

The Alleghany County Board of Commissioners reconvened the recessed budget meeting from Thursday, June 7, 2007, on Tuesday, June 12, 2007, at 6:00pm in the Commissioners Meeting Room of the County Administration Building, 348 South Main Street, Sparta, NC.

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

Chair Ken Richardson reconvened the recessed meeting at 6:00pm.

Chair Ken Richardson thanked the County Manager for the job that he has done in putting together this budget. He stated that the revenue-neutral rate has been in discussions for a good while. He further stated that he is pleased with the type budget that the County Manager has given the Commissioners. He said that out of the people that came before the Commissioners, the things he would like to look at are the Library, Wilkes Community College, personnel in the Building Inspections and their fees, volunteer fire departments, rescue squad and forestry service. He talked about if the Board is remaining with a revenue-neutral rate, then areas would have to be cut or look at the fund balance. He talked about the salary study that was performed by All American and having a 3-year plan to get county salaries more inline with the surrounding counties. He urged the Board to be careful when considering deviating from that study.

Commissioner Warren Taylor stated that in addition to Ken Richardson's items, he thinks the Board should look at working with the schools to be able to finance the fiber optic update. He talked about the benefits of the upgrade. He stated that he thinks it is important to work with Wilkes Community College to make sure they have sufficient funds to provide the needed services. He talked about he and Don met with the Recreation Commission about getting a trail from Wilkes Community College to Alleghany High School. He further talked about he has obtained \$5,000 from Blue Ridge RC&D to go towards that project.

Chair Ken Richardson and Commissioner Doug Murphy talked about the building inspection request.

Commissioner Warren Taylor suggested taking each concern and trying to reach a consensus before moving on. He said he thinks the County Manager has done a good job in preparing a revenue-neutral rate budget.

Commissioner Doug Murphy talked about looking at the volunteer fire departments and the rescue squad. He stated that he agreed with Commissioner Warren Taylor about going over each item that was discussed. He further stated that he thinks the County Manager did a good job on the budget.

Commissioner Randy Miller stated good job with what has been presented. He further stated the need to look at salaries but maybe not this year. He talked about some salaries are 8-10% lower than surrounding counties. He said that the Board needs to decide how many band aids the County is going to keep using. He talked about the Wellness Center is supposed to be self-supporting. He further talked about he has met with them, and he doesn't get a lot of answers. He said he has offered suggestions about ways to bring back prior members. He talked about the need to be working towards making these groups self-supportive. He said he agrees about Wilkes Community College and Building Inspections. He talked about the rescue squad, and the number of required members.

Commissioner Milly Richardson agreed with everything that has been said, but thinks the Board should consider cutting something every time something is added, and the Board should consider dropping the tax rate to 40¢ by cutting things.

Commissioner Randy Miller agreed with Ken Richardson about not picking one certain person or department, but 2% is not a lot, and it won't cover the cost of living and insurance costs.

Commissioner Milly Richardson commended the County Manager.

Chair Ken Richardson talked about starting with the County Manager's presentation then go to the requests. He stated that \$146,000 has been built into the budget for the repayment of the QZAB funding. He said his recommendation is to leave the money in there encase the QZAB money isn't awarded, and see how much it will fund with the stipulation that the Board of Education uses it for the same thing.

Commissioner Warren Taylor and County Manager Don Adams talked about the \$146,000 would cover approximately a \$1,000,000 loan. County Manager Don Adams stated that it is reasonable to shorten the term because many of these repairs are capital improvements.

Commissioner Doug Murphy talked about putting the upgrade in the loan.

Commissioner Warren Taylor stated that would restrict the amount of money they could borrow and put them in a greater bind.

Commissioner Doug Murphy and County Manager Don Adams talked about securing loans and having them reprioritize their needs. Commissioner Doug Murphy stated he agrees to keep the money in the budget.

Commissioner Warren Taylor and County Manager Don Adams talked about how much control the Board of Commissioners has over the Board of Education's spending once the money is approved.

The Board of Commissioners talked about supporting the schools' technology request.

Chair Ken Richardson talked about going forward with the 5% if the State provides 5% for personnel. County Manager Don Adams stated that it is included in his budget.

Chair Ken Richardson talked about looking at adding technology monies in the amount of \$32,500.

The Board of Commissioners and County Manager Don Adams talked about Dr. Cox's requests from the prior meeting including the capital reserve requests and the needs applied for with the QZAB funding.

Commissioner Doug Murphy talked about the dilemma of the timing of the QZAB loan and would it be feasible to wait and see, then add it to the budget. He talked about making sure that the teachers are taken care of on the local supplements.

Commissioner Randy Miller stated that county employees are complaining because they can't get 5%.

Chair Ken Richardson reminded everyone that the County gets longevity pay after five years of service.

Clerk to the Board Karen Evans explained the longevity pay plan.

Chair Ken Richardson explained the reasoning behind providing longevity pay was because of turnover.

Commissioner Doug Murphy stated that if the 5% is figured in the budget, he is comfortable with the school's budget.

Chair Ken Richardson reminded everyone that everything doesn't have to be done tonight. He stated that the public hearing will be on June 18 and the budget must be approved by June 30.

County Manager Don Adams talked about the amount that can come out of the

capital request because of the QZAB funding.

Chair Ken Richardson stated that the Board can go back to discuss the schools again.

The Board continued reviewing the County Manager's recommendations. Chair Ken Richardson stated that the fee schedules will be reviewed individually.

