

TOWN OF GRIFTON  
BOARD OF COMMISSIONERS  
BUDGET WORKSHOP

May 4, 2010

Present: Mayor Billy Ray Jackson; Commissioners Ardathy Spikes, Richard Hill, Al Clements  
Buddy Albritton, Sammy Whitehurst; Manager Joe Albright, Clerk Angel Hudson  
Absent: None

Meeting called to order at 5:00 p.m.

Manager Albright presented the preliminary proposed budget for fiscal year 2010/2011.

Manager Albright informed the Board that the current 2009/2010 budget is expected to be about \$125,000 less than what was originally budgeted. This is mainly because of declining sales tax revenue and poor budgeting. However, measures have been taken to slow spending in this budget but some unforeseen items have come up that were not budgeted. He also stated that because of the money we will have to use out of fund balance to balance the current budget we will be getting questions from the Local Government Commission. He also stated that we would have to explain what we are doing to increase fund balance.

Four of the past Five years we spent more money than we made. Revenues have been declining and expenditures decreasing. Manager Albright stressed that we will have to take critical measures to build up fund balance, which is monies in reserve to spend in emergency situations that were not budgeted.

Manager Albright also stressed that we need better financial planning in order to fix the issue at hand. We must increase revenues and decrease expenditures.

Manager Albright made the following suggestions to the Board:

1. Eliminate 2 positions. (One from workshop and the other from the Police Dept.)
2. Increase the garbage rate from \$5.00 to \$10.00. (Town's cost is approximately \$11.00)
3. Raise tax rate 5 cents.

Manager Albright relayed to the Board that he had a hard time finding any other ways to increase the revenues.

Commissioner Spikes asked about the 2 houses on Birch Road.

Manager Albright said he is working diligently with certain agencies to get the houses sold.

Commissioner Hill said he understood the reasoning behind the cuts in the upcoming budget but he felt sorry for the people on fixed incomes.

Manager Albright asked the Board for any suggestions or ideas they have and those suggestions and ideas would be very much appreciated.

Manager Albright stated there would be no equipment purchased other than 2 new computers in the office because the administrative staff is unable to run certain reports needed.

Manager Albright informed the Board that the Health Insurance increase was not in the proposed budget. Because no raises have been budgeted, he would like to do everything possible to not take money out of the employee's pockets. Anything less would basically be a pay cut.

Manager Albright stated that there will be a letter of explanation for the increase in charges sent out with the utility bills in July.

Manager Albright also informed the Board that an audit is being done for Waste Industries. The contract dated in the year 2000 states that we pay a certain amount per residence for 930 residences. Waste Industries is now billing us for 1200. We are finding the problem being that some people have 2 cans and some businesses are not paying for pickup. The Clerk has always been under the impression that we do not provide pickup for businesses. The Board agreed. This issue needs to be taken under advisement. When audit has been completed measures will be taken to correct this situation.

Manager Albright gave a lot of credit for the leg work on the budget to his management graduate assistant, Alicia Arnold.

The Board thanked Alicia for her hard work.

Commissioner Albritton made a motion to recess this workshop until May 11, at 6:00p.m. Seconded by Commissioner Spikes. Motion carried unanimously.

**The budget workshop was reconvened at 6:00p.m. on May 11<sup>th</sup>, 2010 to discuss health insurance.**

Mayor Jackson called the meeting to order and turned it over to Manager Albright.

Manager Albright stated that the reason for the continuance of the budget workshop was for him to investigate the substantial rate increase in our current health insurance that is provided to our employees and their dependents.

Manager Albright said he has spoken with the provider and made changes so the increase will only be .01% versus the 25.5% increase originally talked about. The deductible will go from \$500 to \$1000 and few things will be changed on the prescription drug benefits. He stated that he has spoken with a few employees and they feel it is fair to change the insurance benefits versus making more of a contribution. With no changes to the

insurance, it would have been a \$30,000 total budget increase. However, with the changes it is only a \$1600 increase.

Respectfully Submitted  
Angel Hudson  
Town Clerk