

**MINUTES
WILKES COUNTY BOARD OF COMMISSIONERS
BUDGET WORK SESSION
June 5, 2018**

The Wilkes County Board of Commissioners met on Tuesday, June 5, 2018 at 5:42 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; Tony Triplett, County Attorney; 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.

FUND BALANCE POSITION – Chris Huffman presented the fund balance position for the general fund. He stated as of 06/30/2017 the total fund balance was \$32,052,779, with a restricted amount of \$3,833,976 being non spendable, which leaves \$28,218,803 unrestricted or 39.53%. They have projected to have \$26,000,000 unrestricted available on 06/30/2018 which is 34% available fund balance. Commissioner Elmore asked if \$3 million is taken out of the fund balance this year what is projected for the end of 2019 fiscal year. Mr. Shepherd replied if they end up with \$26,000,000 or 34% on 6/30/2018, which is an estimate only, and if they budget \$3,000,000 out of the fund balance, all revenues and expenses come in and go out as projected, this will leave \$23,000,000 on 06/30/2019 or about 30%.

Vice Chairman Settle asked what revenues are being used in this projection. Mr. Shepherd replied 2% sales tax growth and 2% property tax growth. Commissioner Minton asked if there was growth in 2017 for fund balance or was it flat. Mr. Shepherd replied the available fund balance actually decreased from 2016 to 2017 by \$953,151. Commissioner Elmore asked if the revenues increased. Mr. Shepherd replied yes just under 4%, but they still have four months of sales tax to come in and if they do not come in as projected it will be less. Commissioner Minton asked if they have been tracking close to projection. Mr. Shepherd replied it was a little low for a couple of months. Mr. Huffman added there were very worried in January, but the last three months have finally picked up a little.

ADDITIONAL DISCUSSION:

EMS – Chairman Blevins asked Vice Chairman Settle to address this, which is a building they had discussed at an estimated cost of \$384,000. Vice Chairman Settle stated in talking with EMS Director Tim Pennington there is a greater need in Mountain View based on population and

activity. Mr. Pennington added they have the 4th largest call volume in the county. Vice Chairman Settle stated based on this and the County Manager has heard of other options and existing building in the middle of down town Mtn. View for lease, they plan to go look at this for a possible location and think it may be relatively inexpensive. Mr. Pennington said geographically this is the center of the county. Vice Chairman Settle stated it will be a win, win. Chairman Blevins said this is a very good conservative compromise and thanked Vice Chairman Settle for working on this.

Commissioner Elmore asked for more information. Vice Chairman Settle stated after the last work session he reviewed a report from EMS that showed the call volume and this is clearly where a new location was needed. Commissioner Elmore asked if this is being added to the proposed budget. Mr. Yates replied no, it was included in the proposed budget. He added they have since heard several options for Mr. Pennington. He added he also received a call this past Friday from an individual that has an existing building for lease as another option, but he did not share a price. Mr. Yates said he believes based on this information the \$384,000 could be reduced a great deal.

Chairman Blevins stated at this time, since that information is unknown, but it seems and it will cost much less, they are only discussing removing the \$384,000 for an EMS building. It was in the proposed budget and based on this, should it be taken out. Chairman Blevins asked if there is a consensus to take out the \$384,000 and then look at another project down the road that will not be in this budget, but appears will cost much less, if that is the desire of the Board.

After some discussion the Board consensus was to remove the \$384,000 for the EMS Building from the proposed 2018-2019 Budget.

Chairman Blevins said with the need for additional security in the schools, which will cost several hundred thousand, the Board realizes the need to delay or change some of their plans for other capital projects in this proposed budget. He added that is basically what this is all about and a good move and commends Vice Chairman Settle for his work and dedication on this.

LIBRARY – Chairman Blevins said they have heard from the Library Board, Regional Board, and have discussed this at length. The other two counties has agreed to fund the supplement they have ask for. He asked the Board for direction on this request. Vice Chairman Settle asked if this is a 1/3 increase for 3-years and the other two have agreed to do this. Mr. Yates replied yes, Watauga has proposed 8.54%, and Ashe has proposed 16.18% in their recommended budgets. Mr. Yates sated they need an additional \$46,308 over what was in the recommended budget and a total of almost \$80,000 for the three years for salary increases. Chairman Blevins stated they need \$664,639 which includes operational funding and 1/3 of the new pay scale, and asking for a three year commitment. Mr. Yates stated yes, the pay scale is about \$26,000 additional just for salaries each year in additional to the operational. He added this is Option 3 from their proposal and would bring everyone to the minimum and give them .50% for every year of experience. Commissioner Elmore asked the breakdown from each county. Mr. Yates replied Watauga's recommended appropriation is \$604,760, Ashe's recommended appropriation is \$508,596, and if this is added it would bring Wilkes to \$664,639.

After some discussion the Board consensus was to appropriate \$664,639 to the Library, which is an increase of \$46,308 from the proposed 2018-2019 Budget.

