

The Alleghany County Board of Commissioners met in recessed session on Thursday, June 17, 2010, at 6:30pm in the Board Meeting Room of the County Administration Building, 348 South Main Street, Sparta, North Carolina.

Present: Chair Ken Richardson, Vice-Chair Randy Miller, Commissioner Doug Murphy, Commissioner Milly Richardson, Commissioner Steve Roten, County Manager Don Adams, and Clerk to the Board Karen Evans.

Chair Ken Richardson reconvened the recessed meeting at 6:30pm.

County Manager Don Adams and Chair Ken Richardson talked about a straw vote being a general consensus of the Board.

County Manager Don Adams talked about information provided to the Commissioners of a menu of possible funding cuts. He explained the summary of possible funding cuts that arose from the last Commissioners' meeting; personnel—undo salary raises, 11 holiday furloughs and insurance reductions; removed all capital and capital improvements; reduced special appropriations primary functions by 10% and secondary functions by 50%. He talked about USDA will work with the County regarding the due date for the first loan payment to be the following fiscal year which will basically costs more interest. He further talked about the E-911 bill before the General Assembly freeing up 911 monies for additional uses plus frees up 50% of the 911 fund balance as of July 1 which must be used for public safety. He explained that if the bill passes then the Board can come back to talk about the Law Enforcement Center's roof, volunteer fire departments/rescue squad matching capital monies and the morgue cooler. He informed the Board that the FCC has issued rules that by 2013 all of Alleghany County's frequencies will have to be changed, and all of the radios will have to be reprogrammed. He explained that this is a big deal and can't wait six months prior to 2013 to start the planning. He further explained that if 911 funds are extended he will be coming back; he doesn't know costs at this time, and the possibility of having to replace some radios and maybe looking at the repeaters.

Commissioner Doug Murphy and County Manager Don Adams talked about the amount of the fund balance in the 911 fund.

County Manager Don Adams continued reviewing the menu of possible funding reductions for special appropriations for the primary functions showing a 10% reduction to the 2009-10 budget; \$40,000 revaluation expense removed; secondary functions showing a 50% reduction from the 2009-10 allocations. He explained that all of these from personnel through special appropriations are a grand total reduction of \$789,890 and the 4¢ tax increase would be \$672,000 funds leaving available \$117,890 for the Board to do whatever the Commissioners decide. He reviewed an example of reinstating some of the reductions; put salary raises back in and implementing only 6 holiday furlough days, put the finance server back in the budget.

Chair Ken Richardson and County Manager Don Adams talked about the amount of overtime in the budget.

The County Manager explained the amounts of the overtime are in the sheriff's department, dispatch, jail and EMS. He further explained that he has been talking with the School of Government's personnel expert and learned that the sheriff's department can be paid in comp time up to 480 hours then the straight time and ½ has to be paid. He explained why he thinks there wouldn't be any money saved with EMS by changing their overtime including not aware of any case law saying you can or can't pay comp time other than time and half and having to add another shift for 12-hour shifts. He reiterated that he can't find a legally sound or financially proven way to change the overtime for EMS. He explained that with the sheriff's department if the Board elects to go to comp time overtime, they would all get to the 480 cap then gets cash overtime pay plus when they leave the County's employment, the County will have to pay all of their comp time and annual leave.

Commissioner Steve Roten asked why the Sheriff can't make sure there is no overtime.

County Manager Don Adams said he asked that question, and ultimately if the Sheriff signs off on the timesheets then the County has to pay it.

Commissioner Steve Roten and County Manager Don Adams talked about the current way overtime is figured on a 48-hour work schedule.

Commissioner Randy Miller stated that County can hire an additional person or two for that amount of money.

County Manager Don Adams said he can have the Sheriff to come talk about this to the Commissioners because ultimately if the timesheet comes in, the County has to pay it.

Chair Ken Richardson and County Manager Don Adams talked about it would save about half of the overtime amount to go to 480 hours comp time. The County Manager reminded everyone that the 480 is time and half hours and there is still part-time overtime involved in this so there is still a need to keep some in there for part-time.

