

Windsor, North Carolina
June 5, 2019
BUDGET WORK SESSION

The Bertie County Board of Commissioners met recessed their meeting from Monday, June 3rd to meet today for a BUDGET WORK SESSION at 9:00 AM inside the Commissioners Room, 106 Dundee Street, Windsor, NC. The following members were present or absent:

Present: Ronald “Ron” Wesson, District I
 Greg Atkins, District II
 Tammy A. Lee, District III
 John Trent, District IV
 Ernestine (Byrd) Bazemore, District V

Absent: None

Staff Present: County Manager Scott Sauer
 Finance Director William Roberson

There were no media member present.

RECONVENE

Chairman Trent RECONVENED from Monday, June 3rd.

INVOCATION

Commissioner Wesson gave the Invocation.

WORK SESSION

Bertie Beach Day

County Manager Sauer provided a brief update on the upcoming “Bertie Beach Day” on June 29th and noted that the County’s Facebook page has had 11,000 views and the number continues to grow. Also, Commissioner Bazemore reported that television station WITN is willing to provide a community spotlight report in advance of the event in order to help with promotion for the June 29th Bertie Beach Day.

Proposed FY2019-2020 Budget Discussions

The Board discussed the challenges of meeting the proposed budget revenue projections and the recommended tax increase of nine cents. There was also discussion of the use of fund balance reserves as an appropriation to balance the budget. The County Manager explained that the rough estimate for the change in fund balance for the current fiscal year which ends June 30, 2019 will likely include the use of approximately \$500,000 for operational requirements, and the expenditure of nearly \$300,000 for the revaluation project resulting in a likely decrease of \$800,000 for the fund balance. County Finance Director William Roberson explained that there are significant recovery funds related to the grants for EMS Station One and the library and cooperative extension facility which will be reimbursed to the County. The estimate for these grant reimbursements is approximately \$900,000 to \$1,000,000.

The Board reviewed the FY 2019-2020 proposed budget for the General Fund starting with a line item review of each revenue category. The Commissioners had several questions regarding the year-to-date receipts for the current fiscal year as compared to the prior year as they examine the recommended revenue estimates.

Upon finishing the revenue projections, the Board turned its attention to the expenditures for the General Fund proposed for FY 2019-2020. County Manager Sauer suggested that the Board review the appropriations for two of the capital project which due to the likelihood that the schedules will be pushed into the next budget cycle, FY 2020-2021. \$149,695 is included in the proposed budget for kitchen equipment, office furniture, data cable wiring and termination points, and underground fiber optic cable installation for the new library and cooperative extension facility. Bids were opened in mid-May and the construction contract will be signed by the first of July. The estimated construction schedule is 12 to 14 months resulting in occupancy for the facility in FY 2020-2021. The proposed budget also includes an appropriation of \$130,000 for future site improvements for the County’s “Tall Glass of Water” project. The site plan is in the development stage and construction is not scheduled as of this date.

It was the consensus of the Board to remove these two appropriations from the proposed budget, with the understanding that project funds will be approved following preparation of more definite schedules and scope of work.

The Board reviewed each departmental operating budget, asked questions about specific cost increases and various capital outlay items in the proposed budget. There was significant discussion regarding legal expenses and the option of hiring a staff attorney and the Board expressed interest in having more background information. County Manager Sauer suggested having a meeting with the County Attorney would be very beneficial for the Board's understanding of legal expenses and the breadth of issues that require review by an attorney, noting that there is a wide variety of topics that are presented in any given year.

The Board also discussed the local funding for the County's twelve fire departments and how to ensure that each department is accountable for the use of County funds. There was also consensus for establishing a separate countywide fire tax for the next budget cycle, and interest in study this item more thoroughly in the coming months.

Several Commissioners also expressed interest in establishing a separate fee for operation of the solid waste and recycling convenience centers in lieu of having this expense funded by the County tax rate.

Consensus was achieved on the following budget reductions:

\$149,695	Capital outlay deferred for new library and cooperative extension facility and realigned with project schedule for FY 2020-2021
130,000	Capital outlay deferred for site development on the Tall Glass of Water project until new scope of work is approved
195,000	EMS personnel expense reduction due to lapsed salaries for vacant positions
128,144	Sheriff's Office personnel expense reduction due to lapsed salaries for vacant positions
16,000	Governing Body reduced expense for Poverty Commission projects
22,000	Administration building restroom renovations deferred
30,000	Courthouse restroom renovations reduced in scope
16,000	Sheriff's Office capital outlay reduced
10,000	Communications maintenance contract decreased
10,000	EMS Software license fee reduced

5,000	NET Software license fees reduced
<u>40,000</u>	Cooperative Extension operating funds reduced
\$751,839	Preliminary budget reductions – equivalent to 5.86 cents

The Board directed the County Manager to further examine the proposed reduction for the Cooperative Extension budget and confirm the funding requirement for the Department of Social Services and related transfers from the General Fund. The Board also had further discussions regarding the County’s fund balance and the estimated impact for the General Fund for the current year which ends June 30, 2019. The Board confirmed its consensus for making budget cuts to reduce the proposed tax rate increase from nine cents to three cents.

RECESS

Commissioner Bazemore **MOTION** to for the Board to *RECESS* until Monday, June 10 at 7:00 p.m. Vice Chairman Atkins **SECONDED** the motion. The **MOTION PASSED** unanimously.

John Trent, Chairman

Sarah Tinkham, Clerk to the Board