

CUMBERLAND COUNTY BOARD OF COMMISSIONERS
FEBRUARY 6, 2010 - 8:30 AM
CROWN COLISEUM BOARD ROOM – 1960 COLISEUM DRIVE
PLANNING SESSION MINUTES

PRESENT: Chairman Billy King
Commissioner Jeannette Council
Commissioner Kenneth Edge
Commissioner Marshall Faircloth
Commissioner Jimmy Keefe (arrived at 12:10 PM)
Commissioner Ed Melvin
James Martin, County Manager
Juanita Pilgrim, Deputy County Manager
Amy Cannon, Assistant County Manager
Rick Moorefield, County Attorney
Sally Shutt, Communications Manager
Howard Abner, Assistant Finance Director
Debra Henzey, Facilitator
Marie Colgan, Clerk to the Board
Candice H. White, Deputy Clerk to the Board

Chairman King called the Planning Session to order.

1. Approval of Agenda

MOTION: Commissioner Council moved to approve the agenda.

SECOND: Commissioner Melvin

VOTE: Unanimous

2. Review of 2009 Achievements

Ms. Shutt referred members to their packets which provided Cumberland County highlights for 2009. Ms. Shutt also reminded the Board of the three priorities that were set for 2009 – safe water, a revenue neutral tax rate and public safety.

Safe Water Priority

Ms. Pilgrim was asked to provide information on the safe water priority. An additional handout was provided which recapped the information provided in the packet setting out the Public Utilities Department Work Plan for 2010-2011. Ms. Pilgrim provided the current status of each of the following projects:

Bragg Estates Sanitary Sewer (estimated cost of \$5M; 163 properties). Current status: Researching funding sources, meetings with community.

Overhills Park Sanitary Sewer (estimated cost of \$3M; 370 properties). Current status: Design in progress; submitted application to USDA; included in the Federal Agenda.)

Brooklyn Circle Water Line Extension (Estimated cost of \$84,387; 17 properties). Financial participation by County, \$21,096; Property Owners, \$50,597; and PWC, \$12,693. Current Status: Construction completed.

Cedar Creek Road Water Line Extension (Estimated cost of \$200,000; Railroad cost unknown at this time) County \$75,000; balance assessed. 20 properties. Current Status: All construction with exception of railroad crossing completed. Service boxes have been set to the properties.

Grays Creek Water & Sewer District (Estimated cost of \$7-10 million). Current status: Detailed PER and USDA being prepared.

Southpoint Water Distribution (Estimated cost of \$780,000; 66 properties). Current status: Design completed. Negotiations are ongoing with Bladen County regarding the operations and maintenance of the water distribution system.

Discussion ensued regarding collaborative efforts with different entities other than PWC for supplying water to various parts of the county. It was agreed that clear direction from PWC regarding their participation in projects was needed.

Ms. Pilgrim stated that the Board will be provided a monthly update on all projects.

Revenue Neutral Tax Rate

Ms. Shutt reminded the Board of their commitment to lowering the tax rate of \$.86 per \$100 of valuation with a goal of achieving a revenue neutral budget and they adopted the 2010 budget with a projected revenue neutral tax rate of 76.6 cents in June. Ms. Shutt provided highlights of financial achievements and advised that more information on the county's financial position will be provided by Ms. Cannon during the next agenda item.

Public Safety

Ms. Shutt provided information on numerous achievements in the area of public safety reminding members that a special meeting is being held on February 16th to receive a presentation from the Public Safety Task Force to receive findings and recommendations.

Ms. Shutt also provided highlights on the following areas – Economic Development, Energy & Environment, Health, Transportation and other various achievements.

Chairman King advised that during a recent meeting with the Chamber's Board of Directors, he voiced his concern over monies being spent on economic development with very little to show for it and that accountability will be required.

3. Review of County's Projected Financial Position

County Manager Martin called on Ms. Cannon to provide information on the County's projected financial position.

