

Draft

BOARD OF COMMISSIONERS
REGULAR MEETING June 10, 2013

ALEXANDER COUNTY
STATE OF NORTH CAROLINA

PRESENT: Larry Yoder, Vice-Chairman
 Ryan Mayberry
 Judy M. Moose
 W. Darrell Robertson

ABSENT: James “Burkie” Jennings, Chairman

STAFF: Rick French, County Manager
 Jamie Starnes, Clerk to the Board

The Alexander County Board of Commissioners held a regular meeting on Monday, June 10, 2013 at the CVCC / Alexander Center in Room 103, Taylorsville, North Carolina.

CALL TO ORDER

Vice-Chairman Yoder called the meeting to order at 6:00 PM.

INVOCATION & PLEDGE OF ALLEGIANCE

Commissioner Robertson gave the invocation and Vice-Chairman Yoder led the Pledge of Allegiance to the Flag.

ADOPTION OF AGENDA

Commissioner Robertson made a motion to adopt the agenda as presented. Commissioner Mayberry seconded the motion. The Board voted unanimously in favor of the motion.

PUBLIC COMMENT

Glenn Mays invited the public to attend a flagpole dedication on July 4, 2013 in memory of Johnny Lackey. Music will begin at 10:30 AM at the Alexander County Library and the ceremony will begin at 11:00 AM. Purchase of the flag pole and marker were made possible by donations from the Lackey Family and the Friends of the Library.

PUBLIC HEARING: 2013-2014 ALEXANDER COUNTY PROPOSED BUDGET

Rick French, County Manager, provided the following budget message for the 2013-2014 Alexander County proposed budget:

The 2013-2014 proposed budget for the General Fund totals \$34,663,449. This is a \$574,616 or 1.6% increase from the 2012-2013 budget which totals \$34,088,803.

The General Fund contains 20 new employees with 12 of these being for the new Alexander County Detention Center which opened earlier this year. Others include 2 employees for the Sheriff's Department, one in Human Resources, one in Public Buildings, 3 at DSS, and one at the Bethlehem Library (transitioning a 32-hour position to a 40-hour position).

The proposed General Fund budget contains no tax increase. Fee increases are being proposed for building inspections and Emergency Medical Services. There is a 5% water rate increase proposed for all Alexander County water users (not Town of Taylorsville or EnergyUnited). There is no fee increase proposed for landfill charges.

As we review the proposed County budget for 2013-2014, there are 3 areas of serious concern:

1. There is little to no growth in county revenues. Tax collections and sales tax numbers are flat. County General Fund revenues total around \$32 million. A total of \$2.5 million from the County Fund Balance will be needed to balance the proposed budget.

Our last audit for the 2011-2012 fiscal year reported our Fund Balance at \$8,746,521 or 29.49%. The average fund balance for counties in our population group was 27.25% in 2012.

2. The debt service on the new Sheriff's Office and Detention Center is estimated at almost \$1 million per year until 2026. The proposed 2013-2014 budget estimates a \$2.6 million operating budget, plus \$200,000 for a full year's utilities, for a total of \$3.8 million including the debt service payment. Combined funding for the facility totals \$2,256,000 which includes \$1 million from the previously enacted 4-cent tax increase, a projected \$756,000 for housing inmates from other counties, and the \$500,000 cost savings from ending the agreements for transferring Alexander County inmates to other counties. What this means is funding for this facility will cost \$1.5 million more than revenue / costs savings. These additional dollars will have to come from the Fund Balance.
3. Alexander County has budgeted \$5,150,000 for the school system for the past 7 years - \$5 million for operating expenses and \$150,000 for 50% of the debt

service payment for the ACHS Auditorium. The school system's budget has been drastically impacted by the loss of low wealth funding, loss of school enrollment, and other state reductions; therefore, they have requested over \$600,000 in additional funding to help offset those losses.

