

**PRESENT:**    Dr. Jeff Peal, Chairman  
                  Ronnie Reese, Vice-Chairman  
                  Larry Yoder

**ABSENT:**     Ryan Mayberry  
                  Marty Pennell

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

The Alexander County Board of Commissioners held a budget work session on Thursday, May 30, 2019 in the Administration Building lower level conference room in Taylorsville, North Carolina.

### **2019-2020 BUDGET DISCUSSION**

Rick French, County Manager, reviewed several proposed increases included in the 2019-2020 budget that included:

- An additional \$279,149 (includes \$45,000 for the CTE Program at ACHS) is recommended for the School System appropriation for a total of \$6,800,000. The Finance Committee met with School System representatives on May 20<sup>th</sup> to discuss the Board of Education's budget request and future plans to address decreasing enrollment. In addition, Mr. French recommended another \$200,000 increase (includes the \$45,000 for CTE) next year or \$7 million.
- Fire tax increases are included in the budget for all fire districts. Mr. French explained that only 4 departments had requested increases; however, after discussion with Russell Greene, Emergency Services Director, the Finance Committee felt it would be appropriate to recommend increases for all departments, especially when considering the reductions in homeowners' insurance rates from ISO rating reductions.
- Fee increases for planning and zoning, building inspections, and fire inspections are also included. Bill Rogers, Chief Code Enforcement Officer, reviewed several of the fee changes for the Building Inspections Department, noting that Alexander County's fees would still be less than several surrounding counties. He felt a gradual fee increase would eventually lead to the Building Inspections Department being self-funded.
- City of Hickory water and sewer rates will increase by 3.75% and the County will increase the \$5 monthly sewer surcharge to \$16.08, aiding in the Bethlehem Sewer

Extension Project loan payments. Mr. French advised that staff expected bids for both the Bethlehem Sewer Extension and Water Extension Projects to be very high.

- Mr. French requested that \$250,000 be added to Contingency.
- A total of \$1,836,511 is budgeted from Fund Balance to balance the 2019-2020 budget.

Mr. French informed the Board that public hearing for the 2019-2020 budget would be held on June 3, 2019 and adopted is scheduled for June 17, 2019.

Chairman Peal gave the following comments:

- He stated that the School System would possibly need to make some tough decisions in the future and that the County Commissioners would support the Board of Education's efforts.
- He expressed concerns with the requested Human Resources position, noting that he did not believe the need for this position had been justified. He felt employee raises requested by department heads were more important.
- He hoped the Broadband Project would very soon take flight and mentioned an email he received from a citizen who will lose 40% of his business this fall due to lack of Internet service in Stony Point.
- He relayed comments from Commissioner Mayberry who would not support the increase to the School System unless a step-by-step plan to reduce expenses due to declining enrollment was submitted to the commissioners.

## **OTHER COMMENTS**

Rick French, County Manager, provided the Board with additional information to consider in future budget years including maintenance and upgrades to Dusty Ridge Park and Wittenburg Access along with the construction of sidewalks in conjunction with the widening of Highway 127 (20%-30% County costs).

## **ADJOURNMENT**

There being no further business, the meeting was adjourned at 7:03 PM.

---

Jeffrey P. Peal, Chairman

---

Jamie M. Starnes, Clerk to the Board