

The Alleghany County Board of Commissioners reconvened the recessed meeting from Wednesday, June 17, 2015, on Thursday, June 18, 2015, at 6:30pm in the Board Meeting Room of the County Administration Building, 348 South Main Street, Sparta, North Carolina. The purpose of this meeting was for budget discussions.

Present: Chair Tom Smith, Vice-Chair Karen Leys, Commissioner Larry Davis, Commissioner Mark Evans, Commissioner Bobby Irwin, County Manager Don Adams and Clerk to the Board Karen Evans. County Attorney Donna Shumate was absent.

Chair Smith reconvened the budget meeting at 6:30pm. He reviewed the questions for the County Manager from yesterday's meeting.

County Manager Adams explained that it is \$8,829 to take Kathy Miller to 2 ½ days at her current wage of \$18.35 an hour. Chair Smith and County Manager Adams reviewed the County Manager's recommendation of 1 ½ days.

Chair Smith asked for questions.

Commissioner Evans talked about trying to take it back to a County rate at a whole lot less per hour, and he wouldn't ask her to consider that. He said he is comfortable with the 1 ½ days. He stated that he had a conversation with Aaron Ray Tompkins, who benefits from her being there, and he is stressing about losing that extra day. He said if Carmen Long comes it would take some off what Amy Lucas does and between them they will work it out.

Chair Smith mentioned they have a full-time secretary position there.

Commissioner Evans talked about it more of her experience and expertise and others haven't learned how to do it.

Chair Smith asked for questions.

Commissioner Leys said she understands that Aaron Ray Tompkins puts in 60 hours a week and heard comments about he is concerned about this causing him for more work.

Chair Smith said as for personnel that was the only remaining issue that needed consideration tonight. He asked the Commissioners to vote on the personnel recommendations. He reminded everyone that this isn't a final vote and people can change their minds.

Commissioner Leys made a motion to add Carmen Long. Motion died due to lack of a second.

County Manager Adams reviewed the votes so far concerning the personnel with votes on everything except Carmen Long's position.

Commissioner Leys made a motion to approve the recommendation by the County Manager on the Family and Consumer Science position. Commissioner Davis seconded the motion. Vote 5:0.

Chair Smith addressed questions that was asked last night regarding the no-till drill and Social Services' computers.

The County Manager explained numbers on the no-till drill and remembers about Commissioner Irwin's discussions regarding purchasing a quality no-drill. Commissioner Evans asked about the trade-in amount. Commissioner Irwin reiterated about going with the John Deere no-till drill because he feels sure there will be parts. The County Manager talked about the trade-in and how that works including having a reimbursement resolution and the purpose of the resolution, and he is only going to borrow what is needed.

Chair Smith asked for questions on the proposed loan.

Commissioner Irwin made a motion to approve the loan in the amount of \$276,883. Commissioner Davis seconded the motion. Vote 4:1 (Mark Evans).

County Manager Adams stated that this is with the understanding that the final vote regarding the loan will come later after the budget is approved.

Chair Smith asked about the proposed General Fund direct expenses for capital mainly Social Services' computers.

County Manager Adams explained what we have been able to do this budget year by already purchasing 3 computers. He reviewed his authority in the budget by moving monies around. He said that capital number now is \$1,667 for a total of \$36,144.

Commissioner Evans made a motion to approve the direct capital expense. Commissioner Leys seconded the motion. Vote 5:0.

Chair Smith asked about the capital of proposed grants and other funding sources.

Commissioner Leys made a motion to accept the County Manager's recommendation. Commissioner Davis seconded the motion. Vote 5:0.

Commissioner Evans asked what will happen with the \$4,000 left in the Safety Fund. County Manager Adams explained that part of it was for the Dispatch console, using it for physical needs out there not supplies, could be contingency for the construction project in the loan, and prices will vary from the quotes.

Chair Smith talked about discussing the Board of Education under addressing presentations. He asked for questions about grants and mandates as discussed.

Commissioner Leys made a motion to accept as written. Commissioner Evans seconded the motion. Vote 5:0.

Chair Smith asked for questions about volunteer safety.

Commissioner Irwin made a motion to accept as written. Commissioner Davis seconded the motion. Vote 5:0.

Chair Smith asked for questions about primary core functions.

Commissioner Davis made a motion to accept as written. Commissioner Evans seconded the motion. Vote 5:0.

Chair Smith said the next topic is secondary functions. He listed out which entities fall under the secondary functions category. He asked for questions or comments. He talked about the Arts Guild had the opportunity to meet the full match from the State Arts Council, recommendation is \$5,625, and \$0 for the Arts Council. He asked for comments. The Board of Commissioners talked about the Arts Council is out and the Arts Guild is in.

