

**STATE OF NORTH CAROLINA
COUNTY OF AVERY**

The Avery County Board of Commissioners met in a Budget Workshop on Friday, May 17, 2013 at 9:00 a.m. in the Commissioners Board Room, Avery County Administrative Complex, 175 Linville Street, Newland, NC.

Members Present: Kenny Poteat, Chairman; Glenn Johnson, Vice-Chair; Phyllis Forbes; Reo Griffith; Martha Hicks

Members Absent: None

Fiscal Year Budget 2013/2014

Chairman Poteat stated that at this point in the budget we are at a \$739,462 deficit. Chairman Poteat recounted what had been talked about in the previous meetings. Apparently, the majority of the Board felt that the Board of Education's request of 1 ½% above what they got last year or \$58,725 was probably very realistic and hopefully the Board could do that. Drug treatment court is not incorporated into the \$739,462 deficit. They have requested \$20,000 this year but in the past two years we have allocated \$10,000. Each member agreed to \$10,000 for drug treatment court.

Glenn Johnson stated that the MAPS study had been done on salaries and benefits almost three years ago and what the study shows was that the employees were underpaid by the standards of other counties. We partially implemented the MAPS study year before last and did nothing last year and also decreased the insurance last year and employees have not had a COLA in the last 4 years. We have had people leaving because of pay. If we implement the rest of the MAPS study, it would be approximately \$621,669.

There was discussion regarding the MAPS study and a cost of living adjustment. Tim Greene stated that to implement the MAPS study the whole salary scale would raise up 8% from where it is now. Until we get to the 100% MAPS implementation, a cost of living adjustment would not be across the board. Some people would get something and some people would not. The company that did this study said that some of the positions were already being paid fairly and all of them are to be at "market value". Mr. Greene said that no one realized a decrease. If we try to do an across the board cost of living, this would "mess" up the MAPS study.

Reo Griffith stated "I suggested that we give a cost of adjustment living to the "grunts" or the "ones that keep the wheels turning". We all know there is a lot of "fat" in this book. We have not gotten down to cutting the "fat out of this book. Where can we decrease here? Then, we can give an increase to take home pay." Tim Greene, Finance Officer, said "A lot of the fat has been cut. I showed you what the original requests were and those have been cut. You can always nickel and dime some of the other but the major reasonable cuts have been made. It is to the point to where some tough cuts like reducing employee counts; those kind of choices and benefits."

Phyllis Forbes said "Tim and Robert make the cuts and then we see what we can do. It has been through cuts last year and the departments have asked for pretty much what they got last year."

Glenn Johnson said "I think our departments have learned not to ask for a whole lot more than they really have to have and we have a larger picture here that we are going to be dealing with. We have a high school to do something with. As county commissioners, we are charged to looking down the road and we know that large expenditure is coming down the road. I do not like to borrow money. There has been talk about fund balance and some of that is designated funds. If you don't keep a healthy fund balance and put some money away for large projects, you are going to have to borrow. Another big thing we are looking at is revaluation. We have lost \$50,000,000 in sales versus tax value in the last three years or so. We know that if we decide to do a reval it is going to drop. What is going to happen is that we have been very fortunate that our summer people have paid a huge portion of our taxes to a tune of 60-70% of the entire tax load. These multimillion dollar homes have dropped a lot in value. If the property tax drops a lot and mine drops little or none and we raise taxes that burden is going to start to shift to the people who are getting the services. There is a larger picture here".

Recess

Chairman Poteat called for a brief recess.

Chairman Poteat declared the meeting to be back in session after a brief recess.

Troy Cook updated the Board regarding some grant money for resource officers. This grant would provide 75% of salary and benefits for three years. The federal grant cycle begins in October. This initiative is to create jobs. After three years, the federal grant expects the positions to be maintained.

Reo Griffith suggested that possibly retired law enforcement officers could be employed as part time resource officers from August to May for every school. Chairman Poteat asked Troy Cook to be at the next meeting regarding the grant and for Tim Greene to get some idea what it would cost for retired part-time resource officers. By the next meeting, there needs to be some closure to this issue.

There was discussion regarding the fair board request of \$11,000. Discussion to possibly allocate \$2500 to the Newland Centennial Board and \$2500 to the Chamber of Commerce. Discussion regarding each special appropriation. The board discussed Yellow Mountain Enterprises and honoring their request which was \$1,020 above last year's. Consensus to honor Yellow Mountain Enterprises request. The deficit after these discussions had increased to \$1,494,876.00.

Discussion regarding YMCA and the scholarships that they provide for Avery County citizens.

Discussion regarding the budget cuts to every department.

Discussion regarding each department's budget.

Chairman Poteat left the meeting at 11:00 a.m. due to a family emergency.

Glenn Johnson, Vice-Chair, assumed the chair.

Recess

Vice-Chair Johnson called for a brief recess.

Vice-Chair Johnson declared the workshop to be back in session.

Discussion regarding each department's budget. Tim Greene stated that out of the original \$739,000 deficit the bulk of that is insurance; medical insurance \$356,000, unemployment \$50,000, general liability \$21,000, worker's compensation \$19,000.

Adjourn

The next budget workshop will be Monday, May 20, 2013 at 2:00 p.m.

Motion by Phyllis Forbes and second by Martha Hicks to adjourn this meeting at 12:00 p.m.

Motion unanimously approved with those in attendance (4-0).

Kenny Poteat, Chairman
Avery County Board of Commissioners

ATTEST: _____
Cindy Turbyfill, Clerk

