

**MINUTES  
WILKES COUNTY BOARD OF COMMISSIONERS  
BUDGET WORK SESSION  
May 10, 2018**

The Wilkes County Board of Commissioners met on Thursday, May 10, 2018 at 6:10 P.M., with the following members present: Chairman Gary D. Blevins, Vice Chairman Eddie Settle, Commissioner Keith Elmore, Commissioner David Gambill and Commissioner Greg Minton.

Also present were John Yates, County Manager; Jerry Shepherd, Finance Director; Chris Huffman, Assistant Finance Officer; and Sarah Call, Clerk to the Board.

Chairman Gary D. Blevins welcomed everyone and called the Work Session to order.

**INVOCATION** – Commissioner David Gambill led the Invocation.

**PLEDGE OF ALLEGIANCE** – Chairman Gary D. Blevins led the Pledge of Allegiance.

**FIANCIAL REPORT AND 2017-2018 BUDGET REVIEW** – Chris Huffman presented the March 2018 Financial Report and highlights to the Board.

**TO: Wilkes County Board of Commissioners**  
**FROM: John C. Yates, County Manager**  
**SUBJECT: Recommended Fiscal Year 2018-2019 Annual Budget**  
**DATE: May 10, 2018**

The recommended budget for fiscal year 2018-2019 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 \$88,132,710.

**GENERAL FUND**

The recommended General Fund budget for fiscal year 2018-2019 is \$78,656,971. This is less than ½ % increase from the 2017-2018 adopted budget of \$78,316,404.

**BOARD OF EDUCATION**

This year's recommended appropriation for the Wilkes County School System is \$15,995,371. This appropriation includes \$13,042,046 for current expense/operations and \$650,000 for capital

outlay/improvements. This appropriation reflects a 2.0% increase in the operation funding of \$255,726. 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 \$4,033,345. The recommended budget for current expense is \$3,315,345, \$150,000 for capital outlay, \$366,000 for salary supplements, and a match of \$202,000 for the ConnectNC Bond (2<sup>nd</sup> year). It is also recommended a match of \$202,000 per year for the next three years (5-years total) for the match of the ConnectNC Bond funds. This year's appropriation reflects a 2.0% increase in operation funding of \$65,007.

### **APPALACHIAN REGIONAL LIBRARY**

This year's recommended appropriation for the Wilkes County Appalachian Regional Library is \$590,431. This year's appropriation reflects a 2.0% increase in funding of \$11,142. Plus an additional \$27,900 for the Traphill Branch.

### **PERSONNEL**

In the proposed budget for 2018-2019, we have the following new full-time positions:

1 – Wilkes Cooperative Extension. This is to add an Agritourism, Local Foods, and Family Consumer Science Agent. (NCSU Extension will pay 17% of salary)

3 – Wilkes Department of Social Services. By adding 2 additional Social Worker III positions in Foster Care DSS will be at or below the DHHS maximum caseload standards in foster care of 15 cases per worker. (60.84% State and Federal Reimbursement) One additional Processing Assistant III in Child Support services which will also provide clerical support for the Legal Department. (60.84% State and Federal Reimbursement)

### **PAY INCREASES**

A 2% salary increase has been recommended for all full-time employees. This pay raise is an increase of \$411,000 including benefits.

### **HEALTH INSURANCE FOR EMPLOYEES**

Our self-insured Blue Cross Blue Shield employee health insurance premiums will remain the same in 2018-2019.

## **HUMAN SERVICES**

The Social Services General Administrative budget is recommended at \$7,068,865 or a \$144,720 increase from the prior year. The total Department of Social Services budget is \$14,199,053. The County portion of the total Department of Social Services budget is \$6,222,097 or 43.82%.

The General Health budget is recommended at \$2,123,975. The County's portion of the total Health Department budget of \$6,697,222 is \$1,664,640 or 24.86%.

The VAYA Health 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 \$5,170,426. The Jail recommended appropriation is \$3,685,972.

The Emergency Communications recommended budget is \$1,364,213.

The Emergency Medical Services budget is recommended \$4,973,265.

## **SPECIAL PROJECTS/ECONOMIC DEVELOPMENT**

This year \$255,000 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 \$37,572,491. This includes a 2.5% growth in total property tax values including real and business personal property and motor vehicles.

Sales Tax revenue is budgeted at \$16,026,002 which reflects a 3% increase over last year's projected collections. This increase is included because of growth projected for next year.

General Fund Balance appropriation of \$2,980,500 is required to balance this year's recommended budget. These include purchase of EMS Ambulances, EMS Building, Courthouse Roof, DSS Curtis Bridge Building Improvements, Election Tabulators, and transfer to Landfill Capital Reserve, Public Buildings, and the ConnectNC Bond match. If we use the total of \$2,980,500 our fund balance would be an estimated \$26,000,000 or 34%.

**AIRPORT FUND**

The Airport operating budget is recommended at \$1,964,613. The Airport continues to be an important economic development tool.

**LANDFILL FUND**

The Landfill operating budget is recommended at \$2,781,134.

1. \$100,000 into the closure fund.
2. \$4.1 million is available in a closure 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 within the next 3-years. We want to request the transfer of \$500,000 from the general fund to a capital reserves fund for phase 5.

**FIRE DISTRICTS FUND**

Mulberry Fairplains has requested a 3.5 cents increase; Pleasant Hill has requested a 2 cents increase; Ronda has requested a 3 cents increase.

**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 2018-2019. 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 2018-2019. 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.**

**DEBT SERVICE** – Chris Huffman presented the Wilkes County Statement of Long Term Debt to the Board.

**UPDATE AND REVENUE PROJECTIONS** – Jerry Shepherd presented the 2018-2019 projections for Property Tax; Sales Tax; and Revenue Growth to the Board.

**ESTIMATED FUND BALANCE** – Jerry Shepherd stated the estimated fund balance after the proposed 2018-2019 Budget as presented would be \$26,000,000 or 34%.

**SET BUDGET WORK SESSION** – Chairman Gary D. Blevins asked when the Board would like to set another budget Work Session on the proposed 2018-2019 Wilkes County Budget.

Commissioner David Gambill made a motion to set a Budget Work Session on the proposed 2018-2019 Wilkes County Budget for Tuesday, May 15, 2018 at 5:30 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.

**ADJOURN** - Motion was made by Commissioner Keith Elmore, seconded by Vice Chairman Eddie Settle and by unanimous vote adopted to adjourn the Budget Work Session of the Wilkes County Board of Commissioners at 6:55 P.M.

Sarah D. Call, Clerk

Gary D. Blevins, Chairman

WILKES COUNTY BOARD OF COMMISSIONERS

Approved: