

The Alleghany County Board of Commissioners met in special session on Wednesday, August 29, 2007, at 3:30pm in the Commissioners Meeting Room of the County Administration Building, 348 South Main Street, Sparta, North Carolina. The purpose of this meeting is to discuss recent legislative actions.

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

Chair Ken Richardson called the meeting to order and explained the purpose of the meeting.

Commissioner Randy Miller arrived at 3:35pm.

Chair Ken Richardson continued explaining the purpose of the meeting. He talked about House Bill 1492 explaining that the County is exempt from the C&D regulations.

County Manager Don Adams explained that a \$2-per-ton charge to landfills will be charged state-wide from this bill. He further explained how the monies will be distributed including 37½¢ that will go to the counties. He talked about how this will impact Alleghany County having to pay an additional \$2 per ton charge. He continued talking about how this bill impacts Alleghany County.

Commissioner Doug Murphy and County Manager Don Adams talked about the 37½¢ has to be used on solid waste needs.

Chair Ken Richardson asked about Senate Bill 831; cell tower regulations.

County Manager Don Adams talked about Senate Bill 831 and how it could impact Alleghany County's ordinance regarding co-location of cell antennas.

Chair Ken Richardson talked about House Bill 1755 and how it changes 911 systems.

County Manager Don Adams explained that this bill will benefit the citizens by decreasing the 911 fees to 70¢, which will go to the State then the State will distribute the funds according to population. He talked about the bill does release the fund balance to the general fund that can be used for any purpose. He stated that the County will have to submit a budget to the State regarding the 911 fund.

Chair Ken Richardson and County Manager Don Adams talked about releasing these funds; which can be used for any government expenses. County Manager Don Adams further talked about he recommends that these funds be used for safety needs.

Commissioner Doug Murphy and County Manager Don Adams talked about the timeline on the current 911 system. County Manager Don Adams further talked about

creating a plan for the dispatch room.

Commissioner Milly Richardson and County Manager Don Adams talked about upgrades of the equipment during the last 10 years and the needed upgrades.

Chair Ken Richardson, Commissioner Warren Taylor and County Manager Don Adams talked about putting the fund balance from the 911 fund into the General Fund at any time. County Manager Don Adams talked about the current system and having a consolidated system.

Chair Ken Richardson talked about Senate Bill 490 concerning industrial machinery inspections, which will not be subject to the building codes.

Chair Ken Richardson talked about Senate Bill 1245 retaining payments on public construction contracts.

County Manager Don Adams explained the bill and his discussions with the NCACC about this bill.

Chair Ken Richardson talked about House Bill 1688 regarding modernizing motor vehicle collections. He explained how this bill should make the vehicle tax collection rate close to 100%. He stated that this is the next step in allowing the county tax offices to issue motor vehicle tags.

Chair Ken Richardson talked about House Bill 1499 regarding Homestead Exemption changes.

County Manager Don Adams explained that the income limits have been increased to \$25,000 and increased the amount of value to \$25,000 or 50% of the value, whichever is greater. He further explained the second part of the bill is effective July 1, 2008, is if you make between \$25,000 and \$37,500, you can get a 5% reduction in value.

Commissioner Milly Richardson and County Manager Don Adams talked about getting this information to the elderly.

Commissioner Warren Taylor and County Manager Don Adams talked about the way the homestead is handled.

Commissioner Doug Murphy mentioned posting these changes at the Tax Office.

Chair Ken Richardson and Commissioner Milly Richardson talked about including something in the tax bills regarding these changes.

Chair Ken Richardson talked about the need to watch other bills that will be in the short session next year. He further talked about his understanding of the Medicaid relief. He explained this is a three-year phase out, State gradually assumes Article 44 ½¢ and will change Article 42 to a point of delivery, each County will be held hold

harmless at \$500,000, additional revenue, starts in October 2007, State taking ½ of ADM monies onetime, decreases in year two and year three.

