

**PERSON COUNTY BOARD OF COMMISSIONERS**  
**MEMBERS PRESENT**

**JUNE 1, 2010**  
**OTHERS PRESENT**

Johnny Myrl Lunsford  
Jimmy B. Clayton  
Kyle W. Puryear  
B. Ray Jeffers  
Samuel R. Kennington

Heidi York, County Manager

Brenda B. Reaves, Clerk to the Board

The Board of Commissioners for the County of Person, North Carolina, met in recessed session on Tuesday, June 1, 2010 at 6:30 p.m. in the Commissioners' meeting room in the Person County Office Building.

Chairman Lunsford called the budget work session to order at 6:31 p.m. Chairman Lunsford stated the Public Hearing for the Recommended Budget for Fiscal Year 2010-2011 will be held on Monday, June 7, 2010 at 7:00 p.m. for public comments. Chairman Lunsford spoke about fiscal responsibilities to maintain a strong bond rating and a stable financial base for the future of Person County.

Commissioner Puryear arrived at 6:34 p.m.

County Manager, Heidi York stated the Board requested discussion on the following items: Recreation, Arts and Parks fee restructure, economic development, hospital and other non-profits. Ms. York stated she would like to give an update on the Council on Aging from a meeting held earlier this date with the Council on Aging Board of Directors.

County Manager, Heidi York highlighted the areas to follow up from the Recreation, Arts and Parks budget noting the analysis in the spreadsheets before the Board illustrating the adjusted fees to make the programs in the negative self supporting. Board members discussed various options involving Roxboro Little League taking over the baseball/softball programs with a willingness to consider offering a football program, the possibility of cutting a staff position, adjusting fees across all recreation programs as well as adjusting fees in the programs in the negative. Ms. York stated to restore the recommended recreation department budget cuts would be approximately \$37,000.

A **motion** was made by Commissioner Puryear, **seconded** by Commissioner Kennington, to restore the recommended cuts in the recreation budget in its entirety and adjust the fees to sustain the program for fiscal year 2010-2011.

A **substitute motion** was made by Commissioner Jeffers, **seconded** by Commissioner Clayton, to restore youth basketball to 10 games by cutting part-time salaries in the recreation budget by the same amount (\$7,500) as well as work with Roxboro Little League on providing baseball, softball and football programs. The **substitute motion died for lack of majority 2-3**. Chairman Lunsford and Commissioner Jeffers voted in favor of the substitute motion. Commissioners Clayton, Puryear and Kennington voted in opposition to the substitute motion.

**A call for the original motion died for lack of majority 2/3.** Commissioners Puryear and Kennington voted in support of the original motion. Chairman Lunsford, Commissioners Clayton and Jeffers voted in opposition of the original motion.

Commissioner Kennington pointed out the net loss in both the Kirby (\$108,000 loss) and Mayo (\$156,000 loss) programs. Commissioner Kennington stated over 40% of the participants at Mayo Lake are not Person County residents, thereby the county is subsidizing non Person County residents at the expense of Person County Youth. Commissioner Kennington requested fees for non Person County residents be increased. Commissioner Kennington requested the Kirby and Mayo programs be reviewed in addition to Athletics, requesting a fee structure for non Person County residents presented as soon as possible. Commissioner Kennington asked the County Manager to confirm the seriousness of the Roxboro Little League in providing football, baseball and softball. The County Manager stated she had confirmed Roxboro Little League to take on the baseball/softball programs.

Recreation, Arts & Parks Director, Mitch Pergerson stated the County has a Non Resident User Fee Policy which varies based on the specific program. Mr. Pergerson stated North Carolina State Parks does not charge a non resident fee as it is considered tourism therefore Mayo Park has not charged campers the non resident fee.

Commissioner Puryear questioned the DSS program budget line item for Employment and Training at \$249,500 from a zero line this fiscal year as well as the Work First \$198,000 from \$1,000 this fiscal year. The County Manager and the Finance Director stated they will research and get an answer to the Board for those line items noted.

Commissioner Jeffers stated new federal requirements lowering the criteria to be eligible to receive food stamps will become effective July 1, thus increasing DSS caseloads and impacting the need for additional part-time staff in the Food Stamp program. Commissioner Jeffers estimates the need at \$20,000. Chairman Lunsford noted State and Federal mandates are unknown at this time.

Commissioner Puryear pointed out Human Services Building Lease reflects an increase from \$453,936 to \$493,319. The County Manager confirmed the terms of the Human Services Building Lease increases every three years. Commissioner Kennington pointed out this was one-third of the rent noting the total rent for the Human Services Building is \$1,010,900 for next year.

