



Committed Today for a Better Tomorrow

REGULAR MEETING  
OF THE  
LEE COUNTY BOARD OF COMMISSIONERS  
106 HILLCREST DRIVE  
SANFORD, NORTH CAROLINA 27330

JANUARY 5, 2009

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The regular meeting of the Board of Commissioners for the County of Lee, State of North Carolina, convened at 3:00 p.m. in the Commissioners' Room, Lee County Government Center, 106 Hillcrest Drive, Sanford, North Carolina, on said date. Commissioners present were Amy M. Dalrymple, Richard B. Hayes, James C. Kelly, Larry "Doc" Oldham, and Linda A. Shook. Commissioner Nathan E. Paschal was absent due to illness. Commissioner Reives joined the meeting during later discussion.

Chairman Richard Hayes presided and called the meeting to order. The following business was transacted:

County Attorney K. R. Hoyle delivered the invocation.

The pledge of allegiance was recited.

Mr. Joe Cherry from the Employee Selection Committee introduced Ms. Nancy Kimble, Director of the Board of Elections, as the *January 2009 Employee of the Month*. Chairman Hayes presented Ms. Kimble with her awards which include a framed certificate, a *Star Award*, a pizza, compliments of Papa John's Pizza, Coca Cola products from Sanford Coca Cola Bottling Company, a movie rental from the Movie Gallery, and a day off with pay.

The Board considered additions/changes to the agenda. County Manager John Crumpton asked the Board to consider a resolution combining the Lemon Springs and Cameron six-mile fire insurance district. Chairman Hayes pulled the *Request to Appear before the Board* from Mr. Terry Myers that will be rescheduled at a later time. With no other additions or corrections, Commissioner Oldham moved to approve the revised agenda. Upon a vote, the results were as follows:

Aye: Dalrymple, Hayes, Kelly, Oldham, and Shook  
Nay: None  
Absent: Paschal and Reives

The Chairman ruled the motion had been adopted unanimously.

Commissioner Oldham moved to approve the Consent Agenda which consisted of the following items:

- Minutes from the December 1, 2008 regular meeting;
- Minutes from the December 1, 2008 closed session meeting;
- Tax Releases and Refunds for November 2008 (copy attached);
- FY 2008-09 Senior Center General Purpose Funding package (copy attached);
- FY 2008-09 National Family Caregiver Grant Contract (copy attached);
- Revised fee schedule for after-hour usage of Enrichment Center;
- Budget Amendment # 01/05/09/#16 (copy attached);
- One-year banking extension with First Citizens Bank;
- Grant request from the N.C. Governors Crime Commissioner for equipment for the Sheriff's Department;
- Resolution combining the Lemon Springs and Cameron six-mile fire districts (copy attached); and
- Presentation of 2008 National Night Out Awards

Upon a vote, the results were as follows:

Aye: Dalrymple, Hayes, Kelly, Oldham, and Shook  
Nay: None  
Absent: Paschal and Reives

The Chairman ruled the motion had been adopted unanimously.

At this time, Lt. David Prevatte from the Sheriff's Department recognized and thanked Night Out Site Coordinators who participated in Lee County's second America's Night Out Against Crime activity. He stated there were twelve sites, with over 1,500 participants. A plaque will be placed in the Sheriff's Office stating "*Rookie of the Year Award for 2008*". A personal thank-you letter from Sheriff Tracy Carter was presented to each coordinator in attendance.

The following signed up to speak during the *Public Comments* section of the meeting:

- Mr. Russell Noel, 1413 Cherokee Trail, Sanford (budget shortfalls)

Commissioner Reives joined the meeting during Mr. Noel's comments.

The Board considered the relief of discovery penalties for M & C Laundromat and Carolina Wood Products. Action had been deferred on this matter at the December 1, 2008 meeting until more information could be provided from the Tax Office. Commissioner Oldham moved to take the matter off the table for discussion. Upon a vote, the results were as follows:

Aye: Dalrymple, Hayes, Kelly, Oldham, Reives, and Shook  
Nay: None  
Absent: Paschal

The Chairman ruled the motion had been adopted unanimously.

Tax Administrator Dwane Brinson presented a power-point presentation on the Machinery Act and various General Statutes that apply. The total penalty for Carolina Wood Products is \$77.14 and \$745.93 for M & C Laundromat. Since the December 1, 2008 meeting, two additional requests for release of penalties had been received from Constellation Pumps Corporation (d/b/a Zenith Pumps) with a total penalty of \$314.94, and Brinn Enterprises, Inc. for \$1,487.50. Following the presentation and discussion, Commissioner Kelly moved to deny the release of late listing penalties for the four companies referenced above. Upon a vote, the results were as follows:

Aye: Dalrymple, Hayes, Kelly, Oldham, Reives, and Shook  
Nay: None  
Absent: Paschal

The Chairman ruled the motion had been adopted unanimously.

Mr. Bob Bridwell, Community Development Director gave an update on the 2011-2017 State Transportation Improvement Program (TIP). Mr. Bridwell stated the number one priority was completion of the US 421 Bypass that is scheduled for completion in 2013. No action was taken.

The Board considered a request from the Lee County Sheriff's Office to apply for a Federal grant to extend the current Gang Investigator position. Lt. David Prevatte stated the N. C. Governors Crime Commission has appropriated more than Ten Million Dollars to combat the growing gang issues facing North Carolina. The grant will cover 75% of personnel and equipment cost with Federal funds and a local match of 25% that will be budgeted in the 2009-2010 budget. If the grant is approved, the current Gang Investigator position would be extended through the end of June 2010 and additional funding will be used for overtime and surveillance equipment. A total of \$19,000 will be allocated for four months of salaries and benefits, \$7,000 for supplies, \$30,000 for equipment (computers, cameras, and surveillance equipment), and \$15,000 for overtime funding for the Gang and Drug Agents. After discussion, Commissioner Shook moved to approve authorization for the Sheriff's Department to apply for a Federal grant to extend the Gang Investigator position as stated above. Upon a vote, the results were as follows:

Aye: Dalrymple, Hayes, Kelly, Oldham, Reives, and Shook  
Nay: None  
Absent: Paschal

The Chairman ruled the motion had been adopted unanimously.

The Board considered the purchase of a new 2008 Chevrolet Silverado Z71 vehicle for the Sheriff's Department. Chief Deputy Randall Butler presented the following bids for consideration:

Southern Pines Chevrolet	\$24,489.00
Pittsboro Chevrolet	\$24,901.97
Wilkinson-Sanford	\$33,500.83

A revised bid was submitted by Wilkinson-Sanford in the amount of \$26,900.00.

After discussion, Commissioner Reives moved to approve the low bid of \$24,489.00 from Southern Pines Chevrolet for the purchase of a 2008 Chevrolet Silverado Z71. Upon a vote, the results were as follows:

Aye: Dalrymple, Hayes, Kelly, Oldham, Reives and Shook  
Nay: None  
Absent: Paschal

The Chairman ruled the motion had been adopted unanimously.

The Board considered a resolution to advertise for an offer to purchase a vacant lot on Oakwood Avenue. County Attorney K. R. Hoyle stated he had received a \$2,000 offer to purchase a vacant lot located on Oakwood Avenue that had been obtained through tax foreclosure. Mr. Hoyle explained the upset bid process and presented a resolution for Board approval to declare the property surplus and begin the upset bid process. After discussion, Commissioner Kelly moved to approve a *Resolution Authorizing the Advertisement of an Offer to Purchase a Vacant Lot on Oakwood Avenue in the City of Sanford*, a copy of which is attached to these minutes and by this reference made a part hereof, and begin the upset bid process. Upon a vote, the results were as follows:

Aye: Dalrymple, Hayes, Kelly, Oldham, Reives, and Shook  
Nay: None  
Absent: Paschal

The Chairman ruled the motion had been adopted unanimously.

