

The Alleghany County Board of Commissioners met in special session on Thursday, June 6, 2013, 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 Larry Cox, Vice-Chair Tom Smith, Commissioner Larry Davis, Commissioner John Goudreau, Commissioner Karen Leys, County Manager Don Adams, and Clerk to the Board Karen Evans. County Attorney Donna Shumate was absent.

Chair Cox called the meeting to order, explained the purpose of the meeting and welcomed everyone.

Pam Sizemore, Director of Family Resource Center, and Kim Shaw, Executive Director of Partnership for Children, came before the Board to discuss the Family Resource Center (FRC). Pam Sizemore explained what the FRC is and what they do including established in 1994. She further explained that they have lost their funding, filed an appeal but haven't heard anything back so they need to proceed as if they don't have anything July 1. She talked about their focus has been child abuse prevention since 2007. She stated the number of adults and children served this year. She said that their referrals come all sources. She talked about the number of supervised visits, graphs showing number of Social Services' reports along with the number of children involved in those reports and a chart showing the number of children in foster care per month. She stated that if they don't receive enough funding these rates will be going back up and the average foster care per month is \$563 which averages \$72,000 a year. She talked about the State requires Social Services to provide those services, and Social Services has not received any funding for family preservation plus doesn't have the facility to have family visits. She explained their location and the benefits for children. She discussed a letter from Social Services about they may have to transport children and pay for the transportation. She explained more of their services, goal is to keep as many services going as possible, and they have checked on other grants but missed the deadlines because of the late notice from the State on their funding. She reviewed the estimated money coming into FRC from Social Services being \$5,000, DANA being \$4,000, scheduled to have an Alleghany Cares proceeds day and may be able to use some Smart Start monies.

Kim Shaw explained that currently there isn't a budget for Smart Start monies and hopefully there will be some money available July 1. She stated that there are no good answers for Smart Start at this time. She talked about trying to come up with contingency plans and looking at bringing DANA back into their offices.

Chair Cox asked about the grant being for 3 years. Pam Sizemore explained that it has been on 2 year-grant cycles in the past but it is now a 3 year-grant cycle, and they have received the money since 1994. Kim Shaw talked about that is \$100,000 per year for the next 3 years that they won't be getting. They talked about they are continuing to look for other funding.

Kim Shaw talked about the appeal letter is in the packet, and they haven't heard anything from it. Pam Sizemore explained that several entities have appealed, which wasn't anticipated.

Commissioner Smith and Pam Sizemore talked about the amount of funds needed.

Commissioner Leys asked what the selection criteria were. Kim Shaw stated that they don't know. Pam Sizemore talked about one thing was looking at serving more counties and more people. Commissioner Leys talked about \$61,245 is what is needed. Pam Sizemore said to keep going, yes. Commissioner Leys listed out the revenues available that Pam Sizemore mentioned.

John Hedrick, Northwestern Regional Library, came before the Board to say thank you for the continued support and receiving the amount in the budget, they won't have to change anything. He talked about their staff. He stated his appreciation again.

Commissioner Smith talked about there is a lot of things going on at the library.

Chair Cox talked about last year's discussions where the cuts were magnified by the maintenance of effort.

Commissioner Leys talked about the 5% cut.

John Hedrick talked about the cuts are made to the materials because that is the only place they have.

Commissioner Leys asked about the maintenance of effort. John Hedrick explained the State library's maintenance of effort being a stabilization mark, the maintenance of effort is the

amount from each of the counties/towns, and they have to maintain that level or they get cut further.

Rita Miller, Tax Administrator, thanked the Board for the proposed cost of living and longevity changes. She stated that she is requesting 2 job reclassifications. She explained how the workload has changed in the Tax Office. She explained the first request is the Tax Administrative Assistant being reclassified to a Deputy Tax Collector. She said that she would like to see her paid at the same level as the other deputy because that is what she is doing. She explained that the total cost is \$4,201.39. She stated that her next request is to reclassify the Tax Clerk to an Assistant Tax Appraiser. She explained it would be best to work with the revaluation company and the purpose for the request. She talked about her conversation about contracting out the new permits would be approximately \$3,000 or \$600 per day for new construction permits only. She explained this job reclassification would cost \$1,468.69.

Commissioner Leys asked how many hours Missy Smith works with the collection side. Rita Miller answered 40 hours along with some of her Administrative Assistant duties.

Randy Blankenship, Chief Building Inspector, came before the Board to talk about a fee schedule request change. He explained that he wants to add a category to the fee schedule about park model RV accessory buildings. He further explained the purpose.