Mr. French mentioned several projects that would take place during the 2013-2014 budget year, which included:

- Water System Project - \$3.4 million no interest loan from the state revolving loan fund paid with water debt.
- Courthouse renovations - \$1.5 million to complete HVAC system and ADA compliance issues.
- CVCC expansion / Taylor Togs property – renovations to be completed with a Golden Leaf grant, if awarded.
- Rocky Face Park - \$225,000 match necessary for PARTF grant to construct playground equipment, community building, and a wetlands project.
- Demolition of old Dayton property – will create need to locate space for the garage, TESC Program, and Probation & Parole.
- Evidence / Storage building for Sheriff's Department – current building is at the old Dayton property and will be demolished.

He added that funding for the Dayton property demolition, space for the garage, and the storage building for the Sheriff's Department had not yet been included in the proposed budget. He also noted that renovations to the Animal Shelter had been put on hold due to estimates submitted being higher than projected.

Dr. Brock Womble, Superintendent for Alexander County Schools, presented a slide show that explained the impact to the school system from the loss of state funding due to decrease in low wealth funding and enrollment as well as flexibility in how funding was spent.

Vice-Chairman Yoder called the public hearing to order and requested any comments. The following speakers were heard:

Public Comment

Gary Sain asked what factors had decreased the school enrollment and what sources of County revenue funded the school system. Dr. Womble replied that no data was available as to what had caused the decrease in enrollment and Mr. French responded that property and sales tax revenues were used for school system appropriations.

Larry Holland urged the Board to consider what the school system would be forced to give up or do without if the County did not support them with the additional appropriation of funds.

Dale Clary pointed out that additional appropriations to the school system and/or any other department could affect the property tax rate, noting that the County did not have “a magic pool of money” from which to draw from.

Larry Riddle stated that he went from paying a tax bill of \$3,400 on his home in Illinois to only \$800 after moving to Alexander County, pointing out that the tax rate in Alexander County was low. He felt that taxes may need to be increased to fund everything that was needed.

Commissioner Robertson pointed out that the Article 42 sales tax, whose revenue was allotted specifically for education, was changed by the state several years ago from a per capita distribution to point of sale which negatively affected small, rural counties. He also expressed his disappointment that the state continuously chose to cut funding for education when their budget was tight and felt a constitutional amendment was needed to prohibit the state from using lottery funds for anything other than for what it was originally established.

Commissioner Yoder urged the public to contact their state legislators and voice their opinions on important issues, noting that one specific area of concern was protecting the statutory language in the upcoming state budget that would ensure that counties continued to receive 40% of lottery proceeds.

Mr. French added that the state would begin taxing services in a couple of years, but noting that other states who had attempted this practice had seen a significant decrease in sales tax revenue, which would affect counties and schools. In addition, counties are responsible for school debt service payments if the schools are unable to pay them.

There being no further comment, Commissioner Robertson made a motion to close the public hearing. Commissioner Moose seconded the motion. The Board voted unanimously in favor of the motion.

Consideration of the budget will take place on Wednesday, June 19, 2013 at 6:00 PM at the CVCC / Alexander Center.

PUBLIC HEARING: APPROVAL OF ROAD NAMES

Rick French, County Manager, submitted the following road names for approval:

<u>Road No.</u>	<u>Road Name</u>	<u>Location</u>
3769MM	Boston Branch Lane	Off Boston Road
3736SS	Jas Ranch Drive	Off Rink Dam Road
3880KB	Lilly Marie Drive	Off Sulphur Springs Road

He advised that all names met required regulations and had been checked for duplication and sound indexing.

Vice-Chairman Yoder called the public hearing to order and requested any comments. There being no comments made, Commissioner Robertson made a motion to close the public hearing. Commissioner Moose seconded the motion. The Board voted unanimously in favor of the motion.

Commissioner Robertson made a motion to approve the road names as presented. Commissioner Moose seconded the motion. The Board voted unanimously in favor of the motion.

