

The Alleghany County Board of Commissioners met in special session on Wednesday, April 16, 2008, at 7:05pm 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 7:05pm. He explained that this is a budget workshop. He talked about having time to review the budget papers that the County Manager provided. He reviewed the budget calendar. He talked about this looks like a flat growth year. He further talked about his concerns include the amount of the current budget has increased around \$170,000 since July 1. He explained the need to let the County Manager know which way the Board is going.

Commissioner Warren Taylor said the \$170,000 was appropriated out of the fund balance. He talked about being careful about dipping into the fund balance.

Commissioner Doug Murphy talked about the land transfer fee that the State has granted counties to put on a referendum. He talked about the amount of transfers over the past years. He stated that is a possibility to look at putting it on the November election to alleviate the burden on the tax rate. He talked about the need to inform people about the reasons for the referendum. He explained that the State keeps taking funding away. He said he viewed the transfer tax as a way to generate money since the county is getting the cuts from the state. He talked about the needs that are in the County. He said the Board has to cut or maintain or generate more revenues.

Commissioner Milly Richardson agreed to put the issue on the ballot in November to see what happens.

Commissioner Doug Murphy stated the need to be clear about where the money would go.

Commissioner Randy Miller talked about everyone needs to know how this would impact them. He used an example of a \$100,000 transfer. He stated that all of the Commissioners need to be in agreement before putting it on a referendum.

Chair Ken Richardson talked about if it is put on the November ballot, the revenues would be for 2009/10, and the Board needs to talk about this year. He talked about past years' growth.

County Manager Don Adams talked about growth over the years.

Chair Ken Richardson talked about an increase would have to be taxes.

Commissioner Milly Richardson stated that there could be cuts or increase in taxes.

County Manager Don Adams stated that Ashe County has the land transfer tax on the May ballot, and that would be good county to watch. He reminded the Board that this is his first run on the budget and the numbers will change. He explained that the Commissioners will receive the budget requests summary on Monday.

Commissioner Warren Taylor talked about the County won't know about agency funding until later in the summer. He used the scenario of DSS.

County Manager Don Adams reiterated that all of this is preliminary. He reviewed his timeline for working on the budget.

Commissioner Warren Taylor talked about he believes if the General Assembly was serious about getting the additional money for the counties they would have made the transfer tax available without a referendum.

Commissioner Milly Richardson talked about instructing the County Manager to instruct departments to make due with what they have, Board having to look at mandated services, do everything the Board can to keep the tax rate down, look at expenditures and cut as much as possible.

County Manager Don Adams explained that this meeting is to tell him the Board's priorities. He explained that if the Board gives him direction to stay within 43¢, he will present a 43¢ budget, but that wouldn't be representing the needs. He talked about any additional needs would require additional monies.

Commissioner Milly Richardson and County Manager Don Adams discussed insurance options that will come before the Board on Monday from the two health insurance quotes.

County Manager Don Adams talked about the Transfer Facility and how the brush is grounded into mulch.

Commissioner Milly Richardson talked about lights and heat being on all weekend in this building. She emphasized that the little things are her point.

County Manager Don Adams explained that the thermostats can be programmed but the lights are wired that way. He talked about looking hard at trying to maintain the cost of living adjustment (COLA). He stated that there are a lot of things that we need to look at.

Commissioner Warren Taylor explained that the Board won't know until all of the requests are in from the departments. He talked about some high dollar items in last year's budget, some departments may be less than last year and the COLA might be covered in that.

County Manager Don Adams explained how he tracks all line item transfers and how it can impact the budget.

The Board of Commissioners talked about taking a hard look at the budget and debt service payments.

County Manager Don Adams explained that the Board won't see any significant reduction in debt for 3-4 years. He talked about all of the insurance quotes. He further talked about the Medicaid monies are offsetting some of the negatives that he is seeing. He explained how he is going to present the budget; 43¢ and any changes will require cutting or revenue increases.

The Board of Commissioners talked about needs of the County.

Chair Ken Richardson asked the Sheriff if he would like to add anything to his prior discussions.

Sheriff David Edwards mentioned that the prison is opening in Virginia, and he may lose jailers to them.

County Manager Don Adams explained there was a line item transfer where the extra salary money was moved to food. He further explained that the prior budget amendment would have been more.