The Board discussed legislative goals to be presented at the January 15-16 Legislative Goals Conference in Raleigh. County Manager John Crumpton discussed the number one issue that will be recommended by the North Carolina Association of County Commissioners (NCACC) Board of Directors which is to make "revenue options and protection" the Association's loan priority goal for the 2009-2010 legislative biennium. Mr. Crumpton stated this priority would seek legislation to allow all counties to enact by resolution any or all revenue options from among those that have been authorized for any other county, including local option sales taxes, impact taxes, real estate transfer taxes and prepared food taxes, and to preserve the existing local revenue base. Commissioner Shook stated she would provide the County Manager with a list of options to be taken to the conference for discussion. No action was taken on the matter.

County Manager John Crumpton presented the mid-year financial report for consideration. Mr. Crumpton addressed the following major revenue sources and revised estimates for this fiscal year:

Ad Valorem Taxes – It is felt the budgeted tax number of \$35,261,850 for FY 2008-09 will be met. Normally we exceed budget ad valorem taxes by a considerable amount – but not this year.

Sales Tax Revenues – Original budget was \$10,460,647. The revised estimate is \$9,949,819, with a projected shortfall of \$510,828.

Other State and Local Revenues – Projects are to meet budget.

Tax Department and GIS Department Revenues – Projected to meet budget.

Register of Deeds Revenues – The drastic and recent reduction in these revenues is very alarming. This department normally makes a significant profit for the county. If real estate transfers continue to be non-existent, we face a significant shortfall in this category. The Department's original budget was \$592,000 and revised estimates show revenue at \$398,400 a shortfall of \$193,600.

Investment Income – Interest rates have plummeted since the Federal Reserve Bank started cutting interest rates in August. In addition, since Ad Valorem payments have been running behind, there is less money to invest. The original budget for interest income was \$450,000 with a revised estimate of \$196,800, a shortfall of \$253,200.

Sheriff/Jail/Emergency Management Revenue – Will meet budget.

Social Services Revenue – Will meet budget.

Youth & Adult Services – Will meet budget.

Library Revenue – Despite the cut in aid from the State, the department will meet budget.

Recreation Revenue – There are areas of concern, and it is difficult to estimate the participation in activities after the first of the new year. It is anticipated they will meet budget.

Health Department – Tracking toward meeting budget.

School Capital Construction Fund – ADM – Will be short at least \$51,000.

Mr. Crumpton stated the total anticipated revenue shortfall will be \$1,009,000.

Fund Balance Analysis – The County's Financial Policies state the goal of the County is to maintain a minimum 14% fund balance as a percent of total actual expenditures in the budget. On July 1, 2008, the available fund balance to the County was \$10,957,351 or 18.47%. Currently we have \$3,313,136 appropriated from fund balance. It is anticipated there will not be any excess revenue to apply to the fund balance. In addition, we normally count on a large amount of lapsed salaries to cover the expense float. With the economy the way it is, employees are not leaving for other opportunities, resulting in very little turnover. The turnover is mainly retirements where significant vacation payouts have been made. The expense budget was made very tight this year and there is no float to help the fund balance.

Mr. Crumpton stated the total shortfall needed to balance the FY 2008-2009 budget and maintain a 14% fund balance is \$1,595,000. This fund balance situation will have a significant impact on the FY 2009-2010 budget. The fund balance will have to be drastically reduced in order to balance the budget. There will not be any excess in revenues budgeted to help the fund balance. The County will continue to face uncertainty in revenue collections.

Mr. Crumpton recommended the following to balance the budget and maintain a 14% fund balance:

1. Transfer \$600,000 from the capital reserve to the General Fund to cover the expense of the new chiller at the courthouse and reduce the General Funds payment to debt service.

2. Reduce all departments' budgets by \$165,000 using savings from liability, property and workers compensation premiums.
3. Reduction in turnover has been good so line item can be reduced by \$23,000.
4. Eliminate all capital equipment expenditures for the remainder of the fiscal year – savings of \$300,000.
5. Permanently eliminate all open positions for the remainder of the fiscal year– savings of \$210,000.
6. Maintain travel restrictions for the remainder of the fiscal year – savings of \$50,000.
7. Reduce all departments' budgets by an additional 2% above the cuts listed above – savings of \$513,300.
8. Cut outside agencies by 2% of their annual funding amounts – savings of \$392,250.

