

June 3rd, 2014

Dear Commissioners:

We are writing to voice our strong, shared support for full funding of schools and setting Orange County on a path to fiscal sustainability. Immediate priorities for teachers, schools and social safety nets will require more funding due to state budget cuts. Plus our aging schools are in disrepair, and will require increased funds and access to debt capacity for the next 5-10 years. The good news is the county's reserves are well funded which will help with short term funding needs.

We believe that better planning, coordination with towns and schools, and improved transparency over spending and the county's reserves will help meet the county's short term funding needs, and prepare us for the future. Below are specific actions for you to consider in the current budget cycle and as you consider options for funding solid waste services.

- **Eliminate the general fund subsidy (\$1.86 million) to Solid Waste and re-allocate these funds to schools and social safety nets.** You are considering this idea with an offsetting increase in convenience center fees to fill the gap. After reading your agenda package for June 3rd, we believe that a better option is to cut solid waste spending and use solid waste reserves to fill any remaining gap. Cost saving ideas include:
 - Defer capital spending for rural curbside recycling trucks and roll carts, and for the Eubanks Convenience center (total \$3.3 million) until there's a solid waste plan and a committed inter-local agreement with the towns. Consider co-locating the Eubanks Convenience Center with the Chapel Hill Transfer station.
 - Substantially cut the budget (\$728,000) for rural curbside recycling by limiting service to existing users. As an alternative, consider outsourcing all or part of the program by inviting Waste Industries to extend their service area beyond town limits, and provide weekly service on a subscription basis.
 - Invite the department to further reduce costs without impacting service.
 - Use solid waste reserves (\$3 million) to fill remaining funding shortfalls.

For the long term, we could support eliminating solid waste fees and funding solid waste services out of the general fund **if** there were effective controls over spending and more transparency around costs. Public hearings would be needed as part of the decision-making process.

- **Place a hard moratorium on capital projects for county offices** until there is a committed plan for all facilities, including consolidating offices and leasing or selling unused space.
- **Defer spending on new county parks in order to free up funds for schools, and align park planning with towns, OWASA and community resources.** Orange County has an abundance of delightful parks and recreational facilities that are enjoyed by residents of all ages. However many of these assets are underutilized and better options may be available if the county:
 - Aligns its \$50 million master plan with Chapel Hill's \$50 million plan and park plans for Hillsborough and Carrboro.
 - Complements community-based assets such as Cane Creek Reservoir and White Cross Recreation as an alternative to building redundant county facilities (such as a standalone Bingham park).
 - Works with both school systems to co-locate future county parks with schools.
- **Use county reserves to meet short term school funding requirements that cannot be met through cost savings.** For the long term, better policies are needed to provide transparency and to clarify priorities and controls over all reserves (general fund, school district reserves, solid waste enterprise fund, etc.). This will assure that priorities are adequately funded and that all operating agencies, including schools, have adequate reserves. Policies should address legal reserve requirements, and disclosure of reserve balances and changes.

We encourage you to ask staff to find other opportunities to delay non-essential projects or spending in order to free up funding for schools in the short term.

We believe that these actions and others will provide the funds needed to fully fund school requests and to help keep our community affordable. In the long term, we encourage you to invite educators and county professionals to work together to modernize policies for capital and per student funding, and to assure everyone that schools are funded adequately and that taxpayer monies are deployed to essential priorities.

Thank you for your service to our community and for considering our view on this important topic.

Sincerely,

Kara Aycock, Chapel Hill
Tony Blake, White Cross
Alex Castro, Orange County Voice
Denise Dickens and Tom Upton, Orange Grove
Teresa Edwards, White Cross
Dr Amy Fowler, Chapel Hill
Tish Galu, Orange County Voice
Sam Gharbo, Efland
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Bonnie Hauser, Orange County Voice
Carroll Hawkins, Cedar Grove
Laura Henderson, Carrboro
Nancy Holt, Carolina Concerned Citizens, Mebane
Mike Hughes, Orange Grove
Virginia Leslie, Collins Creek
Lisa Kaylie, Chapel Hill
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