

Draft

**BOARD OF COMMISSIONERS  
BUDGET WORK SESSION**      April 21, 2025

**ALEXANDER COUNTY  
STATE OF NORTH CAROLINA**

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

**ABSENT:**     Ronnie Reese

**STAFF:**      Ben Faulkenberry, County Attorney  
                  Gary Herman, PIO  
                  Jennifer Herman, Finance Director  
                  David Moose, Consolidated Human Services Director  
                  Jamie Starnes, Clerk to the Board  
                  Sylvia Turnmire, HR Director  
                  Michael Worley, EDC Director

The Alexander County Board of Commissioners held a budget work session on Monday, April 21, 2025 in the Administration first floor conference room in Taylorsville, North Carolina.

**CLOSED SESSION – N.C.G.S. 143-318.11(a)(3 & 6) ATTORNEY/CLIENT PRIVILEGE & PERSONNEL**

Vice-Chairman Yoder made a motion to enter into Closed Session at 6:03 PM to allow for attorney/client privilege and to discuss personnel issues pursuant to N.C.G.S. 143-318.11(a)(3 & 6). Commissioner Herman seconded the motion, which passed unanimously.

**COUNTY MANAGER RESIGNATION ANNOUNCEMENT**

Upon returning to Open Session at 6:45 PM, Chairman Pennell announced that County Manager Todd Herms had submitted his resignation effective April 30, 2025.

**FY 2025-2026 PROPOSED BUDGET**

Jennifer Herman, Finance Director, reported that the current proposed General Fund budget for FY 2025-2026 totaled approx. \$59 million, a 4% or \$2.3 million increase compared to the current year's budget. Several adjustments and expenditure cuts have been made since County

departmental requests were submitted that reduced the original projected shortfall from \$8.2 million to \$4.3 million, which included:

- All new positions were removed with the exception of an 8-person EMS crew.
- Adjustments were made to salary line items based on historical spending.
- Several capital outlay items will be delayed to a future budget year.
- Special appropriations for non-profits were held at FY25 levels.
- Revenues were increased due to additional sales tax income and investment earnings.

The proposed budget currently includes a 2.5% COLA, continuation of employee Christmas bonuses, a new ambulance, 10 vehicles (4 for Sheriff's Office), 911 Communications equipment replacement, and various buildings and grounds projects. The property tax rate will remain at 65 cents per \$100 valuation and the tax base is projected to increase by 1%, bringing the value of a penny to \$412,000.

Ms. Herman advised that the County could appropriate fund balance to balance the budget with no plans to spend those dollars, noting that the County had only spent a small portion of appropriated fund balance once, in 2018. In addition, she stated that \$110,000 would be transferred from the County Water & Sewer Fund into the General Fund to account for salaries and benefits of employees working in those specific areas.

The only General Fund fee increase pertains to EMS (\$50 for service and additional \$2 per mile); however, there were several fee increases proposed by the County Manager for the Solid Waste Fund – a 50-cent increase per 30-gallon bag at convenience sites and a \$5 per ton increase at the landfill for household/commercial/industrial trash as well as construction/demolition debris. Josh Mitchell, Solid Waste / Facilities Director, has expressed concerns with the convenience site increase due to challenges with managing change. After discussion, the Board agreed to increase the fee from \$1 to \$2 per 30-gallon bag, which would also stabilize the enterprise fund. There has not been a fee increase at convenience sites since August 2015.

Ms. Herman discussed several requested increases for FY26 as follows:

- Alexander County Schools has formally requested an additional \$154,206.32 (2.06% increase) in supplemental funding for several shortfalls in the areas of School Nurse Fund Initiative, NC Pre-K, and SRO funding, bringing the total request to \$7,647,247. There is also an informal request for assistance in recouping approx. \$528,000 in low wealth supplemental funding.
- Most fire departments submitted requests for additional General Fund dollars and/or fire district tax rate increases for equipment and staffing.

It was the Board's opinion that fire department revenues should come solely from fire tax revenues instead of the County's General Fund and it was agreed to invite fire chiefs to the May 5<sup>th</sup> meeting to discuss their budget requests.

PIO Gary Herman requested guidance on the rebranding initiative, stating that proposals were received from 14 companies with HAVEN Creative receiving the most favorable scores based on cost and location. Pricing for development, design, and deployment totals approx. \$45,000; however, additional implementation services (PR launches, business templates, signage, etc.) are available if needed, ranging between \$24,000 and \$45,000. The Board agreed to move forward without an implementation services package for the time being.

Vice-Chairman Lail asked the Board to give consideration to providing funding for the Partnership for Children in the upcoming budget.

Chairman Pennell suggested that staff begin the RFP process for a broker/agent for the County's property / liability and workers' compensation insurance in December.

## **NEXT STEPS**

Ms. Herman stated that a public hearing and presentation of the Budget Message would take place on May 19<sup>th</sup> with adoption planned for the June 2<sup>nd</sup> meeting.

## **ADJOURNMENT**

There being no further discussion, the meeting was adjourned at 9:02 PM.

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Marty A. Pennell, Chairman

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Jamie M. Starnes, Clerk to the Board