

The Alleghany County Board of Commissioners reconvened the meeting from June 18, 2012, on Wednesday, June 20, 2012, at 8:30am in the Board Meeting Room of the County Administration Building, 348 South Main Street, Sparta, North Carolina.

Present: Chairman Ken Richardson, Vice-Chair Tom Smith, Commissioner Larry Cox, Commissioner John Goudreau, Commissioner Steve Roten, County Manager Don Adams, and Clerk to the Board Karen Evans. County Attorney Donna Shumate was absent.

Chair Richardson reconvened the meeting at 8:30am.

Commissioner Smith talked about county employees have stepped up several times but isn't totally off the table. He referred people to the School of Government's website about county salaries and where we rank in the high 90%. He talked about special appropriations had an opportunity to talk. He reviewed Commissioners Cox and Goudreau proposals. He reviewed his proposal of 5% cuts to special appropriations except the senior services/group homes/wellness center are 10% cuts which make the fund balance around \$300,000, which leaves the hospital and the fire departments matching capital grant. He talked about the hospital conversation has strong feelings on both sides, and it is hard to come up with \$600,000. He said that there is a lot to consider about the hospital. He talked about a 2¢ tax increase would create around \$340,000. He talked about the importance of the hospital; if the Board tries to do something for the hospital doesn't guarantee they will remain here. He said his proposal is to help with \$250,000 for the hospital and \$90,000 for the fire department matching grant.

Chair Richardson talked about ways to proceed with the meeting. He said his proposal is to give the library the same as last year.

Commissioner Cox talked about listening to Commissioner Smith and listening to Monday's comments. He further talked about his previous comments about not raising taxes, spent time last night going over the budget. He said that he proposes to back off of the 5% cuts and propose a 2% cut on the special appropriations and schools. He further said that he cannot support zero funding on 10 programs. He explained if the Board is going to raise taxes he doesn't think the Board should penalize the schools of \$130,000, and a 2% cut is \$51,000. He talked about the 2% cut for the library would be \$3,198.04. He talked about looking at a 2% cut rather than 5%. He reviewed the 2% cuts impact of special appropriations rather than 5% cuts, and still looking at \$100,000 for New River liabilities rather than \$200,000. He talked about if the fire commission gets the \$90,000 then they should be included in the cuts, which isn't much down the line.

Chair Richardson talked about the different proposals for the library.

Commissioner Smith asked where Commissioner Cox's numbers take the fund balance.

Commissioner Cox passed out papers of his proposal. He explained he started with \$636,900 adding back in \$100,000, increase property tax by 2¢ then 2% cut across the board to special appropriations of \$27,239 and 2% cut to schools which would leave \$232,312 to be divided between the Fire Commission and the Hospital.

Commissioner Cox and County Manager Don Adams talked about the amount of fund balance normally used.

Chair Richardson talked about if he is going to support a 2¢ tax increase he wants it split between the Hospital of \$250,000 and fire departments of \$90,000.

Commissioner Roten said he is more in agreement with the Chair on that. He further said if he supports a tax increase it would have to be for the hospital. He said that he supports the fire department. He further said that he cannot support a tax increase to make up for the shortfall. He said he liked Commissioner Smith's proposal.

Commissioner Goudreau said basically he stands with what he said. He reiterated that there are some items in special appropriations that doesn't need taxpayers' dollars and provided an example of the wellness center. He stated that people in the county are struggling. He reiterated that he stands with his proposal.

Chair Richardson asked can the County Manager take what has been said this morning, take the 2¢ tax increase and divide it between the hospital and fire commission. He said that we are right back where we were. County Manager agreed that the 2¢ tax increase is a wash.

The County Manager said that his recommendation still stands that the \$636,900 fund balance should be reduced by \$200,000, and if the Board agrees that the Commissioners need to cut the \$636,900 then the Board needs to decide how. He talked about currently there are proposals at 2% cuts to 10% cuts to elimination. He further talked about that's the question to start with of would the Board agree that the \$636,900 needs to be reduced and if yes then go forward with how.

Chair Richardson talked about taking Commissioner Cox's initial proposal. Commissioner Cox stated it cut from \$636,900 to \$345,598.

Commissioner Roten asked how Commissioner Cox is figuring the hiring freeze. County Manager Don Adams talked about the only position that the County knows of right now is the Public Works Director. Commissioner Roten asked how we can say the County is going to save these dollars without filling a position. County Manager Don Adams agreed. Commissioner Cox said that wasn't set in stone.

Commissioner Roten said that he can support Commissioner Cox's initial proposal not the 2% one.

County Manager Don Adams talked about the main difference between Commissioner Cox's proposals.

Commissioner Cox explained his proposals. He said that he still doesn't support a tax increase but the Commissioners are in this together.

Commissioner Roten talked about not being supportive of a tax increase but for the hospital, he would consider it.

Chair Richardson talked about the hiring freeze, and he personally believes that Larry's position saves the taxpayers much more. He asked wouldn't that put more on the County Manager.

County Manager Don Adams talked about there are 15 facilities and back up to Animal Control. He further talked about Maintenance touches everything. He reiterated that if the Board reduces Maintenance it touches everything.

