

IREDELL COUNTY BOARD OF COMMISSIONERS
BUDGET SESSION MINUTES
THURSDAY, MAY 31, 2007

The Iredell County Board of Commissioners met for a Budget Review Session on Thursday, May 31, 2007, at 5:30 P.M., in the Iredell County Government Center (South Wing Conference Room), 200 South Center Street, Statesville, NC.

Present were:

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

Staff present: County Manager Joel Mashburn, Deputy County Manager Susan Blumenstein, Assistant Finance Director Deb Alford, Assistant County Manager Tracy Jackson, EMS Director David Cloer, Communications/Emergency Mgt. Director David Martin, Fire Marshal Lloyd Ramsey, and Clerk to the Board Jean Moore.

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

UPDATE ON SOLID WASTE DEPARTMENT: Assistant County Manager Tracy Jackson said 34.5 acres of the 80-acre Harmon tract would be used for the construction/demolition landfill and the remaining acreage would serve as a buffer. He said it was hoped the county could get 20 years out of the C & D landfill.

Commissioner Johnson mentioned an adjoining property owner who might be interested in selling adjoining property.

Commissioner Williams said it might be more economical to purchase the buffer.

465 - COURTS BUDGET: Clerk of Court Rena Turner mentioned the need for work stations or cubicles to reduce noise and to make the data and courtroom clerks' space more efficient. She said the county's facility services department had requested a door lock system (\$35,007), but this had been deleted from the budget.

No changes from the manager's recommendation.

DISCUSSION ON THE TROUTMAN VOLUNTEER FIRE DEPARTMENT'S REQUEST FOR A VOTED-IN FIRE TAX DISTRICT: For this segment of the meeting, Troutman VFD representatives Chief Allen Church and Assistant Chief Keith Troutman attended the meeting. Also in attendance were numerous firemen from other VFDs along with Fire Tax District Board members.

Carroll Goodman said the Fire Tax District Board had not voted or rendered a statement on Troutman's voted-in tax district request; however, some members were supportive.

County Manager Mashburn said that if the request were granted, the effective date would be in FY 2008-09.

Troutman said that if a 2007 referendum proved successful, he understood the voted-in district would become effective July 1, 2008.

Blumenstein said this was correct. She said the department would continue to receive county-wide-district funding for this year, but later, the VFD's revenues would be based on values as of January 1, 2008. Mrs. Blumenstein said a contract would have to be written for the VFD to provide service during the summer of 2008. She said the taxpayers wouldn't start paying taxes until the second or third week of August, and a loan might be necessary prior to this.

Commissioner Williams asked if the VFD had a fund balance.

Mr. Troutman said there was a \$100,000 credit line at BB&T. He said the department planned to (1) re-do the concrete apron (2) there were annual truck payments and (3) turnout gear needed to be replaced. Troutman mentioned the VFD wanted better insurance ratings, and a property purchase in the Fern Hill Road area for a substation was being considered. He mentioned the Town of Troutman had finally “stepped up to the plate” in paying for fire service. Mr. Troutman said that if B&F had its own taxing district, the \$2 million request from the county-wide fire service district would be withdrawn.

Commissioner Johnson cautioned the department about making any long-term commitments.

Commissioner Williams asked the Fire Tax District Board (FTDB) members their opinions on the loss of the \$226,000 if Troutman left the county-wide service district.

Jeff Tucker said the FTDB would have to make do with approximately \$300,000 less. He said the extra penny being requested was seed money, and it would have a separate fund balance.

Commissioner Williams said there wasn't enough money to address truck needs.

Frank Phillips said the FTDB would review what was needed for the trucks. He said the Lake Norman VFD had an agreement with the county that it wouldn't leave the county-wide district until the new building's debt was paid.

Tucker said the past method for truck replacement was on a 20-year cycle, but a better system was needed.

MOTION by Commissioner Williams to hold a fire tax district referendum for the Barringer & Fallstown (B & F) District in November of 2007.

VOTING: Ayes – 5; Nays – 0.