County Manager Don Adams asked how many trips Inspections goes out for a standard park model RV. Randy Blankenship answered 1. County Manager Don Adams asked how many trips for this new category. Randy Blankenship answered 7, at a minimum.

Commissioner Leys clarified that the accessory building is 7 visits. Randy Blankenship agreed.

Commissioner Smith and Randy Blankenship talked about effective date would be July 1.

Randy Blankenship said that he also added the word "All" on the number of building permit visits on the fee schedule.

Chair Cox and Randy Blankenship talked about how it would require the new permit fee rather than a concrete pad.

Commissioner Smith talked about over 1,000 square feet requires a residential permit.

Chair Cox and County Manager Don Adams talked about this will be part of the fee schedules conversations.

The County Manager and Randy Blankenship talked about the number of trips it is taking for the inspectors to go out there.

Drew Edwards, Wellness Center Director, expressed their gratitude for the appropriations that have been made and consideration being in the budget. He explained they have changed their business funding model. He further explained that the County's money is to provide additional programming/classes. He provided examples. He talked about the amount of membership on the sliding scale. He informed everyone that they have built the new pool building with solar heating system, which has an estimated 2/3 costs reduction. He said that without the continued support from the County that wouldn't have happened.

Commissioner Leys and Drew Edwards talked about how efficient the solar panels are. They talked about the opening date for the pool will be soon, and the lifeguards are coming in Monday. He explained that they are getting the inspections completed, chemicals right then they are done. He talked about having more membership when the pool opens, and they are thinking it will be a 20% bump. He stated they have 700 members with around 350 memberships. He explained the membership discounts program of 5 people with a business getting a 15% discount. He talked about the price of the individual memberships.

Commissioner Smith and Drew Edwards talked about the therapy pool and working with Allegheny Memorial Hospital on therapy. Drew Edwards explained the Wellness Center's insurance will not allow that without a contract. Drew Edwards talked about their fundraising activities this summer.

Chair Cox and Drew Edwards talked about the activities with Council on Aging's seniors and having a really good partnership.

County Manager Don Adams asked about wellness programs with private businesses for insurance programs. Drew Edwards said if you keep people healthy it won't cost as much, and explained they are paying for memberships. Drew Edwards explained that they are working on becoming a certified center.

Commissioner Leys and Drew Edwards talked about this is on a contract basis.

County Manager Don Adams and Drew Edwards talked about he isn't sure which insurance company they are working with at the Wellness Center. The County Manager talked about Blue Cross/Blue Shield has certified centers, the County can get credit for that, and the County will be talking about a wellness program in the near future.

Commissioner Leys and County Manager Don Adams talked about there will be 2 phases and Blue Cross/Blue Shield already has things to start now with 1 component being the certified centers, and we will be doing other things too. He talked about partnering with the Health Department for some other items.

Dr. Cox, Superintendent, came before the Board to talk about the proposed budget. He talked about the school system's 5% reduction is a place they would ask the Board for the level of funding of last year.

County Manager Don Adams said \$129,900 is that amount.

Dr. Cox talked about they have been able to hold steady, also have had cuts from the State, and the number of positions cut in the last few years. He said that they are about as lean as they can be, and is nervous with the State budget this year. He stated any assistance the Commissioners can provide will help offset the cuts from the State. He talked about the capital budget has more needs than money, and any additional assistance there would be appreciated also. He explained the safety projects have been discussed, and the Board of Education has looked at that as facility issues. He provided some examples.

Chair Cox and Dr. Cox discussed the rekeying systems including having different programming for certain hours and how to deactivate the keys, if lost.

Commissioner Leys and Dr. Cox talked about there are multiple rekeying vendors.

Dr. Cox talked about the projects at the High School for the brick façade and science labs, opened bids, bids were substantially higher than anticipated, went back into the Golden Leaf grant and believes Golden Leaf will allow them to use additional money for the science labs but still need to find \$75,000-\$80,000 somewhere from the Schools' fund balance or from the County. He said that this has to be addressed first.

County Manager Don Adams and Dr. Cox talked about the Golden Leaf monies. Dr. Cox talked about looking at their fund balance this year, worked to build the fund balance up, and this is the first year that they are going to see a lot of it used because \$500,000 is coming off this year for operations. Dr. Cox explained the projects they have used fund balance money for.