Ms. Cannon presented six guiding principles that have been put into place for use in the 2011 budget planning process as listed below:

- Prepare a recommended budget that addresses the Board's goals established through this planning process
- The Recommended budget will be based upon maintaining fiscal integrity through compliance with Fiscal Policies previously approved by the Board
- Every effort will be made to avoid balancing the budget through employee furloughs or reductions in force
- Management will attempt to recommend a budget that continues the delivery of services to citizens at current levels
- Initial property tax revenue projections will include a recalculation of "revenue neutral", based upon actual property tax values now available
- Prepare and present a recommended budget which may be embraced as a collective representation of the goals, vision and direction for our community established by this Board of Commissioners

Ms. Cannon informed the Board that there are three modes used while going through the budget planning process: the requested mode, the recommended mode and the adopted mode. The requested mode begins the first to second week of February and involves requests from the department heads. This mode usually goes through the end of March. The recommended mode starts the first of April and ends the end of May. The Board begins the adopted mode at the end of May and into June when the Board adopts the budget. The following major changes in expenditures and revenue have already been identified for the coming budget year:

Expenditures

Retirement Contributions: mandatory increase in employer retirement contributions (\$1.2M additional cost).

Child Support: The State is shifting this back to the local counties and is an unfunded mandate

Operating Cost: (\$1. - \$1.5M additional cost).
Expense for the new Western Elementary Library (\$850,000 additional cost).

Health Insurance: Employee health insurance will increase by 10-12% (\$1.3M additional cost).

Ms. Cannon noted that ways are being examined to reduce or eliminate the increase in the cost of health insurance, but plan changes appear to be the only way. This will be discussed at an upcoming Finance Committee meeting.

The total of expenditure changes would be around \$4.8M – on the conservative side.

Revenues

Loss of State inmate housing reimbursement:	\$100,000 loss
Reduction of beer & wine taxes (66.7%):	\$335,000 loss
Reduction in interest earnings:	\$800,000 loss
Loss of rental income for state probation:	\$ 97,000 loss
Sales Tax Loss:	\$2.3M loss

(This is a combination of \$1.6M sales tax loss that comes directly to the county and \$700,000 loss on hold harmless agreement with municipalities)

The total revenue changes would be around \$3.6M.

Mrs. Cannon completed her presentation stating that a continuing sluggish economy will limit revenue growth potential and that the State budgetary impacts may create new fiscal responsibility for the County, but that a budget will be presented that collectively represents the collective goals and vision of the Board.

Discussion ensued regarding two issues that are state related that could have a negative impact on the county and that is the secondary road system being placed back on the counties and the possibility of the ABC System going to the state.

4. Planning Process

Chairman King introduced the facilitator, Debra Henzey, who went over the established guidelines for the Planning Process. After general discussion, the Board made selections for discussion based on the list of topics that were provided in their packets. Discussion ensued on each topic as follows:

GENERAL DISCUSSION ON GOALS & STRATEGIES

JAIL DISCUSSION:

- Need to involve groups like court officials and law enforcement to get information on releases, why over-crowding is occurring, etc.

- A lot of information on this is already available but needs to be shared.
- Nationwide trend on overcrowding due to lack of jobs for released inmates.
- State is also leaving their inmates in county jails longer, which is having statewide impact.
- Cost of new pod for jail is estimated at \$12 million plus operational costs.

WATER DISCUSSION:

- Critical needs for safe drinking water should be priority to serve.
- County manager has already met with LCFWA and recommends that the BOC accept the Authority's offer to make a presentation on the Bladen Bluffs project to the full BOC.
- Surrounding counties may be potential partners down the road to serve county areas.
- Frustration with lack of progress on commitments from PWC to provide service to county areas.

JOBS DISCUSSION:

- Some community members have suggested that the county re-establish economic development office as a county department.
- Costs would likely be more than what the county currently pays the Chamber, which is more than \$400,000 per year.
- Fayetteville also contributes money to Chamber for economic development.
- Need to have a better understanding of what county is NOT getting and what it would cost to get that done.
- BRAC and county's tier status change are factors that need to be considered. BRAC should be bringing in more jobs that it currently appears to be.
- The county's Human Resources staff is currently collecting data on departmental turnover to see if there are any problematic areas to be addressed.
- A few employee vacancies could create impact the department's mission, mostly in human services agencies where there has been more turnover.
- County manager has released freezes on positions whenever the department head requests and justifies the need.
- County manager will look at whether positions that have been open for a long time should be eliminated entirely.

PUBLIC SAFETY DISCUSSION:

- Report will be released on Feb. 16th and will include fire departments, 911, EMS, rescue, emergency management, etc.
- One issue will be how to address fire departments that have lower funding levels than others.
- Report is expected to include some recommendations for funding, including a proposed public safety sales tax (would require state legislative approval).
- A new public safety facility would provide a centralized emergency community center.

- Commissioners will have to work with others to develop an action plan once they hear the report.

SCHOOL FUNDING FORMULA DISCUSSION:

- The current formula has eliminated the need for annual negotiations with school board, which has been source of conflict in other counties.
- Downside is that a set formula can limit accountability and flexibility.
- County manager noted that it is important that any formula not lock in a percentage of funding as that can lead to major financial problems for the county.

HEALTH CENTER RENOVATIONS DISCUSSION:

- County administration would likely not have to move for 2 to 3 years.
- Not a sure thing that the BOC offices would also move, but usually are located in same facility.
- Board of Elections is in need of space...could this building meet those needs? Or, are there several smaller agencies that might be relocated here?
- County manager reports that minimum heat and air conditioning are maintained in the old health dept, to minimize damage or deterioration to the building while vacant.
- Once court facilities have expanded into other parts of the courthouse, it may impact whether or not it works well for county administration or BOC to stay there.
- Court officials could force the issue at some point and ask the county to vacate areas of the courthouse.

RECREATION DISCUSSION:

- Total cost for funding the countywide Recreation Master Plan was about \$80 million, which is more of wish list. Not enough funds to do this.
- Under an agreement, Fayetteville took over operations of recreation programs and facilities several years ago. County staff transitioned to city staff.
- A few people had been pushing for a city-county aquatics center for seniors, but not a consensus on this facility from senior groups.
- Studies show that rural residents do not want to drive too far from their communities for recreation, so many senior recreation programs are offered in community centers.
- County currently provides 5 cents through a recreation district tax in non-municipal areas to support recreation, but this amount is eroded when areas are annexed.
- Because the city provides a higher rate of support for recreation, the recreation staff has to be careful about not spending city taxes to provide services/support in county areas.
- An equal amount of funding from county would be one solution since it would allow a consolidation of recreation, but not sure of the best way to get there.
- In the end, county funding for recreation would have to go up.

- Hope Mills already gets its share of the county's recreation money distributed back to it; it does not go into the funding that goes to the City of Fayetteville. Linden and Spring Lake opted out of the recreation tax district entirely.

CONSOLIDATED PLANNING & COMMUNITY DEVELOPMENT DISCUSSION:

- At one time, CDBG programs were run through a county office, but Fayetteville opted to pull out to manage its own grants.
- County has lost CDBG funds due to annexation.
- If consolidated with Fayetteville's program, the county would have to pick it up since Fayetteville could not apply for CDBG funds for the county area outside its jurisdictional limits.
- Need to keep in mind what is best for the residents in need, not just what is best for operations.
- Appears that not enough gains from consolidating the CDBG programs to pursue this option now.
- At one time, there was a combined Planning Board & Department under the county, but Fayetteville felt that that it was in its best interest to have its own separate board.
- Combined planning has been on the table several times for discussion, but a lot of resistance.
- As a positive step, the 2030 planning process did bring together all the localities in the county for a joint planning process. An end result is that the planning boards agreed to have joint meeting 3 to 4 times a year.
- When the city and county planning functions were split, some joint planning effort was supposed to be developed to promote collaboration, but has not happened yet.
- Several commissioners know the regional planning concept will be met with resistance but feel that it is important to make the effort.

MUNICIPAL COMMUNICATIONS:

- One-on-one communications between individual members of the governing boards are generally very positive, but less progress is made when the two governing bodies meet jointly.
- Frustrated that joint meetings end up with limited representation from Fayetteville. Some meetings have not had quorums.
- The county has not received a formal request from Fayetteville on transportation, parking deck or jail, but county should take initiative by doing this for its own requests.
- County commissioners have taken action on the parking deck and not sure why this comes up as outstanding issue.
- Maybe the commissioners should meet with editorial board of the Fayetteville Observer to clarify these issues.

BRAC DISCUSSION:

- Do not want to start school facility plans now since we don't know who is moving here and where. Some may not have school-aged kids.
- More information will become available March 1st on first wave of those reassigned to this area.
- BRAC will definitely have impact on roads and transportation needs, but county has no role in this area.

At this point, the Board decided on which of the items discussed would be their top priorities. Strategies for both the top priorities and the secondary priorities were decided upon. The following gives a breakdown of top priorities and secondary priorities along with strategies to meet those goals:

TOP TIER OF GOALS

WATER–Continue to develop plans to meet countywide water needs.

