

Emergency Meeting – October 14, 2013

The Graham County Board of Commissioners met Monday, October 14, 2013 for an Emergency Meeting at 3:00 p.m. in the Graham County Community Building located at 196 Knight Street Robbinsville NC to discuss the Impact on the County Budget from the Federal Shutdown and for Closed Session for Personnel under G.S. 143-319.11(a)(6). All commissioners were present.

1. Commissioner Edwards called the meeting to order.
2. Commissioner Edwards stated that the agenda contained two items for discussion. One was the discussion of the budget impacts due to the federal shutdown and the other item was personnel issues which will be discussed in closed session. Commissioner Edwards thanked the department heads in attendance that is more directly impacted with the Federal Government Shutdown. Commissioner Edwards stated that a previous meeting had been held with these department heads, the county manager, the finance officer and himself to better understand the impact that the county will be facing. Commissioner Edwards asks Manager Cable to proceed with the discussion.
3. Manager Cable thanked the board for their time and stated that the impacts were developing and changing hourly and he would be passing them along to the board as they came down. Manager Cable stated that the departments most affected are Transit, Senior Center, Health Department and Department of Social Services. Manager Cable stated that the Senior Center is 90% federally funded. Manager Cable stated that Transit could operate essential lifesaving services, maintain three (3) full time drivers, one (1) dispatcher, the director and the assistant director. Manager Cable stated that DSS has mandated programs that have to operate and the applications have to be taken even if the county must use general fund dollars. Manager Cable stated that the Health Department has several mandated programs as well but some that he was unsure about for example the WIC program that was cut out one day was then refunded the next. Manager Cable stated that the states are trying to keep the counties informed on a day to day basis on all the changes taking place. Manager Cable stated that the daycare funding federal reimbursement is coming to an end and this will impact the county and the board will have to give us an idea on how to proceed.
4. Manager Cable requested that the board allow a spending freeze on all non-essential items and reduce all travel to "necessity only". Manager Cable felt that the county would need to defer any unnecessary spending during this crisis. Manager Cable stated that the department heads would like to speak to the board about their departments that are affected by this shutdown.
5. Commissioner Edwards thanked Manager Cable for the update and asks Wanda Hill, Senior Center Director to speak. Ms. Hill stated that she is funded 90% by federal funds and her staff would be furloughed November 1, 2013 and the Senior Meals would need to end November 1, 2013 as well. Manager Cable asks Ms. Hill to check into the notice of cancellation to the vendor of the senior meal contract.
6. Commissioner Edwards asks Alicia Parham, Health Director to speak. Ms. Parham stated that her department has had zero guidance from the state on the impacts of the shutdown and her department is run from state grants right now. Ms. Parham stated her employees wear more than one hat and is funded through state, federal and county funds which can get very confusing to understand. Ms. Parham stated that one program that is 100% federally funded is family planning and she did not feel this service should be stopped. Ms. Parham stated that she has eight (8) full time employees who are affected by this shutdown but not 100%. Commissioner Edwards asks if the grant reimbursements are funded by the county up front. Ms. Parham stated that most are fronted by the county. Commissioner Edwards stated that this is where the county could run into trouble down the road from the state if they decide not to honor the grants that the federal government will not honor. Ms. Rebecca Garland, Finance Officer stated that the word from the state is that they will honor their grants that were in the funding streams of two fiscal year programs. Ms. Parham stated that WIC did lose its funding but was reinstated. Ms. Parham stated that by general statute the health department must offer certain services and the state has informed them they have not been relieved of these statutes. Ms. Garland stated that this is correct and that applications must be taken whether the monies could be delivered or not.
7. Commissioner Edwards asks Juanita Colvard, Transit Director to speak. Ms. Colvard gave the board a spreadsheet on how employees are federally funded. Ms. Colvard stated that she would furlough if it became necessary but would leave the dispatcher and three full time drivers to provide life-sustaining services, IOI and job commute for the disabled. Ms. Colvard stated that she is receiving daily updates from Deputy Secretary of Transportation Walls and she has been forwarding these to Rebecca Garland. Ms. Colvard stated that she will utilize all available resources before using local funds from the General Fund.

