

**MINUTES
WILKES COUNTY BOARD OF COMMISSIONERS
May 2, 2017**

The Wilkes County Board of Commissioners met on Tuesday, May 2, 2017 at 10:00 A.M. with the following members present: Chairman Greg Minton, Vice Chairman Gary D. Blevins, Commissioner Keith Elmore, Commissioner David Gambill, and Commissioner Eddie Settle.

Also present for the meeting were Tony Triplett, County Attorney; John Yates, County Manager; and Sarah Call, Clerk to the Board.

Chairman Greg Minton recognized and thanked Mr. Dick Johnston, Wilkes Community College Board of Trustee Chairman and said he would like to address the Board. Mr. Johnston thanked the Board and stated he is representing himself for the upcoming appointment to the Board of Trustees at WCC. He added he would like to ask the Board to consider reappointing him. Mr. Johnston said he is the Director of Samaritan's Kitchen and has been with them for just over one year, and is also the Chairman of the WCC Board of Trustees and has served on this Board for 28 years. Mr. Johnston provided a brief history of his 28 years on the Board and added the Board of Trustees hire and fire the President, represents the college in the community, and sets policies. He added the college helps people that need to be retrained, helps to make things better, and gives kids an option for college and a chance to succeed. In closing Mr. Johnston said being a Trustee is an honor, but is also a job and takes time, which he gives.

Chairman Greg Minton welcomed everyone and called the meeting to order.

INVOCATION – Commissioner David Gambill led the Invocation.

PLEDGE OF ALLEGIANCE – Chairman Greg Minton led the Pledge of Allegiance.

BUDGET AMENDMENTS/TRANSFERS – Motion was made by Commissioner David Gambill to approve Budget Amendment No. 18 (Health Programs – The Health Department has received additional funds from the State of NC for Environmental Health for Onsite Water Testing Training for an Environmental Health Employee. No County money involved. The Health Department was awarded the HRSA Federal Grant in January, \$273,249 of the \$793,324 funding will be used to complete FY17 for Primary Care. No County money involved. The Health Department received an additional \$46,540 from the State for the Pregnancy Care Management Grant. These funds will be used in FY 16-17. No County money involved. The Health Department received funds from Wake Forest Baptist Health Services for Preceptor/Internship Payment in the Adult Health clinic in the amount of \$405. These funds will be used for travel expenses for provider training in May 2017. No County money involved;) and to approve Budget Amendment No. 19 (Social Services – The Department of Social Services received additional allocations for purchase of Smart Start Services and purchase of Care/Private

Providers. No County money involved). The motion was seconded by Vice Chairman Gary D. Blevins and passed unanimously.

TAX DEPARTMENT – TAX RELEASES – LISTINGS – Chairman Minton recognized and welcomed Cathy Jones, Tax Listing Supervisor. Ms. Jones asked the Board to approve tax releases for listings in the amount of \$8,778.75.

Vice Chairman Gary D. Blevins made a motion to approve tax releases in the amount of \$8,778.75 as presented. The motion was seconded by Commissioner Eddie Settle and unanimously approved.

A detailed listing of tax releases is maintained in the Wilkes County Tax Administrator's office.

DEPARTMENT OF SOCIAL SERVICES UPDATE – Chairman Greg Minton recognized Department of Social Services Director John Blevins. Mr. Blevins said May is National Foster Care Month and there are 400,000 Foster Children across the nation. He added there is an overwhelming need to help the Foster Children and Foster Families. There is a website childwelfare.gov that has a lot of good information on how to help Foster Children and help agencies that support them. Mr. Blevins said one way to help is to become a Foster Parent and something they are always in need of, folks can also become a mentor to a child, or donate goods and services. He stated they will be starting a suite case drive very soon, as many children when taken into care have nothing to put their clothes in. Mr. Blevins said a suitcase will be given to children to take with them and put their belongings in. He added another way to help is for anyone that is qualified to apply and become a Foster Care Social Worker, they currently have two open positions. Mr. Blevins said kinship placement is a need and another way to help. He noted this in an important month and anyway to support Foster Children is very helpful.

Mr. Blevins said House Bill 608 and Senate Bill 591 are new and basically designed to develop a plan to move to a regional system. He added the initial push for this is in Children's Services only, but others are pushing to include all areas of Social Services. In these bills there will be 30 regions, he added. Mr. Blevins said they listed structural issues, caseload management, and staffing as some of the issues and reasons for the bill. He stated this could cause some problems when applying for Medicaid or Food and Nutrition and folks may have to drive an hour plus to get to a regional location to apply because not everyone has a computer, which will cause problems. This could become effective January 2022, he noted. Mr. Blevins said currently it is a State supervised County administered system, they are talking about changing to a State supervised Regional administered system. This means they will not be state employees and will still be a cost to the counties in these regions.