Chair Smith asked for questions or comments on BROCC.

Commissioner Leys said they are a wonderful group that works very hard. She listed out things they do. She talked about they work hard for their money, and is an impressive group.

Chair Smith asked for questions or comments on the Planning Committee.

Commissioner Leys said she has the same comments as she had for BROCC.

Chair Smith asked about the Allegheny County Health Advisory Council for \$1,020.

County Manager Adams explained that the group is led by Jennifer Greene, and is basically all educational and advertising funds. He explained that this group will play a direct role with the healthcare action committee.

Chair Smith asked for any other questions. No one spoke.

Chair Smith asked for questions regarding Alleghany Connections.

County Manager Adams explained these monies are to help with their insurance costs. He further explained that this is our version of a big brother/big sister program and mainly getting kids around good adults.

Chair Smith asked for questions. No one spoke.

Chair Smith asked for comments or questions about the Wellness Center.

Commissioner Irwin and County Manager Adams talked about the original request was \$50,000, and the recommendation was \$27,540, which is level funding. Commissioner Irwin asked why we fund the Wellness Center. The County Manager explained the public purpose, they do county/town functions, have a fee schedule, programs that they run. The County Manager said that from a managerial stance this is a conversation for the Board, which is what he has told the Wellness Center and the Hospital, and he defers this conversation back to the governing body.

Commissioner Irwin said he needs to understand why the County supports them with taxpayers' money. Chair Smith explained that the project was built to enhance the health of the citizens, which was the sole purpose, and they do try to have classes to promote a healthy lifestyle and provided some examples. Chair Smith further explained that they are constantly raising money, and health statistics are better since we've had the Wellness Center providing services for the citizens.

Commissioner Irwin talked about they are getting taxpayers' monies and asked what if another business comes along and asks for money. Commissioner Irwin said he would like to see the salaries numbers broken out, need to see how their money is spent and asked is this a long-term goal to support them. Chair Smith said their ultimate goal is to be self sufficient.

Commissioner Leys talked about the statistics of the number of adults and children who are obese, and she would like to see participation numbers. She said that it is a wonderful place for children to go, some young adults would not be in the county without the Wellness Center, very important part of the community for \$27,540, and part of the healthcare community.

Commissioner Irwin said he would like for someone to explain item by item including bank charges. Commissioner Leys and Commissioner Irwin talked about the security system and utilities costs. County Manager Adams talked about the utilities are propane for the pool.

Commissioner Irwin said he has too many questions before he can consider the Wellness Center. County Manager Adams said he can get the Wellness Center here but he needs to know what to tell them to bring, and he needs direction from the Board on how to proceed.

Commissioner Leys and Commissioner Irwin said he doesn't want to see their audit, but needs to see the breakdown of the expenses. Commissioner Irwin and Chair Smith talked about they do not use as much propane now as before with the bubble concept. Commissioner Irwin said this is just his opinion.

Chair Smith asked for any more questions or concerns.

Commissioner Evans asked how much of the county are they serving. He talked about their sliding scale, and asked how many people are on that. He said they should have saved enough on energy costs with the change of the building versus the bubble but it doesn't appear to have done that.

Commissioner Leys talked about bank fees, and they had to take a loan out for the solar system. She said it was a big impact when they changed it over. She explained she went in 2 years ago and looked at their audit report.

Commissioner Evans said he can see the value but not sure there is enough for the County to put this in.

Commissioner Irwin asked how much County money has been spent on the Wellness Center since it was built. He mentioned bringing their last audit.

County Manager Adams summarized the requests from the Commissioners; Wellness Center to come and provide additional information, statistics on use, costs information, how many people served, areas served, how many receive subsidiary, budgetary breakdown of salaries, bank charges, how much County money, last audit, amount of savings of utilities when bubble changed, more detail on the list. He asked when the Commissioners want the Wellness Center to come. Chair Smith said tomorrow night ideally.

The County Manager said this is the information that we are looking for meeting tomorrow night and for the public hearing. Commissioner Evans mentioned that they could come to the public hearing. The County Manager said it is up to the Board but traditionally the public hearing is the public communicating to the Board not interactions but the Board can do whatever they want, and he recommends it because there is a meeting afterwards. Chair Smith said he is uncomfortable with passing the budget immediately after the public hearing. The County Manager reviewed how the public hearing could work including the Board can't take action in a public hearing.