Commissioner Kennington offered the following list for Board consideration and discussion to restore all items, funding from the County Fund Balance as one-time expenditures:

1.	6,000		Tear down house and build a demonstration garden
2.	100,000		Cardiac Rehab Center at Person Memorial Hospital
3.	500,000		Economic Development for land acquisition and/or infrastructure of industrial park around airport
4.	15,000		Person County Museum of History
5.	300,000		Pay-As-Go Community Center
6.	100,000		Future Senior Center funding
	Sub-total	1,021,000	
7.	186,433		Person County School
8.	20,239		Piedmont Community College
	Sub-total	206,672	
9.	3,000		Roots and Wings
10.	2,850		Chamber of Commerce – Personality
	Sub-total	5,850	
	Total	1,233,522	Take out of Reserve Fund 12,900,000 – 1,233,522 = 11,666,478 / 50,000,000 23.3% of budget
11.	191,523		Restore 3 Furlough Days
	Sub-total	191,523	.038304
	Grand Total	1,425,045	12,900,000 – 1,425,045 = 11,474,955 or 22.95% / 50,000,000

Increase Hotel/Motel Occupancy Tax

Cut 401K out completely and allow up to a 5% match for employees

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Commissioner Clayton made the following comments to Commissioner Kennington's proposed list of appropriations from the County Fund Balance:

- stated agreement in trying to restore the employee furlough days noting it is a recurring expense not a one-time expenditure,
- did not agree tearing down the house in a year of economic recession,
- stated the hospital is a fine organization with a \$4 to \$6 million fund balance and a \$40 million budget, not in a situation to going bankrupt,
- stated the Board is notorious for appropriating funding from fund balance at any time needed for economic development projects,
- noted the Museum did not apply for non profit funding,
- stated a tough year to dedicate money for the pay as you go community center, and
- noted \$186,000 is a big amount from the county budget and the county is doing well to maintain the same funding level for Person County Schools.

Commissioner Clayton does not want to harm the county bond rating for appropriating the proposed amount of funding from the County Fund Balance.

Commissioner Kennington countered Commissioner Clayton's comments noting all proposed items could be a one-time expense as opposed to recurring based on economic condition of the economy. Commissioner Kennington would like to show Durham County that Person County is serious about economic development. Commissioner Kennington noted the Cardiac Rehab Center does not have all the funding required for the Cardiac Rehab Center and the hospital may end up using their general operating funds. Commissioner Kennington felt his proposed list would be acting a good steward and not hoarding the tax payer's money and not jeopardizing the bond rating. Commissioner Kennington noted the funds proposed (\$100,000) would be included with the funds raised by the community (\$85,000 to \$90,000) that was matched of Roxboro Savings Bank (\$85,000) to renovate and expand the current cardiac rehab center.

Commissioner Clayton pointed out that the Board does not know what impacts the State budget may have on the county budget.

Commissioner Kennington noted the Person County Schools allocation is \$12,090,845 and his proposed additional funding would take the allocation to \$12,277,278, the same level of funding as 2008-2009.

A **motion** was made by Commissioner Puryear, **seconded** by Commissioner Kennington, to allocate \$500,000 from the County Fund Balance to Economic Development in 2010-2011. Commissioner Kennington asked for clarification of Commissioner Puryear's motion. Commissioner Puryear clarified the motion to be specific for land acquisition and/or infrastructure of an Industrial Park near the County Airport. The **motion died for lack of majority 2/3**. Commissioner Puryear and Kennington voted in support of the motion. Chairman Lunsford and Commissioners Clayton and Jeffers voted in opposition to the motion.

A **motion** was made by Commissioner Kennington, **seconded** by Commissioner Puryear, to allocate \$100,000 to the Cardiac Rehab Center at Person Memorial Hospital.

Commissioner Clayton stated opposition to restore cuts to the Manager's Recommended Budget when the county is not meeting payroll to its employees.

Mr. Jamie Guin, Jr., CEO of Person Memorial Hospital described the Cardiac Rehab Center as a new construction project enhancing the current approximate 500 square feet by four times the space. The \$100,000 would complete the construction phase and includes no equipment or monitoring.

Commissioner Jeffers requested Commissioner Kennington to withdraw his motion until the Board's next meeting. Commissioners Kennington and Puryear withdrew the motion on the floor.

County Manager, Heidi York stated the actual fund balance amount would not be available until after the audit. The Finance Director noted the fund balance amount would be a guess at this point until all the expenditures and revenues are incurred.

