

Draft

BOARD OF COMMISSIONERS
REGULAR MEETING May 16, 2022

ALEXANDER COUNTY
STATE OF NORTH CAROLINA

PRESENT: Ronnie Reese, Chairman
 Marty Pennell, Vice-Chairman
 Kent Herman
 Josh Lail
 Larry Yoder

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

The Alexander County Board of Commissioners held a regular meeting on Monday, May 16, 2022 in Room 103 of the CVCC / Alexander Center in Taylorsville, North Carolina.

CALL TO ORDER

Chairman Reese called the meeting to order at 6:00 PM.

INVOCATION & PLEDGE OF ALLEGIANCE

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

COMMISSIONER'S REPORT

Chairman Reese mentioned the Courthouse Park and Splash Pad Dedication Ceremony held yesterday that was well attended. He also congratulated Kyle Troup, Alexander County native, who won back-to-back PBA playoffs and encouraged everyone to vote during tomorrow's Primary Election.

Commissioner Lail, who attended the ACHS Honor Graduate Ceremony yesterday, bragged on this year's graduates, 45 of whom had a weighted GPA of 4.00 or higher. He also thanked the contributors of the 41 local scholarships presented today.

ADOPTION OF AGENDA

Commissioner Yoder made a motion to adopt the agenda as presented. Commissioner Herman seconded the motion, which passed unanimously.

ALTERNATE STATE EMERGENCY FUNDS PROPOSAL FOR STREAM DEBRIS REMOVAL

Rick French, County Manager, provided a proposal submitted by McGill Associates, P.A. to provide engineering services to assist with the administration of the \$174,287 in Alternate State Emergency Funds awarded to Alexander County for stream debris removal. Services to be provided include bid document preparation, permitting coordination, bid phase and construction phase services, along with grant assistance. Staff estimates these services to cost \$28,040, of which \$24,040 will be funded by the grant. Mr. French advised that the remaining \$4,000 would be appropriated from the General Fund.

Commissioner Yoder made a motion to approve the Alternate State Emergency Funds Proposal submitted by McGill Associates. Commissioner Lail seconded the motion, which passed unanimously.

UPDATED 2022-2023 BUDGET CALENDAR

Rick French, County Manager, presented the updated 2022-2023 budget calendar as follows:

February 11, 2022	Budget information distributed to department heads and mailed/mailed to outside agencies.
February 25 th	Technology request forms due from department heads to IT Department.
March 11 th	Budget requests and revenue estimates from County departments as well as requests from outside agencies due to Finance.
April 4 th	Finance provides first budget printout to County Manager.
April 18 th	Commissioners' Meeting – discussion of budget topics.
April 29 th	School System budget request due to County Manager.
May 2 nd	Commissioners' Meeting – discussion of budget topics.
May 16 th	Commissioners' Meeting – County Manager submits budget and Budget Message to the Board and files a copy with the Clerk for public inspection. Clerk makes copies available to news media.
May 18 th	Clerk publishes public hearing notice.

May 18 th -June 2 nd	Budget work sessions as needed.
June 6 th	Commissioners' Meeting – budget public hearing.
June 8 th -16 th	Budget work sessions as needed.
June 20 th	Commissioners' Meeting – budget adoption.

Mr. French asked the Board to check their calendars for available dates to hold a budget work session.

2022-2023 ALEXANDER COUNTY PROPOSED BUDGET MESSAGE

Rick French, County Manager, provided the following Budget Message for the 2022-2023 Alexander County proposed budget:

The proposed General Fund budget for Alexander County for fiscal year 2022-2023 totals \$52,385,587. There is a 4-cent property tax decrease included in the proposed General Fund budget, which will lower the tax rate to 75 cents. There are no tax increases in the fire districts and no fee increases for building inspections, zoning, or fire inspections. General Fund expense requests for the upcoming budget year totaled \$55,009,042. In order to balance estimated revenues with the recommended expenses of \$52,385,587, the 2022-2023 budget includes appropriation of approximately \$6,600,000 of fund balance as a revenue source. The General Fund original budget for 2021-2022 totaled \$45,927,097 (appropriated fund balance of \$2,800,000) and currently stands at \$50,741,302 (appropriated fund balance of \$5,000,000).

