

The Board of Commissioners for the County of Cabarrus met in recessed session in the Multipurpose Room at the Governmental Center in Concord, North Carolina on Thursday, May 21, 2009, at 3:30 p.m.

Present - Chairman: H. Jay White, Sr.  
 Vice Chairman: Grace M. Mynatt  
 Commissioners: Robert W. Carruth  
 Elizabeth F. Poole  
 Coy C. Privette

Also present were John Day, County Manager; Mike Downs, Deputy County Manager; Pam Dubois, Deputy County Manager; Kalesha Kennedy, Budget and Performance Manager; Francesca Martin, Budget Analyst; Kay Honeycutt, Clerk to the Board and Lyndsay Hayes, Deputy Clerk to the Board.

Note: Commissioner Carruth was not present for the beginning of the meeting.

**Call to Order**

Chairman White called the meeting to order at 3:45 p.m.

**FY 2010 Budget Changes**

Kalesha Kennedy, Budget and Performance Manager, reviewed the budget changes as follows:

DEPARTMENT	DESCRIPTION	REVENUE	EXPENSE	EXPLANATION
	<i>General Fund Proposed Budget</i>	194,522,662	194,522,662	
General Services	Storage Rental Fees		6,400	Demolition of the Old Fairgrounds Storage Facility
Commerce - Community Development	Final Notification - Adjustments to Weatherization Grant Funds Budgeted	(141,951)	(37,931)	
BOC	Transfer COG dues to Contingency			\$39,295 COG
Non-departmental	Reduce Contingency		(110,420)	

Chairman White then reviewed the Board of Commissioners' dues and subscriptions proposed for FY 2010 as follows:

VENDOR	AMOUNT
National Association of Counties (NACo)	\$2,382.00
National Association of County Commissioners (NCACC)	\$17,753.00
UNC School of Government	\$17,070.00
Centralina Council of Governments (COG)	\$39,295.00
Chamber of Commerce	\$1,561.00
Law/Clerk Dues	\$839.00
TOTAL	\$78,900.00

A general discussion ensued amongst the Board and staff regarding these dues and the benefits received from these subscriptions.

Chairman White noted the importance of the services the County receives from the UNC School of Government. He also stated he is not satisfied that the County is receiving an ample amount of services from the Centralina COG.

As the Commissioner's representative for the COG, Commissioner Poole reviewed the dues paid to be a member of the Centralina Council of Governments.

Note: Commissioner Carruth arrived at 4:04 p.m. and was present for the remainder of the meeting.

The Board requested to speak with Kelly Sifford, Community Development Manager, to hear her opinion on the effectiveness of the County's membership with the Centralina COG. Ms. Sifford stated the Board could pay for the hours used in the administration of the community development grants on a per hour basis.

Mr. Day suggested the Board move the funds used to pay the Centralina COG dues into the Contingency Fund so the funds would be available should the Board decide to rejoin the COG.

**UPON MOTION** of Vice Chairman Mynatt, seconded by Commissioner Carruth, and unanimously carried, the Board voted to transfer the funds in the amount of \$39,295.00 proposed to be spent on the membership to the Centralina Council of Governments in FY 2010 into the Contingency fund.

#### **Cabarrus County Schools and Kannapolis City Schools Budgets**

A discussion ensued amongst the Board regarding the proposed budgets for Cabarrus County Schools (CCS) and Kannapolis City Schools (KCS) for FY 2010.

Chairman White expressed concern regarding the suggestion by CCS of laying off teachers in the upcoming year.

Vice Chairman Mynatt commented that she was aware that KCS receives State and Federal funding that CCS is ineligible for. She noted there are critical financial issues facing CCS this year that KCS is not experiencing.

Commissioner Privette noted that Rowan County provides a higher percentage of funds to KCS than Cabarrus County. John Day, County Manager, noted that the Rowan County's Average Daily Membership (ADM) contribution is higher than Cabarrus County's.

Chairman White noted that if the County fully funds the budget requests from KCS, then CCS will potentially experience a shortfall of funds, and if the County fully funds the budget requests from CCS, then KCS will experience a windfall of funds.

A general discussion ensued regarding athletic uniforms, new band uniforms and new band instrument costs.

Mr. Day reminded the Board that funds are available in the Contingency fund that can be used towards the schools' Capital Outlay requests.

Lengthy discussions continued regarding potential Reductions in Force (RIF) actions within CCS; distance learning opportunities; facilitators in online learning classrooms; etc.

Vice Chairman Mynatt noted that there are serious overcrowding issues in CCS, and proposed the County fund all four CCS construction projects and delay the construction of the new A. L. Brown High School wing addition for KCS.

