

Budget Meeting – May 21, 2021

The Graham County Board of Commissioners met Friday, May 21, 2021, at 9:00 a.m. for a budget meeting in the Graham County Community Building located at 196 Knight Street Robbinsville, NC. Board present Keith Eller, Lynn Cody, Jacob Nelms and Dale Wiggins. Board absent Connie Orr. Also, present Manager Jason Marino, Finance Director Becky Garland and Clerk to the Board Kim Crisp.

1. Vice-Chairman Eller called the budget meeting to order.
2. Vice-Chairman Eller asks for approval of the agenda. Commissioner Nelms made the motion to approve the agenda. Commissioner Wiggins seconded this motion. Vote unanimous.
3. Vice-Chairman Eller asks Manager Marino to begin the discussions. Manager Marino stated that he and Director Garland had started working on the budget and asks Director Garland to outline the details. Director Garland stated that she had good news because this is the first time since she came to Graham County that she is bringing a surplus to the board for budget. Director Garland stated that our property tax revenue tax base is \$1,057,842,955.00 and our total estimated levy is \$6,875,979.00 with penalties on discoveries of \$3,569.00 for a total of \$6,879,549.00 and our tax collection rate for 2019-2020 is 0.9656 for a total levy to the budget of \$6,642,892.00. Director Garland stated that our revenue per mil is \$102,198.00.
4. Director Garland stated that our sales ratio is 80%. Director Garland stated that we have been selling a lot of property which is good for the tax base, but it will hurt our utilities.
5. Director Garland stated that our unassigned fund balance 2019-2020 audited is \$7,097,409.00.
6. Director Garland stated that our total expenditures for 2019-2020 General Fund is \$16,157,669.00 and our fund balance percentage of expenditures is at 44%. Director Garland stated that the Local Government Commission recommended fund balance of no less than 35%. Director Garland stated that 35% equates to \$5,655,184.00 which leaves \$1,442,225.00 fund balance available for appropriation. Director Garland stated that our Surplus for FY 2019-2020 was \$307,899.00 and she is recommending that this amount be transferred on June 30, 2021, to our capital reserve account. Director Garland stated that our balance available for appropriation is \$1,134,326.00 and our estimated surplus-baseline budget for general operations is \$173,488.00.
7. Director Garland stated that impact of in-directs from the P&J Building was \$178,000.00 which almost covers the debt service for the building. Director Garland stated that Health Director Beth Booth stated that she estimates \$225,785.00 in costs due to COVID that would not be reimbursed under state funding in her budget so the board may need to follow up on this amount with the American Rescue Plan Act on revenue recovery.
8. Director Garland stated that she had budgeted conservatively on our sales tax revenue.
9. Manager Marino stated that they have prepared a capital needs spreadsheet for the board to review. Manager Marino stated that he has begun to track our HVACs in our various buildings to know when the county would need to be budgeting but he is recommending that we include \$81,000.00 in our operating budget under public buildings. Manager Marino stated that we will be making some major repairs to some of our buildings and asks that we treat this as capital projects and recommended that any major capitalizable repairs be rolled into capital projects and financed with the new buildings. Manager Marino is proposing the following repairs.
 - a. Sheriff Department Roof and Gutters
 - b. P&J Rock Facia and Guttering
 - c. Shed at Sanitation
 - d. Pool Resurfacing which will run around \$150,000.00.
 - e. Veteran Building Roof
10. Manager Marino stated that he wanted to be as proactive as possible in repairs. Commissioner Wiggins stated that our county property needed to be taken care of. Commissioner Wiggins stated that we needed to go ahead and investigate the HVAC needs and get pricing because he believes that the prices will be exploding. Director Garland stated that she did budget higher anticipating an increase in materials.
11. Commissioner Nelms stated that the pool would have to be resurfaced in this budget year because it is pitted badly. Commissioner Wiggins stated that we needed to fix it. Manager Marino asks that the repairs be made after the pool closes for the year.

