

The Alleghany County Board of Commissioners met in special session on Monday, March 23, 2009, at 5:15pm in the Board Meeting Room of the County Administration Building, 348 South Main Street, Sparta, North Carolina. The purpose of this meeting was to have a budget planning session and discuss two grant applications to the Rural Center.

Present: Chair Ken Richardson, Vice-Chair Randy Miller, Commissioner Doug Murphy, Commissioner Milly Richardson, Commissioner Steve Roten, County Manager Don Adams, and Clerk to the Board Karen Evans. County Attorney Donna Shumate was absent.

Chair Ken Richardson called the meeting to order at 5:15pm. He reminded the Board about the joint meeting with the Town at 7:00pm at the County Administration Building. He talked about the Governor's budget and the impact of the Governor's budget.

Chair Ken Richardson and County Manager Don Adams talked about the Governor's budget and the impact to the counties.

Chair Ken Richardson talked about the Governor is planning to cut around 1,200 jobs statewide. He said that he hoped each Commissioner received information about the secondary road program's cuts. He urged each Commissioner to pass information along to the County Manager regarding the economics.

County Manager Don Adams talked about two grant opportunities that he is asking permission for the Chairman to sign the application. He reviewed one grant is for a daycare to move into the old Roxie's restaurant. He said that the grant is \$24,000 with no county money with the creation of two jobs. He explained that the dental recruitment has progressed further. He further explained that the dental grant contains the creation of three jobs for \$36,000 with no county money. He talked about at the joint meeting next week; he will be presenting the proposed incentive agreement. He stated that he will bring back the official agreement to the Board at a later date. He further stated that he is to asking for permission to allow the Chairman to sign the grant applications.

Commissioner Randy Miller made a motion to apply for both grants. Commissioner Doug Murphy seconded the motion. Vote 5:0.

County Manager Don Adams stated that the County has received another month of revenues. He talked about the sales taxes, deed stamps, inspections and investments. He stated that there are little or no revenues in inspections and deed stamps. He explained that the shortfall could go up to \$550,000 and it could go up next month and the month after. He talked about EMS and Jail revenues are up. He explained that the County has lost some revenues but gained on others. He further explained that this is why the County has a fund balance to rely on and can take a hit one year on the fund balance. He talked about the County can't depend on EMS and Jail to make up the differences. He further talked about it is a matter of what percentage of adjustments that will have to be made for next year. He said the County has received \$150,000 of the \$189,000 budgeted for the Medicaid relief and will see a shortfall to have to make up next year. He explained that the application is in for ADM funds.

Commissioner Doug Murphy and County Manager Don Adams talked about the ADM/lottery money request application is pending in Raleigh. The County Manager reminded the Board that there is \$54,000 in the account, and the County agreed to split it with the Board of Education.

Chair Ken Richardson asked the County Manager for next year's budget, how is he going to handle the Medicaid offset.

County Manager Don Adams explained that it is based on a trade of sales tax for Medicaid expenses, estimated costs/revenues and guarantees a certain amount. He talked about the Medicaid increased and sales tax decreased this year so the State is looking at that as the counties are in a better position. He stated that the State is

reducing the reimbursement because that is about how much it would impact the County. He said that he doesn't think he can put in the total \$223,000 next year, and he will drop it down a little bit.

Chair Ken Richardson asked how the departments are reacting.

County Manager Don Adams explained that they did have a department head meeting, and they are aware of the economic conditions. He explained that he asked them to submit a budget at a reduction of 1% to 5% over this year's numbers. He talked about setting up committees and looking at ways to save money.

Chair Ken Richardson asked if the Board has any questions. No one spoke.

Chair Ken Richardson asked how expense budgets are running.

County Manager Don Adams explained that he sees the normal departments with over time or part time; EMS and Sheriff's Department. He said that the Sheriff's Department is inline, though there was a problem with dispatch but Belva thinks they can make it with the amount budgeted and there may be some additional monies needed for EMS because a person is out on medical leave. He reiterated that for the most part everything is inline.

Chair Ken Richardson asked the County Manager does he see any major capital needs that may hit the County hard.

County Manager Don Adams stated that he would have to go back and look. He talked about the EMS situation has been taken of. He said that the Board may have to look at certain vehicles that are costing a lot of money in repairs.

Chair Ken Richardson, Commissioner Randy Miller and Commissioner Doug Murphy stated that their next facility meeting is on Thursday.

County Manager Don Adams explained that the County received the grant for the water/sewer and will get started on that in the next couple of weeks. He further explained that he had a long conversation with the Rural Center and asked for the deadline on the implementation grant, and that date will dictate the timeline.

Commissioner Doug Murphy talked about the study is big because it gives us an idea where to go for water/sewer.

County Manager Don Adams talked about it is almost impossible to run a sewer line all the way to town, so it is a matter of finding a location and sizing the system for future growth. He reiterated the need for the system to handle needs now along with future growth.

Commissioner Doug Murphy talked about the Board of Education is working with the County on this.

Commissioner Randy Miller asked if he had heard from Dr. Cox about moving money from QZAB.

County Manager Don Adams answered no.

Commissioner Doug Murphy said maybe they will hear on Thursday.

Chair Ken Richardson asked about the current interest rate to borrow money.

County Manager Don Adams said he hasn't looked.

Commissioner Doug Murphy talked about additional QZAB monies.

County Manager Don Adams talked about his conversation with the Rural Center regarding Glade Creek Elementary School water/sewer and timing of the project could dictate when a classroom gets built. He explained that she is emailing him the

information then he is going to send her the timeline of our activities and what our needs are concerning the water/sewer issue.

Commissioner Steve Roten asked how they are getting water there.

Commissioner Milly Richardson left the meeting at 5:45pm.

County Manager Don Adams talked about the purpose of the study.

Commissioner Steve Roten talked about water problems in that community.

Commissioner Randy Miller asked will the water be for more than just the school.

County Manager Don Adams gave examples of a line running from the Virginia state line where they will put a meter and the County is responsible for paying the bill. He talked about it is a four to six mile run and if there are enough people to maintain a four to six mile run, then it could be feasible. He reviewed his activities/research for the Edmonds community concerning their water needs. He reminded everyone that the purpose of getting water is for Glade Creek Elementary School. He talked about the planning grant's purpose.

Chair Ken Richardson asked the Board if it is justifiable to have a budget meeting on the fourth Monday in April at 5:15pm.

The Board agreed.

County Manager Don Adams stated that the Board will have the summarized budget at that time.

Being no further business, Commissioner Doug Murphy made a motion to adjourn the meeting at 5:55pm. Commissioner Steve Roten seconded the motion. Vote 4:0.

Respectfully Submitted,

Karen Evans
Clerk to the Board

Attest:

Ken Richardson
Chairman