

The Russell County Proposed 2014-2015 Budget  
Meeting Minutes  
September 10<sup>th</sup>, 2014  
1:30 P.M. EST.

Commissioner Lee motioned to reconvene the Russell County Commission Meeting and was seconded by Commissioners Pugh and Epps. The vote was unanimous.

A quorum was established.

Administrator Horne presented a brief overview of current revenue and benefits:

Russell County has experienced moderate growth in Ad Valorem, Sales & Use Taxes and Business Licenses which are major revenue funds in the General Fund. The County has received and slightly exceeded overall budgeted revenue for the general fund for 2014. Remaining anticipated revenue generally comes in this month and will be posted as of Sept 30 2014.

The General Fund provides operating revenues for all county government departments except Utilities Department. The Utility Department is completing its first year as a county commission department separate from the water authority. The Utility (Sanitation) Department operating revenues are received from fees for sanitation services. General Fund supports/contributes to engineering operational, construction and road projects estimated over \$1million dollars.

Engineering, Appraisal and Utilities Departments also have other revenue sources than general fund that provide funding for their departments, operations and services. The county general fund provides revenue for appropriations which are approved for specific area civic and social agencies to assist in supporting social agencies and civic services.

The proposed 2015 general fund budget is \$14,953,141. That is a difference of \$54,680 above 2014. The County reserves are above the legal requirement of retaining three months est. at \$2.1M in reserves and projection for reserve balance as of 9/30/2014 is \$4.2M for general fund; however, I am continually working to maintain and build county reserves. This could not be achieved without elected and appointed officials managing their budgets during the year making every effort to reduce expenses. Thank you for working with the Commission and me to reduce expenses yet provide quality services to our citizens.

The proposed total for the county budget as of today is \$30,708,604. The total budget includes all funds such as general, special, enterprise and debt service funds.

The County Commission participates in the State Health Insurance Local Government program. The County Commission pays 100% of health insurance premiums as a benefit on top of employees' salary for active employees and retirees. The County currently has 304 employees. The insurance premium for county employees is \$396.00

for a total average annual expense to the Commission of \$1.5 million. Also the commission pays 100% medical coverage for retiree over / under 65. Currently there are 14 retirees under 65 and 40 that are over 65 years of age; average annual premium of \$326,752. Many State and Local governments have made budget adjustments due to the high cost of health insurance rates by implementing participation programs from the employee in their health insurance monthly premium. Fortunately, rates have not increased for Russell County (to-date) and the Commission can continue to support this benefit for employees at 100% (for now) rather than have employees pay a portion of their health insurance premium. This is a benefit that continues to change with local and state governments due to the continuous rise in insurance rates.

The following is a general overview of the **proposed** balance budget for 2014-2015:

I am recommending for the Commission's consideration a 3% increase for all current employees. This is in-line with our current salary schedule. All positions that are not filled at the time of adoption of the budget will remain at their current rate of pay and not receive the 3%. Any position that is approved for a one-time salary adjustment will not include the 3% on top of that adjustment.

Proposed appropriations to area social and civic agencies total \$710,187. These include agencies (County-wide)—not just in the unincorporated areas of Russell County.

Commission funding engineering operations, dirt road paving and ATRIP (Transportation) Projects for the county are proposed totaling \$1,153,150.

Commission budgeting funds for court services: Juvenile and Drug Court Programs totaling \$40,000

Proposed County Facilities Improvements: Construction of restrooms at Masonic Lodge \$25,000; Proposed Elevator additional funds for Seale Courthouse \$25,000 (pending grant); Ladonia Sports Complex \$40,000 for facilities and field improvements plus \$165,000 for all recreational capital projects at Seale and Fort Mitchell for recreational improvements for citizens.

Fort Mitchell Fire Department & Community Center proposed paving project \$12,000

Funding for the Volunteer Fire Departments \$85,000

Proposed funding to assist with construction of a Veteran's Park for the American Legion Post Fletcher McCallister Post 135 \$10,000

Funding is included to construct a County Ambulance Building for county ambulance service / workers and it will also house an office for the Sheriff's Deputy serving as a precinct in Seale to be located in front of the Russell County High school at \$150,000.

Five (5) law enforcement vehicles (Sheriff and Jail); (1) maintenance truck

Funding to replace air conditioner on Courthouse estimated at \$67,000. Mr. Sellers stated Courthouse needs a new roof; however, that project will have to be let for bid and at that time we will come back to request funds for that project.