Commissioner Johnson said at some point, a couple of commissioners needed to visit with the Troutman VFD officials and outline what would be expected. He said the department would no longer be guided by the FTDB, rather the board of commissioners would provide this oversight.

DISCUSSION ON COUNTY-WIDE FIRE DISTRICT: Blumenstein said a \$4,152,250 budget had been requested by the FTDB, and it was based on a tax rate of five cents.

Commissioner Tice said the extra penny was not incorporated into the request.

Blumenstein said this was correct.

Tucker said it was the Fire Tax District Board's understanding that the commissioners, through consensus, were in agreement with the penny increase.

Phillips said the penny would go into an escrow account. He said the budget submitted by the FTDB for the county-wide departments was for operational expenses.

Commissioner Williams asked if the other departments had submitted a plan similar to the Troutman VFD.

Andy Webster said the actual request made at the Winter Planning Session was to first increase the fire tax by one cent for a three-year period. He said another incentive, if the departments succeeded in obtaining lower ratings, was the ¼ of one-cent fire tax increase.

Ken Journey said a map was needed from the tax office regarding water. He said then, when the FTDB came before the commissioners asking for a truck, the information would justify the request.

Commissioner Williams said that if his community's VFD didn't participate in the plan, then he and his neighbors would be paying out the money for some other area.

Jurney mentioned that a Fern Hill Road area alone had more property valuation than the entire Central VFD area.

Commissioner Williams said the ratings improvement program might put pressure on the departments.

Billy Ray Trivette said the one cent was performance based, and there was objective criteria needing accomplishment before distribution. He said all of the VFDs had "bought" into the plan.

Commissioner Robertson said he understood the concept was that one cent would go towards prioritized projects, and that if the departments improved next year, then that same penny would go back in the budget. He said, "No ratings improvement, no funding."

Tucker said the plan was for four departments to improve in three years, and the penny would be placed in escrow. He said the FTDB would evaluate the progress before distribution.

Jurney said the plan required additional apparatus, and the figures were not inflation adjusted.

Commissioner Johnson asked the least amount of money needed to improve one department.

Various members of the audience gave the following information:

- To improve Ebenezer (needs water points, a truck, and a building extension to house the truck) the cost would be \$200,000
- To improve Cool Springs (needs water points, pumper/tanker) the cost would be \$750,000
- To improve Trinity (needs a truck) the costs would be \$350,000.

Commissioner Robertson noted that one cent (\$823,756) wouldn't cover all of the needs.

Phillips said the taxpayers needed to know there was a trade-off between the increased tax rate and the improved insurance ratings. He said the savings in the Cool Springs district would be \$700,000.

County Manager Mashburn said he was understanding that a six-cent-tax rate was being requested with the proceeds from one-cent of the amount being set aside in a reserve account, and the VFDs would need a satisfactory business plan before there was distribution out of the reserve account.

Commissioner Williams said there was no guarantee the State would respond when a request was made for an inspection.

Commissioner Robertson stressed that one cent would go for one-time expenses, and as long as there were improvements, the one penny would be used over and over. He said that if no ratings improvement occurred, then the money went away.

Jurney said 8.5 cents was needed to start the program.

Chairman Norman said he was comfortable with one cent but not eight.

Commissioner Johnson said he was concerned about (1) the water points (2) long-term debt and (3) how the intent of the performance based program would be interpreted by future boards of commissioners.

Robertson stressed the one cent could not be used for debt.

Mashburn said the money could be restricted to capital reserve but future boards could make revisions as they desired.

Phillips said the commissioners' definition of "success" needed to be stated.

Robertson said an effort needed to be made "to get the biggest bang for the buck."

Clarification on the Trinity VFD Budget: Blumenstein mentioned that on May 8 the FTDB met and discovered that \$20,000 more should have been included in the recommendation for Trinity. She said this would not change the "bottom line of the spreadsheet computation," but she wanted the board members to know the full amount for Trinity.