Chair Cox talked about his concern regarding the \$125,000 from Golden Leaf and how that is going to affect that renovation project. Dr. Cox talked about looking at what they have now that can still be utilized plus they were going to buy the latest equipment. Chair Cox stated that the labs are pretty bad now. Dr. Cox said the more the County can help the less that has to come out of the Golden Leaf monies.

County Manager Don Adams and Dr. Cox talked about the brick façade price.

Commissioner Smith and Dr. Cox talked about the façade project will be happening soon. Dr. Cox explained they had to approve the project in order to be done before school starts.

Chair Cox and Dr. Cox talked about where this leaves the safety concerns with Dr. Cox explaining that they are willing to look at their fund balance as a match on the other safety items with the first priority being to complete this project.

Commissioner Leys and Dr. Cox talked about it is \$93,000 to just do this project.

Chair Cox and Dr. Cox talked about this is nothing on the safety side except the brick façade. Chair Cox mentioned that school safety is a nationwide concern and asked is there money available for safety school needs. Dr. Cox explained that he has heard there may be something similar to QZAB or matching funds, and they will come back if they hear something.

Commissioner Leys and Dr. Cox talked about there is no State money.

Dr. Cox reiterated that school facility needs are a concern nationwide and the concern is to keep the children safe.

County Manager Don Adams and Dr. Cox talked about the value of the intercom system on the safety system along with the phones. Dr. Cox explained the phone system at the High School. They talked about the amounts for each school for the intercom and phone system.

Dr. Cox talked about the importance of automatic dialers.

Commissioner Goudreau and Dr. Cox talked about getting the updated safety needs' list with the current prices.

Chair Cox and Dr. Cox talked about the estimates for school safety including doing some work with their maintenance staff.

Commissioner Leys and Dr. Cox talked about the existing schools' lock systems.

Dr. Cox talked about ways to secure Piney Creek School similar to Allegheny High School because of the multiple entrances.

Commissioner Leys and Dr. Cox talked about how many Teacher Assistants the schools will be losing because of the State budget will be around 25% of what they have.

Commissioner Leys asked about the capital outlay list in priority order. Dr. Cox stated that the list isn't in order. He named different priorities in the capital outlay list. They talked about the computer hardware, ISIS software, and furniture. Commissioner Leys asked about the unobligated fund balance. Cindy Holder, Schools Finance Officer, explained that they will have a carryover around \$100,000.

Commissioner Davis and Dr. Cox talked about some of the capital outlay projects.

Commissioner Goudreau said thank you, and the Board has some thinking to do.

Commissioner Smith and Dr. Cox talked about the brick work is going to happen this summer.

Commissioner Smith talked about the grants for science labs using \$125,000, and that hasn't included the safety concerns.

Commissioner Leys talked about the schools' top priority.

Dr. Cox talked about they had a State audit yesterday for the Race To The Top funds, which lasted all day, and ended with an excellent report with no findings. He said Allegheny is the first they had done without any findings. He stated that's due to the diligence of their staff. He stated his appreciation for what the Commissioners do, and the Board's time.

Chair Cox asked how the Board wants to proceed with the budget.

Commissioner Leys summarized the schools' request including reinstating money of \$129,900 from last year, \$93,000 short on the science classroom/brick, \$233,000 for the capital, plus \$577,000 for safety and the \$270,000-\$300,000 request from Sheriff for the school resource officers. County Manager Don Adams agreed.

County Manager Don Adams talked about needing the revised sheet on the safety needs and a true break down.

Chair Cox asked about the capital and capital improvements for the County in the Manager's Budget Message.

County Manager Don Adams reminded the Board about the request from the Hospital of \$200,000, Family Resource Center of \$62,000 and the summary for Board of Education along with \$125,000 not designated with the understanding that doesn't cover all these requests.

Chair Cox talked about it looked great but we knew the requests would be more. He asked what the Board wants to do.

Commissioner Goudreau talked about leaving the capital for later. He said there are a lot of requests from the Schools and the need to address some of those. He stated that the money has to come from somewhere. He talked about options available.

Chair Cox asked where the Board wants to go.

Commissioner Goudreau said he would like to see Dr. Cox's numbers but we could start discussions.

Chair Cox said he would be surprised if the Golden Leaf money could be moved. He asked about the priorities for the schools.

Commissioner Leys added up the priorities on the capital outlay listed by Dr. Cox.

Chair Cox and County Manager Don Adams talked about the recommended amount and what is mandated by State law.

Chair Cox and Commissioner Leys talked about the undesignated \$125,000 discussions about who gets what amount.

