

**Chowan County Board of Commissioners
Special Meeting
Budget Hearing
Monday June 16, 2008
6:00pm
1767 Chowan County Courthouse
117 East King Street**

The Chowan County Board of Commissioners held their special budget meeting on Monday, June 16, 2008, at 6:00 pm in the panel room of the 1767 Chowan County Courthouse, 117 East King St.

Present: Jimmy Alligood, Bill Gardner, Kenny Goodwin, Louis Belfield, Harry Lee Winslow, Ralph Cole and Jerry Downum. Also present was County Manager, Cliff Copeland.

Chairman Cole called the meeting to order and Commissioner Downum offered the invocation.

Consent Agenda

Minutes from the May 5, 2008 meeting

Commissioner Gardner moved that the Board accept the consent agenda as presented. Chairman Cole asked for all in favor, the motion carried unanimously (7-0).

Special Meeting

Budget Presentation

County Manager Cliff Copeland and Finance Officer, Lisa Jones presented the proposed budget ordinance for the 2008-09 fiscal year for the Board's consideration.

**BUDGET
ORDINANCE**

2008-09

Section 1. BE IT ORDAINED by the Chowan County Board of Commissioners, State of North Carolina, meeting on the 16th day of June, 2008, in special session, that the following revenues and expenditures are hereby authorized and appropriated for the fiscal period beginning July 1, 2008 and ending June 30, 2009.

Section 2. Expenditures are authorized as follows:

GENERAL FUND

Department	Amount
Governing Body	\$54,205
Administration	\$552,157
Tax	
Listing/Collection	\$270,602
Legal	\$30,000
Courts	\$29,859
Elections	\$107,207
Register of Deeds	\$156,863
Land Records	\$123,188
Data Processing	\$332,583
NC Information Highway	\$5,000
Central Maintenance	\$464,973
Public Buildings:	
Hicks Field	\$4,800
Red Banks Farm	\$0
Old Armory	\$0
Mental Health Building	\$1,750
Agriculture	
Building	\$29,525
Water Plant	
House	\$750
Northern Chowan Community Center	\$56,964
Old DF Walker School-	
COA	\$101,300

Old DF Walker School-Recreation	\$63,800
Old DF Walker School-Alumni Building	\$750
Purser Field Maintenance Shop	\$3,355
Public Safety Center	\$132,287
Storage Building - Airport	\$0
New Courthouse	\$56,275
County Office Building	\$60,570
Old Courthouse	\$16,715
Jailer's House/Old Jail	\$4,540
Sheriff/Jail	\$51,585
Swain School	\$27,894
Chowan Community Building	\$350
COA-Chowan County Center	\$287,960
Senior Center	\$182,643
Central Communications	\$601,093
Sheriff	\$1,448,049
Mobile Computer Project	\$0
School Resource Officers	\$156,095
Domestic Violence	\$0
CORPS	\$0
Sheriff Special (Donations/Drug Seizures)	\$40,000
Jail	\$691,959
Civil Preparedness	\$82,472
Safety Office	\$61,114
Planning/Inspections	\$400,641
Medical Examiner	\$5,000
Animal Control	\$135,661
Animal Shelter	\$208,484
Sanitation	\$41,300
Soil Conservation	\$86,170
RC&D	\$20,277
Economic Development	\$128,000
Agriculture Extension Service	\$180,607
Governor's One On One	\$36,090
Expanded Food/Nutrition Grant	\$15,113
Health Department	\$96,853
Mental Health	\$34,112
Social Services	\$4,093,601
Veteran's Service	\$15,042

School Current Expense	\$3,865,660
Library	\$184,529
US 17 Highway Assn	\$5,000
Airport	\$25,000
Albemarle Recreation Center	\$30,000
Recreation	\$619,758
After School Program	\$0
Recreation Project-Red Banks Farm	\$0
Central Services	\$274,452
Special Appropriations	\$325,488
Contribution to Revaluation	\$25,000
Contribution to General Capital Projects Fund	\$0
Contribution to Emergency Services Fund	\$0
Contribution to Consolidated Capital Projects Fund	\$0
Contribution to Solid Waste Fund	\$0
Contribution to Library Capital Project Fund	\$0
Contingency	\$50,000

