

**MINUTES**  
**WILKES COUNTY BOARD OF COMMISSIONERS**  
**BUDGET WORK SESSION**  
**May 16, 2023**

The Wilkes County Board of Commissioners met Tuesday, May 16, 2023 at 3:30 P.M. with the following members present: Chairman Keith Elmore, Vice Chairman Stoney Greene, Commissioner Casey Joe Johnson, Commissioner Bill Sexton, and Commissioner Greg Minton.

Also present for the meeting were John Yates, County Manager; Chris Huffman, Finance Director; Brooke Felts, Assistant County Attorney; and Sarah Call, Clerk to the Board.

Chairman Keith Elmore welcomed everyone and called the work session to order.

**COLA INCREASE** – Chairman Elmore stated Commissioner Sexton has indicated he would like to increase the proposed COLA by 2%. Chairman Elmore stated he would like to remind everyone that Wilkes County does have a 37.5 hour work week, when they look at comparisons with other counties, they need to keep this in mind. It is a big deal, as most other counties work 40 hours. He added this was approved by the Board of Commissioners over 20 years ago; in lieu of a raise, they reduced the hours worked per week. Chairman Elmore stated they also have very good benefits and pay the retirement for employees and health insurance which increased 15% this year for the employees and the county is paying that increased cost. Chris Huffman added the county has had the worst insurance year in it's history this year. The benefits paid for the employee will be 1,000 per month or \$12,000 per year for 488 employees. Health insurance is one of the largest expenses the county has.

**CONSENSUS** – After discussion, the Commissioners unanimously agreed to an increase of 2% for a total of a 7% COLA for all full-time County Employees for the proposed 2023-2024 Wilkes County Budget.

**FUNDING REQUEST NOT INCLUDED IN RECOMMENDED BUDGET** – Mr. Yates stated the below requests were not included in the recommended Budget, but he wanted to bring them to the Board's attention as some of these requests may be addressed at the upcoming Public Hearing.

a) Courthouse Parking Lot Arms \$100,000.00 (estimated). He added this one came after the budget was put together. The Judges parking lot will have a parking arm installed this year. This request is for the employee parking on the right side of the Courthouse and at the back where the Sheriff is located to cut off access there.

b) Sheriff Department requests to add two additional steps to their pay plan.

c) Soil & Water requests to add Natural Resource Conservationist Streamflow Rehabilitation Specialist (Grade 67). Commissioner Johnson asked if the Natural Resource

Conservationist is a different position than the Education Specialist? They requested two positions, correct? Mr. Yates replied they did request two, this is just for one of them, but they can use this person to help with education as well. He added grade 67 salary range is \$38,896 - \$40,084 plus benefits.

d) Library (recommended 3% increase for a total of \$709,358 – requested \$731,515; Traphill Branch recommended \$34,160 – requested \$34,160)

e) Rescue Squad (recommended 3% increase for a total of \$206,000 – requested \$250,000)

The Commissioners briefly discussed these funding requests at this time.

**FUNDING REQUEST INCLUDED IN RECOMMENDED BUDGET THAT NEEDS TO CHANGE** – John Yates stated Soil & Water was awarded a grant for the Soil & Water Mobile Soils Classroom which was in the recommended budget for \$121,053.00, they received a grant for \$113,000 toward this, leaving only \$8,053 needed, which is good news. Chairman Elmore said this savings would cover almost two years of salary and benefits for one of the employees they have requested.

**REAPPRAISAL (Property Tax Revaluation)** – John Yates stated they wanted to clarify that the Reval will be effective on January 1, 2025 and will be included in the 2025-2026 budget. The Board briefly discussed the revaluation process. Will Lankford explained the contract service funds in the proposed budget. This is for a firm that will be helping the Tax Office with the revaluation over the next year for commercial values and the schedule of values. They will also help mentor the new employees that have not gone through a reval and briefly explained all the areas this firm will help and their experience.

