

Budget Work Session

Chairman Inman commented:

- Commissioner Walker is unable to attend today's Budget Work Session due to a prior commitment

The Board discussed recessing today's meeting until June 23, 2016 at 12:00 noon.

Chairman Inman opened the floor for further budget discussions

Chairman Inman noted that as far as he was concerned there was nothing that was off the table.

Chairman Inman suggested to start with revenue discussions.

Vice Chairman Booth confirmed Finance Director Edwards that the current allocation from Fund Balance is \$2,999,940 with no tax increase.

Chairman Inman noted the recent comments from Manager Morris about the current situation at the Animal Shelter.

Chairman Inman continued:

- Want the public to know that the \$40,000 reduction in the Animal Control Budget was not done to save funding, but it was reduced because the county can't continue to try to operate current shelter in its present condition
- The motivating factor is the number of animals that citizens are not taking responsibility for
- The current shelter can't operate with all the general statutes being required
- The current shelter is no longer capable for handling the number of unwanted animals in the county

Chairman Inman opened discussion regarding the potential Walmart sales tax revenue; Walmart was projected to open in late November.

County Manager Morris noted that \$250,000 was included in the recommended budget based on Walmart opening in November 2016.

Chairman Inman continued:

- Confirmed with Finance Director Edwards if the County allocated the \$2,999,940 from Fund Balance, the projected Fund Balance for FY 2016-17 would be 20%

County Manager Morris noted the hospital situation is not included in the recommended budget.

Chairman Inman noted the amounts that had been filled in the manager's decision flow chart:

- Collection rate increase = 97.47%
- Add back \$40,000 from the Animal Control budget
- Walmart Revenue = \$250,000
- Additional amount provided to the school system =\$200,000 for chrome notebooks
- Tax rate increase = 0 (for right now)
- Amount used from Fund Balance = \$2,999,940

Chairman Inman confirmed with Finance Director Edwards that the Walmart sales tax revenue for 2017-18 is projected to be \$523,260 annually with an estimate \$12 million in property tax value.

The Board discussed the Walmart projected sales tax of \$250,000 included in the recommended budget.

The Board discussed reducing the Walmart revenue to \$125,000 which would then increase the allocation from Fund Balance.

Chairman Inman noted the weather could push the time further than March 2017.

The Board unanimously agreed to reduce the Walmart revenue to \$125,000.

County Manager Morris commented:

- Information regarding a possible decrease in utilities revenue of approximately \$60,000 which has not been reflected in the manager's recommended budget
- This reduction would also impact the Fire Service District Budget in approximately \$8,000 if the tax rate remained at 8 cents as recommended
- There is also a chance that there will not be any change in the utilities revenue

Chairman Inman requested updated information from Finance Director Edwards regarding current sales tax revenue.

Finance Director Edwards commented:

- As of April 2016, there is \$218,297.26 increase over last year (94.89% collected of the budget through April 2016)
- Budgeted \$3,620,000 for Article 40 and 42 for FY 2015-16
- Budgeted \$4,655,616 for FY 2016-17 which included the new sales tax projection of \$1,250,000
- With the reduction of the Walmart revenue, sales tax will be budgeted at \$4,525,515
- Sales tax are shared with fire departments and schools
- Sales tax for General Fund would be \$905,515

Chairman Inman opened the floor for discussion regarding expenditures.

Chairman Inman opened the floor for discussions regarding recommendations by the manager for personnel and equipment.

Vice Chairman Booth confirmed with Finance Director that the 2015-16 Fund Balance allocated will probably be used this year. (\$2,241,843)

Finance Director Edwards commented:

- Reminded the Board of the recent \$250,000 Budget Amendment approved for hospital operations that was allocated from FY 2015-16

Chairman Inman requested discussion regarding any of the expenditures with holding off any decision making until Thursday when the full board reconvenes.

Vice Chairman Booth commented:

- Still keeping an open mind
- Still have a lot to consider

Commissioner Jones commented:

- My stance is the same as yesterday
- Feel like the commissioners that do not want a tax increase should go through the expenditures to figure out what is going to be cut
- I want to stabilize the county
- Don't think we can do it by cutting

Commissioner Lankford commented:

- Had my say yesterday
- No one else wanted to talk then
- You can talk today if you want to

Chairman Inman commented:

- Currently operating under the premise of no tax increase
- Got to look at the expenditures
- Need to look at the fire tax

Chairman Inman requested the pleasure of the Board to recess until Thursday or continue today.

Vice Chairman Booth responded:

- Recess until Thursday when Commissioner Walker is present

Adjournment

There being no further business to come before the Board, Chairman recessed the Budget Work Session until Thursday, June 23, 2016 at 12:00 noon.

Darlene M. Bullins
Clerk to the Board

J. Leon Inman
Chairman