Mr. Day explained once principal and interest is due for the A. L. Brown construction project, it will total approximately \$900,000.00 to \$1,000,000.00 per year. He noted the County will capitalize this interest over two and a half years, leaving a payment of approximately \$400,000.00, which will not have a big impact on the County.

Chairman White stated the practical thing to do in the current economic situation is to fund all four new schools for CCS and the new science wing addition for A. L. Brown High School as presented in "Plan B" and take advantage of low construction costs and interest rate. He also stated the need to have frank discussions regarding the 15-year plan and any future constructions with CCS and KCS. He also suggested any future constructions with CCS or KCS be funded through General Obligation (GO) bonds.

Mr. Day stated the Local Government Commission (LGC) has recommended the use of GO bonds for the next debt issuance.

A discussion ensued regarding property valuations and taxes.

#### **Five Year Financial Plans A and B**

The Board lengthily discussed the benefits and drawbacks of each five-year financial plan as presented. Topics addressed included: school construction; projected sales tax; a segregated account for technology funds for each school system; the need for a Chairman/Vice Chairman Meeting with KCS and CCS in the immediate future; etc.

#### **Recess of Meeting**

The Board took a short break at 5:10 p.m. The meeting resumed at 5:24 p.m.

#### **Additional Budget Changes**

The Board discussed proposed changes to the Proposed FY 2010 Budget for CCS and KCS as presented.

Commissioner Poole suggested providing CCS with more capital funding in the future if possible.

Chairman White stated he would like to earmark any additional capital funding for certain things, such as Connect-ED.

John Day, County Manager, suggested leaving some designated funds in contingency and leave the appropriation for school capital as-is, noting further discussions can be held regarding particular items once the budget is adopted.

#### **Capital Outlay for Cabarrus County Schools & Kannapolis City Schools - Plan B**

UPON MOTION of Commissioner Poole, seconded by Commissioner Carruth, and unanimously carried, the Board voted to finance through Certificates of Participation (COPs) the construction of two elementary schools and two middle schools for Cabarrus County Schools (CCS) and construct a new wing at A. L. Brown High School (and renovate a vocational building) for Kannapolis City Schools (KCS), as previously discussed and planned, and to reduce the principle amount financed by an amount equal to 100 percent of the money available in the KCS and CCS lottery and public school building funds.

#### **Cabarrus Health Alliance**

The Board held a lengthy discussion with staff regarding the financial requests from the Cabarrus Health Alliance (CHA) as presented at the Budget Workshop on May 20, 2009. After discussion, no changes were made to the CHA budget.

#### **Cabarrus County Department of Social Services**

The Board discussed with staff the financial requests from the Cabarrus County Department of Social Services as presented at the Budget Workshop on May 20, 2009. No action was taken.

#### **Upcoming Meetings**

Chairman White reminded the Board of the Board of Commissioners' Rezoning Meeting to be held on Thursday, May 28, 2009 at 3:30 p.m. in the BOC Meeting Room at the Governmental Center.

He also reminded the Board of a quorum to be held at Camp T. N. Spencer for the new pool dedication on Friday, May 23, 2009 at 6:00 p.m. He stated no government business will be conducted.

#### **COLA (Cost of Living Adjustment) and Merit Raises - Waiver**

Due to the lack of COLA (Cost of Living Adjustment) and merit raises in the proposed FY 2010 budget, John Day, County Manger, asked the Board to waive the provision of the Personnel Management plan establishing merit raises for all employees for FY 10.

UPON MOTION of Commissioner Carruth, seconded by Vice Chairman Mynatt, and unanimously carried, the Board voted to waive the provision of the Personnel Management plan establishing merit raises for all county employees for FY 2010.

#### **Trust Fund Supporting Local Food Economy**

As requested by the County Manager, John Day, the Board took the following action to establish a trust fund to support local food economy and the purchase of conservation easements utilizing the payment of deferred taxes on property removed from the present-use value system.

UPON MOTION of Commissioner Poole, seconded by Commissioner Mynatt, and unanimously carried, the Board voted to establish a trust fund to support local food economy and the purchase of conservation easements utilizing the payment of deferred taxes on property removed from the present-use value system.

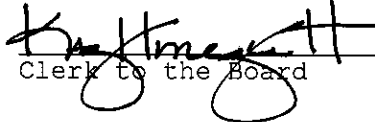
#### **General Comments**

Vice Chairman Mynatt expressed appreciation to staff for their hard work and dedication.

Commissioner Poole expressed confidence in the information received from staff and expressed gratitude for their hard work.

**Recess**

**UPON MOTION** of Commissioner Privette, seconded by Vice Chairman Mynatt, and unanimously carried, the meeting recessed at 5:49 p.m. to Friday, May 23, 2009 at 6:00 p.m. at Camp T. N. Spencer in Concord, North Carolina.

  
Clerk to the Board