**ADDITIONAL DISCUSSION:**

Mr. Yates stated Chairman Elmore mentioned he would like to discuss fees. Chairman Elmore stated he agrees with some of them and they probably need to go up, but he does not have his list at this time. He added there were fee increases requested in the proposed budget for the Health Department - Environmental Health; Planning Department, Inspections Department; EMS; and the Landfill.

Vice Chairman Greene stated sadly everything they touch has gone up. Commissioner Sexton added the fees should be somewhat close in line with other counties close by. They don't want to overtax the citizens on fees, but an increase in fees may be reasonable. Chairman Elmore said they are still under Surry County and that is a good comparison to use. Anderia Byrd briefly explained the fees they have now and some changes they would like to make specifically to bag sizes and fees to use a range, it is easier for staff and more fair to everyone. They currently operate at a loss of \$7,000 per convenience center. Mr. Yates added it is getting much more difficult to fill those jobs as well with part-time help. Chairman Elmore stated they need to look at the fees and need more comparisons, especially in Planning. He does not want to impose

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more fees on citizens, such as for well and septic or in inspections. If they come out and someone is not ready, they still have a fee. These seem small, but they hurt. Chairman Elmore added they know the fees do not cover the costs in any of these departments, it is the budget that covers these and everyone helps pay for these services. The peoples pay taxes for services and have a hard time taking advantage if they live way out of town. Chairman Elmore asked the Commissioners to review all the proposed fee increases in the Budget for more discussion in the next work session because a fee is a tax.

Commissioner Sexton asked about the appropriations to all the Community Centers and/or Ball Parks and the Yadkin Valley Heritage Corridor in the proposed budget. Have they always funded them and do other counties fund them? He added, traditionally they raised their own funds to keep them going. Commissioner Elmore replied that was going on when he got here 20 years ago. He added they reduced them last time Commissioner Minton was on the Board and he can speak to a couple: Boomer used to have ball tournaments and they helped them; Roaring River puts on a tournament for over 200 kids, maintains the park and field, and purchases balls, bases, and trophies. The thought was they have fields here in town, but they can't serve all the kids, this is an outreach for Austin, Roaring River, Boomer, and the others. It was cheaper for those groups to maintain those fields and walking tracks, etc. than to send someone from the County to do this and it also possible to offer more activities out in the county. Mr. Yates added a few years ago they made these appropriations all the same amount as well. Chairman Elmore said a lot of them explain what they need the funds for or use them for in the outside agencies book. He added they do need to know if any of them are no longer operating a program, as they don't need to fund them. Mr. Huffman said some of them did not send in a request before the deadline, but they did include them as most of them will ask later. Commissioner Sexton said they need to look at the ones that are not doing anything for the county or providing a program.

Commissioner Johnson asked about the agreement they sent out this year. Mr. Huffman replied it is to make sure they are an active 501(c)(3) and registered to receive funds, they are still getting these back from non-profits. He added about ½ have turned this in and they do not know of any that are struggling, the process is just taking longer with the additional paperwork. Mr. Yates added they will send more information to the Board on the requests received from each Community Center and/or Ballfield and the Yadkin Valley Heritage Corridor.

After further discussion, the Commissioners did not make any changes to the appropriations.

Chairman Elmore stated he has a question on the letter from Elections, they need to look at this. He added some of the information was confusing, the counties they used for the comparison and all of it was a little misleading; it was not an actual salary, just a starting salary. Chairman Elmore said they may need to increase the starting salary and asked why the hiring rate is so low. Mr. Yates replied the hiring rate will increase 7% with the COLA approved and that will help greatly. The county has always been behind in salary and hiring rates across the board. Mr. Yates said today they are down only 20 employees, which is lower than it has been, Rowan County is offering a \$25k bonus for Environmental Health, other counties are paying more and offering flexible schedules, and that is affecting EMS as well. Vice Chairman Greene stated with the additional 2%, the Director's salary will be in line with the 8 counites that surround

Wilkes. Chairman Elmore stated the starting salary is an issue. Commissioner Sexton added it does not cost anything to increase that. Mr. Yates stated they can't just increase one starting rate because they have a scale and that will affect all the others. Mr. Huffman added if one department is singled out, it affects all departments because it is based on grades. Mr. Yates stated if they just move up the hiring range more than the COLA, it will make a new employee very close in salary to a longer term employee and that upsets everyone.