Mr. Blevins stated the Directors Association spoke with Senator Beranger from Wake, she is pushing this and wants it fast tracked. He added she said improving outcomes is her goal. Mr. Blevins said the Federal Government is scheduled to come in 2022 to review Children's Services and she wants improvements in place before this. She is concerned about a loss of federal funds. He added each county is different and some do it better than others and she is worried about the ones that don't do it well. Mr. Blevins said they think with 30 regions there will be more

uniformity in the delivery of services. He added the State does not give support, they come in and monitor, and smack their hands, but if something goes wrong they don't stick around to help. Mr. Blevins said in the past the State had regional offices and provided a lot of assistance and guidance. Now they only come in and audit. He added the Directors Association will meet with the Senator on Thursday. They do not have an official position at this time, they generally do not support it, but wanted to meet with her first.

Vice Chairman Blevins said they received a brief from their Association (NCACC) and right now they do not have an official position either and are still waiting to get all the facts. He added he thinks the Association will be opposed. Commissioner Elmore agreed. Commissioner Settle stated Senator Beranger is powerful and the Director of their Association has already meet with her. He added they understand the Eastern North Carolina counties have some problems and is the reason for this bill. Chairman Minton said the issue is with the data because the high population counties have problems according to the audits, there are too many people, too many workers involved and this will be compounded if it is regionalized. He said they will be taking counties that have a handle on it and do fairly well, like Wilkes and group with 5 or 7 other counties they may not and this will cause many issues, not to mention the funding model that will be a mess.

Vice Chairman Blevins said the large counties will be a region to themselves. He noted, as the Chairman pointed out they will take the lower performers and mix with higher performers and the regional average will increase and make the system look more efficient. Mr. Blevins agreed. He added this is so it will look better before the feds come in for their review. Commissioner Elmore said there is a lot of support for this. Chairman Minton agreed and said especially from the smaller less populated counties, but the metro areas are the ones of concern, they continue to grow and this is a way to get their numbers up by incorporating a region. Mr. Blevins said their Association will come out with an official position on Friday and he thinks they will be against it.

Mr. Blevins provided the Commissioners handouts for March. He briefly went over the monthly caseload report, Foster Care financial report, Adoption Services financial report, Child Development and Subsidized Child Care financial report. Mr. Blevins said they hope child care will go into NC Fast by June with July payments. This would be good and if that is the case they will no longer be cutting the checks, they will come directly from the State to the daycare providers. He added they will still do the eligibility process and submit it and the State will send the payments. Mr. Blevins also went through the CPS Foster Care monthly reports for March.

Mr. Blevins said the next two pages in the packet are for a Daycare Audit they received. He added the second page lists the results for each category, and the summary is 97.9% accuracy rate and 2.1% error rate. A score of 95% is needed to pass the audit. He added they said most counties' scores had decreased, but Wilkes went up, and they were doing an excellent job. Mr. Blevins said he is very proud of this, not only did they exceed the requirements, but there is a new Supervisor, new Social Worker, and new Processing Assistant in the Day Care unit. They have also been working on the conversions into NC Fast. He added these are great results and he is very pleased and proud of these employees.

Mr. Blevins stated the last pages in the packet are the Certification on continuing compliance with the Division of Aging and Adult Services. He added they have to be certified to provide In-Home Aide Services. This certification goes through January 2020.

The Board thanked Mr. Blevins for his update.

TO: Wilkes County Board of Commissioners
FROM: John C. Yates, County Manager
SUBJECT: Recommended Fiscal Year 2017-2018 Annual Budget
DATE: May 2, 2017

The recommended budget for fiscal year 2017-2018 is respectfully submitted with a proposed tax rate of 67 cents per \$100 of assessed valuation. The total recommended budget including all funds: General, 911, Grants, Airport, Landfill, and Volunteer Fire Districts is \$87,496,923.

GENERAL FUND

The recommended General Fund budget for fiscal year 2017-2018 is \$77,966,955.

BOARD OF EDUCATION

This year's recommended appropriation for the Wilkes County School System is \$15,393,692. This appropriation includes \$12,478,330 for current expense/operations and \$650,000 for capital outlay/improvements. This appropriation reflects a 5.9% increase in the operation funding of \$700,000. The total appropriation also includes lottery and sales tax funds forwarded to the school system.