8. Commissioner Edwards asks if the CDBG Senior Center Grant monies would be affected. Ms. Garland stated that these funds should not be affected because they were awarded prior to this fiscal year but this is still unknown.
9. Commissioner Edwards recognized Larry Hembree, EMS Director. Mr. Hembree was concerned about his travel and stated that he would be receiving \$2600.00 for attending this conference. Commissioner Edwards stated that this travel was approved at an earlier meeting and would not be affected. Clerk Crisp stated that some department heads are required to travel and prior approval has been given including our new DSS Director Claudie Burchfield.
10. Commissioner Edwards asks Claudie Burchfield, DSS Director to speak. Ms. Burchfield stated that she has been on phone conferences everyday with discussion on the impacts to the DSS programs. Ms. Burchfield stated that one concern of hers is the Childcare which could be suspended October 21, 2013 and this will greatly impact several working families; the second is the work first program which the department is still required to take applications for even though the money will be held in reserve until the shutdown is resolved and the Adult Protective Services which affects several folks in our county and is a program mandated that we cannot stop. Commissioner Williams asks about the foster kids program. Ms. Burchfield stated that the agency has twenty-four (24) kids in the foster care program. Commissioner Edwards asks about furloughs in the DSS Department. Ms. Burchfield stated that she has universal employees as well and stated that her employees are paid with state and federal dollars and this is where accounting for time gets tricky. Ms. Burchfield stated that she would insure that all time is carefully monitored for billing to the federal government and it is very difficult to send staff home when the law mandates that the services continue. Ms. Burchfield stated that the Adult Protective Services area is critical and she could not stop providing this service and still did not know what the fall out on the funding would be for this program but would let the board know as soon as she found out which would hopefully be by November 1st. Commissioner Edwards thanked all the department heads for their help and told them to hang in there!
11. Rebecca Garland, Finance Officer stated that she thanked the department heads as well for all their help and information and gave the board a breakdown of what the county would be looking at in general fund dollars. Ms. Garland stated the projected amount of money needed for the programs for the month of November is \$127,245.00 of which \$44,283.00 of that money is mandated by the state (which means the county doesn't have a choice but to pay that amount) leaving a total of \$89,755.88 of general fund money to front for these programs with no guarantee that the state will repay these funds. Ms. Garland stated that the county could stay afloat until Christmas by fronting these programs in her opinion but this is a decision that the board will have to make. Ms. Garland stated that this board has worked hard to put the county in good standing with the Local Government Commission and we have around a 32% fund balance. Ms. Garland stated that the county will need to tighten down once again in order to front the money if they choose to weather the storm. Commissioner Edwards stated that in previous conversations with other neighboring counties some have already begun to front their county departments. Ms. Garland stated that was her understanding by the latest emails that she had received and the state was hopeful that repayment would be given to the counties. Ms. Garland stated that the county did have a cushion right now to fall back on if we need to use it instead of falling back into the taxpayers' pockets. Commissioner Edwards recommended to the board that we look at this in phases and make decisions as we go but we have to have a starting process. Commissioner Edwards stated that we can sit here on what ifs all day. Commissioner Edwards stated that DSS needed one vacancy filled and he also understands that if daycare closes then a block of people will lose their jobs in our county. Commissioner Edwards thanked our staff for their recommendations and strongly recommended to the board to go out in faith and front our money through November then bring the issue back to the table since our finances are in good order. Commissioner Edwards stated that at one time our county was not able to borrow money but now we can and are in good standing with the Local Government Commission.
12. Commissioner Edwards made the motion to front the money with the general fund to run the services for the departments affected by the Federal Shutdown normally paid by federal funding in the amount of approximately \$127,245.00 through the month of November with the understanding that each department continue to find ways to make the necessary adjustments to their budgets to accommodate for the discontinued federal funding whether through furloughs, salary adjustments, general supplies spending and travel freezes and to revisit this issue in phases. Commissioner Eller seconded this motion. Commissioner Edwards asks for further comment from the board. Commissioner Williams stated that this was a very tough decision but we needed to do what was right and the decision is left up to the commissioners to work together and he personally thanked the rest of the board for their hard work and continued efforts in doing the right thing. Commissioner Williams stated that he knew this board would try to do all they could do not to hurt the taxpayers of this county. Commissioner

Williams stated that God will intervene and help us and if anyone doesn't believe that then just look at him, and see what he did for him. Commissioner Williams stated that this board try's to do what God wants them to do and he appreciates all our department heads for helping them in these hard times. Commissioner Holder stated that he was opposed to using the general fund money for one simple reason because things are going to get worse and we will have to raise the mil rate once again if we use the money now. Commissioner Eller stated that he felt that a decision would be made in the federal government soon if not today. Commissioner Edwards calls for a vote. Commissioner Williams, Eller, Edwards and Orr voted yes. Commissioner Holder voted no. Motion carried four to one.

13. Commissioner Edwards asks the board's pleasure on the spending and travel. The Board all agreed to a directive that all decisions on spending and traveling be directed to the administrative office and the cuts are at the discretion of the County Manager and Finance Officer based on the need of the travel and spending reason.
14. Commissioner Edwards stated that the board all agreed to allow DSS to hire a Finance Officer due to a vacated position prior to the new Director Claudie Burchfield's arrival. Commissioner Edwards stated that the finance officer at DSS must fill out the 1571 reports which allow repayment from the state and federal government and this is a crucial position at DSS.
15. Commissioner Edwards stated that the board would now go into closed session under G.S. 143-318.11(a) (6) for personnel. Commissioner Holder made the motion to go into closed session as stated. Commissioner Williams seconded this motion. Vote unanimous.
16. Commissioner Orr made the motion to go into open session. Commissioner Eller seconded this motion. Vote unanimous.
17. Commissioner Edwards gave a directive that all cameras in the jail would be on a stand- alone server that only the Sheriff and Chief Jailor could access and further stated that the system had been removed from the administrative offices. All board agreed to this directive.
18. Commissioner Edwards stated that no matter what the government decided to do the county needed to use extreme caution in what they did with their spending. All board agreed to this statement.
19. Commissioner Williams made the motion to adjourn the meeting. Commissioner Holder seconded this motion. Vote unanimous.

Robert M. (Mike) Edwards, Member, Graham County Commissioner

Keith Eller, Member, Graham County Commissioner

Billy Holder, Member, Graham County Commissioner

Connie Orr, Member, Graham County Commissioner

Raymond Williams. Member, Graham County Commissioner

ATTEST:

Kim Crisp, Clerk to the Board