The recommended General Fund budget for 2022-2023 includes the following significant items, excluding capital outlay expenses, which are noted later in this budget message:

<i>5% COLA increase for employees (including FICA and retirement)</i>	<i>\$937,000</i>
<i>Retirement expense increase due to higher employer rate requirement</i>	<i>337,000</i>
<i>Increased General Fund appropriations to volunteer fire departments</i>	<i>312,000</i>
<i>Increased appropriation to Rescue Squad</i>	<i>58,000</i>
<i>Increased County appropriation to Alexander County Schools</i>	<i><u>252,368</u></i>
<i>Total</i>	<i>\$1,896,368</i>

County departments requested over \$1,600,000 for General Fund capital outlay, but not all items can be funded. The capital outlay items that are included in the 2022-2023 proposed budget total over \$1,000,000. The following list, which is not all-inclusive, highlights the major capital outlay expenditures recommended for the 2022-2023 budget:

<i>IT Dept-expand fiber network for certain facilities</i>	<i>\$115,000</i>
<i>Garage-alignment machine</i>	<i>55,000</i>
<i>Sheriff-vehicles/equipment (4 at \$61,000 each)</i>	<i>244,000</i>
<i>Courthouse-replace boiler</i>	<i>150,000</i>
<i>911 Communications-replace radio system/equipment</i>	<i>50,000</i>
<i>EMS-one ambulance remount</i>	<i>114,000</i>
<i>EMS-one power lift</i>	<i>60,000</i>
<i>DSS-replace two vehicles</i>	<u><i>53,000</i></u>
 <i>Total</i>	 <i>\$841,000</i>

The County will address several buildings and grounds maintenance projects in the new budget year, the largest of which is replacement of the roof on the Sheriff's evidence storage building. The roof replacement is included in the 2022-2023 budget with an estimated cost of \$140,000.

The following new full-time employee positions are recommended for 2022-2023: Assistant County Manager, Planner, Accounting Assistant-Payroll, License Plate Agency staff position, Paralegal, Environmental Health staff position, Dental Assistant, Animal Control Officer, and Park Assistant. In addition, part-time or seasonal positions recommended for Parks and Recreation for the new budget year include concession workers and lifeguards for Wittenburg Access Park and park attendants for both Wittenburg Access Park and Courthouse Park. The County has worked to provide new park amenities and these staff positions will maintain the facilities and grounds for the safety and enjoyment of park-goers.

The City of Hickory is proposing a 3% increase for the new budget year effective July 1, 2022. This is subject to approval by the Hickory City Council as a component of the City's 2022-2023 budget. New water connections must connect to the Alexander County Water System and water connections may not be purchased and held for future use.

The 2022-2023 budget year will see the completion of two substantial utility projects, both of which began in the 2018-2019 budget year. The Alexander County Water Expansion Project and the Bethlehem Sewer Extension Project will provide economic development by adding hundreds of customers and increase development. The majority of funding for these two projects came from the issuance of long-term debt from the NC Department of Environmental Quality. The County began making debt service payments on these two loans in 2021.

The County is in the early stages of implementing grant-funded projects that resulted from the American Rescue Plan Act (ARPA). Direct federal funding from ARPA will be used for a water project to construct new drinking water transmission lines for unserved areas of the County. The State budget has approved grants for the following projects: A new elevated water storage tank in the Bethlehem area and a sewer extension along Rink Dam Road to Bowman Court. These projects are not included in the General Fund budget, but are accounted for in multi-year project budget funds that cover the life of the project instead of just a single year.