The Board talked about the building industry and the request to add an additional inspector.

County Manager Don Adams stated that he needs to discuss the Transfer Facility budget, and the solid waste fee schedule. He passed out papers regarding the General Fund's running budget. He explained the worksheets. He talked about fund balance numbers, tax collections and sales tax projections and federal inmates' revenues.

Commissioner Warren Taylor asked what 1¢ on the tax rate is.

County Manager Don Adams stated it is \$168,500. He continued talking about the fund balance.

Commissioner Randy Miller talked about the building inspections. He further talked about the more homes built the bigger the tax base and more money coming in. He stated that if it costs \$12,000, he thinks the Board needs to do it and don't wait. He further stated that if the building industry slows down then they would have to look at laying the person off. He said that the building industry doesn't seem like it will slow down.

Chair Ken Richardson talked about the meeting with the majority of the builders in April stating that they could live with fee increases to help with services. He further talked about hiring someone new to train.

County Manager Don Adams talked about there is really two questions; hire another inspector and raise rates effective July 1.

Chair Ken Richardson stated that it will require two motions. He reviewed the current rates and the proposed rates. He talked about still needing \$12,000 to meet those needs.

The Board of Commissioners talked about the building inspector's position and ways to come up with additional monies; fund balance and raising rates to cover the costs.

Commissioner Randy Miller asked if the Board can get surrounding counties' rates to look at before deciding on this.

Commissioner Warren Taylor stated that the Sheriff said he is okay with the County Manager's recommended budget.

Chair Ken Richardson asked if everyone agrees with the County Manager's recommendation for the Extension Service and Soil & Water.

The Board of Commissioners talked about the Elections request for the part-time Administrative Assistant. They further talked about she is available to work 40 hours a week, if needed.

Chair Ken Richardson continued reviewing the County Manager's recommendations regarding the Tax Office and the Planning/Recreation recommendation. He said the Commissioners need to have further discussions regarding the Board of Education and the building inspections.

County Manager Don Adams explained the numbers on the QZAB request versus their capital request.

Chair Ken Richardson talked about the library, and the salary plan that was discussed has been approved by Surry County and probably will be approved by Yadkin County and Stokes County.

County Manager Don Adams explained his recommended amount versus the requested amount for the library.

Chair Ken Richardson talked about the regional library employees.

Commissioner Warren Taylor stated that he doesn't have any problems supporting the library's request or Wilkes Community College's request.

The Board of Commissioners agreed regarding additional funding for the library and Wilkes Community College.

Chair Ken Richardson stated that he doesn't think 3% is enough for the volunteer fire departments. He further stated that he thinks it should be between 5-10%.

Commissioner Milly Richardson stated that she thinks it should be 10% for the volunteer fire departments and the rescue squad.

County Manager Don Adams talked about the forestry service funding this year does not include that one position, and the remaining money goes into the fund balance. He stated that providing them 10% is about \$800 less than their request. He talked about the recommended amount versus the requested amount.

The Board of Commissioners agreed to provide 10% for the volunteer fire departments, forestry service and the rescue squad.

The Board talked about when to reconvene this meeting to have further budget discussions. They decided to recess this meeting until after the public hearing on June 18.

County Manager Don Adams stated that he needs to talk to the Commissioners about the Transfer Facility budget which is in the negative by \$37,500 for the upcoming budget year, fees for solid waste and review all of the other funds. He stated his recommendation is to raise solid waste fees only on the weight accounts and household availability.

Chair Ken Richardson talked about 7¢ on the tax rate was required before the availability fees started to be charged. He gave an example of a 100-acre farm or a house and lot in comparison to the difference being charged on the tax rate or charged as an availability fee. He stated that the availability fees are fairer than charging on the tax rate.

County Manager Don Adams talked about three areas that he is recommending to increase fees; household, weight accounts and dumpster rates. He passed out all of the fee schedules.

The Board took a five-minute recess at 7:50pm.

County Manager Don Adams reviewed the fee schedules for building inspections, EMS, recreation department, ROPES course. He reviewed the current Transfer Facility solid waste fees. He explained the estimated fund balance at the end of the year and the 07/08 budget is \$37,500 short. He talked about the need to raise the fees some to cover the difference between the fund balance and shortage or raise enough to cover all of the shortage and leave monies in the fund balance. He reviewed \$1 increase in household fees and weight account fees would generate.

Commissioner Milly Richardson made a motion to take the County Manager's recommendation of increasing the household fees and weight accounts.

County Manager Don Adams explained his recommendation is \$2.50 instead of

\$1.

Commissioner Milly Richardson rescinded the prior motion.

Commissioner Milly Richardson made a motion to approve the County Manager's recommendation of increasing by \$2.50 and offer encouragement to increase recycling. She talked about Alleghany County needs to encourage recycling to reduce the amount of waste being generated. She talked about sending out a statement on the bottom of the solid waste bill promoting recycling.

Commissioner Warren Taylor seconded the motion on the floor. Vote 5:0.

Commissioner Milly Richardson made a motion to leave the other fee schedules as is with the exception of building inspections. Commissioner Warren Taylor seconded the motion. Vote 5:0.

Chair Ken Richardson recessed this meeting until immediately after the Commissioners' meeting on June 18.

Respectfully Submitted,

Karen Evans
Clerk to the Board

Attest:

Ken Richardson
Chairman