After discussion, Commissioner Oldham moved to approve the County Manager's first six above referenced recommendations in order to balance the current budget and maintain a 14% fund balance. Upon a vote, the results were as follows:

Aye: Dalrymple, Hayes, Kelly, Oldham, Reives, and Shook  
Nay: None  
Absent: Paschal

The Chairman ruled the motion had been adopted unanimously.

The Board considered the unfreezing of a Public Health Nurse in the Health Department. Health Director Howard Surface told Board members his department has 5 ½ vacant positions and is in critical need of a Public Health Nurse for the clinic. If the position is unfrozen, it will also help generate revenue for the department. County Manager John Crumpton stated this position was not included in his above recommendation of eliminating positions. After some discussion, Commissioner Oldham moved to unfreeze the Public Health Nurse position at the Lee County Health Department and advertise for said position. Upon a vote, the results were as follows:

Aye: Dalrymple, Hayes, Kelly, Oldham, Reives, and Shook  
Nay: None  
Absent: Paschal

The Chairman ruled the motion had been adopted unanimously.

The Board considered the unfreezing of an Adult Medicaid worker in the Department of Social Services. Social Services Director Brenda Potts told Board members she has two Adult Medicaid positions and two Child Support positions frozen at the current time. The department is in great need of unfreezing at least one of the Medicaid positions due to the large number of cases coming before workers. Ms. Potts stated that North Carolina is under a court order to process applications timely and follow specific timelines during the processing period. Failure to comply with these guidelines can have great consequences on the County in penalties. Lee County receives a Federal 50% match on the salary and overhead for Medicaid positions. County Manager John Crumpton stated this position was not included in his recommendation of eliminating positions. After some discussion, Commissioner Reives

moved to unfreeze Medicaid worker position in the Department of Social Services and advertise for said position. Upon a vote, the results were as follows:

Aye: Dalrymple, Hayes, Kelly, Oldham, Reives, and Shook  
Nay: None  
Absent: Paschal

The Chairman ruled the motion had been adopted unanimously.

The Board considered the unfreezing of the Assistant County Attorney position. Chairman Hayes stated he felt the position needed to be unfrozen in order to hire someone to assist County Attorney K. R. Hoyle with legal matters. County Manager John Crumpton stated this position was not included in his recommendation of eliminating positions. After some discussion, Commissioner Kelly moved to unfreeze the Assistant County Attorney position and advertise for said position. Upon a vote, the results were as follows:

Aye: Dalrymple, Hayes, Kelly, Oldham, Reives, and Shook  
Nay: None  
Absent: Paschal

The Chairman ruled the motion had been adopted unanimously.

The Board considered revised *Rules of Procedure for the Board of Commissioners*. Clerk to the Board Gaynell Lee presented revised rules for the Board to consider which addressed the time change for meetings established at the December 1, 2008 meeting, along with added comments to the Public Comments section of the rules stating that individuals must sign up to speak prior to the beginning of the meeting and the three-minute time limit. After some discussion, Commissioner Kelly moved to approve the revised *Rules of Procedure for the Board of Commissioners*, a copy of which is attached to these minutes and by this reference made a part hereof. Upon a vote, the results were as follows:

Aye: Dalrymple, Hayes, Kelly, Oldham, Reives, and Shook  
Nay: None  
Absent: Paschal

The Chairman ruled the motion had been adopted unanimously.

The Board considered an appointment to the Lee County Fire Advisory Board. Clerk to the Board Gaynell Lee stated that Commissioner Oldham could no longer serve as a member of the Fire Advisory Board since his election to the Board of Commissioner. Two applications were presented for consideration to fill the unexpired term through June 2010. Various Commissioners had concerns that all but one member currently serving on the Fire Advisory Board was a fireman. The Resolution adopted to establish the Fire Advisory Board calls for two members of local fire departments/board of directors; two members representing business/industry; two members of the general public and one County Commissioner. The two applications presented for consideration are current members of local volunteer fire departments. After some discussion, the Board agreed to advertise the vacancy and see if members from the general public, with no fire background, might apply for consideration. The two applications currently

received, along with any new applications, will be voted on at the February 1, 2009 meeting.