County Manager Don Adams and Steve Cothren talked about guidelines for moving salary monies in the budget.

Commissioner Milly Richardson stated that the money is not there now.

County Manager Don Adams stated that is correct.

Commissioner Doug Murphy talked about the request will be presented as a budget request.

County Manager Don Adams stated that the request is the same now as it was at the last meeting.

Steve Cothren stated that he is requesting a budget amendment in the amount of \$23,000 to bring the salaries up. He stated that the starting salary is \$20,993.

Commissioner Doug Murphy and Steve Cothren discussed the number of jailers versus the number of inmates.

County Manager Don Adams clarified that the non-certified jailers starting pay is \$20,993 and the certified starting pay is \$22,785.

Steve Cothren stated that is the same salary as a seven-year veteran.

Commissioner Doug Murphy stated that concerns him.

County Manager Don Adams said the Board can look at pay grades. He reviewed four years ago the concern was starting salaries. He said that there are two ways to look at raises; bump up starting salary or move everyone up the scale which leaves starting salary alone. He further said that both would require giving enough money each year to keep up with inflation and moving people up the scale.

Commissioner Warren Taylor said that everyone knows how to fix the problem; the Board just doesn't have the money to do it.

Commissioner Milly Richardson and County Manager Don Adams talked about the Board is going to have to decide what to do.

Chair Ken Richardson stated that if the Board is considering this for this budget year then they should invite all departments to present their case.

County Manager Don Adams reviewed other jobs on grade 60.

Chair Ken Richardson said the Board can't take one category and change it.

Sheriff Edwards stated that the problem is with the plan.

Chair Ken Richardson and Sheriff Edwards talked about the plan and if the plan is messed up; it needs to be fixed.

Commissioner Milly Richardson stated that the Board certainly needs to look at it. She talked about working on the insurance plan in order to save money.

Chair Ken Richardson and Commissioner Milly Richardson talked about staying with CIGNA but changing the deductible and insurance so the premiums would be less.

County Manager Don Adams said it depends upon which employee you ask, you will get different answers about the insurance. He used himself as an example with dependent coverage.

Commissioner Milly Richardson talked about ways to change the medical insurance coverage.

Commissioner Randy Miller talked about employees may have a hard time making higher deductibles and co-insurance amounts.

Commissioner Doug Murphy summarized this meeting; salary request before the Board, job has changed; one Commissioner wants to look at all departments to see if they have changed; if there is a need in a department, let's look at it; another Commissioner brought up cut expenses or raise taxes and if needs are brought before us, the Board must be prepared to do what it takes to address these needs.

The Board of Commissioners talked about reviewing job descriptions/pay grades

and how to accomplish that task. They further talked about looking at this one request or all departments. Chair Ken Richardson talked about extending the offer to all departments to come to the next meeting.

County Manager Don Adams stated that there are multiple issues here; looking at the entire thing or one department, looking at starting pay or years of service. He talked about the need to decide which one the Board is going to address. He offered suggestions to address years of service.

Chair Ken Richardson talked about the correct time is to put it in the budget.

County Manager Don Adams stated that other departments have valid issues and don't discount their needs.

Commissioner Warren Taylor talked about the number of departments that have discussed this with the Board, and if you do this in house, people are still going to complain.

Commissioner Milly Richardson and County Manager Don Adams discussed the pay plan.

Commissioner Warren Taylor stated to leave it as it is and think about it. He talked about needing to think about a plan of action.

Commissioner Milly Richardson reviewed the choices; grant the request or look at everyone.

Chair Ken Richardson talked about the County Manager needs to talk to department heads as he is meeting with them about the budget.

County Manager Don Adams and Commissioner Doug Murphy talked about this request isn't that the job description is wrong but wrongly placed in the grades.

Chair Ken Richardson reiterated that when the Board invites other departments, they will say the same things. He talked about the County Manager can be neutral on this and is the only one that has the expertise to do this.

County Manager Don Adams explained how the process worked last time.

Commissioner Doug Murphy asked the County Manager to see what Ashe County's jailer's grade is.

Being no further business, Chair Ken Richardson declared the meeting adjourned at 8:40pm.

Respectfully Submitted,

Karen Evans
Clerk to the Board

Attest:

Ken Richardson
Chairman