

MINUTES OF THE SPECIAL MEETING OF THE ALAMANCE COUNTY BOARD OF COMMISSIONERS FOR ALAMANCE COUNTY

**June 10, 2024, 3:00 PM
Commissioners' Meeting Room
124 West Elm Street
Graham, NC 27253**

Board Members Present: Chairman John Paisley Jr
Vice-Chair Steve Carter
Commissioner William "Bill" T. Lashley
Commissioner Pamela Thompson
Commissioner Craig Turner

Call to Order - Vice- Chair Carter

Budget Work Session Introduction - County Manager York

County Manager York reviewed the layout of that work session. She indicated that Rebecca Crawford, Budget and Management Services Director, would review some small adjustments. She also indicated that Susan Evans, Finance Officer, would discuss the use of fund balance later in the meeting.

Adjustments to the Manager's Recommended Budget- Rebecca Crawford

Rebecca Crawford, Budget and Management Services Director discussed some adjustments to the Manager's Recommended Budget that staff had recommended:

- Increase the ABSS Fines and Forfeitures revenues by \$200,000 based on current-year revenues, which would bring them to \$1 million.
- The Library Department received a notice of an additional award of \$27,000 in State Library Services and Technology Act (LTSA) funding, effective July 1, 2024, so they would like to amend the budget now as part of the adopted budget.
- Removed \$325,000 from ABSS Capital funding for Bleacher repairs - to be funded in the current fiscal year and increase transfer to Schools Capital Reserves.
- Removed \$30,000 from expenditures due to Economic Development Grants - the company agreement with the county had expired.

Commissioner Thompson asked about the status of the three ball fields. County Manager York explained that was in the capital improvement plan (CIP) and then in the Manager's Recommended Budget but it was adjusted. She referred to Ms. Crawford to discuss those adjustments. Ms. Crawford explained the adjustments made in the CIP reducing the park's athletic field upgrades in order to help balance the budget. She continued that the recommendation was to reduce those upgrades from \$1 million to \$350,000 for fiscal year 2024-25. Ms. Crawford indicated that it would still happen but at a slower process.

Commissioner Turner asked if B. Everette Jordan was not completed this year if the money would roll over to next year. Mr. Baker confirmed that it would since it was already encumbered. Commissioner Thompson clarified whether B. Everette Jordan would be done. Mr. Baker explained that due to the reduction of the project's scope, they were focusing on just one field.

Commissioner Turner asked about the start of the Public Defender's Office renovations. Mr. Baker said the current tenants had until the end of June to vacate, so it would not be before then.

County Fund Balance Usage - Susan Evans

Susan Evans, Finance Officer, discussed estimates of the county's fund balance at the end of the fiscal year. She emphasized that the fiscal year was not complete, and they would not have final numbers until the audit was complete. She commented that the unassigned fund balance had been used in the past to balance the budget.

Ms. Evans reminded the Commissioners that the county had started raising the amount they were budgeting in sales tax as a conservative safeguard. She further commented that just under \$8.3 million of that sales tax revenue was restricted to articles that could only be used for schools.

She commented that historical data for 2020, 2021, and 2022 showed they were budgeting for growth as sales tax continued to grow. She reported that in 2023-24 of the current fiscal year, the county had received ten months' worth of revenue.

Ms. Evans concluded that for fiscal year 24-25, they were budgeting to use \$7.4 million of unassigned fund balance and that sales tax revenues had been used to offset that amount that was being used. Ms. Evans said this was telling as revenues came in exactly as projected, and if expenses were spent to every penny, the county would use \$7.4 million of fund balance for fiscal year 24-25. She continued and said sales tax is the county's second largest revenue source, making up about 21.6% of its fiscal year 23-24 annual budget. Ms. Evans reiterated that this information shared about the fund balance and where they would be were best guess estimates at that time.

Commissioner Turner confirmed Ms. Evans reported information about previous years' use of the fund balance. He said the bottom line was that the county would not dip into this year's fund balance if things stayed the same for the next two months and had the \$10 million in ARPA funds that could be used for capital expenditures. Ms. Evans stated that the ARPA funds moved

to the general fund removed how and the time-sensitivity of when they had to be used. Commissioner Lashley asked for the amount budgeted for sales tax in the upcoming fiscal year. Ms. Evans reported \$45.9 million, a little less than the current year.

Additional Discussion on ABSS Funding - Board of Commissioners

Commissioner Turner asked about the technology and said those requests could be considered as capital. Greg Hook, ABSS Chief Operations Officer, said that would be a good direction because other school systems do that. Mr. Hook shared information about establishing a preventive maintenance program for all of the schools.

Commissioner Turner asked Revonda Johnson, ABSS Chief Academic Officer, about the teacher supplement. He asked Ms. Johnson, with them not being fully staffed if there was a number that they could say by not paying ABSS additional supplements for the teachers they would not hire.

Commissioner Thompson said school maintenance needed to be a priority to ensure the buildings were properly looked at to avoid being in a crisis again.

Mr. Hook discussed the school system utilities, which totaled \$5.8. He mentioned the estimated shortfall of \$2.52 million for the fiscal year 2024-2025.

Commissioner Lashley asked for the total amount paid for the teacher supplements. Ms. Johnson did not have those figures and said she could forward them to County Manager York.

Vice-chair Carter had questions about the staffing situation.

Dr. Harrison answered questions about the structure of the district's schools. He reported that an additional Title 1 middle school would be added next year. He explained that Title 1 schools receive federal funding because they have a certain percentage of students on free or reduced lunch.

Follow-Up Questions for the Budget Team - Rebecca Crawford

Ms. Crawford recommended that the Board use the final work session to discuss the Commissioners' adjustments. She said it would be great if they had any specific departmental questions so that the department heads could be present to answer questions about their requests.

Commissioner Thompson said that she wanted the budget to be fair. If one department took a cut, she mentioned that Parks and Recreation had taken cuts, and other departments should as well.

Commissioner Lashley wanted to discuss Parks and Recreation and the Sheriff's Office at the next budget work session. He requested that Parks and Recreation Director Jamie Merchel be present to share and make a case for what they had planned for Alamance County citizens.

Commissioner Turner inquired about the non-profit's budget. He also asked about the vacancies that were hard to fill in the county.

Commissioner Thompson discussed a crisis situation involving an 80-year-old homeless woman. She acknowledged Burlington Police Officer Sandiego Lopez, EMS workers Maria Holmes and Gregory Kim, and their supervisor Phillip Childers for their superb job assisting the person.

Chair Paisley commented that the new Alamance Behavioral Health Center's ribbon cutting would be on June 19th and encouraged everyone to attend.

Upcoming Budget Meetings:

Budget Work Session III: June 12, 2024, 2:00 pm

Regular Meeting, June 17, 2024, 6:30 pm

Adjournment

Vice-Chair Carter, seconded by Commissioner Lashley, moved to adjourn the meeting. The motion carried without opposition.

There being no further business to be brought before the Board, the meeting adjourned at 5:00 P.M.

John Paisley, Chairman Alamance County Board of Commissioners

Tory M. Frink, Clerk to the Board