The next step in our budget process is the public hearing scheduled for June 6, 2022 at 6:00 pm at the CVCC Alexander Campus.

BUDGET ORDINANCE AMENDMENTS #91 - #97

Jamie Starnes, Clerk to the Board, reviewed the purpose of Budget Amendments #91 - #97 as follows:

Budget Amendment #91 – To adjust the Bethlehem Sewer Fund budget based on data from year-to-date revenue reports from the City of Hickory.

Budget Amendment #92 – To adjust the budgets of multiple water funds based on data from year-to-date revenue reports from the City of Hickory.

Budget Amendment #93 – To increase the Fire / Emergency Services budget for receipt of a fire prevention grant from a property insurance company to purchase fire investigation equipment and materials.

Budget Amendment #94 – To increase the Senior Center budget for a SHIIP Senior Medicare Patrol Project grant to increase virtual capacity to reach Medicare beneficiaries as well as other SHIIP grant revenue received earlier in the year that was greater than original budget estimates.

Budget Amendment #95 – To increase 1) the Garage budget for staffing costs related to a new position approved for the FY 2022 budget, 2) the EMS budget for new positions added during FY 2022 to increase staffing levels, 3) Contingency due to receipt of EMS Medicaid Cost Settlement revenue in April 2022 that was originally expected in FY 2021 but was delayed by the State, and 4) the EMS revenue budget to reflect two years of revenues from the annual Medicaid Cost Settlement process.

Budget Amendment #96 – To adjust the multi-year Soil & Water Emergency Disaster – Stream Debris Removal Project Fund budget for grant funds that can be used for up to 16% of actual construction costs as well as the engineering proposal for project administration.

Budget Amendment #97 – To budget for the FY 2022 General Fund transfer to the Soil & Water Emergency Disaster – Stream Debris Removal Project Fund to cover the cost of the engineer’s proposed contract for project administration that exceeds the amount eligible for grant reimbursement.

Commissioner Herman made a motion to approve Budget Amendments #91 - #97. Commissioner Yoder the motion, which passed unanimously.

OTHER BUSINESS

Rick French, County Manager, presented a proposed amendment to Section 7 of the Alexander County Personnel Policy titled “Limitation on Employment of Relatives” as follows (proposed deletions are struck-through and additions are highlighted):

~~No two members of an immediate family shall be employed within the same department~~
The employment of relatives within the same department at the same time is to be avoided if such employment will result in one supervising a member of his or her immediate family, or where one member occupies a position that has influence over the other's employment, promotion, pay administration, and other related management or personnel considerations. Exceptions may be granted, as needed, in order to retain current employees or unless significant recruitment difficulties exist.

Commissioner Lail made a motion to approve the Personnel Policy amendment. Commissioner Yoder seconded the motion, which passed unanimously.

CONSENT AGENDA

- A. Minutes from the May 2, 2022 Regular Meeting.
- B. Tax Release Requests (\$397.21) and Tax Refunds (\$1,084.13) for April 22 – May 9, 2022.
- C. Update to Library late fees policy.

Commissioner Yoder made a motion to approve the Consent Agenda. Commissioner Lail seconded the motion, which passed unanimously.

CLOSED SESSION – N.C.G.S. 143-318.11(a)(4, 5, & 6) ECONOMIC DEVELOPMENT, CONTRACTUAL, & PERSONNEL

Chairman Reese made a motion to enter into Closed Session at 6:27 PM to discuss economic development, contractual matters, and personnel issues pursuant to N.C.G.S. 143-318.11(a)(4, 5, & 6). Vice-Chairman Pennell seconded the motion, which passed unanimously.

ADJOURNMENT

There being no further business, Chairman Reese made a motion to adjourn at 7:05 PM. Commissioner Yoder seconded the motion, which passed unanimously.

Ronnie L. Reese, Chairman

Jamie M. Starnes, Clerk to the Board