June 1, 2011

The Board of Commissioners of Franklin County, North Carolina, met for a Recessed Meeting at 5:00 P.M. in the Commissioner’s Conference Room located in the County Administration Building with the following Commissioners present: Chair Sidney E. Dunston, Vice-Chairman E. Shane Mitchell, Donald C. Lancaster, Penny McGhee, Harry L. Foy, Jr. and Robert L. Swanson. Commissioner David T. Bunn was absent.

1. CLOSED SESSION

The Board was asked to consider entering into closed session pursuant to NCGS 143-318.11 (a)(3) to consult with an attorney employed or retained by the public body in order to preserve the attorney-client privilege between the attorney and the public body, which privilege is hereby acknowledged.

Commissioner Swanson made a motion to enter into closed session pursuant to NCGS 143-318.11 (a)(3) to consult with an attorney employed or retained by the public body in order to preserve the attorney-client privilege between the attorney and the public body, which privilege is hereby acknowledged. The motion was seconded by Commissioner McGhee and carried 5 to 1, with Commissioner Foy voting “NO.”

(Commissioner Bunn arrived prior to the beginning of closed session.)

At 6:16 P.M., Commissioner McGhee made a motion to enter back into open session, seconded by Commissioner Lancaster. The motion duly carried with all present voting “AYE.”

No action was taken.

2. 2011-2012 BUDGET PRESENTATION

County Manager Angela L. Harris and Finance Director Chuck Murray presented the proposed 2011-2012 budget utilizing the following PowerPoint presentation.
June 1, 2011 Minutes
June 1, 2011 Minutes

What are the reductions

- Central Services Budget: Reduces all non-profit funding levels by 4% from current funding levels.
  - Boys and Girls Club - Current Level $9,000, requested $12,000, recommending $9,640.
  - Franklin County Arts - Current Level $5,000, requested $6,000, recommending $4,600.
  - Franklin County Chamber - Current Level $9,000, requested $10,000, recommending $9,640.
  - Volunteers in Medicine - Current Level $9,000, requested $26,000, recommending $9,640.
  - Safe Space - Current Level $9,000, requested $25,000, recommending $9,640.

- Sheriff's Office: Reducing staff from 75.75 to 72.25 with the freezing of 3 full-time deputies reducing 2 full-time Court Security Guards to a part-time status.
  - Net reduction: $184,894 or 47 cents.
  - Sheriff's Office: Vehicles - Requested $184,705, recommending $184,705.
  - Net reduction: $184,705 or 37 cents.

- Sheriff's Office: Automotive Supplies - Requested $102,000, recommending $96,400.
  - Net reduction: $102,000 or 26 cents.

What is the effect of reduction?

- EMS and Rescue Services: Currently, we have 7 ambulances: Monday through Friday from 9 am to 6 pm.
  - From 6 pm to 9 am we have 1 ambulance and 2 DVRs.
  - From 9 am to 6 pm we have 3 ambulances and 1 DVR.
  - Reduced: 1 ambulance from 6 pm to 9 am.
  - Net reduction: $151,430 or 39 cents on tax rate.

- EMS and Rescue Services: Working to reduce our contracted billing and collection contract.
  - Net reduction: $14,000.

- EMS and Rescue Services: Budget does not include a County appropriation for Burn Rescue.
  - EMS Director recommends no funding due to lack of squad answering emergency calls in their district.
  - Net reduction: $30,000.

What are the reductions

- Communications Department: Reducing staff from 18.0 to 17.0 positions with the freezing of a telecommunication position.
  - Net reduction: $45,267.

- Jail Operations: reducing full-time staff from 34.0 to 32.0 with the freezing of a Detention Officer position and reduced part-time salaries from $60,000 to $70,000. Reduced Jail inmate medical request from $175,000 to $100,000.
  - Net reduction: $151,430 or 39 cents on tax rate.

EMS and Rescue Services

- EMS and Rescue Services: EMS and Rescue Services: Working to reduce our contracted billing and collection contract.
  - Net reduction: $14,000.

EMS and Rescue Services: Budget does not include a County appropriation for Burn Rescue.

EMS Director recommends no funding due to lack of squad answering emergency calls in their district.

Net reduction: $30,000.

EMS and Rescue Services: EMS and Rescue Services:EMSAC requested $541,000 in capital outlay. Proposed budget provides for $175,000.

Net reduction: $366,000 or 33 cents on tax rate.

How are the Volunteer Rescue Squads financially?

<table>
<thead>
<tr>
<th>Squad Name</th>
<th>Expenses</th>
<th>Capital Outlay</th>
<th>Revenue</th>
</tr>
</thead>
<tbody>
<tr>
<td>Burn Rescue FYE 09</td>
<td>$183,888</td>
<td>$123,702</td>
<td>$60,000</td>
</tr>
<tr>
<td>White Level FYE 10</td>
<td>$102,089</td>
<td>$0</td>
<td>$0</td>
</tr>
<tr>
<td>Franklin County current</td>
<td>$050,000</td>
<td>$0</td>
<td>$0</td>
</tr>
<tr>
<td>Youngsville FYE 10</td>
<td>$125,683</td>
<td>$0</td>
<td>$0</td>
</tr>
</tbody>
</table>
**June 1, 2011 Minutes**

---

**What are the reductions**

- General Health Budget: Reducing staff from 10.5 positions to 6.0 positions with the elimination of a full-time Environmental Health Specialist and a part-time Environmental Health Advisor.
  - Net reduction: $92,964 or 24 cents.

- Clinical Health Budget: Reducing staff from 36.6 to 30.7 positions with the reduction of a Health Education position and a Computer Support Technician. Transferred 0.9 positions from Clinical Health.
  - Net reduction: $12,000.

- Dental Health: Eliminated Full Time Dental Position. Contracting out for Dental Services. Transferred 0.9 positions to Clinical Budget.
  - Net reduction: $110,394 or 26 cents.

---

**Board of Education**

- Requested for Operations: $12,487,270
- Recommended: $12,000,000
- Change: $457,270

- FY 2010-2011 Allocation: $11,748,053
- Recommended: $12,000,000
- Increase: $252,947

- Requested for Capital: $1,175,730
- Recommended: $925,000
- Decrease: $250,730

---

**Number of County Positions included in the proposed budget**

<table>
<thead>
<tr>
<th>Proposed FY 2011-2012</th>
<th>Proposed FY 2012-2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total County Positions</td>
<td>467</td>
</tr>
<tr>
<td>EMS</td>
<td>49</td>
</tr>
<tr>
<td>Health Dept.</td>
<td>59</td>
</tr>
<tr>
<td>Sheriff's</td>
<td>70</td>
</tr>
<tr>
<td>Aging dept.</td>
<td>8</td>
</tr>
<tr>
<td>DSS</td>
<td>99</td>
</tr>
<tr>
<td>Inspections</td>
<td>6</td>
</tr>
</tbody>
</table>

---

**Number of County Positions**

- EMS: 54
- Health Dept.: 63
- Sheriff's: 66
- Aging dept.: 11
- DSS: 101
- Inspections: 7

---

**Est. Fund Balance Position at 6/30/2011**

- Estimated Expenditures: $68,196,685
- Estimated Revenues: $65,541,105
- Difference: $2,655,580
- During the fiscal year 2010-2011, we appropriated $3,463,996 and are going to use: $2,655,490

---

**Fund Balance position based on estimate for FY 2009-2010**

- Total Fund Balance 6/30/2011: $16,693,645
- Baseline Estimated Reserve by Statute: $2,407,200
- Baseline Estimated Reserve: $3,052,116
- Budget FY 2011 Estimated: $3,253,741
- Projected Undesignated Fund Balance: $11,500,271
- Using Total G/L Budget of $65,490,791
- Est. % of Undesignated Fund Balance: 17.64%

---

**Vance Granville Community College**

- Requested for Operations: $822,982
- Recommended: $800,000
- Change: $22,982

- FY 2010-2011 Allocation: $400,000
- Recommended: $300,000
- Decrease: $100,000

- Requested for Capital: $15,500
- Recommended for Capital: $15,500

---

**So again reductions to all departments excluding debt total $3.76 million compared to FY 2010-2011 budget**

**Estimated Fund Balance position FYE 2010-2011**

- Total Fund Balance: $67,715,138
- Baseline Estimated Expenditures: $68,744,689
- Baseline Estimated Revenues: $68,744,689
- Difference in revenues and expenses: ($2,000,000)
- Total Fund Balance: $65,744,689

---

**Undesignated Fund Balance Comparison**

- Est. FYE 2010-2011: $11,500,271
- 17.64%
- FYE 2009-2010: $3,052,116
- FYE 2008-2009: $3,052,116
- FYE 2007-2008: $3,052,116
- FYE 2006-2007: $3,052,116
- FYE 2005-2006: $12,146,078
- FYE 2004-2005: $12,870,944

**Based on a $65.9 million General Fund Budget**
At the conclusion of the presentation, Commissioner McGhee asked for more detail regarding the public safety budget as well as more detail on how furloughs would be carried out. She also asked for more information regarding reduction in force. She stated she wanted to see a list of the positions involved as well as their associated cost. She also stated she had further questions regarding funding for fire departments and said she desires to better understand the fire department’s fund balance.

Commissioner Lancaster made a motion to approve the schedule for budget work sessions (included in the presentation), seconded by Commissioner Swanson. The motion duly carried with all present voting “AYE.”

The schedule is as follows.

June 1, 2011 Minutes
<table>
<thead>
<tr>
<th>Date</th>
<th>Event</th>
</tr>
</thead>
<tbody>
<tr>
<td>June 14, 2011</td>
<td>Meal at 5:30 P.M.</td>
</tr>
<tr>
<td>June 15, 2011</td>
<td>Budget Work Sessions at 6:00 P.M.</td>
</tr>
<tr>
<td>June 16, 2011</td>
<td></td>
</tr>
<tr>
<td>June 20, 2011</td>
<td>Public Hearing regarding proposed budget; Address issues if necessary; adopt budget</td>
</tr>
<tr>
<td>June 27, 2011</td>
<td>Additional budget sessions if necessary</td>
</tr>
<tr>
<td>June 28, 2011</td>
<td></td>
</tr>
</tbody>
</table>

At approximately 7:31 P.M., Commissioner Lancaster made a motion to adjourn, seconded by Commissioner Mitchell. The motion duly carried with all present voting “AYE.”

Sidney E. Dunston, Chair
Kristen G. King, Clerk to the Board