Chair Ken Richardson asked how the Board wants to proceed. He stated that he doesn't support any of the personnel reductions that the County Manager has talked about and doesn't have any problems with the others.

Commissioner Doug Murphy and County Manager Don Adams talked about the amount saved in changing the insurance.

Commissioner Doug Murphy stated that he has thought long and hard about this and doesn't want to go back to undo the salary adjustments but can look at holiday furloughs. He further stated that he is in favor of looking at holiday furloughs, and how many days are up to the Commissioners.

Commissioner Steve Roten stated that he wanted to see a budget that doesn't see a tax increase and puts money back into the fund balance. He talked about he can't support taking the revaluation money out. He further talked about raising taxes or making cuts.

Commissioner Doug Murphy stated that he would like to look at the fund balance at the end of the process.

Commissioner Randy Miller and County Manager Don Adams talked about the 1/4¢ sales tax mentioned at the last meeting would be around \$140,000.

Commissioner Steve Roten, Commissioner Milly Richardson and County Manager Don Adams talked about this has to be approved and depends upon sales plus not knowing until after the election. The County Manager stated that after it gets approved, then there is lag time before it can be collected.

The Board of Commissioners talked about the 1/4¢ sales tax is an option.

Chair Ken Richardson asked for comments about capital. He talked about the need to have some discussions regarding capital. He reiterated that this includes \$45,000 USDA loan payments not coming due until the following fiscal year.

Commissioner Milly Richardson and County Manager Don Adams talked about the interest amount for postponing the payments; \$5,000-\$10,000 for both of them.

Commissioner Doug Murphy stated that his personal opinion is interest is wasting money.

County Manager Don Adams talked about the water/sewer won't be completed until close to the end of the year anyway and with the training facility the County would be losing about three-four months of interest.

Commissioner Doug Murphy stated he would be in favor of looking at 911 funds for the Law Enforcement Center roof.

Chair Ken Richardson stated that it is a possibility that by the time the Commissioners vote on this budget, we may know about these funds from the General Assembly. He listed the public safety capital and the 911 fund balance being between \$120,000 and \$240,000.

Commissioner Milly Richardson and County Manager Don Adams talked about the money would be available July 1 is the way the bill reads. He talked about having to wait for the official number from the audit.

Commissioner Steve Roten asked about the possibility of being ordered to fix the roof. County Manager Don Adams agreed if it goes through the court system.

Commissioner Doug Murphy talked about giving some thought on the \$60,000 for the schools. He further talked about they will have very significant cuts coming from the State next year. He said he would like to see the schools get that money.

Chair Ken Richardson asked the Board if there is any problem going to the special appropriation category. He reviewed the County Manager's sheet. He asked are there particular areas for discussions.

Commissioner Steve Roten talked about his concerns with postponing the revaluation transfer because this is just postponing the expenses. The County Manager stated that the next revaluation year is 2015.

Commissioner Milly Richardson asked can the Commissioners find out how much this would cost to do this every year and looking at doing this annually in-house with our people. She said maybe it is time to look at revaluation annually and doing it in house.

Chair Ken Richardson asked is there anything else in the primary section. No one spoke. He talked about the secondary section.

Commissioner Doug Murphy and County Manager Don Adams talked about the Family Resource Center used to partner with Partnership for Children but they are on their own now. Commissioner Murphy asked everyone to keep in mind the organizations that help the children and women.

Commissioner Milly Richardson talked about looking at the secondary category; these monies are going to organizations that serve a lot of people but the three largest ones are valuable services but not when the County is looking at laying off people or furloughing employees. She talked about cutting the larger ones and fund those when times are good and leave the smaller ones in. She further talked about cutting the chamber, arts council and wellness center. She reiterated that looking at those when times are good and helping them as much as possible but in bad times the County can't fund everything. She stated that she would look at cutting those and leaving the others alone.

Commissioner Doug Murphy talked about the wellness center does a good job, and 1 in 10 people in Allegheny are walking into the wellness center.

Commissioner Milly Richardson stated that the County Commissioners aren't the only ones responsible for those entities.

