

**STATE OF NORTH CAROLINA
COUNTY OF McDOWELL
BOARD OF COMMISSIONERS
ADJOURNED MEETING-JUNE 28, 2010**

ASSEMBLY

The McDowell County Board of Commissioners met in an adjourned meeting on Monday June 28, 2010 in the County Commissioners Board Room, the usual meeting location. The purpose of the adjourned meeting was to receive a report on the final year-end budget, to receive year-end budget amendments and to discuss employee medical insurance.

MEMBERS PRESENT

David N. Walker (arrived late), Chairman; Barry E. McPeters (arrived late), Vice-Chairman; Dean Buff, Michael Lavendar, and Andrew K. Webb.

OTHERS PRESENT

Charles R. Abernathy, County Manager and Alison Morgan, County Finance Officer, Robbin Silvers, Personnel and Jim Rasmussen, Insurance Representative.

CALL TO ORDER

In the absence of the Chairman and Vice-Chairman, Commissioner Dean Buff called the meeting to order and asked staff to begin with the budget meeting. Immediately after the meeting was called to order, the Chair and Vice-Chair arrived.

PRESENTATION OF AMENDMENTS

The County Manager and Finance Officer reviewed budget amendments to close the 2009-2010 fiscal year. There were also five resolutions presented to the Board designed to close out specific projects. The Finance Officer explained that the Resolutions were required due to the GASB 54 Regulations that were being implemented. There was considerable discussion regarding the closing out of projects that were in some cases many years past. There was also considerable discussion and explanation regarding amendments to the sales tax and the School Reserve Fund.

- GF 53 Allocate funds for health insurance charges
- GF 54 Emergency Services to allocate donated funds
- GF 55 Sheriff's Department to allocate asset forfeiture funds for equipment purchases
- GF 56 JCPC to reduce the funding for Project Challenge
- GF 57 To allocate funds to the Enterprise Funds and Water/Sewer from Economic Development

GF 58 Board of Elections to transfer funds within the department due to certification of employee

GF 59 Cooperative Extension to allocate sale of property receipts to the 4H scholarship program and to allocated program revenue to programs

GF 60 Maintenance and Library to allocate EMS funds and transfer funds due to utility costs

GF 61 Sheriff to allocate canteen fund and to transfer funds within the department

GF 62 Various County departments to transfer funds in amounts \$3000 and under

GF 63 DSS to allocate additional funding and to transfer between line items within the department

GF 64 To transfer excess funds back to the general fund from the Forest Service and McDowell Tech projects and to transfer funds to a CDBG project to cover non-Reimbursable expenditures and to reduce current year tax collections by the difference.

GF 65 Emergency Services to allocate grant and donation revenues

GF 66 Public Works to transfer funds within the department

GF 67 To appropriate designated fund balance for the watershed program

GF 68 Building and grounds to allocate funds for carpet replacement from the economic development allocation

GF 69 Sheriff's Department to appropriate jail and concealed weapons revenue to food and medical line items

GF 70 Various County departments to transfer funds in amounts \$3000 and under

GF 71 To amend the budget due to school project budgeting change

GF 72 Board of Elections to transfer funds due to June run-off

GF 73 DSS to allocate additional funding and to transfer between line items within the department

GF 74 To appropriate designated fund balance for the fire department loan pool program

GF 75 Various County departments to transfer funds in amounts \$3000 and under

REVF2 To appropriate fund balance due to anticipated expenditures

FD 1 To amend the budget to estimated revenue figures

CP 2 To appropriate fund balance due to planning expenditures

FHPP2 To decrease a grant resource and to transfer the budget within the project

ECO 2 To decrease the County allocation to the Economic Development fund and increase the allocation to water/sewer.

ECO 3 To decrease the County allocation to the Economic Development fund

FS 2 To decrease the County allocation to the Forest Service Project

SP 3 To amend the budget in the school project fund to reflect the closing of completed school projects.

SP 4 To amend the budget to reflect the change in accounting of sales tax to the school project fund.