RESOLUTION – APPLICATION FOR NC RURAL CENTER BUILDING REUSE FUNDS FOR CRAFTMASTER FURNITURE

David Icenhour, Economic Development Director, presented a resolution to authorize the submitting of a formal application to the NC Rural Economic Development Center's Building Reuse and Restoration Grant Program to provide assistance to benefit Craftmaster Furniture in the amount of \$480,000. The company plans to expand its operation into an existing empty industrial building which will result in the creation of a minimum of 48 new jobs. The County will provide a required 5% match.

Roy Calcagne, President and CEO of Craftmaster, informed the Board that Craftmaster had purchased the former Broyhill property on Highway 90 and would spent between \$1.1 and \$1.5 million to upfit and restore the property. He added that over the past 7 years, 100 + jobs had been added and that furniture sales had increased 45% but that the company was landlocked, which prompted the need for additional property.

Commissioner Robertson made a motion to approve the resolution authorizing the NC Rural Center grant application for Craftmaster Furniture. Commissioner Moose seconded the motion. The Board voted unanimously in favor of the motion.

ALEXANDER COUNTY LIBRARY SUMMER READING PROGRAMS

Laura Crooks, Library Director, presented a video about the Library's Summer Reading Program entitled "Dig Into Reading" which featured information on several upcoming events, including:

- Abby the Therapy Dog from a "Tale for Abby" will visit the Library every Wednesday.
- Summer Reading Kickoff – "Diggin' Into Polka" with Mike Schneider on Friday, June 21 at 10:00 AM at the ACHS Auditorium.
- Hiking at Rocky Face Mountain Recreational Area on Friday, June 28 at 8:30 AM.

- Meet Lucky the Plott Hound at the Bethlehem Branch Library on Friday, July 12 at 10:00 AM.
- Bright Star Theater presents “Greece Lightning” at the ACHS Auditorium on Friday, July 19 at 10:00 AM.
- Rock, Rock, Gem at the Hiddenite Emerald Mine on Friday, July 26 at 10:00 AM.

She stated that the Summer Reading Program ran June 16 – August 3 with programming for all ages including baby time, preschool, and teen as well as a master gardening class for adults.

NCACC LEGISLATIVE UPDATE VIDEO

The Board viewed a NC Association of County Commissioners legislative update video which included updates on the status of many county legislative goals as well as the state budget.

TAYLORSVILLE ROTARY CLUB “ROTARY DAY” PROCLAMATION

Vice-Chairman Yoder presented a proclamation declaring July 13, 2013 at Rotary Day in Alexander County in recognition of the Taylorsville Rotary Club’s 75 years of service.

Paul Sink, Taylorsville Rotary Club President, conveyed his appreciation for the recognition and the support of the community. He also spoke briefly about the many fundraising efforts of the group.

Vice-Chairman Yoder made a motion to approve the Rotary Day proclamation. Commissioner Robertson seconded the motion. The Board voted unanimously in favor of the motion.

SALES TAX REPORT

Rick French, County Manager, reported that \$2,699,662 had been collected in sales tax revenue for the first 9 months of the 2012-2013 fiscal year; however, the hold harmless total is at \$76,908.

RESCHEDULE JUNE 24, 2013 MEETING TO JUNE 19, 2013

Rick French, County Manager, requested the June 24, 2013 Commissioners’ Meeting be cancelled and rescheduled for Wednesday, June 19, 2013 at 6:00 PM at the CVCC / Alexander Center.

Commissioner Robertson made a motion to approve the meeting change. Commissioner Mayberry seconded the motion. The Board voted unanimously in favor of the motion.

BOARD APPOINTMENTS & REAPPOINTMENTS

Rick French, County Manager, presented the following appointments and reappointments:

Region E Aging Advisory Committee – Appoint Margo Mosley for 2 years.

Board of Health – Appoint Dr. Cody Wingler for 3 years.

Senior Center Advisory Committee – Appoint Geraldine Perry for 3 years and reappoint Shirley Mays and Shirley Flowers for 3 years.

Joint Nursing & Adult Care Advisory Committee – Appoint Carol Mays for one year and reappoint Da-Vida Roseman for 3 years.

