

## Budget Meeting – June 5, 2020

The Graham County Board of Commissioners met Friday, June 5, 2020 at 9:00 a.m. in the Graham County Community Building and by teleconference in Robbinsville, NC for a budget meeting. All board was present. Also, present Manager Becky Garland, Clerk Kim Crisp and Kevin Hensley, Graham Star Editor.

1. Chairman Wiggins called the meeting to order.
2. Chairman Wiggins asks for changes to the agenda. Manager Garland stated that we needed to add a leave without pay request as Item 3A. Commissioner Eller made the motion to approve the changes as stated. Commissioner Cody seconded this motion. Vote unanimous.
3. Chairman Wiggins asks for the discussion on the leave without pay request. Clerk Crisp stated that Ms. Bradley was requesting the use of 4.62 hours of unpaid leave for a vacation due to the exhaustion of her leave time during an FMLA occurrence. Clerk Crisp stated that employees are required to use their leave time during any FMLA occurrence. Commissioner Cody made the motion to allow the leave without pay as requested. Commissioner Eller seconded this motion. Vote unanimous.
4. Chairman Wiggins asks Manager Garland to begin the budget discussion. Manager Garland presented the board a notebook with the budget information and began to discuss the revenue shortfalls that are anticipated. Manager Garland stated that she anticipated \$1.2 million shortfall in projected revenue and she will know more after next week based on April sales tax receipts. Manager Garland stated that she is using the NCACC and the League of Municipalities guidance. Manager Garland stated that if we budget even with last year we will have a \$1.5 million shortfall with the following rationale:
  - a. Includes 14 % increase in retirement and 9.5% increase in insurance;
  - b. Includes increase of \$50,000.00 from workers comp premiums. Our experience mod went from 89% to 135%;
  - c. Includes unfunded mandates with DSS and Health Department with budget cuts;
  - d. COVID-19 funding is not a part of the operating budget until we see a better fix on the costs and after we recoup FEMA monies, if those funds come in prior to adoption adjustments will be made prior;
  - e. No capital outlay except if 100% grant covered or approved in a prior budget:
    - i. Capital requests for board approval
      1. Vans for Transit – NCDOT funded
      2. Ambulance – if timed correctly we can take delivery in July 2011
      3. New vehicle for Larry Hembree paid with EMPG funds
      4. Garbage truck – USDA funds
    - ii. Recreation and Cemetery Buildings – borrow while rates are low and when things improve pay off as soon as possible.
  - f. Freeze on new positions and no raises based on certifications/state personnel grades unless it is a change in position with justification.
  - g. Spending freeze to remain in place.
  - h. 5% across the board cuts from estimated budget with plans to amend based on revenue rebound; studied by analysis of over budgeting in departments.
  - i. No travel unless state mandated; Web and Zoom meetings are working well now.
  - j. Extend furloughs and place others on furlough if necessary due to COVID-19.
5. Commissioner Eller stated that he believes that the sales tax will not decrease as anticipated and the extra business that Ingles, Family Dollar and Dollar Store received should offset the loss of the other businesses. Commissioner Eller stated that our stay at home should have helped our sales tax as well due to fewer people traveling out of town to get groceries and other necessary items. Manager Garland stated that she remains hopeful. Chairman Wiggins stated that when the calculations come in June we should be able to predict more closely.
6. Manager Garland stated that there would be no increase to rates, property tax or fees that the county charges and she is budgeting revenues at \$15,231,778.
7. Manager Garland stated that the requests came in at \$17,176,421 and she decreased this to \$16,354,882 giving us a shortfall of \$1.2 million. Manager Garland recommended \$15,775,830, which leaves a lot of money to be found. Manager Garland stated that she has \$1.2 million in the rainy day fund and this can be used for the shortfall. Commissioner Cody stated that the