County departmental budget reviews are as follows:

- County Commission - Administrator Horne stated that the Commission's budget is basically level with the exception of reducing contract services which was placed in the Special Enforcement budget for abatements. The Commission budget does reflect a 3% increase in salaries for everyone, if the Commission approves the increase.
- Engineer Department - County Engineer Larry Kite gave highlights of his budget. He stated that his department budget is a 3.71% increase from last year's budget, which is just speaking of only the Fund 111 operations (gas Tax), the other two funds are level funded. The increase is due to a salary increase of 3% (\$67,400), also a 28% (\$43,000) increase in dirt road paving and a 27% increase in future equipment loan paying that is being proposed.
  - Equipment - The sale of surplus equipment valued at \$397,000 to purchase and finance one (1) motor grader and three (3) new dump trucks is also proposed. He also included in the budget buying a used tract hoe through the State Surplus for \$75,000.
  - Projects – 2.4 miles of dirt road paving will be completed this fiscal year. Mr. Kite proposes that in fiscal year 2015, 5.05 miles will be paved at a cost of \$227,250. Completion of the paving will be factor by weather and other special projects and ATRIP projects. A list of projects was included in the Commissioner's packets for your approval.
  - County-wide Resurfacing – 4.5 miles of resurfacing which will be 100% from county gas tax funds. \$45,000 for county-wide patching, leveling and striping. That should include approximately 5 to 6 roads for spot leveling and patching, also 8 to 10 miles of striping or restriping. Hughley Road is scheduled to be paved for a winter or early spring letting. ATRIP, projects consist of 31 miles scheduled and 2 bridge projects which will come out of the general fund,
  - Special Projects – Pipe replacements on Lynn Road and Richardson Road and pipe/bridge replacements on Hughley Road and Antioch Road. There are several projects for the Sheriff's Office and the Crawford Community Lodge (community center).
  - Salary Schedule – Last year the shop was restructured. The Mechanic Superintendent position that was making approximately \$50,000 a year. The position was reclassified to a Chief Mechanic; leaving only mechanics positions with the highest being a chief mechanic, which salary is currently \$39,883.90, if the proposed 3% increase is approved it will be \$41,080.42. When I restructured the shop the position was decreased too low. The

person that was hired is qualified for a chief mechanic position and has proved he can perform the Mechanic Superintendent position that was changed. Mr. Kite requested an additional \$2,400.18 above the 3% increase. This is not included in the proposed budget for 2014-2015. Mr. Kite said this increase can be covered by reducing engineering overtime and not filling vacant positions as quickly as in the past.

Commissioner Epps asked Mr. Kite if he felt providing an increase to just one employee who has been there less than a year would affect other employee's morale. Mr. Kite stated he knows of no morale problems in his department.

Commissioner Corbett discussed took place over the purchase of chainsaws for the fire departments, so they could cut fallen trees that are blocking roadways. It was proposed to come out of the engineering budget. This program could reduce overtime and fuel cost for the engineering department. The purchase of 22 chainsaws at \$343 will cost less than \$8,000. This is not in the budget, but be added to the engineering department if approved. Mr. Kite has written up policies and procedures for the fire departments. Engineering would still have to be called out so there would be some overtime if they are called out after hours to assist fire departments.

- Sheriff's Department – Sheriff Taylor stated they were able to save money in the jail and sheriff's budget returning approximately \$700,000 to the bottom line of the 2013-2014 budget.
  - Grants – Application has been submitted for a grant that will pay the salaries for two (2) new deputies. That grant has not been awarded yet therefore; this was not included in the 2014-2015 budget. If Russell County is awarded the grant the Sheriff's budget will need amending.
  - Personnel - Sheriff Taylor has requested for an additional Sergeant. to cover their fourth shift of patrol and a Pistol Permit Clerk to handle the increased volume of pistol permits.
  - Dues Line item #303 needs to be increased back to \$4,000.
  - Renovations to the bathrooms were included in the budget, which increased line item # 239 approximately \$5,000. The renovations were cut and Sheriff Taylor requested for that to be added back to his budget.
  - Salary Study – Sheriff Taylor asked to have a formal salary study done by an outside agency to address issues and to implement a pay per performance rating system.
- Jail – There were a few items that were cut from the proposed budget.
  - Food carts and shelving are needed. This would increase line item # 214 Minor Equipment an additional \$7,386.00. The County Administrator requested to purchase the shelving in this year's budget to create fewer changes in the proposed budget. Sheriff Taylor agreed.
  - Span of Control - This was not in the budget proposal, but Sheriff Taylor requested \$7,245.00 and to allow him to take Six (6) employees and make

new positions as Corporals giving them more supervisor duties and responsibilities.