County Manager, Heidi York updated the Board on the Council on Aging meeting held this date with the Council on Aging Board of Directors, Mr. Timmy Baynes, Director of the Kerr-Tar Regional Council of Governments, Diane Cox, Regional Aging Director and Ms. Wehrenberg. Ms. York stated the financial documents were reviewed and the findings were reported to the Council on Aging Board of Directors. Ms. York shared the findings with the group that included payroll tax liability (back payments to payroll taxes are totaling \$27,000 to \$29,000 owed), employee's state withholding is also paid late, Block Grant (Person County is pass-through agent for the grant federal and state funds) funding was being used to pay the payroll taxes which is a General Statute violation. Ms. York stated the Block Grant funds will be terminated because of the violation of misappropriated funds (used for payroll taxes instead of the provision of services). Ms. York stated the Council on Aging Board of Directors passed a motion this date that operations of the Senior Center would cease by the Council on Aging Board of Directors with recommendation that the operations continue to run effective July 1, 2010 by the Kerr-Tar Regional Council of Governments for a period of 12 months. Ms. York noted all three entities (Council on Aging Board of Directors, Kerr-Tar Regional Council of Governments and Person County Staff) are in agreement for the appropriate direction for the operations of the Senior Center for the upcoming fiscal year is to designate the Kerr-Tar Regional Council of Governments as the recipient of the Block Grant funding instead of the Council on Aging as well as to oversee the provision of services. Ms. York stated Mr. Baynes has requested timely decision by the Board for selecting the designee of the funding. Ms. York noted the services that would continue under the proposed oversight of the Kerr-Tar Regional Council of Governments would include the in-home aide program, congregate nutrition program and transportation. Ms. York told the group that the Council of Governments Board of Directors, noting Chairman Lunsford and Commissioner Clayton are members, unanimously voted to authorize the Kerr-Tar Regional Council of Governments to take over the Senior Center for 12 months.

A **motion** was made by Commissioner Clayton, **seconded** by Commissioner Jeffers, to designate the Kerr-Tar Regional Council of Governments as the recipient of the state and federal pass-through funds to operate the Senior Center effective July 1, 2010 for 12 months.

Commissioner Clayton stated the Council of Governments membership voted unanimously as well for the proposal.

A **substitute motion** was made by Commissioner Puryear, **seconded** by Commissioner Kennington to postpone the vote and place on the June 7, 2010 Board meeting agenda to allow more time for consideration. The **substitute motion died for lack of majority**. Commissioners Puryear and Kennington voted in support of the substitute motion. Chairman Lunsford, Commissioners Clayton and Jeffers voted in opposition to the substitute motion.

Chairman Lunsford stated if the vote is postponed, public perception may include the programs being eliminated noting seniors are dependent on the transportation, meals and in-home services and recommended a Board decision sooner versus later.

Commissioner Puryear inquired if the vote would include any county funding. Ms. York and Ms. Wehrenberg noted the pass-through grant funds are the source of revenue for the programs and there is no way to predict what future funding may be needed for continuation of programs until the Council of Governments analyzes the programs. Ms. York stated the Council on Aging Board of Directors came to the conclusion that this proposal is the only viable option to continue providing services to seniors in Person County.

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The Board discussed the option of the Council of Governments possibility reviewing contracting services. Ms. York stated the Council of Governments will notify current Council on Aging Staff advising of the proposed transition and request application of employment if staff are interested to stay in their current capacity. Ms. York stated one of the issues is that the Council on Aging is over-staffed. No one would be guaranteed a job. The Council on Aging Board of Directors would be requested to remain in an advisory capacity.

A call for the **original motion carried unanimously 5-0.**

**NEXT WORK SESSION:**

It was the consensus of the Board to schedule the next budget work session after the public hearing scheduled for June 7, 2010. The Board scheduled June 9, 2010 at 9:00 a.m. as the next budget work session.

**CHANGE OF VENUE:**

A **motion** was made by Commissioner Kennington, **seconded** by Commissioner Clayton, and **carried 5-0** to change the meeting location of the Board's regular scheduled meeting on June 7, 2010 to the Auditorium at the County Office Building.

**CLOSED SESSION:**

Commissioner Kennington requested Board consideration to enter Closed Session pursuant to General Statute 143-318.11(a)(6) to discuss personnel.

A **motion** was made by Commissioner Jeffers, **seconded** by Commissioner Kennington, and **carried 5-0** to enter Closed Session pursuant to General Statute 143-318.11(a)(6) to discuss personnel at 8:31 p.m.. Chairman Lunsford announced a five-minute break prior to entering Closed Session.

A **motion** was made by Commissioner Puryear, **seconded** by Commissioner Jeffers, and **carried 5-0** to return to open session at 8:43 p.m.

**ADJOURNMENT:**

A **motion** was made by Commissioner Puryear, **seconded** by Commissioner Jeffers, and **carried 5-0** to adjourn the meeting at 8:43 p.m.

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Brenda B. Reaves  
Clerk to the Board

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Johnny Myrl Lunsford  
Chairman