CDBG1 To close the CDBG grant fund 07-C-1712

CProj2 To allocate transfer from the general fund due to non-reimbursable expenditures

MT 1 To transfer funds to the general fund due to start up costs and debt payments paid from the general fund.

ENT 2 To appropriate funds from the general fund and to decrease revenue

NW 1 To appropriate funds from the general fund, transfer funds within the fund and to decrease revenue

RESOLUTION

CLOSE-OUT OF PROJECT FUND

WHEREAS, the County of McDowell began a school project fund (46), and

WHEREAS, the County transferred sales tax and revenue from other governmental agencies to finance the school project fund, and

WHEREAS, the County desires to close certain school projects within the school project fund, and

WHEREAS, the projects the County will close are as follows:

Marion Elementary:	\$2,994,355.00
North Cove Elementary:	\$9,228,247.00
Nebo Elementary:	\$3,083,167.00
Eastfield Elementary:	\$1,895,375.00
PG Elementary:	\$8,942,780.00
Glenwood Elementary:	\$8,368,092.00
East Junior Auditorium:	\$ 250,000.00
East Junior Roof:	\$ 100,000.00
Admin Annex:	\$ 257,000.00
Nebo Elementary Add:	\$3,551,000.00
West Junior Elevator:	\$ 160,000.00
Marion Elemen. Roof:	\$ 125,000.00
ROTC Building:	\$1,116,045.00
ALC Property:	\$ 942,006.00
High School Lights:	\$ 70,000.00
East Junior Roof:	\$ 60,000.00
MHS Baseball Field:	\$ 72,000.00

NOW THEREFORE, BE IT RESOLVED BY THE COUNTY OF McDOWELL BOARD OF COMMISSIOENRS THAT the County of McDowell School Project funds listed above are complete and all documentation will be preserved in County files to comply with recordkeeping requirements.

Adopted this ^{20th} ~~20~~ day of June, 2010.

David Walker, Chairman

Attest: _____
Clerk to the Board

A motion was made by Commissioner Lavendar and seconded by Commissioner Andrew Webb to approve the amendments and the five Resolutions. The motion passed unanimously.

REVIEW OF FISCAL YEAR 2009-2010

The County Manager and Finance Officer reviewed the status of the current year 2009-2010 fiscal year budget and related the review to the revenue projections used in the 2010-2011 fiscal year budget recommendation. A general overview was that the revenues were generally right on projection with several exceptions. Significant discussion was spent on the Property Tax receipts, the Sales Tax, Interest Income, EMS Revenue, Register of Deeds revenue and Court related revenues. The Property Tax revenues were projected to be received slightly ahead of projection, sales tax receipts were behind budget projections over \$80,000, Interest Income was behind \$70,000, EMS Revenues were \$173,000 in the black and Register of Deeds was down \$58,000. The general discussion was that the County was in reasonably condition but caution was necessary.

MEDICAL INSURANCE DISCUSSION

Robbin Silvers and Jim Rasmussen joined the meeting to discuss medical insurance for County Employees. McDowell County has a self-insurance medical coverage and would finish the year in a deficit situation of approximately \$300,000. County staff reviewed the status of the two insurance plans maintained by the County for employees hired before and after March 1, 2009 as well as the fees, Employer Contributions, Employee Contributions, and Cobra Payments. There was significant discussion on the six month probationary period and the fact that the County does not provide medical insurance during this period. Commissioner Buff asked that a plan that would add employees transferring from other units of government to the plan be considered. Jim Rasmussen cautioned that this would most likely be viewed as discriminatory but that he would quickly pose the question to attorneys associated with Blue Cross. Robbin Silvers reviewed the Federal Mental Parity and Addiction Equity Act requirements and answered questions from several board members. A motion was made by Michael Lavendar and seconded by Barry McPeters to comply with the new Federal regulations and to adopt the required provisions. The motion passed unanimously.