MOTION by Commissioner Williams to (1) approve the County Wide Fire Tax District Budget as recommended with the five cent tax rate (2) to approve a one cent ad valorem tax with a stipulation the revenues will be set aside in a capital reserve account to be used for insurance ratings improvements and (3) no appropriation of the one cent capital reserve funding will be appropriated until a request is submitted to the board of commissioners through the Fire Tax District Board.

VOTING: Ayes – 4; Nays – 1 (Johnson)

22-East Alexander Fire District: Blumenstein said a five cent tax rate was recommended for East Alexander.

23- Mt. Mourne Fire District: Blumenstein said this district had made a request to maintain the same amount of funding. She said with revaluation, this would decrease the district's tax rate from 3.75¢ to 3.50¢. (This district's valuation increased from FY 06-07 @ \$924,490,000 to \$1,271,790,000 for FY 07-08.)

24- Shepherds Fire District: Blumenstein said the board of commissioners approved a 1.50¢ increase on April 17 when the Shepherds' officials discussed their partnership with the Town of Mooresville. She said 6.50¢ would be the tax rate for this district during the upcoming year.

BUDGET REVIEW FOR INDIVIDUAL DEPARTMENTS

(* = Budget was discussed but there were no changes from the county manager's recommendations)

*** 510/520 - Sheriff & Jail**

County Manager Mashburn said four new office deputies (24/7 coverage) and four new patrol deputies were recommended for the sheriff's department. For the Jail, he said four new Jailer II positions and one Jail Sergeant position were recommended.

Commissioner Williams asked if the sheriff had requested a deputy to be posted at the Oaktree/Canvasback intersection.

Mashburn said no.

Commissioner Tice said the sheriff had not agreed to provide this service.

Commissioner Robertson said the Department of Transportation had indicated a patrol officer directing the traffic would make the problem worse. He asked if the sheriff had been studying any new options for housing the inmates.

Mashburn said Chief Deputy Dowdle had mentioned a concept where a large warehouse was used by placing modular units inside it.

Robertson said these types of options needed to be explored.

***532 – Animal Control**

Mashburn said one new Animal Control Aide for the impoundment area was recommended.

***532 – Communications**

Communications Director David Martin said several months ago bids were opened for a simulcast system with an expected completion date being the fall of 2006. He said only one vendor responded, and the bid was awarded to this company. Martin said since that time, two default letters had been sent to the company with the most recent giving a completion deadline of today or May 31. He said the system was operational; however, there were still flaws, plus the pagers were not working.

Chairman Norman asked if the contract specified noncompliance penalties.

Martin said there were none. He said as of today, the system was 192 days behind. Martin said \$100,000 had been paid as the initial payment, and then \$200,000 was paid. He said \$200,000 was still owed to the company (\$100,000 as the third payment or when the system was up and running and \$100,000 as the final payment). Martin said the contract specified the system had to continuously operate for 30 days before the project was declared finished.

Mr. Martin added that six channels on the VIPER System had been added, and everything appeared to be working.

Assistant County Manager Jackson said the VIPER System would be beneficial when there were mutual aid circumstances.

***546 - Emergency Management**

***911 - Coordination Fund**

Martin said the General Assembly was studying legislation to cap the E-911 telephone line billing at 70¢ for all lines (wireless and land-lines). He said Iredell County’s rate was 43¢, and it had been frozen for many years. Martin said some counties had rates up to \$3 a line, and the legislation would actually help Iredell County. He said there might be more stringent guidelines; however, on the revenue usage.

***542 – EMS**

EMS Director David Cloer said the department had been having a problem with the Ford chassis. He said one replacement ambulance and two new ones were requested, but one new ambulance was cut. Cloer said one rescue truck would be moved to the Mooresville Rescue Station during peak emergency call times. He said an eventual goal would be to equip Lake Norman with a full truck.

***544 – Fire Marshal**

Fire Marshal Lloyd Ramsey noted that with more growth came the need for more inspections. He said one new fire educator position was requested.

ADJOURNMENT: Chairman Norman adjourned the session at 8:25 p.m. (The next budget meeting will be Thursday, June 7 at 5:30 p.m. The board will hold a regular meeting; however, on June 5.)

Approved: _____

Clerk to the Board