12. Director Garland stated that we are needing to replace our servers in the IT department due to ours being ten years old. Director Garland stated that the total cost is coming in at \$100,000.00 and Tim Sullivan and Charlton Buchanan are working on grant monies to help with the costs.
13. Director Garland stated that she needed input from the board on special appropriations. Director Garland stated that the NC Forest Service is asking for \$62,125.00 which is less than last year's request. Director Garland stated that last year's request included the purchase of a new truck. Director Garland stated that they did make their intent to purchase the old truck for \$2,500.00.
14. Director Garland stated that VAYA Health stays at the \$6,000.00 appropriation.
15. Director Garland stated that the library is asking for an increase from \$75,000.00 to \$94,160.00 which they receive 73% of their funding from the State.
16. Director Garland stated that the rescue squads and fire departments allocation stayed the same.
17. Director Garland stated that Historical Association and the Heritage Festival asked for \$10,000.00.
18. Director Garland stated that the school asked for \$1,080,000.00 which includes their yearly request of one million, but they are asking an additional \$50,000.00 to the general fund and \$30,000.00 for staff incentives. Director Garland stated that she received a capital outlay list from the school with no request. Director Garland stated that the board approved around \$320,000.00 for stadium lights. Commissioner Wiggins asks if the insurance is covering the possible repairs at the elementary gym. Manager Marino stated that he did not know but he would reach out to them.
19. Director Garland stated that State of Franklin had asked for \$4,000.00.
20. Director Garland stated that JCPC funding did increase some from \$56,435.00 to \$73,541.00 which has a county contribution of \$6,483.00. Director Garland stated that she would need a motion today for the JCPC funding for them to submit their request to the State. Commissioner Cody made the motion to approve the funding for JCPC as requested. Commissioner Nelms seconded this motion. Vote unanimous.
21. Director Garland stated that I.O.I stayed the same at \$13,000.00.
22. Director Garland stated that \$5,000.00 was put in the burial expense.
23. Director Garland stated that the Food Bank had requested \$15,000.00. Vice-Chairman Eller stated that they needed to work on their traffic situation because it is getting very dangerous and if we need access to a fire truck it would be very difficult.
24. Director Garland stated that Special Olympics had requested \$5,000.00.
25. Director Garland stated that Stecoah Valley Center had requested \$20,000.00.
26. Director Garland stated that Celebrate Recovery had asked for \$5,000.00.
27. Director Garland stated that she will transfer \$100,000.00 to the Revaluation Fund.
28. Director Garland stated that Valley River Humane Society had asked for \$20,880.00.
29. Director Garland stated that she needed a decision on the EagleView Software for Pictometry for Mapping in the county. The board had discussion and wanted to go with a mixture of 3" and 6" imagery with the option to pay in a period of three years. Director Garland stated that the cost is around \$94,000.00. Commissioner Wiggins made the motion to accept the offer from EagleView Software as stated. Commissioner Nelms seconded this motion. Vote unanimous.
30. Director Garland stated that the Sheriff had requested \$1,867,070.00 for the Sheriff Department and \$1,004,744.00 for the Jail which is an increase of \$283,269.96 for the sheriff budget and an increase of \$177,612.00 for the jail budget. Commissioner Nelms asks if the increase is for more deputies. Director Garland stated that is included and other things were added as well. Director Garland stated that retirement went up 15% and county insurance is increasing as well. Commissioner Wiggins stated that it is the county's obligation to give the Sheriff a budget and how he spends it or what he spends it on is not the board's concern. Director Garland stated that there was a request to trade in the pickup trucks for SUV's and currently the trade in value for the trucks is very high. Vice-Chairman Eller asks what make of vehicle did they request. Director Garland stated that they requested Durango's. The board had discussion and agreed if the trade in comes in at the current price that is being paid now, there is no issue. Manager Marino stated that they would do an analysis for the board to review.
31. Director Garland stated that our health insurance did increase 2% instead of the 6% increase we had first anticipated which was great for the budget.
32. Director Garland gave a comparison on Cost-of-Living Adjustment (COLA) at 3% and at 5%. Director Garland stated that she is working on the pay plan to get us at least 85% of the 2014 State Pay Plan rates.

33. Commissioner Cody asks when the county is observing July 4th Holiday. Clerk Crisp stated that we get Monday, July 5th but if the board would like they would take Friday, July 2nd as well. Commissioner Cody stated that his staff is off on Friday and Monday and with the Heritage Festival being held on Saturday, he made a motion to add Friday, July 2nd as a paid holiday for county staff. Commissioner Wiggins seconded this motion. Vote unanimous.
34. Commissioner Wiggins made the motion to adjourn. Commissioner Nelms seconded this motion. Vote unanimous.

Connie Orr, Chair

Keith Eller, Vice-Chairman

Lynn Cody, Member

Jacob Nelms, Member

Dale Wiggins, Member

ATTEST: _____
Kim Crisp, Clerk to the Board