

CUMBERLAND COUNTY BOARD OF COMMISSIONERS
FEBRUARY 5, 2002
PLANNING RETREAT

PRESENT: Chairman Breeden Blackwell
Vice Chairman Talmage S. Baggett
Commissioner Jeannette Council
Commissioner Kenneth S. Edge
Commissioner John Henley
Commissioner Billy R. King
Commissioner J. Lee Warren, Jr.
James Martin, County Manager
Juanita Pilgrim, Deputy County Manager
Cliff Spiller, Asst. County Manager
Amy Cannon, Asst. County Manager/Finance Officer
Grainger Barrett, County Attorney
Howard Abner, Budget Staff
Phillip Boyle, Institute of Government
Marsha Fogle, Clerk to the Board
Tonya Harris-Council, Public Information Officer

The Board met at 5:00PM in the Dining Room of the Cancer Center at Cape Fear Valley Health System for dinner.

Chairman Blackwell called the meeting to order at 6:00PM in the Board Room of Cape Fear Valley Health System. He introduced Phillip Boyle from the Institute of Government who will act as the Facilitator for our Planning Retreat.

Commissioner Jeannette Council asked that Staff draft a letter of support for Breeden Blackwell as a candidate for Third Vice President of the NC Association of County Commissioners, for the Board's signature.

1. Revenue/Expenditure Projects

James Martin, County Manager, reviewed the fiscal year 2002 adopted budget and the outlook for FY2003. He noted that because of the Governor's action today to withhold reimbursements that were due to counties in April, his figures will not be totally up to date.

His projected revenue as of 6/30/02 to be \$214,980,512. Projected expenditures \$216,249,073. FY 2002 deficit: \$1,268,561.

The manager urged the Board to continue to maintain an undesignated fund balance of at least 10% and that we limit fund balance appropriation to no more than 3% of the General Fund budget. The Manager pointed out that we currently have \$1.4 million in a reserve that could be used for one-time projects.

The manager told the Board that tax collections in December 2001 were about 1% ahead of December 2000, but were ½% behind in January 2001, as compared with January 2000.

Some budget projections for FY2003 are as follows:

Base Budget based on modified 12/31/01 budget:	\$218,276,132
Additions:	
Performance pay 2% (January-June 03)	\$ 613,622
COLA (2.5%)	1,534,055
Animal Control Facility	2,200,000
Annualize Detention Facility Salaries	1,519,966
Annualize Detention Facility Operating	500,000
Sheriff vehicles (12)	328,482
School current expense	1,907,000
FTCC current expense	182,854
Mainframe maintenance/upgrade	300,000
Medical examiner	10,000
Medicaid	1,000,000
Other	500,000

TOTAL ADDITIONS	\$ 10,595,979
FY 2003 projected expenditures	\$228,872,111
FY2003 projected revenue less annexation (\$433,464)	\$216,259,036
Projected deficit before fund balance appropriated	\$ 12,613,075
Fund balance appropriated (3%)	\$ 6,866,163
Additional revenue required to balance budget:	\$ 5,746,912

(This figure should be increased by about \$2 million, based on the action of the Governor to withhold our reimbursements)

In discussing the Governor's announcement this afternoon to hold reimbursements, Commissioner Henley noted he was flabbergasted and angry. He said the General Assembly should allow counties to enact the ½ cent sales tax immediately. He inquired if counties have any legal recourse against the State for keeping our reimbursements. The County Attorney said he would speak with other county attorneys across the state on Friday to get their take on this issue. Commissioner Warren suggested we ask the State Association to take out a one-page ad in the News and Observer outlining how the Governor's decision to keep our reimbursement will affect them. He suggested we include the address and phone number of the Governor's Office so the public can call and express their feelings on this issue. Commissioner Henley asked that our Public Information Officer prepare a news release stating the effect of the Governor's decision on our county. In addition, Commissioner Henley suggested that we invite our Legislative Delegation to have dinner with us on February 7 to discuss the action by the Governor and to ask them to ask the Governor to call a Special Session of the General Assembly to pass a bill allowing counties to enact the sales tax to offset the action taken today. Staff will contact the Legislative Delegation and invite them to dinner.

2. Method of Sales Tax Allocation

The County currently disperses sales tax based on per capita. Another option for disbursement is through the ad valorem method. The downside of the ad valorem method is that municipalities may be negatively affected. However, because of the loss in revenues because of annexation, a slow economy, and now the holding by the State of our budgeted reimbursements, the Board feels it needs to look at this option. The County may elect by April 1 of each year the method they want to use to allocate the sales tax.

MOTION: Commissioner Warren moved to direct staff to study the issue and bring back some information for the Board to look at relative to the positive and negative aspects associated with the adoption of the ad valorem method of dispersing sales tax.

SECOND: Commissioner Council

DISCUSSION: The consensus of the Board was to put our municipalities on notice that we are considering a change in the way we allocate the sales tax. It was suggested that the Chairman of the Board of Commissioners and the County Manager invite the Mayors, the Managers and/or Clerk to a meeting on February 12, 2002, 7:00PM to discuss the matter. It was noted that Forsyth County as well as other counties in the State, have reached an agreement with their municipalities to hold them harmless as a result of allocation via ad valorem tax.