CITY OF MARION VEHICLE BILLING ISSUE

A short discussion regarding a request from the City of Marion to add a \$5.00 fee to the County motor vehicle bill in the new fiscal year was discussed. The County Manager provided an overview of the ability of Cities to impose the fee, the fact that it was not know or requested until it was read in the newspaper and issues related to the time necessary to add the fee. McDowell County is not required to add the fee and can charge a fee for its services. Information from the Tax Collector and Tax Assessor was reviewed and many questions were asked. The consensus of the discussion was that the

RESOLUTION

CLOSE-OUT OF SPECIAL REVENUE AND PROJECT FUNDS

WHEREAS, the County of McDowell began an Economic Development special revenue fund (41) and project fund (42), and

WHEREAS, the County transferred general fund revenue, received grants, fees and revenue from other governmental agencies to finance the special revenue fund and project fund, and

WHEREAS, the County desires to close the special revenue fund and project fund, due to financial reporting changes associated with GASB 54, and

WHEREAS, the County will transfer any fund balance for funds 41 and 42 to the General fund after June 30, 2010. The Amendment for these transactions will be presented to the Board after the transfer is made.

NOW THEREFORE, BE IT RESOLVED BY THE COUNTY OF McDOWELL BOARD OF COMMISSIONERS THAT the County of McDowell Economic Special Revenue and Project funds are complete and all documentation will be preserved in County files to comply with recordkeeping requirements.

Adopted this 28th day of June, 2010.

David Walker, Chairman

Attest: _____
Clerk to the Board

RESOLUTION

CLOSE-OUT OF SPECIAL REVENUE FUNDS

WHEREAS, the County of McDowell began two recreation special revenue funds in 1988 for recreation operations (32) and programs (33), and

WHEREAS, the County transferred general fund revenue, received grants, fees and revenue from other governmental agencies to finance the special revenue funds, and

WHEREAS, the County desires to close the special revenue funds, due to financial reporting changes associated with GASB 54, and

WHEREAS, the County will transfer any fund balance for funds 32 and 33 to the General fund after June 30, 2010. The Amendment for these transactions will be presented to the Board after the transfer is made.

NOW THEREFORE, BE IT RESOLVED BY THE COUNTY OF McDOWELL BOARD OF COMMISSIONERS THAT the County of McDowell Recreation Special Revenue funds are complete and all documentation will be preserved in County files to comply with recordkeeping requirements.

Adopted this 28th day of June, 2010.

David Walker, Chairman

Attest:
Clerk to the Board

RESOLUTION

CLOSE-OUT OF PROJECT FUND

WHEREAS, the County of McDowell began a project fund (63) for the 911 improvement project, and

WHEREAS, the County received a \$495,119.00 in 911 fees to finance the project, and

WHEREAS, the County completed the project approximately 20 years ago, and

WHEREAS, final payments have been made, and

NOW THEREFORE, BE IT RESOLVED BY THE COUNTY OF McDOWELL BOARD OF COMMISSIONERS THAT the County of McDowell 911 fund is complete and all documentation will be preserved in County files to comply with recordkeeping requirements.

Adopted this *28th* day of June, 2010.

David Walker, Chairman

Attest: _____
Clerk to the Board

RESOLUTION
CLOSE-OUT OF PROJECT FUND

WHEREAS, the County of McDowell began a project fund (47) for the Nebo Community, and

WHEREAS, the County received a \$56,000.00 Community Development Block Grant award to finance the project, and

WHEREAS, the County has submitted all close-out documents and we have received a certification of completion from the Division of Community Assistance Office, and

WHEREAS, final payments have been received from the grant in the amount of \$30,742.75.

NOW THEREFORE, BE IT RESOLVED BY THE COUNTY OF McDOWELL BOARD OF COMMISSIONERS THAT the County of McDowell CDBG Hook Up fund is complete and all documentation will be preserved in County files to comply with recordkeeping requirements.

Adopted this 28th day of June, 2010.

David Walker, Chairman

Attest: _____
Clerk to the Board

County should determine the cost to add the charge and this information should be presented back to the Board.

ADJOURNMENT

There being no further business, the Board adjourned the meeting until Wednesday, June 30, 2010 to approve the budget as well as to handle additional year-end matters.

David N. Walker, Chairman

Charles R. Abernathy,
County Manager