- uncertainty is there but if we use caution on how we use our funds we should be able to hold the line. Manager Garland stated that all departments would be told that necessary spending only would be allowed. Commissioner Cody stated that most people do not understand that these are projections and the money is not just sitting there and agreed with Manager Garland. Manager Garland stated that as we get increased revenue then the budget could be adjusted.
8. Manager Garland asks about the capital outlay items discussed. The board all agreed with the recommendations as stated.
  9. Manager Garland stated that she is continuing the furloughs at this time and stated that most are drawing more money now than they do when they actually work.
  10. The board wanted the new ambulance put out to bid as well as the vehicle for Emergency Management.
  11. Manager Garland asks the board about the projects that included the new recreations, cemetery buildings and the election board renovations. Commissioner Eller stated that this was already approved. Manager Garland asks if the board wanted to borrow the money since interest rates are so low or pay from fund balance. The board was fine with the loan proceeds.
  12. Manager Garland asks about the special appropriations. Manager Garland stated that she did not fund non-profits at this time. Commissioner Cody stated that as funds increase, the board could discuss funding at that time.
  13. Manager Garland stated that the NC Forest Service did ask for an increase from \$57,500.00 to \$73,800.00 to purchase a new firefighting truck. Commissioner Eller stated that they are replacing their older truck.
  14. Manager Garland stated that she gave Tri-County \$125,524.00 and the Library stayed the same with their funding. Commissioner Eller stated that the Library has many activities and Mary Griffin has done a tremendous job.
  15. The board discussed the replacement of fire trucks for Graham County.
  16. Manager Garland stated that the Heritage Festival was cancelled for this year so she did not appropriate monies for them.
  17. Manager Garland stated that she gave the Historical Association \$10,000.00, the same as last year and they did not make a formal request. Commissioner Eller stated that the Museum has spent \$90,000.00 on a new roof so he would like to see this money set aside and when more is available we could send them more. Manager Garland stated that for nonprofits, they would be considered for funding when money is available and they show the need.
  18. Manager Garland stated that she did fund I.O.I, the State of Franklin, Regional Mental Health and the Graham County Food Bank because they are human services related.
  19. Manager Garland stated that she put \$50,000.00 in the Revaluation Fund and stated that if our ratio continues to decrease we will be forced into another revaluation outside of the scheduled one. Manager Garland stated that the women in the Assessing Office are working hard to understand the tax requirements and the revaluation processes including the Schedule of Values. Chairman Wiggins stated that this ratio would affect other funding as well. Commissioner Cody stated that it definitely affect our schools.
  20. Manager Garland stated that she gave the school \$1,000,000.00 and would allot the sales tax reversion money for capital outlay.
  21. Manager Garland stated that she did not count timber monies in the revenues because we do not have any idea if we will receive any funding but we did receive some this year of which she will be writing a check to the schools and the fire departments.
  22. Manager Garland stated that our QZAB would payout in October 2021 and our School Debt Service would payout in October 2023.
  23. Manager Garland stated that she did fund JCPC \$56,435.00.
  24. Commissioner Nelms stated that there was no need to go through every budget in his opinion. Commissioner Cody agreed and stated that unless an issue arises we need to go with Manager Garland's recommendations. Chairman Wiggins stated that he was good with what was presented to the board and stated that we have operated on bare bones before without denying people services and we will continue. Commissioner Eller stated that he was fine as well.
  25. Manager Garland stated that she did need to amend the pay plan to include a Tele-Communicator II at Grade 59 and add a Community Peer Support Specialist for our grant funded program and add an Income Maintenance Supervisor at DSS. Commissioner Orr made the motion to amend the pay plan to add a Community Peer Support Specialist due this being grant

funded and hold on the others until we see where we are in the budget. Commissioner Eller seconded this motion. Vote unanimous.

26. Manager Garland stated that she did have a budget amendment for consideration. Manager Garland stated that by statute, she cannot write checks on a budget that has been overspent and the Sheriff/Jail budget is overspent and she needs to add \$25,000.00 to their budget to cover this week's payroll and then she will re-analyze and bring the budget amendment for final funding through year end to the June 16, 2020 meeting. The board had discussion. Commissioner Eller made the motion to approve \$25,000.00 to be added to the Jail budget and asks that Manager Garland inform the Sheriff to stop the overtime. Commissioner Nelms seconded this motion. Vote unanimous.
27. Manager Garland stated that the checkpoints equated to \$115,000.00 and she needed to amend the Sheriff Budget to include repayment of this amount and add \$35,000.00 for IT expenses. Commissioner Orr made the motion to approve the budget amendment for \$155,000.00. Commissioner Cody seconded this motion. Vote unanimous.
28. Manager Garland stated that the Septic Receiving Station agreement has been given to the Town of Robbinsville and she will present the paperwork to the board at the June regular meeting.
29. Chairman Wiggins asks for a motion to accept the budget as presented by Manager Garland. Commissioner Cody made the motion to accept and present the budget draft ordinance to the Clerk for public review and schedule a public hearing for June 16, 2020 at 5:30 p.m. Commissioner Nelms seconded this motion. Vote unanimous.
30. Chairman Wiggins asks for further business. No further business.
31. Chairman Nelms made the motion to adjourn. Commissioner Cody seconded this motion. Vote unanimous.

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Dale Wiggins, Chairman

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Lynn Cody, Vice-Chairman

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Keith Eller, Member

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Jacob Nelms, Member

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Connie Orr, Member

ATTEST: \_\_\_\_\_  
Kim Crisp, Clerk to the Board