

Draft

**BOARD OF COMMISSIONERS
WORK SESSION** May 27, 2009

**ALEXANDER COUNTY
STATE OF NORTH CAROLINA**

- PRESENT:** W. Darrell Robertson, Chairman
Wes Bolick, Vice-Chairman
Ryan Mayberry
Larry G. Yoder
- ABSENT:** Harold M. Odom
- STAFF:** Rick French, County Manager
Jennifer Herman, Finance Director
Jamie Starnes, Clerk to the Board
- MEDIA:** Micah Henry, The Taylorsville Times

The Alexander County Board of Commissioners held a work session on Wednesday, May 27, 2009 in the Alexander County Administrative Building Conference Room, Taylorsville, North Carolina. The topic of discussion was the 2009-2010 budget.

CALL TO ORDER

Chairman Robertson called the work session to order at 6:30 PM.

2009-2010 BUDGET DISCUSSION

Rick French, County Manager, gave an overview of some key points within the 2009-2010 budget, which included:

- The proposed 2009-2010 budget totals \$29,837,321, an 8.5% decrease from the current year or approximately \$2.6 million.
- The budget includes a 7-cent tax increase, bringing the property tax rate from 53.5 cents to 60.5 cents.
- The County must hold the school system harmless of \$492,300 and the Town of Taylorsville of \$100,530. This accounts for two cents on the property tax increase.

- \$200,000 is budgeted for the purchase of property at the landfill due to contaminated soil. This is the first appropriation and will occur again in the next two budget years.
- \$250,000 is budget as a match to a One NC Fund Grant for an economic development project. Also, \$185,000 has been included for the purchase of property for the same project, another first appropriation that will be paid over a three year period. (This project is still being negotiated and has yet to become public).
- Another cent of the new proposed tax rate is to increase the County's fund balance.
- \$308,677 is budgeted for a contract with Caldwell County, which is still in negotiations and has yet to become public.
- Mr. French is recommending 5 furlough days (days off without pay) for County employees, except designated safety positions, throughout the year to coincide with holidays, which will save \$143,000. Adjustments have been made in salary line items.
- Two vacant positions have been eliminated – one in Animal Control and one at the Senior Center.
- Christmas bonuses for employees have not been budgeted.
- Retiree insurance and longevity will not apply to new hires beginning July 1, 2009.
- Advertising of vacant positions must be approved by the County Manager.
- Fee increases include 8% for water, \$5 at the landfill to pay back the general fund for the aforementioned purchase of property, \$5 per month for sewer service in Bethlehem, and a \$15 increase on the Senior Center's rental rate.

Chairman Robertson stated that recent data showed that 71 counties in North Carolina had property tax rates higher than Alexander County. In discussions with Jennifer Herman, Finance Director, it was determined that Alexander County's tax rate had been as high as 65 cents in the past. Ms. Herman pointed out that the state average was 63.22 cents.

REVIEW OF REVENUES

Mr. French discussed the sales tax revenues, noting that projections for 2009-2010 were \$3.5 million less than 2008-2009. This is due to Article 44 being taken by the state in exchange for the Medicaid swap as well as the recent change of Article 44 from per capita to point of sales.

Several state revenue streams may soon be eliminated including inmate reimbursement and Juvenile Crime Prevention Council funding. He informed the Board that counties may soon be

required to provide office space to Probation & parole for free and that the state had reduced library funding by 10% and may not pay out May and June's normal appropriation.

Mr. French stated that the number of inspections had dropped significantly in the past year but noted that Animal Control revenues had increased due to the number of adoptions.

Other items discussed were the combining of the Highway 16 South and Sugar Loaf water funds and the future revision of the agreement with the Town for building inspections and animal control services.

REVIEW OF EXPENDITURES

Mr. French requested the Board's direction in relation to two resource officer positions at East and West Middle Schools, noting that the school system would not be funding them next year. Chairman Robertson suggested leaving the positions in the budget for the time being.

Mr. French reported that there were no cars budgeted for the Sheriff's Department nor was there an ambulance budgeted for EMS. He also explained that beginning July 1, 2009, all aspects of recreation including signups, collection of fees, purchasing of uniforms, etc. would be operated entirely by the County.

The appropriation for education remains the same at \$5 million and the auditorium payment of \$150,000 is budgeted.

BUDGET SCHEDULE

The schedule for review and approval of the 2009-2010 budget is as follows:

- June 8, 2009 – budget work session in the County Administration Conference Room
- June 15, 2009 – public hearing at CVCC
- June 24, 2009 – adoption of the budget at CVCC

Chairman Robertson stated that the budget could be approved as late as June 30, 2009 if needed.

CLOSED SESSION – N.C.G.S. 143-318.11(a)(5)

The Board agreed to enter into Closed Session at 7:47 PM to discuss contractual matters.

ADJOURNMENT

There being no further business, the work session was adjourned at 8:15 PM.

W. Darrell Robertson, Chairman

Jamie M. Starnes, Clerk to the Board