WILKES COMMUNITY COLLEGE

This year's recommended appropriation for the Wilkes Community College is \$4,276,328. The recommended budget for current expense is \$3,423,328, \$150,000 for capital outlay, \$366,000 for salary supplements, and a match of \$337,000 for the ConnectNC Bond. It is also recommended a match of \$337,000 per year for the next two years (3-years total) for the match of the ConnectNC Bond funds. This year's appropriation reflects a 2.6% increase in operation funding of \$88,833.

APPALACHIAN REGIONAL LIBRARY

This year's recommended appropriation for the Wilkes County Appalachian Regional Library is \$607,189. This year's appropriation reflects a 2.6% increase in funding of \$15,454.00.

PERSONNEL

In the proposed budget for 2017-2018, we have the following new full-time positions:

1 position in IT. Due to attrition we have one less position in administration and we would like to fill this with an additional IT position.

8 EMS. By adding the additional staff in EMS we will accomplish a County goal of moving from 24 hour shifts to 12 hour shifts. This additional expense will be covered by an increase in revenues generated by increasing the fee schedule to the allowable Medicare rates.

PAY INCREASES

A 1% salary increase has been recommended for all full-time employees. This pay raise is an increase of \$190,000 including benefits.

HEALTH INSURANCE FOR EMPLOYEES

Our self-insured Blue Cross Blue Shield employee health insurance premiums will remain the same in 2017-2018.

HUMAN SERVICES

The Social Services General Administrative budget is recommended at \$6,839,335 or a \$277,808 increase from the prior year. The total Department of Social Services budget is \$15,647,207. The County portion of the total Department of Social Services budget is \$5,975,564 or 38.18%.

The General Health budget is recommended at \$2,196,768. The County's portion of the total Health Department budget of \$6,823,528 is \$1,490,907 or 21.84%.

The Smoky Mountain Center budget is recommended an appropriation of \$254,200 which is the same as last year's budget.

PUBLIC SAFETY

The Sheriff's Department recommended appropriation is \$5,268,403. The Jail recommended appropriation is \$3,538,052.

The Emergency Communications recommended budget is \$1,250,065.

The Emergency Medical Services budget is recommended \$4,763,817.

SPECIAL PROJECTS/ECONOMIC DEVELOPMENT

Again this year, \$275,000 has been appropriated for the Wilkes Economic Development Corporation. This will enable them to continue to work on job growth and existing business retention in Wilkes County.

REVENUES

Ad valorem taxes for the recommended budget are estimated at \$36,815,717. The current year's value for real property and business personal property were used. We did see an increase in actual collections and we used those numbers for budgeting. We did include a 3.5% growth.

Sales Tax revenue is budgeted at \$15,559,227 which reflects a 3% increase over last year's projected collections. This increase is projected because of increased sales tax collection in 2016-2017 and growth projected for next year.

General Fund Balance appropriation of \$1,735,000 is required to balance this year's recommended budget. The reason for the appropriation is for one-time projects. These include purchase of EMS Ambulance, Sheriff's Building, Central Garage Parking Lot, Public Buildings, and the ConnectNC Bond match. If we use the total of \$1,735,000 our fund balance would be an estimated \$21,000,000 or 29%.

AIRPORT FUND

The Airport operating budget is recommended at \$2,464,406. The Airport continues to be an important economic development tool.

LANDFILL FUND

The Landfill operating budget is recommended at \$2,762,154. I am recommending a \$2.00 increase in tipping fees, currently \$41.00. We estimate this increase to generate \$100,000 in additional revenue. The additional revenue will be used in two areas: \$50,000 added to the closure fund and \$50,000 for trash clean up.

1. \$72,500 into capital reserve fund.
2. \$4.1 million is available in a capital reserve fund for the closure and post-closure of cells #1, #2, #3 and #4. Over the next 5-years we need to close cells 1 – 4 with an estimated cost of over \$4 million. We also have to construct phase 5 with an estimated construction cost of \$2 million.

FIRE DISTRICTS FUND

Broadway has requested a 4 cents increase for equipment and facilities; Mtn. View has requested a 3 cents increase for equipment and facility maintenance; Boomer has requested a 1 cent increase for rise in costs.

