers, resulted in a funding decrease for Iredell-Statesville, due to a loss of students, and a funding increase for Mooresville, due to an increase in students.

Mashburn said the per pupil amount received by the school systems was decided by the commissioners. He said that even if "projected enrollment numbers" were used, the funding would be about the same. He read the statute as follows:

G.S. 115C-430. Apportionment of county appropriations among local school administrative units.

"If there is more than one local school administrative unit in a county, all appropriations by the county to the local current expense funds of the units, except appropriations funded by supplemental taxes levied less than countywide pursuant to a local act of G.S. 115C-501 to 115C-511, must be apportioned according to the membership of each unit. County appropriations are properly apportioned when the dollar amount obtained by dividing the amount so apportioned to each unit by the total membership of the unit is the same for each unit. The total membership of the local administrative unit is the unit's average daily membership for the budget year to be determined by and certified to the unit and the county board of commissioners by the State Board of Education."

Johnson and Williams mentioned the possibility of obtaining a legal opinion on the matter.

Blumenstein said up until 2005-06, the county had always used the DPI projected numbers issued around April. She said that in January of 2005, during a meeting with the Iredell-Statesville Schools, the formula method (funding based on real numbers instead of projections) was agreed upon.

Mashburn suggested that the county use state numbers or projections and then to allocate on an average daily membership basis. He said for FY 06-07, current expense would be increased by the \$33 million or 6.53%. Mashburn said that by using this method, Iredell-Statesville would have a loss of \$105,358 for FY 06-07, and for Mooresville, there would be a \$103,639 increase. He said the per pupil amount came out to be \$1,266.

Blumenstein said that if the board chose to abolish the formula method in the future, a percentage times the DPI could be used.

MOTION by Commissioner Williams to obey the law or statute in appropriating current expense funding for the school systems.

VOTING: Ayes – 5; Nays – 0.

The county manager said the school systems would be notified about the revised figures. He said the superintendents would be told there was a 6.5% increase, and this didn't count capital.

ANIMAL CONTROL: In response to the “Friends of Animals” organization’s proposal to construct a shelter in Mooresville, Animal Control Supervisor Tatham said funding from the county would not be needed until FY 07-08. He said the county’s costs at that time would be \$148,586. Tatham said the group would probably start the construction in 24 months. (A handout was distributed describing the new facility, along with a summary of daily procedures, and a proposed FY 07-08 budget.)

MOTION by Commissioner Johnson to instruct Mr. Tatham to notify the organization of the county’s intent to operate a Mooresville Animal Shelter upon completion of the construction with the timeframe to be agreed upon by both parties.

VOTING: Ayes – 5; Nays – 0.

* * * * *

(The board then continued the review of the remaining budgets included in the FY 06-07 Budget Books.)

710 – Debt Service: No changes

800 – Transfers to Other Funds: No changes

20 - County-Wide Fire Districts: Blumenstein said the manager’s recommendation was the same as what had been proposed by the Fire Tax District Board.

22 – East Alexander VFD: No changes

23 – Mt. Mourne VFD: Blumenstein noted that Mt. Mourne had requested a tax rate increase from \$0.0350 to \$0.0375 per \$100 valuation, and this amount was recommended.

24 – Shepherds VFD: Blumenstein said Shepherds requested \$490,413.00, but after the insurance and tax refunds had been deducted, the recommended amount was \$466,650.

34 – Capital Reserve Fund: No changes from what had been discussed at the Winter Planning Session.

36 – Park Reserve Fund: The estimated fund balance as of June 30, 2007 will be \$561,700.

37 – Transportation: Blumenstein noted that a courier service had been added.

38 – 911 Coordination Fund: Blumenstein said this fund had suffered due to the per line fees being “frozen” by the state. It was mentioned that Iredell County’s fee was 43 cents per line while other counties charged much more.

39 – Juvenile Crime Prevention Grant: Blumenstein said a separate fund had been set up for JCPC pass-through funding totaling \$303,970.

52 – Solid Waste: Blumenstein said the transport fee increased from \$5 a ton to \$8.

66 – Health Care Fund: Mrs. Blumenstein said the county’s contribution for health care for each employee was \$6,120.

68 - Workers Comp: Blumenstein said proposals were now being obtained for workers comp and a recommendation would be submitted to the board in mid-June.

EXPLANATION OF SALES TAX FORMULA: Blumenstein said that prior to last year the sales tax on food was allocated at one cent on point of delivery to each county. She said the one cent tax had no restrictions -- it all came to the county. However, starting last fall the allocation method changed. Blumenstein said the 1983 ½ cent sales tax had a 30% restriction for school capital, and the 1986 ½ cent had a 60% restriction for school capital. Blumenstein summarized by saying that in the past the funding came in to assist with current expense, but now, a portion was restricted for school capital upfront.

ADJOURNMENT: Chairman Tice adjourned the meeting at 8:50 p.m.

Approval: _____

Clerk to the Board