The Board considered an appointment to the Lee County Planning Board. Clerk to the Board Gaynell Lee stated that Commissioner Oldham could no longer serve as a member of the Planning Board since his election to the Board of Commissioners. One application was presented for consideration to fill the unexpired term through June 2010. After discussion, Commissioner Reives moved that Mr. Roy Cox be moved from the first alternate position to fill Commissioner Oldham's vacant position through June 2010, Mr. Dowell Eakes be moved from the second alternate position to the first alternate position, and Mr. Joe Johnson be appointed as the second alternate. Upon a vote, the results were as follows:

Aye: Dalrymple, Hayes, Kelly, Oldham, Reives, and Shook  
Nay: None  
Absent: Paschal

The Chairman ruled the motion had been adopted unanimously.

The Board considered an appointment to the North Carolina Association of County Commissioners (NCACC) Legislative Liaison Committee. Clerk to the Board Gaynell Lee told Commissioners the North Carolina Association of County Commissioners has asked each county to appoint a Legislative Liaison for the 2009-2010 legislative biennium. The representative will work with the Association on local, statewide and national issues. Commissioner Shook stated she was interested in serving and would accept the appointment if it was the Board's wish. Commissioner Kelly moved to appoint Commissioner Linda Shook to the NCACC Legislative Liaison Committee for the 2009-2010 term. Upon a vote, the results were as follows:

Aye: Dalrymple, Hayes, Kelly, Oldham, Reives, and Shook  
Nay: None  
Absent: Paschal

The Chairman ruled the motion had been adopted unanimously.

The Board considered an appointment to the Social Services Board. County Attorney K. R. Hoyle told the Board that former Commissioner Bob Brown's term on the Social Services Board ended at the end of December 2008. According to NC Gen Stat 108A-4: "Each member of a county board of social services shall serve for a term of three years....." The Commissioner appointed will serve the three-year term even if they leave office before the term expires. After some discussion, Commissioner Oldham moved to appoint Commissioner Linda Shook to serve on the Social Services Board for a three-year term. Upon a vote, the results were as follows:

Aye: Dalrymple, Hayes, Kelly, Oldham, Reives, and Shook  
Nay: None  
Absent: Paschal

The Chairman ruled the motion had been adopted unanimously.

The Board considered an appointment to the Sandhills Mental Health, Developmental Disabilities & Substance Abuse Board. County Attorney K. R. Hoyle stated that The Sandhills Center currently serves Anson, Harnett, Hoke, Lee, Montgomery, Moore, Randolph and Richmond counties, with one Commissioner serving from each county. After some discussion, Commissioner Oldham moved to appoint Commissioner Linda Shook to fill the vacancy on the Sandhills Mental Health, Developmental Disabilities & Substance Abuse Board for the remainder of her term on the Lee County Board of Commissioners. Upon a vote, the results were as follows:

Aye: Dalrymple, Hayes, Kelly, Oldham, Reives, and Shook  
Nay: None  
Absent: Paschal

The Chairman ruled the motion had been adopted unanimously.

Finance Director Lisa Minter presented the FY 2009-2010 Budget Procedure Calendar. Ms. Minter stated each year a budget procedure calendar is developed to serve as a guideline for the budget process. The calendar is not a firm calendar and is subject to change especially with regard to budget work session the Board of Commissioners may hold. The current calendar shows the County Manager will present his recommended budget to the Board of Commissioners at their May 4, 2009 meeting. After some discussion, Commissioner Dalrymple moved to approve the FY 2009-2010 Budget Calendar as presented. Upon a vote, the results were as follows:

Aye: Dalrymple, Hayes, Kelly, Oldham, Reives, and Shook  
Nay: None  
Absent: Paschal

The Chairman ruled the motion had been adopted unanimously.

There being no further business to come before the Board, Commissioner Oldham moved to adjourn the meeting. Upon a vote, the results were as follows:

Aye: Dalrymple, Hayes, Kelly, Oldham, Reives, and Shook  
Nay: None  
Absent: Paschal

The Chairman ruled the motion had been adopted unanimously, and the meeting adjourned at 5:30 p.m.

ATTEST:

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Richard B. Hayes, Chairman  
Lee County Board of Commissioners

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Gaynell M. Lee, Clerk