Commissioner Johnson asked how often do they do a pay study. Mr. Yates replied when they can get the votes to do this, it is expensive. Chairman Elmore added he is not opposed to a salary study, but if they do it they need to be ready to implement it. Mr. Yates agreed. Commissioner Minton added back in 2008 he was an employee and participated in the salary study. The problem that they got into was the county evaluation and county population reaching the coastal, piedmont, or mountains and then how far will someone drive for a higher paying job. Commissioner Minton stated in '08 the county implemented the study, correct. Mr. Yates added they implemented only one step and brought the lowest paid up. Commissioner Minton said this caused compression and that was the problem, they did not follow through with steps two and three. The compressibility when the starting rate was bumped up overnight left individuals that had worked here 16 years only \$1,000 above the starting salary of a new employee. Phases two and three would have fixed this, but they were not implemented. Mr. Yates agreed, unfortunately '09 and '10 came and they were worried about keeping people employed and had to do furloughs and they could not implement the other phases. Chairman Elmore agreed, during those times they gave zero raises, the fund balance was very low, and things were tough.

Chairman Elmore added they have looked at going to a 40 hour work week, but people don't want to do that either. He added this has to be taken into consideration with any study. Chairman Elmore asked if they want to do a salary study. The DSS Director did this for the surrounding counties a few years ago, they don't have to do a full-blown study. Commissioner Minton added they can't do this unless it is implemented and it will show the County still underpays and they are losing employees. He added the UNC-SOG publishes this each year, but it is extremely hard to match apples to apples. They can't just use the surrounding counties, it has to be like populations, valuations, income streams in, and expenses out, this is the problem. Vice Chairman Greene stated it does not sound like much, but 37.5 hour work week vs. 40 hours annually is 3.5 weeks off, its almost like working 11 months. Commissioner Minton stated not all departments work 37.5 hours, it's not apples to apples.

Chairman Elmore mentioned the debt service and how low it is in Wilkes and they could borrow much more money if they needed to. Mr. Huffman replied the debt for this year is \$3,636,000.00, the total outstanding debt is \$35,594,000.00. Mr. Chris Alexander stated most counties in the area have a far higher level of debt than Wilkes. He briefly discussed debts and projects that some of the surrounding counties have at this time. In comparison, Wilkes is very low and it is not just the debt, it is the debt per capita basis. Wilkes is in the bottom quartile for the entire State. This looks at three things: debt per capita, debt as percentage of annual expenditures, and debt as a percentage of medium household income. In every metric, Wilkes is very low. Chairman Elmore stated he thinks there is a mistake in the budget that, once it was extended, had an extra number that caused a large error. It's in the Blue Ridge Opportunity Commission, they

may have just saved \$500K. Mr. Huffman replied yes, thank you for bringing this to our attention. Mr. Yates added all these numbers have to be input manually by the staff and this is a great find. Mr. Huffman agreed the finance staff does a good job, but they also had a required software update during this time that changed things and how they do them as well. He also has some new staff and this is the first budget they have worked through. He reviewed it many times. But missed this.

**ADJOURN** – The Budget Work Session of the Wilkes County Board of Commissioners adjourned at 4:42 P.M.

Sarah D. Call, Clerk

Giddeon Keith Elmore, Chairman

**WILKES COUNTY BOARD OF COMMISSIONERS**

Approved: June 6, 2023