Commissioner Goudreau explained that is if the Board wants to follow the recommendation but the Board can deviate from that. He stated that is something everyone has to decide including the possibility of making changes or having other priorities. He talked about the programs that received full restoration.

Commissioner Leys said that she doesn't want to mess with the maintenance of effort for the Library.

Commissioner Goudreau talked about struggling with that but asked do we need the Library open 6 days a week especially with the other needs coming up. He talked about the FRC and if the Board doesn't make changes elsewhere we aren't going to have any money for it. He explained not everyone can go to the Wellness Center so is that something the County should be using taxpayer money for.

Chair Cox talked about if the Commissioners make cuts to the Library, it doubles.

Commissioner Goudreau said he understands that and that makes it tough.

Commissioner Smith talked about funding for the Library and the maintenance of effort is very important, and he is in favor of keeping it.

Commissioner Leys talked about the information submitted by the FRC shows they need \$61,425, and after taking off the available revenues it leaves \$43,425.

County Manager Don Adams talked about in the week if the Commissioners get an opportunity to talk to John Blevins directly about this and it comes down to if the Board is considering funding this then there are other questions. He explained that there is a Social Services' mandated portion then the rest of the services. He said a key question to ask is the Board trying to fund the mandated services or funding everything FRC does.

The Board talked about the DANA program. Chair Cox asked how much of this Social Services take could on. County Manager Don Adams said that is the question the Commissioners need to ask John Blevins. Commissioner Leys stated that he has asked him, FRC provides valuable services, and Social Services don't have the space. Chair Cox said that he has learned that we are here to advocate for the County's money, and he doesn't see how the Board can go from \$8,000 to \$61,000 or even \$43,000, and asked what about the \$21,000 number. County Manager Don Adams reviewed the \$26,000 budget they submitted and what it included.

Chair Cox asked does the Board want to talk about the Hospital's request.

Commissioner Goudreau said he thinks so and probably needs to be the first decision the Board makes.

Commissioner Leys talked about she likes their forward thinking. She provided information received from the Hospital today. She talked about a one-time revenue source that helped. She said she is unsure about their bottom line without some assistance.

Chair Cox explained that the County has not neglected the obligation to the Hospital because prior boards allocated \$500,000 then a couple years later another \$100,000 then last year \$250,000. He said that he was unaware of that.

County Manager Don Adams explained the \$500,000 and \$100,000 was for physician recruitment.

Commissioner Smith talked about this request is \$200,000. He explained right now he is debating on the \$125,000 and what to do about the Schools, the Hospital and the FRC. He said he isn't ready to say anything tonight because there may be other numbers coming in. He stated he needs to think some more about this.

Commissioner Goudreau said those are valid points. He talked about everyone needs to decide which direction they want to go.

Commissioner Leys mentioned Rita Miller's request in the amount of \$5,700.

Commissioner Smith said he didn't want to discuss it tonight.

Commissioner Goudreau said that it's something to consider or not.

Commissioner Davis stated that he thinks the \$125,000 needs to be divided among the organizations and not give it all to the same one.

County Manager Don Adams talked about at some point addressing the ones that appeared before the Board. He explained the running changing budget sheet for the General Fund and how to use it. He said it is a means to put ideas down for discussions at the next meeting. He reviewed the topics that he has heard tonight; special appropriations, and the 3 main requests. He talked about hopefully knowing something next week on the FRC's appeal, which could change a lot of these discussions.

Chair Cox and Commissioner Smith talked about the Allegheny in Motion's request. The County Manager clarified her request is a 2-year grant, and next year there is a chance the Board will be supplementing the ED van by \$20,000 or increasing rates.

Commissioner Leys and County Manager Don Adams talked about the ED program is a 2 year-grant that pays for half of the costs of the ED van. He talked about keeping the charges down for the elderly to use the van and the Transportation Fund is supplementing the program around \$20,000 annually, and has been for the past 2-3 years and it's not going to survive. He reiterated that if the Board decides to continue the program, it could put the Transportation Fund in the hole at the end of the following budget year of 2014/15. He stated that April Hamm has done a good job with the transportation program being self sufficient. He talked about other communities supplement transportation.

The Board talked about ways to proceed with the budget.

Being no further business, Commissioner Goudreau made a motion to adjourn the meeting at 9:15pm. Commissioner Davis seconded the motion. Vote 5:0.

Respectfully Submitted,

Karen Evans
Clerk to the Board

Attest:

Larry Cox
Chairman