Chair Smith talked about we are asking people to come in, and Commissioner Evans has June 25 on his calendar regarding having a budget meeting. The Board talked about when to meet next week. Commissioner Irwin said he is going to ask for the same information from the Hospital too, and maybe could have both of them at the same meeting. Chair Smith asked if they can't be here tomorrow, what about Tuesday morning at 8:30am. The Board agreed. The County Manager said he is going to call the Wellness Center tomorrow, it will be very similar for the Hospital, and explain information needed and choices are tomorrow night or Tuesday morning at 8:30am.

Chair Smith declared a brief recess at 7:43pm.

Chair Smith asked for questions about Red Cross.

Commissioner Leys provided an example how Red Cross assisted at a house fire with her neighbors.

Chair Smith asked for questions about the Appalachian Senior Programs.

County Manager Adams explained that behind Council on Aging this group is the largest senior impact for the community. He further explained what they do.

Chair Smith asked for any other questions or comments. No one spoke.

Chair Smith asked for comments or questions regarding the Blue Ridge Business Development Center.

County Manager Adams reviewed the requested versus recommended amount. He gave examples of what the requested monies will cover. He said that they can provide their annual budget.

Commissioner Evans said it will be helpful for someone to be at the front desk.

Chair Smith asked for questions or comments regarding Alleghany Memorial Hospital.

Commissioner Irwin said what he asked earlier for the Wellness Center applies to the Hospital, too. Chair Smith asked if he has the same information and questions for the Hospital that he did for the Wellness Center. Commissioner Irwin answered yes. The County Manager said that regarding the detailed salaries they don't want to present that information at a public meeting. Commissioner Irwin said that's fine; they can decline. The County Manager explained that previous times this was discussed they invited Commissioners to come in individually to review the information.

Chair Smith asked if the Manager if he can touch base with them tomorrow. The County Manager said yes.

Commissioner Irwin and Commissioner Leys talked about the Hospital is working on the 2014 audit currently.

Chair Smith asked for any other questions. No one spoke.

Chair Smith asked for questions about the fireworks where the \$6,000 is split with the Town.

Commissioner Evans and County Manager Adams talked about the price has increased.

Chair Smith asked for questions about the Sparta Revitalization Committee.

Commissioner Irwin, Commissioner Leys and the County Manager talked about the Town helps them, too.

Chair Smith and County Manager Adams discussed level funding was recommended.

Commissioner Irwin and County Manager Adams talked about the \$8,000 is to get coverage at the front desk and is between Wilkes Community College and the Business Development Center.

Chair Smith asked for comments or questions regarding the continuing and new items.

County Manager Adams mentioned that \$11,520 is being put in the budget to complete and pay for the costs associated with the security cameras at six facilities because all of the money won't be spent this year. He explained that this is the one the Commissioners may see a budget amendment at the end of this year due to the transition from year to year.

Commissioner Irwin and County Manager Adams talked about the \$26,800 for emergency services communication to move a communication tower and proposed lease for the new space.

Chair Smith mentioned going on to addressing presentation if the Board is going to ask for further information then the Commissioners need to discuss this tonight.

Chair Smith asked about Lisa Osborne coming in regards to the new position at Social Services.

Commissioner Leys reviewed the request from Lisa Osborne and summarized the request for a total County costs of \$21,032. Commissioner Evans said didn't we know this was coming because of the caseworker problem. Commissioner Leys explained the danger not to fill the position including examples in Wilkes County and others. She said that it is not in the County Manager's proposal. The County Manager agreed that it is not in the recommended budget.

Commissioner Irwin asked about the State comes and audits Social Services. Commissioner Leys answered yes it is in the report. Commissioner Irwin asked legally if we are out of compliance, who is responsible. County Manager Adams explained there are no financial findings, if we aren't in compliance with the State then if something occurs to a child then a potential lawsuit could occur because it would increase the liability to the County. Commissioner Irwin and Commissioner Leys talked about the amount needed is \$21,032. Commissioner Irwin talked about having to cut somewhere else. Chair Smith said there are other options besides cutting because one option is an increase of the fund balance. Commissioner Irwin asked about long-range use for the fund balance. The Board of Commissioners and County Manager discussed the fund balance and how much money is 1%; \$125,000.

Chair Smith asked for other comments or questions. No one spoke.

Chair Smith asked for questions regarding the Chamber's requests of \$15,000 for a part-time employee.