CONCLUSION

The budget is the single most important document approved by the Board of Commissioners each year. It is the County's basic plan of action for FY 2017-2018. We will continue to strive to keep the Fund Balance at appropriate levels. Wilkes County is very fortunate that we are able to budget a small amount of growth for 2017-2018. In the future we will continue to make the Wilkes County School System a priority. All counties in North Carolina continue to be very dependent on property tax and sales tax, both of which are dependent on the economy. The rural counties continue to have very slow growth as compared to urban counties. As in the past, this is the Manager's recommendation based on requests from Department Heads. This is now presented to the Board for your consideration. The staff and I stand ready to assist in any way possible.

2. SET BUDGET WORK SESSION – Chairman Greg Minton stated the Board needs to set a budget Work Session on the proposed 2017-2018 Wilkes County Budget.

Commissioner David Gambill made a motion to set a Budget Work Session on the proposed 2017-2018 Wilkes County Budget for Monday, May 15, 2017 at 3:00 P.M. to be held in the Commissioners' Meeting Room located at 110 North Street, Wilkesboro, NC. The motion was seconded by Vice Chairman Gary D. Blevins and unanimously approved.

The work session is open to the public.

Commissioner Elmore stated Finance Director Jerry Shepherd has been here for many years, and asked when the last time he saw 3.5% growth was. Mr. Shepherd replied it has been several years, probably early 2000. Commissioner Elmore stated maybe 2004. Mr. Shepherd agreed 2003 or 2004. Mr. Yates added they have not had this type growth in his 9 years. Vice Chairman Blevins stated there were many of those years it went backwards, but in some of the early 2000's it was more than 3.5%. Mr. Shepherd agreed and said it has been as high as 5%.

3. SET PUBLIC HEARING ON PROPOSED BUDGET – Chairman Greg Minton stated the Board needs to set a Public Hearing for the proposed 2017-2018 budget.

Vice Chairman Gary D. Blevins made a motion to set a Public Hearing on the proposed 2017-2018 Wilkes County Budget for Tuesday, May 16, 2017 at 6:30 P.M. with the Commissioners' regularly scheduling meeting to immediately follow in the Commissioners' Board Meeting located at 110 North Street, Wilkesboro, NC. The motion was seconded by Commissioner Keith Elmore and unanimously approved.

4. SET PUBLIC HEARING – FIRE DEPARTMENTS REQUESTING INCREASE IN FIRE TAX RATE – Chairman Greg Minton stated the Board needs to set a Public Hearing for the three Fire Departments that have requested an increase in the fire tax rate for their fire districts in the proposed 2017-2018 budget. These are Boomer, Broadway and Mtn. View. County Attorney Tony Triplett asked if the Board’s intent is to have only citizens and tax payers in that district to be heard on the fire tax rate increase for their district at this Public Hearing. Chairman Minton replied yes that is the intent. Vice Chairman Blevins added if other citizens from other fire districts want to speak they can do this at any public concern. Commissioner Gambill agreed and added for informational purposes only, he wanted all the citizens to understand they have a duly elected board of directors in each fire tax district and they can and should address any concerns or issues to that board.

Vice Chairman Gary D. Blevins made a motion to set a Public Hearing for citizens and/or owners of taxable property in the Boomer Fire Tax District, Broadway Fire Tax District, and Mtn. View Fire Tax District, for the proposed increase in fire tax rates in these districts for the proposed 2017-2018 Wilkes County Budget for Tuesday, May 16, 2017 immediately following the Public Hearing on the 2017-2018 Wilkes County Budget set to being at 6:30 P.M., with the Commissioners’ regularly scheduled meeting to follow in the Commissioners’ Meeting Room located at 110 North Street, Wilkesboro, NC. The motion was seconded by Commissioner Keith Elmore and unanimously approved.

TENTATIVELY SET SECOND BUDGET WORK SESSION – Commissioner David Gambill made a motion to tentatively set a second Budget Work Session on the proposed 2017-2018 Wilkes County Budget for Tuesday, May 23, 2017 at 3:00 P.M. to be held in the Commissioners’ Meeting Room located at 110 North Street, Wilkesboro, NC. The motion was seconded by Commissioner Keith Elmore and unanimously approved.

The work session is open to the public.

ADJOURN – Motion was made by Vice Chairman Gary D. Blevins, seconded by Commissioner Keith Elmore and by unanimous vote adopted to adjourn the meeting of the Wilkes County Board of Commissioners at 11:52 A. M.

Sarah D. Call, Clerk

Gregory A. Minton, Chairman

WILKES COUNTY BOARD OF COMMISSIONERS

Approved: