

incorporated in the County Manager's fiscal year 2019-2020 budget and the 2019-2020 Pay and Classification Plan in accordance with the Granville County Personnel Ordinance. The salary and benefits costs associated with pay adjustment for minimum salary grade adjustment and market review changes are estimated to be \$39,263 for the changes and are included in the continuation budget.

County Manager Felts referred to the Fee Manual on page 181 and noted that the Library Fees need to be added and were distributed in a handout. He explained the three departmental changes for Animal Management Division Fees, Addressing/GIS Fees and Library Fees.

SUMMARY OF GENERAL FUND REVENUES AND FUND EXPENDITURES

Steve McNally, Finance Director, referred to the budget document for the summary and general fund revenues. He noted that there is a slight increase in all revenues by major source and reviewed sales and other taxes. He noted that the shared industrial sites have started generating tax proceeds and are identified as Triangle North allocations. He then reviewed intergovernmental revenues; licenses, fees and other revenues and investment earnings and transfers in.

When asked about the privatization of ABC and how it would affect revenue, County Manager Felts said that the bill is still active and there is a lot of opposition. One challenge is how to distribute revenues if it is privatized. County Manager Felts was asked about the SIBDA (special intensity bonus density allocations) and said it may be time to evaluate these.

County Manager Felts distributed the following handout that summarized revenues and expenditures and reviewed:

The following is a brief summary of the functional areas of the County's general operating budget and Other Funds.

General Government – 6%

(Board, Administration, HR, IT, Finance, Auditing, ROD, Elections, Tax Administration, and General Services)
General County Government activities decreased 3.9% from the current amended budget.

Human Services Departments – 22%

(Social Services, Veteran Services, Senior Services, and Health & Medical Services)
The Health and Human Services area of the budget averaged a 6% increase.

Community Services – 10%

(Library, CES, Recreation, Parks, Inspections, Planning, Addressing, Economic Development, and Construction Administration)
Community Services averaged a 3.1% increase. Most of this increase relates to County facility maintenance projects.

Education – 37%

(VGCC & GCPS)

Education funding increased \$818,503 or 3.4%. Vance-Granville Community College funding remains level with the prior year and funding to the Granville County Public School System increases \$958,070 (operating & capital). Education related debt service decreased \$139,567.

Public Safety – 19%

(Sheriff, Detention, Emergency Communications, Emergency Management, Animal Control, Fire Services, and Forestry support)

The Public Safety functional area showed the largest net increase of \$1,003,569 or 8.4%. The majority of this increase is related to the debt service associated with the new Law Enforcement Center, Detention Center, and Animal Shelter. Fire Services includes a 3% increase to the Volunteer Fire Departments.

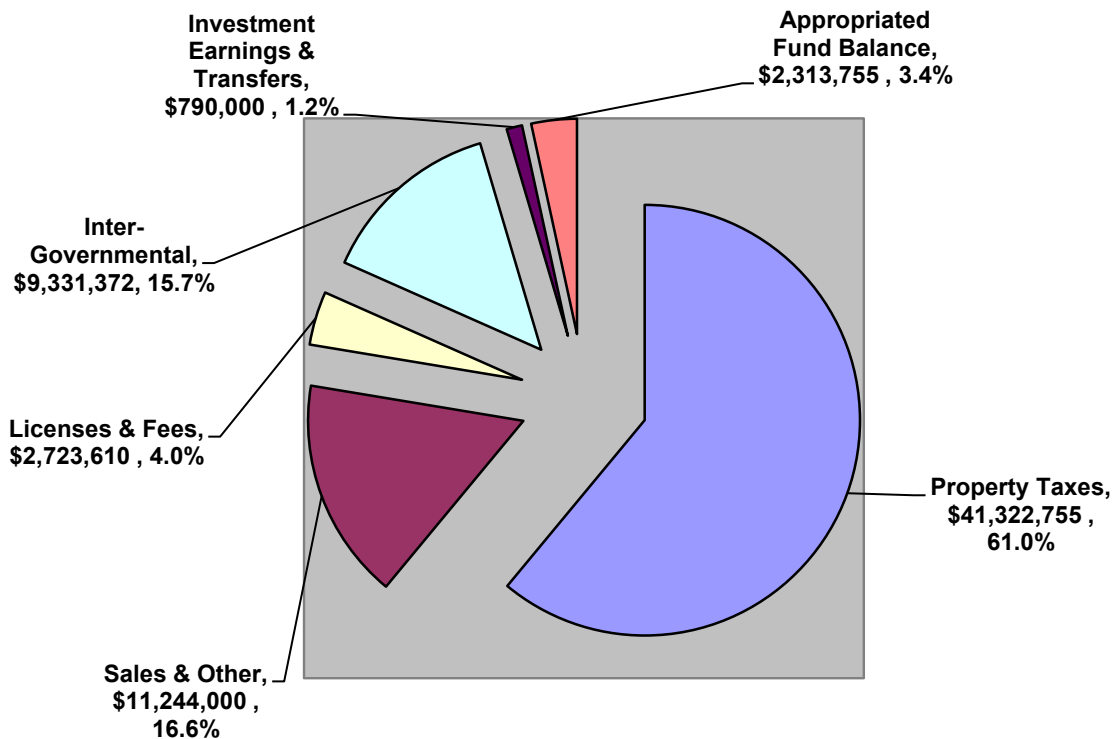
Area Projects & Other Appropriations – 6%

The amount budgeted for Special Appropriations remained fairly flat when adjusted for one-time funding to the Tar River Land Conservancy and a reduction in programmed funding for KARTS capital improvements.

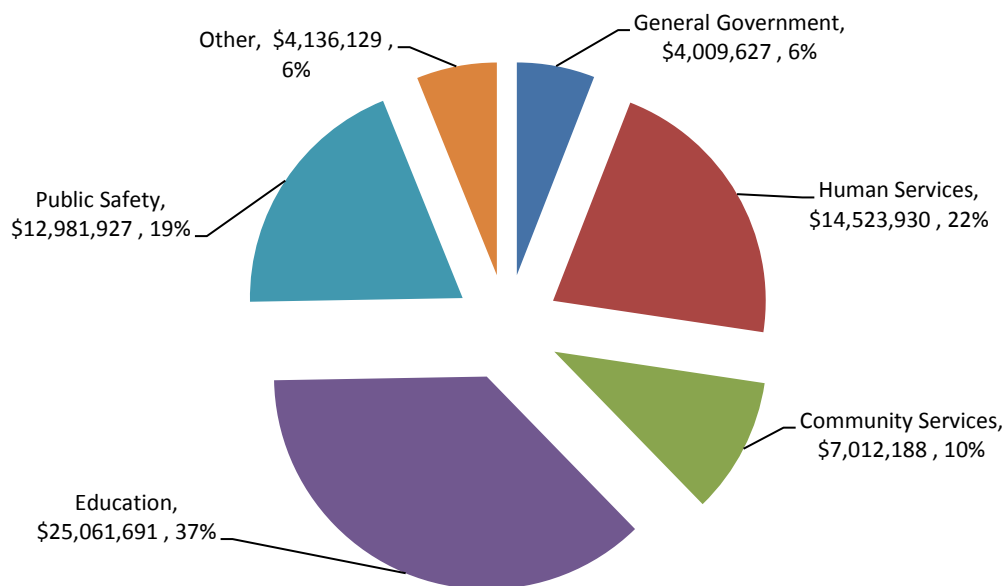
Non-departmental expenditures show a 16% increase from the fiscal year 2018-19 amended budget which results from funding for employee performance based pay adjustments and from a \$250,000 set aside to assist with possible broadband/connectivity projects.

Contingency

The Contingency appropriation is \$290,000 consistent with prior years funding levels.



FY 2019-2020 Budgeted Expenditures



County Manager Felts reviewed the operating budget and other funds based on the notes from the handout. He started with General Government and Human Services Departments. When asked, he noted that there is no funding in the continuation budget associated with moving the Health Department from the current location to a new location. He explained that Cardinal Innovations extended the deadline of a grant that will be used to help with the move of the Health Department and that due diligence is being done at this time. The plan will be to bring back a proposal to the Board in November for implementation between January and June of 2020.

County Manager Felts continued by reviewing Community Services. He referred to pages 95 and 96 of the budget book and the list of Major Capital Projects Proposed for 2019-2020. He reviewed the list and asked for direction for the Administration Annex Renovations project located at 122 Williamsboro Street, Oxford: General exterior improvements to the building are estimated at \$275,000. He explained that the building needs painting, but because of the material the building is made of there will be signs of wear and tear within a year. He said the building needs treating and then painting. He mentioned moisture problems that are starting and noted that the roof is in good shape. He asked for direction to proceed noting that if the courthouse is expanded this building may come down. Discussion ensued. County Manager Felts said that this item will be brought back up at a later date

County Manager Felts continued his review with Education and then Public Safety. He mentioned the pressure on surrounding counties for funding fire services, the challenges that our fire departments are facing to maintain certifications, and improvements to fire service ratings in the County. He noted that the fire departments with the larger allocations are first responder units. He continued with Area Project and Other Appropriations and Contingency. He noted that the process for fiscal year 2020-2021 budget, Granville County will go to a zero based budget.

When asked, County Manager Felts said that \$2M has been set aside for a Senior Center in Stovall and the next step is site selection and planning.

BREAK

At this point, Chairman Jay called for a short break.

SUMMARY OF OTHER FUNDS

County Manager Felts and Steve McNally, Finance Director reviewed the other funds that are not funded with general tax dollars including the Emergency Telephone System Fund, R. H. Thornton Library Memorial Fund, Stormwater Services, Solid Waste Management – Landfill Operations – C & D and MSW landfills, and the Solid Waste Management – Convenience Centers. When asked, County Manager Felts stated that convenience site fees will be evaluated once the convenience site management contractor is selected. The new contract will take effect January 1, 2020.

REVIEW OF SERVICE EXPANSIONS – COUNTY DEPARTMENTS AND OUTSIDE AGENCIES

County Manager Felts said that 49 service expansion were submitted and that it would cost \$8.2M to fund all of them. He noted that \$2.3M of fund balance had already been appropriated in the continuation budget. He noted that \$338,627 could be spent without a tax increase. Department Managers were present and he noted that some may speak at the budget public hearing. At this time, Mr. Felts reviewed the list of service expansions.

KEY POINTS FROM BUDGET PRESENTATION

County Manager Felts stated that this was the only scheduled budget workshop and noted that the budget public hearing will be held May 20th. Commissioner Cozart noted that the School Liaisons will meet on May 15th. Listed below are key points from the budget presentation:

- Cooperative Extension – AG Advisory Board Administration – can be taken out of FY 2018-2019 budget
- Education – Activity Bus - can be taken out of FY 2018-2019 budget
- Human Resources – Longevity Pay – important to some
- Special Appropriations – Stormwater Draining at South Granville Memorial Gardens – can be put on Capital Improvement Project list
- Social Services – need to be proactive
- Look at other funding sources instead of raising taxes

Chairman Jay thanked County Manager Felts, Finance Director Steve McNally, and staff for putting together the budget and looking out for our citizens.

BOARD ADJOURNED

Upon a motion by Commissioner David T. Smith, seconded by Commissioner Tony W. Cozart, and unanimously carried, the Board recessed at 11:13 a.m.

Respectfully submitted,
Debra A. Weary, NCCCC, CMC
Clerk to the Board