Strategies:

- Plan a face-to-face meeting with PWC and the city to get response on whether or not county's request for expanded service will be met (Commissioners and County Manager will initiate this).
- Invite LCFWA to upcoming meeting to explain potential collaboration to meet water needs in Southpoint area (County Manager will schedule)
- Move forward with first county water district to see if this model can be used in other parts of the county.
- Meet with other potential partners if PWC (preferred provider) cannot meet needs.

JOBS–Promote countywide job creation and retention, including retention of county employees.

Strategies:

- Continue to have discussions with the Chamber of Commerce to clarify the county's expectations, using performance measures identified next year. (County Manager to ask Chamber to report on measures with FY11 budget request).
- Ask Chamber to provide some method to report to BOC on jobs created by small military contractors, including those with low-profile or sensitive operations.
- Collect information from other counties that have their own economic developers to see if results have been better. (County Manager to provide report within 60 days but noted that some counties will be reluctant to share this information)
- Initiate review of county's economic development incentive policy. (County Manager's office to collect examples from other counties, such as Chatham.)
- Make sure county identifies and addresses any departmental employee retention issues. (Human resources is currently collecting and reviewing this data.)
- Pursue options for providing some benefit or boost for employees in upcoming budget, if possible given the revenue outlook.

PUBLIC SAFETY–Review public safety study report to identify & approve action plan needed to address needs.

Strategies:

- Work with other key parties to develop action plan after study results are released on February 16th.

COMMUNICATIONS–Improve overall communications with municipalities, school system and the public.

Strategies:

- Make any county requests to municipalities and school system in writing and be clear as to what the county is requesting.
- Ask the municipalities and school system to make their requests in writing as well.
- Utilize the list of priority goals and strategies in his periodic meetings with town managers and elected officials.
- Pursue use of social media as another option for communicating with residents.

SECOND TIER OF GOALS

BRAC– Prepare to provide school facilities for BRAC-related student population growth once the county knows where and when these are needed.

Strategies:

- Continue to develop partnerships with key groups, such as CVA, realtors, car dealers and others to market the area and collect data on incoming residents.
- Utilize the upcoming Dogwood Festival to market the area and provide information.

PLANNING– Initiate regional planning through consolidation and collaboration with municipalities.

Strategies:

- Initiate discussions with municipalities on consolidated regional planning. (Commissioners will initiate this through meetings with Council Members)

SCHOOL FORMULA–Review and make decision on school funding formula to see if it should be continued, revised or eliminated when it expires.

Strategies:

- Work with staff to collect information on pros and cons of various options for the formula.
- Initiate negotiations with the school system this fall.

JAIL– Address jail overcrowding by involving key groups in reviewing population control and the need for new/revised facilities.

Strategies:

- Move forward with planning a county summit on jail-related issues, including bringing together key groups to share information on such issues as factors that impact over-crowding and post-release strategies. (Commissioners and County Manager will plan this).
- Prepare to build jail in 2012 if needed (already in county’s 2010 capital plan).

OLD HEALTH CENTER–Explore and prepare for renovations of old health facility to meet county administration or other county facility needs.

Strategies:

- Be prepared to weigh this need versus increased jail capacity because funding capacity may not support both within current timeline (2-3 years).
- Move forward with renovation study, but explore options for moving other county functions, such as Board of Elections, not just administration.

RECREATION–Provide recreational opportunities within 10 miles of county residents.

Strategies:

- Have staff develop a map showing where there are service gaps for the 10-mile radius around facilities.
- Initiate discussions with municipalities related to countywide recreation tax set at same rate or other way to equalize funding options. (Commissioners will initiate through Mayor’s Coalition)

The Board asked to have a quarterly update on the priority goals and strategies through their regular meetings. Time would be set aside at the meeting to get a brief summary report from the County Manager’s Office.

5. Wrap Up

Chairman King requested Mrs. Colgan provide information on the required Ethics Training for all elected officials this year. Mrs. Colgan advised that this information shows a webinar will be offered in March for a per site fee of \$95.00. Chairman King has suggested that we sponsor this webinar and invite all Cumberland County elected officials and more information will be furnished once received.

County Manager Martin thanked the staff for their participation in the meeting.

There being no further business, the meeting adjourned at 2:30 PM.

Approved with/without revision:

Respectfully submitted,

Marie Colgan
Clerk to the Board