DSS Board – Reappoint Barbara Mayes for 3 years.

Western Piedmont Water Resources Committee – Appoint Lenny Rogers.

Commissioner Robertson made a motion to approve the appointments and reappointments as presented. Commissioner Moose seconded the motion. The Board voted unanimously in favor of the motion.

BUDGET ORDINANCE AMENDMENTS #59 - #62

Rick French, County Manager, discussed the purpose of Budget Amendments #59 - #62, as follows:

Budget Amendment #59 – To remove the Nourishing NC grant from the FY 2013 budget to be implemented in the FY 2014 budget year. To increase the DSS budget for additional child daycare funding. To increase the Library budget for state aid funding greater than original budget estimates.

Budget Amendment #60 – To increase the Extension budget for additional donations and recently reviewed Christmas parade invoices. To increase the DSS budget for additional donations for the Karen's Kids Project. To increase the Administration budget for travel expenses for the remainder of FY 2013. To increase the Finance budget for estimated bank fees for May and June 2013. To increase the Register of Deeds budget for estimated required payments to the state for May and June 2013. To increase the EMS, Recreation, and Senior Center budgets for estimated expenses for the remainder of FY 2013.

Budget Amendment #61 – To adjust budget estimates for sales tax hold harmless funds to the school system based on year-to-date receipts.

Budget Amendment #62 – To move the Parks/Recreation Project contingency funds to the General Fund in FY 2013 in preparation for a local match required in FY 2014 and FY 2015 for the PARTF grant for Phase II of Rocky Face Park.

Commissioner Robertson made a motion to approve Budget Amendments #59 - #62. Commissioner Mayberry seconded the motion. The Board voted unanimously in favor of the motion.

OTHER BUSINESS

Rick French, County Manager, reviewed the following issues during Other Business:

- A. The 106th NCACC Annual Conference will be held on August 22-25, 2013 in Guilford County.
- B. RockyFest held on May 25, 2013 was a success with over 800 visitors. Special thanks to all the volunteers.
- C. County staff assisted with the Caring Hearts 5K Run for Life on Saturday, June 1, 2013.
- D. The next two County events are the Y Ride on August 24, 2013 and the Hiddenite Festival Road Race on September 28, 2013.

CONSENT AGENDA

- A. Tax Release Requests (\$3,214.34) and Tax Refunds (\$1,013.58) for May 2013.
- B. Minutes from the May 6, 2013 Work Session and May 13, 2013 Regular Commissioners' Meeting.
- C. Personnel Policy Revisions.
- D. Declare the following vehicles surplus: 1) #45 2000 Ford Ambulance VIN# 1FDXE45F9YHB23728 at 106,000 miles and 2) 1997 Ford F150 VIN# 1FTDF1760VNC38778 at 170,000 miles.

Commissioner Robertson made a motion to approve the Consent Agenda. Commissioner Moose seconded the motion. The Board voted unanimously in favor of the motion.

CLOSED SESSION – N.C.G.S. 143-318.11(a)(1, 2, 4, 5, & 6) TO PREVENT THE DISCLOSURE OF CONFIDENTIAL INFORMATION, DEGREES/PRIZES/AWARDS, ECONOMIC DEVELOPMENT, CONTRACTUAL, & PERSONNEL

Vice-Chairman Yoder made a motion to enter into Closed Session at 7:50 PM to prevent the disclosure of confidential information and to discuss degrees/prizes/awards, economic development, contractual matters, and personnel issues pursuant to N.C.G.S. 143-318.11(a)(1, 2,

4, 5, & 6). Commissioner Robertson seconded the motion. The Board voted unanimously in favor of the motion.

ADJOURNMENT

There being no further business, Commissioner Mayberry made a motion to adjourn at 9:15 PM. Commissioner Robertson seconded the motion. The Board voted unanimously in favor of the motion.

Larry Yoder, Vice-Chairman

Jamie M. Starnes, Clerk to the Board