- Maintenance Personnel – Sheriff Taylor stated this employee was hired at \$29,000 and requested to increase his salary to \$33,400. He is on call 24/7 at the jail. Jail calls him in at any given time depending on what the inmates have broken or equipment that is not working correctly. He has taken on additional duties throughout the year.
- Animal Control – There are no changes.
- Russell County Utilities (Garbage) – Carl Currington stated that the Utility Board has approved the proposed budget submitted. He gave an update of the departmental progress since the split from the Water Authority. Mr. Currington did request a one-time salary increase for himself, which would come from garbage funds this pay request will be equal to what the previous directors were making. The department is self-sustained and by state law all funds collected by this department can only be used for maintaining and the operation of garbage collection/service.
- Inspection Enforcement Office – Bill Friend stated that proposed budget was increased from \$83,507 to \$96,114.
  - Insurance – Line item # 122 - \$4,536 is listed for the proposed budget. Mr. Friend stated that this should be removed since he and his employee are retired military and do not receive county benefits. The County Administrator stated we leave this line funded in the event the county may need to replace and /or hire an employee during the year that needs benefits. This is easier than doing a budget amendment.
  - Miscellaneous Services – Line # 199- \$10,000 this is the first time these funds have been placed in his department budget and are for abatements of property. Administrator Horne stated the addition of this line item and the increase funds will help tract abatement expenses which have been more frequent than years past.
- Parks and Recreation – Coach Parker agrees with his proposed budget. He discussed projects for the 2014-2015 budget year.
  - Ladonia Complex – This was the first year the Parks and Recreation Department took charge over the complex. Money spent in 2013-2014 was to get the baseball season started and to do as many projects as possible. A long term plan has been formulated for upgrading and maintaining the complex, similar to the plan for the Seale Sports Complex. Not included in the budget
  - Commissioner Epps has requested possibly building a multipurpose field in District 5 which is not included in the budget. However, we are working on a plan for Fort Mitchell a practice field and signage.

Discussion took place concerning the Ladonia Complex and what is the most important project for the complex. It was decided the bathrooms are a must at this time and work on the rest of the complex in phases.

- Juvenile – Judge Buster Landreau discussed the problem of holding Juveniles and the increased cost of a bed at the detention center. The rate went from \$17,000 to \$29,000 a year. He requested an increase and discussed that the County needs to increase the number of beds for juveniles. However, due to the increase it's not feasible at this time.
- Probate Office – Judge Alford Harden Line item 113 that has decreased \$22,000 due to new personnel. Line item 541 was deleted completely, but added the funds to line item 262 mileage - \$3,000 and line item 265 increased \$2,000 for training. This will still make his 2014-2015 budget under last year's budget.
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- Revenue Commission – Revenue Commissioner Naomi Elliott requested to decrease line item 253 advertising to \$4,700 and Line item 265 Registration and Training add additional \$300.00 to make the amount \$3,000. The total of the budget will stay the same.
- Tag Office – No Changes.
- Building, Grounds, Maintenance & Custodial – Administrator Horne stated: Mr. Sellers did not want to make changes to his proposed budget, but requested for me to remind the Commission he would like to let bids next year for the Courthouse roof. The roof is not budgeted because we did not know how much the replacement cost would be. Scott Holmes estimated around \$200,000. There is money in the budget for replacing one of the heating and air units on the Courthouse, which is 15 years old and is giving problems.
- Board of Registrars– No Changes
- Coroner – No Changes
- Building Inspections – No Changes
- Emergency Management – No Changes. Commissioner Lee requested that the EMA office place the chainsaws being purchased for the fire departments in his budget so they could be accountable for the equipment as they have with other items they have purchased for the fire departments to use. EMA Director Bob Franklin agreed to do so. The Engineering Department will still purchase the chainsaws because they will be able to get a better price through their vendors. Mr. Franklin will be responsible for inventorying them.

- Mapping & Appraisal Office – No Changes to proposed budget. It does include a one-time salary adjustment of 3% for an employee who has taken on extra duties and responsibilities.

Chair Martin recessed the meeting until Monday September 15<sup>th</sup> at 9:30 a.m.