TOTAL GENERAL FUND \$17,193,070

STORM PREPAREDNESS-CAPITAL RESERVE FUND

Contribution to Water Capital Projects Fund	\$75,000
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WATER DEVELOPMENT-CAPITAL RESERVE FUND

Contribution to Capital Reserve	\$125,000
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FIRE FUND

Center Hill Crossroads Fire Dept	\$178,100
Contribution to General Fund	\$25,071
Edenton Fire Dept	\$246,525
Capital Reserve	\$128,067

TOTAL FIRE FUND \$577,763

EMERGENCY TELEPHONE FUND

Operating Expenses \$121,500

REVALUATION FUND

Revaluation Reserve \$25,000

HEALTH CARE I-CAPITAL RESERVE FUND

Contribution to General Fund \$562,627

Contribution to School Capital Projects Fund \$499,968

TOTAL HEALTH CARE I RESERVE FUND \$1,062,595

HEALTH CARE II-CAPITAL RESERVE FUND

Contribution to General Fund \$230,346

GENERAL FUND-CAPITAL PROJECTS FUND

Debt Service \$475,294

Capital Projects \$777,640

TOTAL GENERAL FUND CAPITAL PROJECTS FUND \$1,252,934

SCHOOL CAPITAL RESERVE FUND

Contribution to Capital Projects Fund \$1,136,073

SCHOOL CAPITAL PROJECTS FUND

Capital Outlay	\$200,000
Bond Principal	\$967,978
Bond Interest	\$268,063
Technology	<u>\$200,000</u>

TOTAL CAPITAL PROJECTS FUND – SCHOOLS \$1,636,041

ROAD ASSESSMENT FUND \$0

EMERGENCY SERVICES FUND

Operating Expenses	\$1,499,560
EMS Expansion	\$0
Debt Service	<u>\$89,390</u>

TOTAL EMERGENCY SERVICES FUND \$1,588,950

WATER FUND

Operating Expenses	\$1,139,258
Debt Service	\$250,000
Contribution to General Fund	\$101,000
Capital Reserve	<u>\$161,600</u>

TOTAL
WATER
FUND \$1,651,858

SANITATION FUND

Contribution to Operations \$880,344

Section 3. It is estimated that the following revenues will be available in the following funds for the fiscal year beginning July 1, 2008 and ending June 30, 2009.

GENERAL FUND

Ad Valorem Taxes – Current	\$7,939,994
Ad Valorem Taxes – Prior Years	\$242,300
Tax Penalties & Interest	\$60,000
Interest Earned on Investments	\$1,000
Miscellaneous Revenue	\$512,629
Local Government Sales Tax – Article 39	\$1,250,000
Local Government Sales Tax – Article 40	\$525,000
Local Government Sales Tax – Article 42	\$400,000
Local Government Sales Tax – Article 44	\$500,000
ABC Net Revenues	\$55,000
Court Costs, Fees & Charges	\$65,000
Building Permits	\$250,000
Register of Deeds Fees	\$220,000
Jail Fees	\$200,000
Federal & State Revenues	\$3,367,313
Tipping/Tire Disposal Fees	\$30,000
Tax Refunds	\$67,000
Transfers from Other Funds, Agencies & Government Units	\$1,507,834
TOTAL GENERAL FUND REVENUES	\$17,193,070

STORM PREPAREDNESS CAPITAL RESERVE FUND

Storm Preparedness Fees	<u>\$75,000</u>
TOTAL STORM PREPAREDNESS CAPITAL RESERVE FUND	\$75,000

WATER DEVELOPMENT CAPITAL RESERVE FUND

Water Development Fees	<u>\$125,000</u>
TOTAL WATER DEVELOPMENT CAPITAL RESERVE FUND	\$125,000

FIRE FUND

Ad Valorem Taxes	\$456,163
Delinquent Taxes	\$10,000
Tax Penalty	\$3,500
Interest Earned	\$10,000
Local Government Sales Taxes	\$95,000
Sales Tax Refunds	\$2,100
Miscellaneous Revenue	<u>\$1,000</u>
TOTAL FIRE FUND REVENUES	\$577,763

EMERGENCY TELEPHONE FUND

Telephone Surcharge	\$120,000
Fund Balance Appropriated	\$0
Interest Earned	\$500
Sales Tax Refund	\$1,000
Lease/Purchase Proceeds	\$0
Contribution from General Fund	<u>\$0</u>
TOTAL EMERGENCY TELEPHONE FUND REVENUES	\$121,500

REVALUATION FUND

Contribution from General Fund	<u>\$25,000</u>
TOTAL REVALUATION FUND	\$25,000

HEALTH CARE RESERVE I FUND

Interest Earned	<u>\$1,062,595</u>
TOTAL HEALTH CARE RESERVE I FUND	\$1,062,595

HEALTH CARE RESERVE II FUND

Interest Earned	<u>\$230,346</u>
TOAL HEALTH CARE RESERVE II FUND	\$230,346

LAND TRANSFER TAX CAPITAL RESERVE FUND

Land Transfer Tax	<u>\$1,252,934</u>
TOTAL LAND TRANSFER TAX CAPITAL RESERVE FUND	\$1,252,934

CAPITAL RESERVE FUND – SCHOOLS

Local Option Sales Tax	\$775,000
Contribution from General Fund	\$0
ADM Funds	\$250,000
Lottery Proceeds	\$103,573
Interest Earned	<u>\$7,500</u>
TOTAL CAPITAL RESERVE FUND – SCHOOLS	\$1,136,073

CAPITAL PROJECTS FUND – SCHOOLS

Contribution from Other Government Units	\$0
Contribution from Capital Reserve Fund	\$1,136,073
Contribution from Health Care Reserve Fund	<u>\$499,968</u>
 TOTAL CAPITAL PROJECTS FUND – SCHOOLS	 \$1,636,041

ROAD ASSESSMENT FUND

Street Assessments	\$0
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EMERGENCY SERVICES FUND

Ambulance Service Fees-Current	\$1,340,800
Ambulance Service Fees-Delinquent	\$120,000
Sales Tax Refund	\$6,150
Interest Earned	\$2,000
Miscellaneous	\$120,000
Loan Proceeds	\$0
Contribution from General Fund	\$1,588,950

TOTAL EMERGENCY SERVICES FUND REVENUE

WATER FUND

Interest Earned	\$0
Tax Refunds	\$15,000
Charge for Utilities	\$1,500,858
Taps & Connection Fees	\$80,000
Reconnection Fees	\$35,000
Miscellaneous Revenue	\$1,000
Loan Proceeds	\$20,000
Fund Balance Appropriated	<u>\$0</u>

TOTAL WATER FUND REVENUE \$1,651,858

SANITATION FUND

Tipping Fees	\$880,344
Interest Earned	\$0
Contribution from General Fund	\$0

TOTAL SANITATION FUND REVENUE \$880,344

Section 4. The following funds reflect projects that are budgeted by separate project ordinance:

- Water/Sewer Extension Capital Projects Fund-Airport Industrial Park Phase II
- Water/Sewer Extension Capital Projects Fund - Wharf Landing
- Public Safety/EOC Construction Fund
- Library Expansion Fund
- NCHFA Housing Rehabilitation Grant
- Water System Generator Projects Fund
- Architectural Survey Fund
- Red Banks Farm Park Development Fund
- Water Quality Project Fund

Section 5. Tax Levies: There are hereby levied the below indicated property taxes for the fiscal year 2007-2008. The anticipated revenue is based on a collection rate of ninety-seven (97.5%), at the respective tax rates shown per \$100 of taxable valuation.

Area	Estimated Valuation	Tax Rate
County-wide	\$1,454,211,409	\$0.56
Fire District	\$935,717,485	\$0.05

Section 6. The Budget Officer is hereby authorized to transfer appropriations within a fund as contained herein under the following conditions:

Section 6a. He may transfer amounts between objects of expenditure within a department without limitation and without a report being requested.

- Section 6b. He may transfer amounts up to \$10,000 between departments of the same fund with an official report on such transfers at the next regular meeting of the Board of Commissioners.
- Section 6c. He may transfer \$2000 between funds from contingencies with an official report at the next regular meeting of the Board of Commissioners.
- Section 7. Be it further directed that End of Year Financial Statements for FY 2005-06 reflect undesignated reserves at ten percent (10%) of General fund expenditures.
- Section 8. That copies of this ordinance be filed with the County Manager and the Clerk to the Board of Chowan County, pursuant to the requirements of the laws of the State of North Carolina.
- Section 9. That the Ordinance be spread upon the minutes of the Board of County Commissioners of Chowan County, North Carolina, for permanent record and reference, and to meet the requirements of the law.