County Manager Don Adams talked about the projected numbers that have been handed out to the Commissioners. He further talked about the impact to Allegheny County and the Board of Education because of the change in sales tax distribution.

County Manager Don Adams and Commissioner Milly Richardson talked about this is a combination of monies budgeted and monies that will be received from Raleigh.

Chair Ken Richardson talked about taking some of this money and apply it to the debt load. He used an example of comparing it to a credit card. He stated that we are about \$9,000,000 in debt. He talked about going to the Local Government Commission showing that the County is reducing the debt load.

Commissioner Doug Murphy and County Manager Don Adams talked about the debt spreadsheet showing the annual payments.

County Manager Don Adams stated that the County isn't at the maximum capacity. He used the example of \$8,000,000 to \$10,000,000 does max out the county's borrowing ability.

Commissioner Warren Taylor talked about looking at this not being used to pay for ongoing expenses. He stated he agrees with the Chairman to pay down debt.

Commissioner Doug Murphy and County Manager Don Adams talked about the benefit of paying down debt now.

Commissioner Milly Richardson stated that she thinks it is a great idea to reduce the debt especially because of the current economic situation.

Chair Ken Richardson talked about additional revenue options that the General Assembly has approved; transfer tax and local sales tax. He stated that both require a referendum, and it is up to the Board of Commissioners to decide which option to pursue. He talked about the deadline of having this on the November ballot is September 4. He stated the Board needs to discuss when to hold the referendum. He explained that the transfer tax is 4% and sales tax is ¼¢ point of delivery. He talked about the revenues created by each tax and how each tax will affect citizens.

Commissioner Doug Murphy and Chair Ken Richardson talked about options available to the Commissioners; do nothing, put both on referendum or put one on referendum.

Commissioner Warren Taylor talked about everyone needs to realize the impact of development with the costs to provide services countywide. He further talked about directly increasing the burden on the school system, volunteer fire departments and garbage service, which will gradually increase over the years. He said that he is not sure if the extra money from property tax valuation will be enough to balance all of the

extra needs out there. He stated that the tax is a fair way to get the money from the people doing the developing.

Commissioner Milly Richardson and Commissioner Randy Miller agreed.

Chair Ken Richardson talked about using the transfer tax to help the five volunteer fire departments and rescue squad for the first year to get their equipment up to date. He stated that he would like to earmark a certain amount to these needs.

Commissioner Warren Taylor stated that he is not in favor of increasing sales tax because the County loses enough sales tax as it is.

Commissioner Milly Richardson agreed.

Commissioner Doug Murphy reminded everyone to keep the schools in mind because of the sales tax mandated amount will change.

Commissioner Warren Taylor, Chair Ken Richardson and Commissioner Milly Richardson talked about putting the issue on a referendum and educating people regarding the need for the transfer tax.

County Manager Don Adams stated that he will be coming to the Board soon regarding hiring a consultant to do a need assessment for all safety departments. He talked about the report will show immediate needs, 5-year needs and 10-year needs.

Commissioner Randy Miller and County Manager Don Adams talked about an estimated cost of \$10,000 to \$20,000 for the assessment.

The Board of Commissioners talked about the need to address these issues.

Chair Ken Richardson talked about the costs of having a separate referendum and timing of the referendum.

The Board of Commissioners talked about not having the referendum on the November ballot, and wait until a regular election.

Chair Ken Richardson talked about the NCACC class on September 19 in Raleigh about how best to educate the public on the referendums. He stated that he plans to attend.

The Board of Commissioners and County Manager Don Adams talked about passing a resolution regarding having a referendum in the Spring about the land transfer tax.

Being no further business, Commissioner Warren Taylor made a motion to adjourn the meeting at 4:46pm. Chair Ken Richardson seconded the motion. Vote 5:0.

Respectfully Submitted,

Karen Evans  
Clerk to the Board

Attest:

Ken Richardson  
Chairman