

Commissioner Mendenhall moved to approve the Agenda as presented.

Commissioner Morris seconded.

Vice Chairman Walker opened the floor for any discussion/comments/questions.

With no discussion the agenda was approved as presented with a 4-0 vote.

(Any Attachments presented during the meeting will be attached at the conclusion of the minutes or available upon request from the Clerk to the Board.)

Budget Deliberations

Vice Chairman Walker noted that he would prefer to pick up where the Board left off and engage in open discussion.

Commissioner Morris commented:

- If we can go through the list I provided and get everyone's position I think that will get us started with getting the budget together.

Vice Chairman Walker commented:

- I think each Commissioner has a list of sorts with their priorities.
- I am not sure that Commissioner Yontz or Commissioner Mendenhall have had a chance to give their thoughts on the budget or ask any questions so I would like to give them the opportunity.

Commissioner Mendenhall commented:

- Fund balance and property tax are two items of importance to me.
- Next I would like to look at which items in the department requests we want to approve.
- Would like to decide what capital projects we want to do.
- It sounds to me like most are in favor of the raise for the library.
- Would like to determine if a COLA will be given and what percentage.

Commissioner Yontz commented:

- The list that Commissioner Morris provided echoed many of the things I would have brought up.
- Would like to determine an acceptable fund balance which will help determine most of the other items.
- Capital projects need to be decided on.

Commissioner Morris commented:

- The items that need the most attention at this point are what the other Commissioners have mentioned other than the personnel information.
- In my opinion we will just need to go through all of the personnel requests one by one and get those finished.

Vice Chairman Walker reviewed the items mentioned by the Board.

Commissioner Yontz commented:

- I feel strongly about the fund balance staying at 25 %.
- How does not putting the whole amount into the 4 cent fund change the budget?

Commissioner Morris commented:

- The General Fund Balance is what is being watched by LGC.
- We have always tried to keep a similar fund balance to like size counties.
- I am comfortable with 25%.
- With the 4 cent fund we need to decide how we are going to use that fund if we are going to change it.
- We have not yet mentioned the school fund balance and our fund balance is supposed to cover the schools as well.

Finance Director Julia Edwards commented:

- We have never included them in our fund balance.
- We can't tell them how to spend their money which is why the auditors don't include it that way.

Commissioner Yontz commented:

- I feel the 4 cent fund should be used for any school capital need, not just new construction.

Commissioner Morris commented:

- I would be ok with looking at that conceptually speaking as long as the public is aware of how the fund is being used.

Commissioner Mendenhall commented:

- I looked at the capital outlay request from the school again today.
- There are two major items on the list which are roofs.
- After that the list is spread out through many smaller projects.
- If we were to look at taking the 4 cent fund and using it towards these types of needs, I would be on board with that.
- If you will go back to our very first goal meeting my answer on the fund balance was to stay at or above on 25 % and I have not changed on that.

Vice Chairman Walker commented:

- I am in concurrence with the Board on keeping the fund balance at 25 %.
- I would like to put another thought out regarding the 4 cent fund.
- What if we put the quarter cent sales tax back on the ballot and designate it exclusively for school use to enhance the 4 cent fund.
- If we tell the citizens what we are using it for and we focus it on the schools, it may pass.
- Rockingham County just passed one with good results.

- Using this for schools would be our commitment to the people.

Commissioner Morris provided an overview on the 4 cent fund and its original purpose at the request of Vice Chairman Walker.

Finance Director Julia Edwards commented:

- When the 4 cent fund was created there was discussion that once the debt was retired the Board could look at changing the fund or use it as pay as you go.

Commissioner Yontz commented:

- We are in a position right now with our schools where our ADM is declining and there is not a need for new school construction, or at least not in the near future.
- When we look at remodeling some of the existing schools, to me a \$700,000.00 roof is remodeling.
- It makes being responsible stewards easier by changing the use to address the current needs before they become larger issues.

Vice Chairman Walker commented:

- There seems to be considerable interest among the Board in redefining the use of the 4 cent fund.
- Would like to request that the County Manager let the Board know of any items on the list he provided to the Board previously that need attention.

County Manager Oakley responded:

- If the Board continues to move through the list provided by Commissioner Morris we will have the information needed.

After much discussion from the Board on property taxes the general consensus of the Board was not to raise property taxes unless absolutely necessary with Commissioner Mendenhall stating that he would not vote for a tax increase.

Vice Chairman Walker noted that the Board could go through the equipment list as presented in the recommended budget with each Commissioner having a chance to omit items or ask questions.

Commissioner Morris noted that he was fine with any computer recommendations since those have been approved by I.T. Director Diana Fulp.