Commissioner Roten asked don't they back up personnel at the Transfer Facility. County Manager Don Adams said yes. The County Manager further said that he thinks the County needs that position.

Commissioner Cox said ok then mark that off.

Chair Richardson said now we are at \$365,598.

Commissioner Cox talked about he really thought about delay the hiring.

Chair Richardson started conversations again about special appropriations. He said he has strong feelings about the library, health department, and mental health. He said if the Board is locked in somewhat on 5%, and overall it appears that the Board is heading towards 5% for special appropriations leaving \$365,598.

County Manager Don Adams reviewed the numbers. He talked about the difference between Commissioner Smith and Cox's proposals. He said that he needs to be clear is it across the board or is it what is before you from Commissioner Smith.

Chair Richardson and Commissioner Roten talked about the hiring freeze.

County Manager Don Adams reminded the Board that this will be reduced by \$1,750 about the debt payment and potentially \$11,000 from elections if the State approves the elections' maintenance.

Commissioner Smith said he is prepared to vote, and he understands these discussions. He said that he would be hard pressed to back off or if the Board wants to go one by one. He talked about his proposal uses almost \$358,000.

Chair Richardson asked Commissioner Roten if he can support Commissioner Smith's proposal.

Commissioner Roten said he will support his proposal if he is going to stick to it.

Commissioner Goudreau said no he won't.

Commissioner Cox said that he still thinks that taking \$130,000 from the schools is steep. He explained that he didn't want to support a 5% cut then raise taxes 2¢. He said that if the Board is raising taxes then the percentage cut should be reduced. He reiterated that he still thinks the Board needs to spread it around.

Chair Richardson reviewed Commissioner Smith's proposal. He asked for additional discussions from the Board. No one spoke. He asked the County Manager what is needed for the Public hearing.

County Manager Don Adams talked about it is the consensus that the Board is going to proceed forward for the public hearing. He explained at some point the Board needs to give him direction. He provided an example of how he would go forward with the proposals to prepare for the public hearing and the budget adoption.

Chair Richardson and the County Manager Don Adams talked about the State's budget being released today and trying to have it implemented by the public hearing. The County Manager used an example of elections and take it out the first meeting in July if it is in the State's budget.

Chair Richardson asked for additional comments following Commissioner Smith's budget proposal. No one spoke. He talked about we have the consensus from the Board. He said if the Board needs to have additional discussions, please feel free to do so. He asked Commissioner Goudreau if he wants to add additional comments since he said he cannot support this.

Commissioner Goudreau said he made it pretty clear where he stands, 3 Commissioners have made their decision, and the Board will move forward.

Commissioner Roten said he supports it.

Commissioner Cox reiterated that he continues to say to spread it around and reduce the cuts. He talked about the employees' health insurance cuts, and the low salaries of employees. He said that he will be supportive but will continue to advocate for the other cuts.

Commissioner Smith said he is not particularly happy with this. He talked about teaching school for 31 years and never thought he would look at education cuts to help balance the budget. He said that he stays where he is at.

Chair Richardson talked about recessing the meeting.

County Manager Don Adams explained that at some point, there needs to be a meeting for the budget adoption. He talked about already knowing the Board has a meeting next week and go ahead to schedule a meeting for the adoption.

Chair Richardson talked about the public hearing is already scheduled for June 26. He asked the Board when they want to meet after the public hearing.

Commissioner Smith said he would rather not meet after the public hearing and prefers it to be the next day.

Commissioner Goudreau agreed with Commissioner Smith because that is the public's opportunity to speak. He talked about having the meeting the next day or day after.

The Board talked about meeting/dates and times. They decided on Thursday, June 28 at 8:30am.

Commissioner Roten asked what kind of format for the public hearing. He said he would like for people to come to the podium to speak, and he is fine with a time limit. Chair Richardson said he doesn't have a problem with that, and talked about going down each row. Commissioner Roten asked what about a sign-up process. Chair Richardson said that works. The Board talked about how

for the public hearing to proceed including having time limits for people to speak. County Manager Don Adams asked about the 5-minute time limits and can people give their 5 minutes to someone else. Chair Richardson answered no. Commissioner Roten talked about having a sign-up sheet and then at the end someone else wants to speak. Commissioner Goudreau talked about allowing the departments 10 minutes now only giving the public 5 minutes. The Board continued talking about how for the public hearing to proceed and decided about having 10-minute time limits, people sign up to speak and have an opportunity to speak at the end if they didn't sign up.

Chair Richardson encouraged every department to send their people to come speak.

The Board agreed to hold a meeting on June 28 at 8:30am.

County Manager Don Adams clarified the rules for the public hearing including signing up, called in order of sign up, 10 minutes to speak, cannot give time to someone else then someone can speak at the end.

Being no further business, Commissioner Goudreau made a motion to adjourn the meeting at 9:36am. Commissioner Cox seconded the motion. Vote 5:0.

Respectfully Submitted,

Karen Evans  
Clerk to the Board

Attest:

Ken Richardson  
Chairman