Ratified this 16th day of June, 2008.

Ralph V. Cole
Chairman

Susanne
Stallings
Clerk

Public Hearing 2007-08 Budget

Commissioner Belfield moved that the Board go into public hearing. Chairman Cole asked for all in favor, the motion carried unanimously (7-0).

Chairman Cole asked for any comments from the public. There were no comments.

Being no comment, Commissioner Belfield moved that the Board close the public hearing. Chairman Cole asked for all in favor, the motion carried unanimously (7-0).

Consideration of Budget Ordinance

Being no discussion from the Board regarding the submitted Budget Ordinance, Commissioner Alligood moved that the Board accept the Budget Ordinance and approve it as submitted. Chairman Cole asked for all in favor, the motion carried unanimously (7-0).

Announcement

County Manager, Cliff Copeland then read the following letter into the record:

To the Chowan County Board of Commissioners,

It is with a great deal of regret and yet excitement that I tender my resignation as County manager, effective at the end of tonight's meeting June 16, 2008. It is regretful that I will no longer be working with my fellow employees and County Commissioners on a daily basis. It is with a great deal of excitement that I look forward to whatever challenges that may present themselves. It goes without saying that it has been a great run. When I came to Chowan County in 1979 I had no idea that I would still be County Manager in 2008. But I learned a long time ago, that as long as I remained County Manager, I wanted to be in Chowan County.

I thank the County Commissioners over the years for firmly believing in the management style of government; providing overall direction and oversight and not trying to delve into the daily operations of the County. I would like to thank all employees especially department heads for tolerating my style of management. Finally and most importantly, I would like to thank the Citizens of Chowan County for the opportunity to serve you.

In the future I hope the County and Town will maintain the legacy of cooperation that has been established in this community that I feel is the envy of the state. Boards and individuals can certainly disagree but also at the end of the day, do what is in the best interest of the people. Chowan County has come a long way and it has a long way to go. We must take steps to invigorate our economy but also maintain our quality of life. We must always ensure that the level of service provided is dictated by the needs of our citizens and not the amount of tax that they pay. And we always should never shun our responsibilities by saying that the service is needed but we can't raise the revenues.

The County is in good hands with Peter Rascoe and our Department Heads and employees. If I can be of assistance, please do not hesitate to ask.

Sincerely,
Luther C. Copeland
County Manager

Each of the Board members remarked with high regard the service provided by Mr. Copeland to Chowan County and wished him well.

County Manager Oath

Chairman Cole then administered the oath of County Manager to Mr. Rascoe. A copy of this oath will be kept in Mr. Rascoe's personnel file.

Executive Session

Commissioner Goodwin moved that the Board go into Closed Session for the purpose cited in North Carolina General Statutes 143-318.11(a)(5)(ii).

Chairman Cole asked for all in favor, the motion carried unanimously (7-0).

Chowan County Board of Commissioners
Narrative from Executive Session
June 16, 2008

The Board reviewed a draft employment agreement reflecting the terms of Mr. Rascoe's employment as agreed on at the April 7th meeting. County Manager, Peter Rascoe. Chairman Cole asked if there were any recommended additions or corrections to the agreement, there were none.

Commissioner Alligood moved that the Board direct the Chairman to execute the agreement as previously agreed on. Chairman Cole asked for all in favor, the motion carried unanimously (7-0).

Mr. Rascoe also noted that the Board would review the Requests for Proposals (RFP) for County Attorneys in August. He noted that currently several attorney offices have called to state that they are not interested or are not able to submit a RFP at this time. He said that we have received 3 RFP to date.

Mr. Rascoe also discussed with the Board their concern about the lack of a Planning Director for the Planning Office, stating that he was proceeding in discussions with Town manager Anne-Marie Knighton on how to resolve this matter.

There being no further business, Commissioner Alligood moved that the Board adjourn the Executive Session; Chairman Cole asked for all in favor, the motion carried unanimously (7-0).

Ralph Cole, Chairman

Susanne Stallings, Clerk