SOIL & WATER TRUCK REQUEST – Mr. Baldwin said \$33,500 is a great deal for this truck. This would be a 4-door, 4x4, $\frac{3}{4}$ ton, gas Chevrolet Truck with brakes. He added Mr. Elledge at the garage did a great job and received a very good quote. Mr. Baldwin added they will turn in one of the vehicles they have currently. Mr. Yates said it will be sold on govdeals.com.

After some discussion the Board consensus was to appropriate an additional \$33,500 to Wilkes Soil & Water for the purchase of a truck, which is an increase from the proposed 2018-2019 Budget.

SHERIFF DEPARTMENT SCHOOL RESOURCE OFFICERS – Chairman Blevins said this would be four new S.R.O. Officers and they would then have an Officer at each of the four High Schools and each of the four Middle Schools in the county. Vice Chairman Settle stated while in Raleigh last week they were told when the budget is passed by the legislature, for every dollar the school spends on this, they get two. Mr. Yates replied there is a bill for \$12 million in grants across the state and the schools have to apply for them. He added he placed a call to the HCOG today to ask about this, and he emailed Mark Byrd about this as well. Chairman Blevins said the schools have to apply for the grant, \$12 million across 100 counties will be spread pretty thin, and it doesn't look like much. Vice Chairman Settle added \$100,000 would help Wilkes a great deal. Commissioner Minton said the legislature has approved a standard School Resource Office program, mandated, the design should be available to trainers September 1st, it is coming. They do not know if the funding will follow, he added. Chairman Blevins said they think next year they will provide a supplement in the long session, but Wilkes can't wait for this.

Sheriff Shew stated there are some discrepancies in the cost. They cannot take someone just out of BLET, it will take someone with work experience, already in the workforce to place in these roles. He added it is specialized. Commissioner Gambill agreed, these officers will deal with Criminal and Civil which are completely different. Sheriff Shew added it also includes Juvenile Law. Commissioner Gambill agreed knowledge and experience is both needed for S.R.O.'s. Sheriff Shew said not all the equipment is in the paper work before the Board, it is not completely accurate, the starting pay has not been established. Mr. Yates added Logan Kerr provided this. Sheriff Shew replied Mr. Kerr did overlook some things, they had discussed a few options that may cut the cost and he must have included these in this figure. He added there is a pay scale that everyone is aware of, but no one has agreed on that is a factor. These were based on a projection from that pay scale, he said.

After some discussion the Board consensus was to appropriate funds for the addition of four School Resource Officer's for the four middle schools with an estimated additional cost of \$298,927, which is an increase from the proposed 2018-2019 Budget.

OTHER PROJECTS NOT INCLUDED IN PROPOSED BUDGET – Mr. Yates said this is for the Mulberry Schools Sewer Project. He said he and Chris Huffman have two days of mandatory training for the CDBG grant the next two days in Winston-Salem. Mr. Yates stated this will be done as a Project Ordinance due to CDBG requirements. This will be brought to the Board at the 1st meeting in July. There is also a contract that has to be approved at this meeting as well. Mr. Yates said the Engineering Cost and Administration of the grant is estimated to cost \$110,000. This is not covered by the project grant. The bids will determine the project cost, it is estimated to be \$1 million. The grant award was for \$1 million. He added the time line for construction is 6-9 months, but it may take at least a year to get all the paper work and environmental review completed.

Commissioner Elmore stated it is his understanding that no one can tap on to this line, it is only for the school. Mr. Yates replied it is a gravity feed line, they can pick up a few homes and one business, but if it will not flow with gravity, they cannot hook on as this is a force main line. Commissioner Elmore asked if there is any way to do this project to allow folks to tap on. Mr. Yates replied no, not at this time, he was told by the Town of North Wilkesboro this would cost \$3.5 million and they could not move forward and fund this. Commissioner Elmore asked if there were additional grants or anything. Mr. Yates replied not that he is aware of. Vice Chairman Settle stated this is the exact same as East Wilkes, it runs to the school and no one can tap on. Commissioner Gambill said there are business along that highway that really need this that employ many people, it would be good to find a way to do this.

Commissioner Elmore asked can't they find someone or some way to do this or more grant funds even if it required more of a match from the county. He ask why the cost goes up to \$3.5 to allow access to the line. Mr. Yates replied this is a small pipe for a gravity sewer line only and in order to allow access it has to run a different way and would require a pumping station, bigger pipe and other changes. Commissioner Elmore stated this makes sense. Chairman Blevins asked what the cost is for a new septic system at the school. Mr. Yates replied he was told by Bergie Speaks that is not an option, they do not have the room to do this and have received a NOV. He added this will be brought on July 3rd as a budget ordinance and is not part of the proposed budget. Mr. Shepherd stated this will not be part of the general fund it will be a separate fund.

After some discussion the Board stated they have to do this for the school, they have no choice, but they would like to see the citizens and businesses in that area have this service if it were possible.

ADJOURN - Motion was made by Commissioner Greg Minton, seconded by Commissioner David Gambill and by unanimous vote adopted to adjourn the Budget Work Session of the Wilkes County Board of Commissioners at 6:48 P.M.

Sarah D. Call, Clerk

Gary D. Blevins, Chairman

WILKES COUNTY BOARD OF COMMISSIONERS

Approved: