

MINUTES OF THE HOUSTON COUNTY COMMISSION
REGULAR SESSION
September 9, 2024

PRESENT: Chairman Brandon Shoupe, Commissioner Curtis Harvey, Commissioner Tracy Adams, Commissioner Ricky Herring, County Engineer Barkley Kirkland, Chief Administrative Officer Peter Covert and County Attorney Pres Register.

Chairman Shoupe called the 10:00 a.m. meeting to order and welcomed everyone to the September 9, 2024, Houston County Commission Regular Session and declared a quorum as a majority of the commissioners were in attendance.

Pastor David Saliba, from First United Methodist Church, gave the invocation and Commissioner James Ivey led in the pledge of allegiance.

The minutes of the previous meeting were approved on a motion by Commissioner Herring and seconded by Commissioner Harvey. The motion carried unanimously.

ABSENT: Commissioner James Ivey

ANNOUNCEMENTS AND COMMENTS FROM THE CHAIRMAN AND COMMISSIONERS

Chairman Shoupe announced that Mrs. Sara Holland, wife of Dutch Holland and owner of the Harley-Davidson Shop in Dothan, passed away over the weekend. Mrs. Holland was a pillar in our community and a big supporter of our law enforcement. Chairman Shoupe extended his condolences to the family on behalf of the entire commission.

Chairman Shoupe also announced that he and Commissioner Ivey visited the Wicksburg Senior Center, and he was very excited to see the growth at the center and the many seniors that are now attending. He then acknowledged a special guest in the audience today, his dear mother, Ms. Starla Shoupe. A round of applause was given by all and he added that she was here today to conduct business (with the Probate Dept.) and that she had excellent service in the probate department.

AWARDS & PRESENTATIONS

1. Proclamation – “Dr. Linda Young Day”

Chairman Shoupe stepped to the podium and asked Dr. Young to join him. He began by saying that a long career is coming to an end and that he cannot say enough good things about what

all Dr. Young has done during her tenure, not only for Wallace College, but for the entire region and the state.

Commissioner Herring made a motion to approve the proclamation and Commissioner Adams seconded. The motion carried unanimously. Chairman Shoupe commenced to reading the proclamation in its entirety and upon completion a round of applause was given by all for Dr. Young. He then asked Dr. Young for comments, and she began by saying that this is quite an honor and recognition. She said that she has decided to retire after a long career in education, but whatever accomplishments she has had certainly relate to the faculty and staff at Wallace College. Dr. Young did mention that several of her staff were in attendance today and she asked them to stand. She added that they work hard every day focusing on the mission at Wallace Community College, which is to create opportunities for citizens to have a better life through education. Dr. Young said that she has had the good fortune of working at five different community colleges throughout her career and has worked at the System office in Montgomery, which oversees twenty-four community colleges. In addition to this being the year that Dr. Young retires, she announced that Wallace College is celebrating their 75th anniversary of being Wallace Community College. The college is and has been a vision, destiny and the future for this area and the transformation of many lives. Dr. Young ended by saying that she appreciates the community partnership that the college has as it is very important to have the advocacy and steadfast support of the Houston County Commission. She thanked the commission, and a round of applause was given by all.

2. Proclamation – “Hunger Action Month” – David Hanks, Chief Executive Officer, Wiregrass Area Food Bank

Chairman Shoupe asked Mr. Hanks to come forward. Commissioner Herring made a motion to approve the proclamation and Commissioner Adams seconded. The motion carried unanimously. Chairman Shoupe then read the proclamation and presented it to Mr. Hanks and said that Mr. Hanks has done an excellent job for several years. He then asked Mr. Hanks for comments. Mr. Hanks began by congratulating Dr. Young as he has seen all she has done, and he was also a product of a community college system and thanked her for her leadership. He then thanked the commission and stated that they understand the mission of the food bank as they have been there before day one, which was July 1, 1990. He said that the county did the site work for the warehouse, and they have done multiple jobs over the years to support the Food Bank and they really appreciate it. Mr. Hanks added that they are still fighting hunger in the Wiregrass as 18% to 19% of the population could go to bed hungry this evening. He said that the food bank is there for those people. Mr. Hanks reported that the food bank has a wonderful network of volunteers through the churches and 501(c) 3 organizations, and they are all dedicated to feeding the hungry. He added that it is his pleasure to be the executive director and now he is the CEO as he recently received a title change. He ended by saying that they are

very proud of the fact that a lot of the food they receive and recycle, would be at the landfill if they did not do their mission. Mr. Hanks commented that they are very proud that they are keeping the product from going in the ground. He then introduced Ms. Julie Gonzalez, Asst. Director at the food bank and said that they are very proud of the relationship that they have with the Houston County Commission. Applause was given by all.

