

**STATE OF NORTH CAROLINA
COUNTY OF AVERY**

The Avery County Board of Commissioners met in a Budget Workshop on Monday, April 25, 2016 at 3:00 p.m. in the Commissioners Board Room, Avery County Administrative Complex, 175 Linville Street, Newland, NC. The purpose of the meeting was to discuss the Fiscal Year 2016/2017 Budget for Avery County.

Members Present: Martha Hicks, Chair; Maxine Laws, Vice-Chair; Reo Griffith; Faith Lacey; Blake Vance

Members Absent: None

Call To Order

Chair Hicks called the meeting to order at 3:00 p.m.
Tim Greene led prayer.

Tim Greene, County Manager, stated that at this meeting we usually just have an overview. It tells how we started the process, what information you are going to be getting and what you are looking at. The process started in January. January 8th the 5 year capital request was sent to all the departments. February 11th we sent out the budget package. The department head fills that in and turns that in. March 8th through the week of March 17th, Nancy and I sat down and went through each department line item by line item. We have a pretty good handle on what the departments need. We do not let the departments do anything with the pay plan; we have a pay plan that takes care of all of that. The requests are most always going to be more than the expected revenues so we start the process of trying to balance it.

Last year we cut the tax rate 7.38 cents. That tax rate did not generate enough revenue for last year's budget so we appropriated 2.4 million dollars and when we talked about it in the budget process last year with all things being equal we would have to appropriate probably another 2 million dollars out of fund balance. All things are equal so with no changes to the tax rate it would take a 2 million plus fund balance appropriation to balance the budget. Like I said last year, long term that tax rate won't support the kind of budgets that we have this year and the budget we had last year. We are either going to have to do something with the tax rate or do something with the budget or some combination and that is where you will have to make those decisions. You will be getting a budget notebook that is tabbed.

Mr. Greene explained the tabs in the budget notebook.

Mr. Greene commented that some pay plan changes that are incorporated in this budget he would like to highlight. I did add an assistant emergency management position. David Charles Vance needs help and we have talked about that previously. We would like to get someone transitioned to move into that position. I left Gary Benfield in the budget for 20 hours to help with fire inspections.

We know that the IPM position will be ending June 30th; that is a dollar gain but we have to increase the match on the other positions out there. The state is saying we are going to have to start matching them 50% so that is incorporated in this budget.

I have made an increase in the part time telecommunicator pay because we have turned into a training ground for our telecommunicators.

I have added some part time recreation dollars because of the Department of Labor changes.

I have added longevity pay for site attendants. Over the last five to six years we have added benefits to them and that is the last thing that they have not been getting.

I have added a second person at the landfill on Saturdays which adds an additional four hours per week because of safety reasons. That will amount to about \$2000.00. I have changed two 30 hour positions to 40 hour positions in Transportation. Ten hours was added to the cleaning position at the senior center. That will make that position a benefited position.

Mr. Greene stated that what is not in this budget is some kind of cost of living adjustment for the employees. We are working on December 2010 salaries. I am proposing a 3% cost of living which is about \$250,000. That is something we can talk about as we go along.

Our next budget meeting is May 5, 2016 at 9:00 a.m. which will allow us as much time as we need to get into this budget.

Reo Griffith questioned what the increase from the adopted budget last year to the proposed budget? Mr. Greene said the difference is \$608,942.00.

Reo Griffith stated "the March revenue and expenditure comparison report reflected that we had received in revenue approximately 1.5 million dollars more than we had spent.

Nancy Johnson, Finance Officer, stated that she had not given the March report with all the journal entries yet.

Reo Griffith stated "so with that being said, how much money is going to be dumped back in on June 30th." Mr. Greene answered "there shouldn't be any. There should be more going out than coming in because you remember we appropriated 2.4 million dollars fund balance appropriation. We are not going to overcome 2.4 million dollars and will not know that for a couple of months."

Mr. Greene said "keep in mind on your budget with the cash flows that there might be one month you have more revenue and the next month you have more expenses than revenue. "

Blake Vance said "I would think looking at one month over a year would be like the Panthers being 0-3 in December but that is just one month, they could have won the other 13 games." Mr. Greene said "it is a cash flow thing." Mr. Vance said "that is taking a snapshot out of something with completely no context around it."

Mr. Griffith said "there is plenty of context around it. I want to know what the March Revenue/Expenditure report says."

Chair Hicks called the meeting back to order. Chair Hicks asked the Finance Director to get the information and send to the commissioners as soon as possible.

The next budget meeting is May 5, 2016 at 9:00 a.m.

Adjourn

Chair Hicks adjourned the meeting at 3:35 p.m.

Martha Hicks, Chair
Avery County Board of Commissioners

Attest: _____
Cindy Turbyfill, Clerk