

The Alleghany County Board of Commissioners met in special session on Thursday, May 15, 2008, at 7:35pm in the Board Meeting Room of the County Administration Building, 348 South Main Street, Sparta, North Carolina. The purpose of this meeting is to have a budget planning session.

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 called the meeting to order at 7:35pm. He explained that this is a budget workshop.

County Manager Don Adams explained that the main reason for this meeting is to discuss insurance. He reviewed his budget process and where he is at currently with his numbers still being around the same as earlier projections. He explained that he has built into the budget a 2% cost of living, left all insurance as is, and items that he has reduced or cut to produce a 43¢ budget.

Commissioner Warren Taylor asked how fuel costs impacts the County.

County Manager Don Adams explained that he has budgeted a 20% fuel increase for the affected departments.

The Board of Commissioners and the County Manager talked about fuel costs is one of the unknowns in the budget.

Commissioner Milly Richardson talked about looking at how departments operate; employees come up with suggestions to save money, offering incentives based on the savings like a cost-effective rebate. She asked if anyone would have a problem with that.

Commissioner Doug Murphy stated that he doesn't have a problem with that.

County Manager Don Adams explained how he sees this could work using copiers as an example to save money within departments and county-wide. He talked about operational items, how overtime gets paid and who gets it. He continued talking to the Board about his recommended budget having no capital, no new positions and leaving \$100,000 to \$150,000 to be distributed between the Board of Education and all of the special appropriations. He explained that taking out capital poses some issues and risks.

Chair Ken Richardson talked about addressing specific issues at this meeting; insurances and the salary plan.

County Manager Don Adams handed out information showing the workers compensation and property/liability renewal rates. He explained that these numbers are in his budget. He further explained that he is still talking with NCACC about the workers

compensation rate increase. He explained that the County does get benefits from the pool, and can't get better rates outside of the pool. He handed out medical insurance rates.

Chair Ken Richardson stated that he has reviewed these rates. He talked about the bright spot with employees is the medical insurance. He said that he recommends keeping the insurance as it is his vote.

Commissioner Milly Richardson explained the 90/10 plan with the \$500 deductible. She talked about she has addressed employees' concerns. She explained that this option will save money.

Chair Ken Richardson stated that this issue will have to be voted on tonight. He reiterated his opinion about staying with the current insurance plan.

Commissioner Warren Taylor talked about times that the County has lost employees to other counties and the costs to train new employees. He stated that \$21,000 is not enough savings if the County has to replace a couple of employees.

Commissioner Milly Richardson stated that the salary is why the County is losing employees.

Commissioner Warren Taylor explained that the benefits package is part of the salary package.

Commissioner Randy Miller talked about his experience with his personal insurance. He further talked about the county employees that came by to talk to him saying they don't want their insurance messed with. He said that he fills like we need to leave it as is.

Commissioner Milly Richardson talked about the three Commissioners elected in November 2006 decided to not take the County insurance. She compared her personal insurance amounts versus the county-employees insurance.

Commissioner Doug Murphy talked about a lot of things sound good on paper but he can't go into people's home to see how this will impact them. He reiterated that he does not see and cannot see the effect that this would have on employees.

Commissioner Milly Richardson reiterated her point on changing the insurance.

The Board of Commissioners talked about adding this to Monday's agenda for a decision.

Chair Ken Richardson talked about the county pay-grade plan. He further talked about if the Commissioners don't like it, then it needs to be addressed. He explained that the pay plan has grades 81 to 47 and those are based on job types. He talked about if you start changing this; you jeopardize the integrity of it.

Commissioner Doug Murphy talked about if you open the door to allow one department to talk about changing, and then allow all departments. He further talked about job duties change. He stated the need to look across the board fairly if there are problems.

Chair Ken Richardson reminded everyone that this was created from the job descriptions. He explained how it was developed.

The Board of Commissioners discussed the pay plan including job classifications, and the pay plan can't be based on turnover and should be based on what employees actually do.

Commissioner Warren Taylor talked about you can't do it fairly without looking at job descriptions.

County Manager Don Adams explained ways to compare if the positions are classified right.

Chair Ken Richardson explained the salary-grade scale. He further explained that one problem is not moving people across the chart through the years.

The Board of Commissioners discussed the step-grade plan.

County Manager Don Adams explained what it would take for this to properly work.

The Board of Commissioners continued to discuss the step-grade plan. They discussed how to fix the issue of longevity.

Commissioner Milly Richardson and County Manager Don Adams discussed option #5 for the medical insurance. She asked the Board to look at that plan.

The Board of Commissioners talked about dates for the next budget meeting.

Being no further business, Chair Ken Richardson declared the meeting adjourned at 8:55pm.

Respectfully Submitted,

Karen Evans  
Clerk to the Board

Attest:

Ken Richardson

Chairman