REGULAR AGENDA

1. Request to award 2024-2025 Joint County Bids for Corrugated Metal Pipe, 3D Steel Grids, Flex Concrete Mats, Herbicides and Road Signs

Commissioner Harvey made a motion to approve the request to award the 2024-2025 joint county bids as stated. Commissioner Adams seconded and the motion carried unanimously.

2. Request from the Personnel Board to concur in the 2025 County Holiday Schedule – Sheri Garner, Personnel Director

Commissioner Harvey made a motion to approve the 2025 County Holiday Schedule request from the Personnel Board and Commissioner Adams seconded. Chairman Shoupe commented that this was talked about on Thursday. He added that he wanted to thank the Personnel Board of Houston County as this is a volunteer organization and they are a good group of citizens that work together. Chairman Shoupe also thanked Ms. Garner, Personnel Director, for all she does. When called for the question and vote, the motion passed unanimously.

3. Request to approve the Houston County/Dothan City Gasoline and Diesel Fuel Joint Bid Agreement – Peter Covert, CAO

Commissioner Herring made a motion to approve the County/City gasoline and diesel fuel joint bid agreement. Commissioner Adams seconded the motion, and it passed unanimously.

4. Request to adopt resolution to appoint a Solid Waste Officer related to the Houston County Solid Waste System.

Commissioner Adams made a motion to approve the resolution and Commissioner Harvey seconded. Chairman Shoupe announced that the Solid Waste Officer will be James (Jim) Nunley. The motion carried unanimously.

5. Request to approve policy for the appointment process of board members to the Houston County Healthcare Authority effective January 1, 2025, subject to the November referendum

Commissioner Herring made a motion to approve the policy and Commissioner Adams seconded. Chairman Shoupe said that this item was talked about extensively on Thursday. When called for the vote, the motion carried unanimously.

6. Request to approve the 2024-2025 Budget – Peter Covert, CAO

Commissioner Harvey made a motion to approve the budget and Commissioner Adams seconded. At this time Mr. Covert began by stating that each commissioner and the chairman have been given a copy of the full budget proposal and they have had opportunities to discuss and answer questions that they may have had. He added that he has put together a summary of the highlights of the budget that will be presented. Mr. Covert began his presentation reporting that in this year's budget they will add five new positions of which include three corrections officers at the Jail, one laborer at Road & Bridge and a collections supervisor at Sanitation Collections. He said that also included in this year's budget is a cost-of-living adjustment of 2.9%, which was the recommendation from the Personnel Board and Department based on the Bureau of Labor & Statistics for the southeastern states. Mr. Covert announced that this year they had a modest increase in the healthcare cost at 4.75% compared to last year it was 6.7%.

Mr. Covert stated that also included in this budget is some non-recurring capital and major spending items, various building projects, with one being the Houston County Farm Center. He also mentioned they are putting together a feasibility study for the expansion of the Jail, which the commission has recognized as strategic priority, adding 16 dump trucks in the rotation program at Road & Bridge, a backhoe, backhoe truck, motor gratters and 4 pick-up trucks. Sanitation will also rotate 2 new garbage trucks, one excavator and some pick-up trucks. Sanitation will have some software upgrades in this budget, and this is to accommodate the sanitation collections process. In addition, Mr. Covert announced that there will be a small building expansion at Road & Bridge for the Sanitation Dept. needs.

Mr. Covert reported that the commission has awarded \$1.4 million for the various priorities at the Sheriff's Dept. and \$300,000 for priorities at the Jail. He also said that at Community Corrections they will be adding some case management software to help with the management of the community corrections program. In Personnel there is a recruiting and timekeeping software budgeted. In County Buildings the jail lock replacement project is in their budget as well as \$160,000 for emergency capital replacement program items and \$167,000 for various infrastructure repairs throughout the county.

Mr. Covert pointed out that the projected fund balance for the current year is expected to come in at \$23.9 million, which compares to what was forecasted at \$14.2 million dollars. This makes the county coming in at \$9 million dollars above where they had anticipated and that is

going to be absorbed in this year's budget with some expenditures that were not able to be done in the 2023-2024 budget and were rolled into the 2024-2025 budget. Mr. Covert commented that although the supply chain has somewhat loosened up since the pandemic, it seems that the major equipment items have been to build on order, opposed to build on spec. These are put into the budget for purchase order issuance and so that the manufacturers can begin the process of manufacturing the items. But often times we do not receive the items in the same budgeted year and they have to be rolled over to the next year's budget.

Mr. Covert reported that the general fund balance, opposed to all funds, is expected to come in at \$12.2 million dollars at the end of the fiscal year. Also, they are continuing to work on the ARPA projects as those funds must be committed by the end of the calendar year and he reported that they are on track to have those funds fully committed so the funds can remain in the county and not sent back to the federal government.