Commissioner Leys reminded everyone that they applied for an Urban League grant and won't know until after July 1. Commissioner Evans agreed and said won't know if it is going to be fully funded. Commissioner Leys talked about it is a renewing grant. Chair Smith said we don't know. Commissioner Leys said she was told by several Chamber members that the lady this grant funds is a good worker with great skills. The County Manager explained the Commissioners can put stipulations on it, if they get the grant then no money is spent but if they don't get it then the money would be allocated. The County Manager further explained why he didn't propose to fund it because a former Board of Commissioners took the funding out so if the Board wants to fund them then the Board needs to put the monies back in. Commissioner Irwin asked if it is funded this year, it is then automatically put in next year's budget. The County Manager explained if they are funded the purpose is part-time help and will ask for funding next year because you as a Board stated you wanted to fund it.

Commissioner Irwin asked do we vote on these individually. Chair Smith said he is waiting to see if the Commissioners want anyone else to come in. Chair Smith talked about voting on the categories.

Commissioner Leys said she doesn't see the point in having the Chamber here tomorrow night.

Commissioner Irwin and Chair Smith talked about how to proceed on voting on these issues separately.

Chair Smith asked about the Arts Guild.

Commissioner Leys said they asked for \$4,315 additional monies.

The County Manager reviewed the requests of \$10,000 with the recommendation of \$5,625 and during their presentation they asked for the same as this year's funding, which is an additional \$3,300 then match grant of \$1,014. He talked about there are four options before the Board.

Chair Smith said this group is also funded by the Town. Commissioner Irwin asked how much the Town is funding them. The County Manager said that it is being considered. They discussed the request to the Town and to the County. Commissioner Irwin asked where this money comes from. The County Manager stated that it would increase the fund balance appropriation. Commissioner Leys, Chair Smith and the County Manager talked about matching the State grant.

County Manager Adams summarized asking the Hospital to come, having detailed questions on their budget and statistics for their use. Commissioner Leys stated that Brett Liverman said he will come.

Chair Smith asked about the Board of Education.

Commissioner Irwin asked if the Manager's recommendation is to stay the same. The County Manager said yes and explained the original request and revised request matched the level funding.

Chair Smith asked about the Transfer Facility.

County Manager Adams talked about the proposed rate changes, which is listed on page 15 of the Budget Message, and the fee schedule.

Commissioner Leys talked about this is an enterprise fund that has to break even, and is different from our other funds.

County Manager Adams explained that he was going to recommend the General Fund loan monies to Transfer Fund and set it up to repay the General Fund over a period of time.

Chair Smith asked for comments or questions regarding the proposed fees at the Transfer Facility.

Commissioner Irwin asked will that bring us up to break even. The County Manager explained that this will cover the cash and depreciation, and can pay the loan back over a longer period of time, if needed. Commissioner Irwin said that it is a good deal for the people for the Transfer facility, and just wanted to make sure we don't need to go to \$72 per household.

Commissioner Evans and County Manager Adams talked about the amount of the revenues with the recommended and the amount needed to cover expenses. The County Manager reiterated that this budget covers cash losses and depreciation. They talked about there is 3 more years on the loader payment.

Commissioner Evans said he will get a lot of feedback that people don't think it is a good deal. He talked about by raising these fees he will hear more about this than any other thing the Board is doing.

Commissioner Irwin said the services have to be paid for one way or another.

Chair Smith asked for other comments on Transfer Facility. No one spoke.

Chair Smith asked for comments or questions on the revenue-neutral tax rate.

Commissioner Irwin said it is \$0.5125. Chair Smith answered yes.

Commissioner Evans explained his concern about the revenue-neutral tax rate means the County is bringing in the same money, values are lower, and people have to mind their spending more. He further explained that he thinks this revenue-neutral tax rate is a tax increase. He said that he would like to see the Commissioners pull back on some spending like people are having to do at home. He mentioned that this is another reason to have revaluations every 4 years rather than every 8 years, and is a conversation to have going forward.

Commissioner Leys talked about having revaluation every 4 years and the costs for this 8-year revaluation. The County Manager explained a full revaluation cost is similar but there are options to reduce the costs.

Chair Smith asked the Commissioners about asking anyone else to come to the budget meetings. No one spoke.

Chair Smith asked the Board whether they want to continue meeting tonight. Commissioner Irwin pointed out he has to go to Raleigh later today.

County Manager Adams recommended leaving Tuesday's meeting on everyone's schedule. Chair Smith added leaving Thursday on schedules too. Clerk to the Board Karen Evans asked what time is the meeting on Thursday. Chair Smith said 10:00am.

Commissioner Irwin made a motion to recess this budget hearing at 8:50pm until tomorrow, Friday, June 19 at 6:30pm. Commissioner Evans seconded the motion. Vote 5:0.

Respectfully submitted,

Attest:

Karen Evans
Clerk to the Board

Tom Smith
Chair