The Board concurred with the statement from Commissioner Morris related to the computers.

The Board went through the recommended equipment list in the budget.

The Board omitted the equipment connected with bringing the BLS in house and noted they would rather look at bringing on the 6th unit as requested by the EMS Director and look at the in house BLS at a later time.

(Vice Chairman Walker called for a short recess to be taken at 5:30 pm)

(Vice Chairman Walker called the meeting back to order at 6:00 pm)

The Board discussed capital projects and left most items as recommended with the exception of a consensus to omit the fuel depot at Autumn Square as recommended.

Finance Director Julia Edwards noted that capital projects are multi-year projects.

The Board discussed a COLA for employees with the consensus being in favor of doing this and the percentage depending on the final budget numbers.

Commissioner Morris commented:

- I think a larger COLA would be a step in the right direction on what the salary study is going to recommend.
- We will be looking at the salary study recommendation in next year's budget and this will be a good way to get ahead of this.
- I am sure we will be looking at a phased in approach on the salary study.

Commissioner Yontz commented:

- I am in agreement with this and feel like we should cut the reclassifications and let the salary study do its job.
- We can certainly start to close the gap with a larger COLA.
- I am in favor of a flat 4 percent at this point.

Commissioner Mendenhall commented:

- I am flexible on this and could go 4 percent.
- I will be able to make a more definitive decision once I see more on how the budget is lining up.

Vice Chairman Walker commented:

- I am in favor of a 2 percent COLA and looking at using the other 2 percent towards a merit based program.
- There are a lot of logistics involved in this and it would take some time to get something like this going.
- The next item I would like to discuss is the \$25,000.00 for a feasibility study for a Wellness Center.

Commissioner Mendenhall commented:

- In favor of a feasibility study.
- I voted for the Wellness Center and would like to see this study completed.

Commissioner Morris commented:

- In favor of a feasibility study as long as the Board approves the RFP before it goes out.

Vice Chairman Walker commented:

- We could do a more comprehensive study than just the Wellness Center and include if citizens are satisfied with the current options available to them.
- It would help to have feedback from the citizens.

Commissioner Yontz concurred that he was in agreement with a feasibility study.

Vice Chairman Walker commented:

- Our Economic Development Director seemed to place a lot of importance on the water project.
- I would like to give the Board an opportunity to discuss this.

Commissioner Yontz commented:

- I am in support of infrastructure and economic development throughout the county.
- Wherever we start, we just need to start somewhere this year.
- If there is grant funding available, then that would be great.
- The sewer project completed here was successful and we should follow that model.

Vice Chairman Walker commented:

- Does the Board feel we need to hire a grant writer since the word grant seems to be coming up?

Commissioner Morris commented:

- As Commissioner Yontz stated we can follow the model of the sewer project and hire someone like Pilot View who worked on that project or an engineering firm.

Vice Chairman Walker commented:

- I prefer an engineering firm.

Commissioner Morris commented:

- We aren't really budgeting the cost of the project; we are budgeting the cost of hiring someone to go after the funding for a project like this.
- The project I believe the Economic Development Director is talking about which is the Meadows area is a good place to start as we have an unfinished project there.

Vice Chairman Walker commented:

- Each year when I attend the Commissioners Conference and there are engineering firms there wanting to do these kinds of projects.
- I would like to see this be a competitive process and would like to talk to several different companies and gather information.

Commissioner Mendenhall concurred with the Board on the importance of infrastructure and starting this process.

(Vice Chairman Walker called for a short recess at 7:45 pm)

(Vice Chairman Walker called the meeting back to order at 7:55 pm)

The Board discussed personnel requests and cut all reclassifications and step increases with the exception of Natural Resources and Veterans Services which due to a retirement and promotion in the Natural Resources office and extended hours in Veterans Services had to be left in the budget. The Board left 10.5 new positions mainly due to the completion of the new jail expansion, and left the part time positions in the Register of Deeds and Animal Control. The Board elected to allow the salary study to handle the other deficiencies and make a recommendation to the Board.

Adjournment

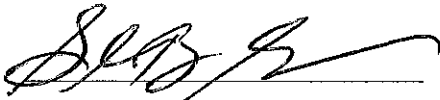
With no further business to come before the Board, Vice Chairman Walker entertained a motion to adjourn.

Commissioner Yontz moved to adjourn.

Commissioner Morris seconded.

Vice Chairman Walker opened the floor for any discussion/questions/comments.

With no further discussion the Budget Work Session was adjourned at 9:45 pm.



Shannon Shaver

Clerk to the Board



Andy Nickelston

Chairman