VOTE: UNANIMOUS

3 Chairman's 11 Goals

The Board reviewed the Chairman's eleven goals:

1. Planning Retreat – currently happening
2. Waste Disposal Solution – Staff is checking into; however may be cost prohibitive
3. Convention & Visitors Bureau Liaison – Chairman Blackwell is attending the meetings
4. Quarterly meeting with Mayors – First meeting was held on January 30; Mayors will meet quarterly. They want to form a coalition. They have invited the County Legislative Delegation to their next meeting.
5. High School Student Connectivity – A high school student will be coming to our third Monday meetings

6. Continuance of Community Meetings – Meetings are being scheduled
7. Funding formula for Public Schools – County Finance Committee and School Finance Committee are meeting to work on a formula
8. Contact with County Legislative Delegation - meet more than once a year
9. Compromise on Voting member of PWC - Charter would have to be changed which presents a whole new set of issues
10. Ending Duplication – Currently working on merging the City and County recreation departments
11. Performance audits – Staff is getting information (cost will be a factor)

COMMISSIONER KING LEFT THE MEETING AT 8:00PM

3. Parks and Recreation Resolution

In discussion the Board discussed some of the issues in combining the city and county parks and recreation departments, i.e., programs, who will manage, support elements, cost, etc. Commissioner Edge noted that the two departments and the two boards are working together now. He noted that the City Parks and Recreation Board appointed a liaison to the County Board and vice versa. Commissioner Edge also noted that we need to do something because as the City continues to annex, the county's tax base continues to dwindle. Commissioner Henley said if there are enough votes on the Board approving the merger, the Board should direct staff to do it. James Martin, County Manager, said he believes we may be going about this the wrong way. He suggested that perhaps the "policy" issues should be addressed first, and then staff will be able to address the administrative issues.

Commissioner Henley expressed concern that the previous Resolution that came before the Board did not have strong enough language. The Board reviewed the previous Resolution and made changes.

MOTION: Commissioner Henley moved to endorse the Resolution.
SECOND: Commissioner Baggett
VOTE: UNANIMOUS

A RESOLUTION OF THE CUMBERLAND COUNTY BOARD OF COMMISSIONERS ENDORSING A REVIEW OF ISSUES AND OPTIONS FOR DELIVERY OF CUMBERLAND COUNTY, CITY OF FAYETTEVILLE AND OTHER TOWN'S PARKS AND RECREATION PROGRAMS

WHEREAS, North Carolina statutes provide that furnishing parks and recreation services and facilities is a public purpose; and

WHEREAS, North Carolina statutes authorize local governments to provide parks and recreation services and facilities; and

WHEREAS, parks and recreation services and facilities contribute to the quality of life and to the health and enjoyment of citizens; and

WHEREAS, Cumberland County, the City of Fayetteville and other towns in Cumberland County operate parks and recreation programs and facilities; and

WHEREAS, the multiplicity of parks and recreation programs sometimes leads to public confusion and may create overlap or duplication in such programs and facilities; and

WHEREAS, discussions have occurred from time to time over the years regarding the advantages or disadvantages of merging Cumberland County and City of Fayetteville parks and recreation programs; and

WHEREAS, the City-County Liaison Committee at its meeting of January 24, 2002 recommended that the staffs of the County and of the City review the issues affected by and present options regarding joint delivery of the Cumberland County and City of Fayetteville parks and recreation programs, and of any other municipal programs which may desire to be involved in such review; and

WHEREAS, the Board of Commissioners requests that a plan to accomplish the joint delivery of parks and recreation services be presented to the Board of Commissioners and City Council by September 2, 2002;

NOW THEREFORE the Cumberland County Board of Commissioners endorses the recommendation of the City-County Liaison Committee for a review by the respective county and municipal staffs of the issues affected by and for presentation of options regarding joint delivery of county and municipal parks and recreation programs; and be it further

RESOLVED, that the Board of Commissioners further encourages and invites any municipality in Cumberland County that so desires to participate in such review; and be it further

RESOLVED, that the Board of Commissioners directs staff to use its best efforts to present the results of such review and of a plan to accomplish the joint delivery of parks and recreation services to the Board of Commissioners by September 2, 2002.

4. Goals – Suggested by Board of Commissioners

Commissioner Edge said he supported the Chairman's goals; however he suggested that the Board should prioritize the goals so staff knows what our priorities are. He said the Board should be careful not to overload staff so they become frustrated.

The Board members suggested some goals in addition to the Chairman's:

1. Improve employee benefits/compensation
(birthday off, percentage or flat amount for each employee, ask local merchants to have "county employee" discount day, reduce out of pocket costs at CFVHS and at some surgical practices in the county)
2. Human Relations department (partnering with the City)
3. Anticipate impact of the 2004 revaluation and the ½ cent sales tax
4. Appropriate participation in Fayetteville Futures efforts
5. Establish water/sewer districts (maybe two at a time if appropriate)
6. Continue positive relationships among Board members
7. Identify land and determine affordability of purchase for new animal control facility
8. Place citizen survey on web site
9. Begin thinking about an industrial corridor on I-95 North
10. Be mindful about shrinking student body population

The Board will prioritize the above goals at their meeting on February 7.

MEETING ADJOURNED: 9:50PM

Clerk to the Board