

DEPARTMENT HEAD MEETING
Thursday, February 1, 2007

The Cleveland County Department Head meeting was held on Thursday, February 1, 2007 at 9:00 a.m. in the Commission Chamber in the Cleveland County Administrative building at 311 East Marion Street.

Present:

- David Dear, County Manager
- Eddie Bailes, Assistant County Manager
- Millie Snyder, Sheriff's Office
- Danny Gordon, Chief Deputy
- Bill McCarter, Planning Director
- Bonnie Reece, Register of Deeds
- Greg Traywick, Agricultural Extension Officer
- John Wasson, Social Services Director
- Joe Cherry, Electronic Maintenance Director
- Pete McFarland, Maintenance Director
- Chris Green, Tax Assessor
- Marty Gold, Information Technology Director
- Carol Wilson, Library Director
- Alexis Pearson, Human Resources Director
- Chris Crepps, Finance Director
- Denese Stallings, Health Director
- Debra Blanton, Board of Elections Director
- Kerri Melton, Deputy Clerk

WELCOME

David Dear welcomed everyone. Mr. Dear stated that the main purpose of the meeting was to discuss the budget and what is available.

MEDICAID

Medicaid is our biggest obstacle again this year. North Carolina Legislature will be in long session. Counties will probably not know whether or not there will be Medicaid relief until at least July. The county budget needs to be adopted in June. The budget will be completed assuming that we will see no Medicaid relief this year.

David Dear encouraged Department Heads to contact our local legislature regarding Medicaid relief. He suggested that Department Heads not only talk about Medicaid Relief on behalf of the county as a whole, but also discuss how Medicaid affects their specific department.

With the recent economic development announcements, a question was asked regarding the impacts of these announcements on the tax base and on Medicaid.

Mr. Dear explained that this was very positive for the county. The tax base will be slowly affected, but it is definitely positive. John Wasson explained to the group that 85% of Medicaid costs are spent on the elderly. The hiring of large numbers of employees by these industries will not decrease the amount of Medicaid spent in this county since the majority of consumers are not able to work.

BUDGET

Budget workbooks were distributed to all Department Heads. Department Heads were directed as follows- do not include any employee cost of living increases or projected health insurance amounts and keep budgets as close to last year as possible.

If you have any unusual budget requests or capital projects that need to be completed this year, please schedule a meeting with David Dear and Chris Crepps as soon as possible to discuss.

All line items that you have control of will need to come in at or below last years numbers. Deadline for work papers is March 10th. Please return these to Chris Crepps in the County Finance Department.

HEALTH INSURANCE

Health Insurance is expected to increase by 14-15% this year. As a means of cost savings for the county, the institution of a Health Savings Plan is being explored. This type of plan is more consumer driven. David Dear stated that the Employee Health and Wellness clinic and the Cleveland County Pharmacy are not being used nearly as much as they should be used. The implementation of this plan would encourage employees to take advantage of these services.

CAPITAL IMPROVEMENT PLAN

The county will be completing a five-year Capital Improvement Plan (CIP). This CIP will give the governing body an idea of what projects are expected and the monetary information to plan for them.

There are a number of Capital projects that the County is already aware of including the completion of the 800 MHz towers and some needed information technology upgrades.

Deadline for Capital Improvement Plan work papers is March 10th. Please return these to Chris Crepps in the County Finance Department.

MISCELLANEOUS

A question was asked regarding the North Carolina State Lottery money. Mr. Dear explained that, originally, it was projected that Cleveland County would receive approximately \$2M per year in funding. The actual numbers may come in slightly lower than projected. However, over the next couple of years, the county will have enough money saved to buy an elementary school in cash. We are very fortunate; Cleveland County is one of the few counties that does not have to fight with schools for capital needs.

ADJOURN

There being no further business to be discussed, the Department Head meeting was adjourned at 9:30 a.m.

David Dear
County Manager

Kerri Melton
Deputy Clerk to the Board of Commissioners