Chair Ken Richardson talked about notifying all of these agencies and schedule time next week to hear them about what the cuts would do to them. He asked if the Board is in agreement with special appropriations then he recommends that the Board give them an opportunity to tell the Commissioners how this impacts them. He reiterated items that the Commissioners have discussed at this meeting.

Commissioner Doug Murphy and County Manager Don Adams talked about the server in the finance office has shut down, and it took two days to get it back up. The County Manager explained that the finance officer has asked two other technology groups to see if the office can do anything different and has been told by Fred Sides

and another local technology person that there is nothing else to do.

Commissioner Milly Richardson talked about it sounds like it is a matter of when. She talked about capital needs, the fire departments/rescue capital monies, Law Enforcement Center's roof and schools.

Commissioner Doug Murphy and County Manager Don Adams talked about all 911 expenditures must be approved by the 911 Board. Commissioner Doug Murphy stated that the County needs to use those funds.

Commissioner Milly Richardson said it sounds like everyone is 99% sure that those two issues are taken of. The County Manager reconfirmed that she is talking about the roof and fire departments/rescue capital monies. Commissioner Milly Richardson agreed.

Commissioner Milly Richardson and Commissioner Randy Miller talked about he would like to put that back in along with Commissioner Murphy.

Chair Ken Richardson said that he would encourage each Commissioner to let the County Manager know where the Board is at. He talked about the \$117,890, and uses for that money that have been discussed tonight.

County Manager Don Adams talked about the \$117,890, and the amount added back in goes past \$117,890; the Board will be looking at other cuts, raise taxes or using the fund balance. He further talked about he asks that the meeting be scheduled for the groups to come present and at some point the budget has to be item by item to know what goes into the budget ordinance.

Commissioner Milly Richardson and County Manager Don Adams talked about the number of days left for the approval of the budget.

Chair Ken Richardson talked about meeting next Wednesday for organizations/departments to come before the Board. He further talked about if the Board is willing to accept what the County Manager has submitted for the employees then they should be allowed to speak.

Commissioner Randy Miller stated that he isn't going to do that.

Commissioner Doug Murphy talked about standing by his earlier comments regarding not supporting undoing the salary raises.

The Board talked about when to meet again and decided on Monday and Wednesday of next week.

Commissioner Milly Richardson and Commissioner Doug Murphy stated that the County Manager did an excellent job putting these numbers together in such a short time.

Chair Ken Richardson stated that one thing he did Monday night was to allow people to speak and to extend the opportunity tonight. He talked about allowing people to further talk on Monday and Wednesday.

County Manager Don Adams asked for clarification that Wednesday is only scheduling people who have been impacted by the cuts and then Monday has a public comments section where anyone can talk. He said that he will have Karen Evans call everyone to let them know where the budget is currently and schedule appointments if they wish to come before the Board.

Commissioner Steve Roten asked the County Manager if he looked at cutting expenses for each department.

County Manager Don Adams said he had looked at all of the expenses.

Commissioner Steve Roten talked about there seems to be a lot of conferences.

He asked are they necessary.

County Manager Don Adams talked about what is required and what is not is required. He said about 80% is required. He further said we can go through each department to talk about what is required and what is not. He named some of the departments and trainings that are required. He said he could go back to see.

Commissioner Steve Roten talked about the classes if they aren't required.

Commissioner Milly Richardson asked are any of these online.

County Manager Don Adams stated that the inspections have taken some online courses. He reminded the Board about the cuts to travel that has occurred in the last two/three years.

Commissioner Milly Richardson said that is something to look at.

Chris Huysman stated that he applauds the efforts on the budget. He talked about furloughs are a good idea; he is a business owner and business is down by 90%, hard decisions are coming, had to look at essential people and non-essential and make cuts where necessary. He suggested looking at changing the workweek. He said the library could be closed for one day a week, library referendum that didn't pass, understand concern about children in the community but churches will pick up some of that, wellness center is a good idea and the community will pick up some there, reviewed essential personnel and non-essential personnel in each of the departments.

Chair Ken Richardson recessed the meeting at 7:45pm until immediately following the regular meeting on Monday.

Respectfully submitted,

Karen Evans  
Clerk to the Board

Attest:

Ken Richardson  
Chairman