Mr. Covert proceeded by showing a tracking chart for revenues and expenses over time and it showed that expenses were in excess of the revenues, but that is primarily because of the rollover of the fund balance but, the county will still be in compliance with the minimum fund balance in FY 2025. He then pointed out that the majority of the revenue is coming from the ad valorem tax from the revenue commissioner and from sales and use tax. These two items make up about 50% of the budgeted revenue. The rest comes from state and probate, primarily. Mr. Covert commented that this year, as in the past, the budget has been conservative in their revenue projections, as not to over promise and under deliver, to make sure that the expenses that were being adopted in this year's budget will be covered without any difficulties. He pointed out that another example of conservative forecasting is the sales tax revenues as it has exceeded expectations, but to be conservative, it is best not to over expect.

Mr. Covert reported that on the expense side, the major components are salaries and benefits at 46%, departmental operations at 35%, capital expenditures at 13% and debt service and agency program funding at 6%. He proceeded with the budget to actual graph for salaries and benefits. He stated that they have been able to narrow the gap between vacancies and approved positions, thanks to the efforts of the marketing of the county as well as the hard work in the payroll department. Mr. Covert also stated that the wage study that the commission adopted last year, as well as the continued COLA's, has helped to aid in the retention of the employees. He also noted that the budget is based on the approved positions and there is always a small gap between actual and approved due to vacancies. He stated that the operational expense shows a large jump, but this is primarily due to holds on capital expenditure projects that are rolling into the coming year, but are fully covered by the excess fund balance. Mr. Covert presented a listing of the agency allocations which showed a significant jump with the \$750,000 allocated to the Volunteer Firefighter's Association over the years and also, the commission's aid in the SpectraCare facility. This year's budget will be down

to the normal expenditure range for the local community agencies. Mr. Covert pointed out the top 10 non-salaried related expenses for the county to include contract services, which is one of the areas that Road & Bridge primarily uses for their paving, the capital expenditures for those expenses, county agencies and the last is the ARPA projects. The ARPA projects will continue after the calendar year and it will only be expenditures as the funds have to be committed by the end of the year and the county is on track with that. The rest of the expenses include long term debt and principal and the construction costs for the Farm Center are included in this budget. He is glad to announce that they are seeing a decrease in the cost of fuel and that is one of the top ten expenditures in the budget for the county. This year's budget should see an additional \$10,000- \$12,000 savings in fuel cost based upon the new contract that was just awarded today. Mr. Covert reported that lease spending expense is down, and they continue to do so as they have been able to fund their purchases out of operations as opposed to borrowing.

Mr. Covert stated that the long-term debt includes the refinancing of the 2015 bond, which is scheduled to expire in 2028, the rebuild bond is included in this budget as well as the refinance of the 2014 bond, which continues to be paid down as required. The long-term debt is about \$9.3 million dollars and that is well below the borrowing capacity. The county is legally permitted to borrow up to 5% of the value of the real estate owned by the county and they are far under that capacity at this time.

Mr. Covert reported on the healthcare expense for the county is included and which pays a total of 75% of the total cost of the dental and medical care for each employee. For family coverage, the total is 55% that is paid by the county. He also said that in reference to worker's compensation, that is a high cost to the county, but they are working with ACCA to do everything to minimize this cost. Mr. Covert stated that having a safety director on staff is helping a lot as she performs safety training around the county in various departments and this has helped the county maintain the cost in a controlled way compared to prior years. This concluded his budget presentation.

Chairman Shoupe asked for any questions or comments for Mr. Covert and with there being none he proceeded to comment that with a 2.9% COLA, that will give the employees something to look forward to. Chairman Shoupe also said that this has been one of the more difficult budgets that he has ever been a part of, and he believes that the main reason goes back to the county commission strategic planning sessions that were held in January and February. They were in hopes of setting aside \$1.6 million additional for road resurfacing and \$1.6 million for a future jail expansion. They were able to do this for road resurfacing, but it is far from where we need to be with those projects. The future jail expansion project amount that is set aside will be \$500,000, which is better than zero, but it is not what they wanted to do. In regard to decrease of debt, the commission all seems to be on board with an expansion of a pod or two at the jail, depending on the study. This will probably be in 2029 but the study will be this year and construction should begin in 2027 just to meet the timeline. Chairman Shoupe stated that he was glad they were able to add 3 corrections officers, but he is sure that more are needed, and they also added one person back to Road and Bridge.

Chairman Shoupe thanked Commissioner Herring for securing a million-dollar grant from the state for the jail lock project and that will go a long way. He then commented on liability insurance as that has been a concern of his for the past year. Chairman Shoupe asked all department heads to really buy into safety for their departments, as it not only keeps our employees from getting injured, but it saves the taxpayers money. The more that is spent on insurance, the less there is to spend on the departments. Lastly, Chairman Shoupe stated that the budget will be posted on the county website.

When called for the question and vote, the approval of the 2024-2025 budget passed unanimously.

STAFF REPORTS

Chief Administrative Office – No report.

County Engineer – 2 closed roads: County Road 75 S and Junction Road

County Attorney – No report