

MINUTES
WILKES COUNTY BOARD OF COMMISSIONERS
BUDGET RETREAT WORK SESSION
February 28, 2023

The Wilkes County Board of Commissioners met on Tuesday, February 28, 2023 with Dinner beginning at 5:00 P.M., Budget Retreat Work Session began at 5:33 P.M. at the Yadkin Valley Event Center located at 1700 Winkler Street, Wilkesboro, with the following members present: Chairman Keith Elmore, Vice Chairman Stoney Greene, Commissioner Casey Joe Johnson, Commissioner Bill Sexton and Commissioner Greg Minton.

Also present for the meeting were John Yates, County Manager; Chris Huffman, Finance Director; Brooke Felts, Assistant County Attorney; and Sarah D. Call, Clerk to the Board.

WELCOME – CALL MEETING TO ORDER – Chairman Keith Elmore called the Budget Retreat to order.

INVOCATION – Commissioner Casey Joe Johnson led the Invocation.

FACILITY NEEDS – Rachel Willard, Health Director discussed with the Board the facility needs of the Health Department. John Blevins, DSS Director discussed with the Board the facility needs of DSS.

FINANCIAL REPORT – JANUARY 2023 – Chris Huffman presented the January 2023 financial report.

BUDGET PROCESS AND TIMELINE – County Manager John Yates provided the following timeline:

Non-Profits and County Departments	March 24, 2023
Budget to Board of Commissioners	May 2, 2023
Commissioners hold Work Session	May 22 – June 6, 2023
Public Hearing on Proposed Budget	May 16, 2023
Commissioners Adopt Budget	June 6, 2023

EMPLOYEE RETENTION – Mr. Yates discussed Employee retention. He went over the loss of employees and current unfilled open positions by department at this time.

COLA – The Board discussed Cost of Living Adjustments (“COLA’s”) at this time for the proposed budget.

ARPA REPORT/UPDATE – Brooke Felts presented an update and short presentation on the American Rescue Plan Act and the Opioid Settlement Funds.

CURRENT BUDGET OVERVIEW – Mr. Huffman presented the statement of long-term debt; fund balance detail for the General Fund as of June 30, 2022; and fund balance appropriation needed to balance the 22/23 budget.

PRESENTATION – Chris Alexander, Senior Vice President, FHN Financial Municipal Advisors. Mr. Alexander provided a presentation to the Board at this time on debt review and project financing.

CAPITAL PROJECTS – John Yates briefly discussed the capital projects in process at this time in Wilkes County.

LOOKING AHEAD – John Yates and Chris Huffman provided handouts and information on the below topics:

- Schools K-12 Funding
- Wilkes Community College Funding
- Health Insurance

Mr. Huffman went over funding to include K-12 per child funding which has increased by 13% from 2017-2023, enrollment has dropped by 14% in the same time frame.

Mr. Huffman went over WCC funding from Wilkes County for current operating funding which has increased 10% from 2017-2023 while their change in full time enrollment (“FTE”) has decreased 18% in the same time frame.

Mr. Yates stated the health insurance could increase for FY 23-24 by as much as 15%. They are currently awaiting rebates which are about 9 months behind before they know what is needed moving forward in the upcoming budget.

RE-VAL UPDATE – Will Lankford, Tax Administrator provided an update on the tax revaluation that will take effect January 1, 2025.

UNKNOWNNS – Mr. Yates stated there are many unknowns at this time which will affect the budget. He added he learned from Gary Page 16 years ago that when you look at the Budget, Public Safety is 28% of the budget, it is very hard to cut the Sheriff’s Department and EMS, it is basically set; Human Services is 25% of the budget and in this area in order to make cuts it would be a two for one because the state funds the majority of DSS and Health, the County only funds about 30%; Education is 25% and no one likes to cut the School System; once you add the two enterprise funds, 85% of the County’s budget is set from the beginning. Mr. Yates stated they are in for a challenge this year, but they will get through it and he appreciates everyone’s time this evening. He added employee retention and attraction is a weakness for the County as well.

Mr. Yates stated on a positive note there is a map of the 50 acres the County owns and controls on Airport Road that has many possibilities for future economic growth. He has spoken with Senator Settle to help with funding for a sewer line to the Airport that will allow this property to have a lot of potential in the future.

Mr. Huffman stated inflation is not something they can prepare for, but they have to deal with it. The strengths are racing, racing, racing. There is a series that already has North Wilkesboro listed on the calendar as a racing location with to be announced dates. They also have MerleFest that has a great line up this year and FaithFest is expanding in a new location this year and these could have a very good impact. He added Wilkes County is on the map and there are probably folks getting ready to come to Wilkes that have never been here before and Wilkes County is glad to have them. They hope these folks stay in Wilkes, eat here, and buy gas here, all these events help sales tax. Mr. Yates added Wilkes continues to be very dependent on sales tax and it's a large part of the budget.

ADDITIONAL DISCUSSION – The Board briefly discussed the upcoming budget at this time and they are not considering any type of tax increase.

ADJOURN – The Budget Retreat Work Session ended at 8:44 P.M.

Sarah D. Call, Clerk

Gideon Keith Elmore, Chairman

WILKES COUNTY BOARD OF COMMISSIONERS

Approved: March 21, 2023