

Regular Meeting
Monday March 2, 2009
6:00 pm
Chowan County 1767 Courthouse
East King Street

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The Chowan County Board of Commissioners held their regular meeting on Monday, March 2, 2009, at 6:00 pm in the Chowan County 1767 Courthouse, East King Street, Edenton, NC.

Present, Chairman Eddy Goodwin, Vice Chairman Emmett Winborne, Commissioner Jimmy Alligood, Commissioner Louis Belfield, Commissioner Kenny Goodwin, Commissioner Ralph Cole and Commissioner Keith Nixon. Staff Present: County Manager Peter Rascoe, Finance Officer Lisa Jones, Human Resources Officer Carrie Byrum, County Attorney John Morrison and Clerk to the Board Susanne Stallings.

Chairman Eddy Goodwin called the meeting to order and led the group in the pledge. Commissioner Kenny Goodwin then offered the invocation.

Public Comment

Chairman Eddy Goodwin then opened the floor to public comment.

Nancy Morgan of Three Rivers Healthy Carolinians gave the State of the County Health Report. A copy of the report is in the March 2, 2009 Chowan County Board of Commissioners Meeting file.

Whitney Brawner asked about the effect of cuts on EMS.

Chairman Eddy Goodwin stated that item will be open for public discussion when it is addressed in the agenda.

Being no further public comment, the Chairman then closed the floor.

Consent Agenda

Chairman Eddy Goodwin noted the next item was the consent agenda. He asked for any Board questions.

Commissioner Winborne asked about Item B #2, he asked if other counties absorb the costs of credit card fees.

Mr. Rascoe noted that customers may still call in and pay a fee for payment with credit cards. He said the expenses incurred were the reason for discontinuing in office credit card payments.

Lynda Hendricks, Tax Supervisor stated it is legal to pass the fee on to the customer.

Commissioner Winborne asked about the cost over-run for tax bills.

Mr. Rascoe noted it was to cover the increased printing costs.

Commissioner Winborne questioned Item 1 B.

Mr. Rascoe noted the employee retired and the monies for the salary were moved to public safety.

Being no further questions, Commissioner Nixon moved that the Board approve the consent agenda as presented. Chairman Eddy Goodwin asked for all in favor, the motion carried unanimously (7-0).

a. Budget Amendments

3839 TDA	\$500	Increase	NC Civil War Tourism Council Grant revenue Expenses to create a display commemorating the 150 th anniversary of the Civil War to be in trade shows. 50% match of which ½ kind and the other ½ is cash.
8150 TDA		Increase	
used is in			
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3839 TDA	\$5,547	Increase	National Park Service Grant revenue Harriet Jacobs website and development expenses 50% matching grant- match will be absorbed in current year budget from tax collections.
8150 TDA		Increase	
occupancy			
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3524 Maint	\$1400	Increase	Increase of rental income for Red Banks Farm Rental House Maintenance/repair of Red Banks Farm rental house to repair/upgrade kitchen floor covered increase of rental income
4242 Maint.		Increase	
by			
<hr/>			
3471 Gen Fund	\$1044	Increase	Increase NCDENR white goods grant Increase white goods contribution to Regional Health Service
4710 Solid Waste		Increase	
Albemarle			
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3839 Water Fund	\$2500	Increase	Increase misc revenue to include fees received from customers for voice data use

7120 Water Fund for	Increase	Increase bank fees expenditures for charges water customers use of voice data
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b. Budget Transfers

9900 Contingency	\$8712 Decrease	Emergency Management position vacation accrual pay out. Effective 1/15/09
4330 Emergency Mgmt	\$8712 Increase	Salary and fringe benefits

9900 Contingency fees	\$7000 Decrease	Projected over-run of costs for bank for credit card point of sale machine at tax counter for tax payments
8200 Central Services	\$7000 Increase	Bank Fee Expenditures associated with tax collections.

9900 Contingency and vehicle 2008-09	\$7000 Decrease	Projected cost over-runs for printing mailing 2009 tax bills and motor billing for the remainder of FY
4140 Tax	\$7000 Increase	Increase postage and printing expenditure lines

c. Tax Release

Wooten, D.	\$100.04	SITUS Perquimans County
Blair, F.	\$158.09	SITUS New York

d. Minutes of the February 2, 2009 Board of Commissioners meeting

Board Appointment

Chairman Eddy Goodwin noted that the Northeastern Region Workforce Development Consortium has requested that the Board of Commissioners appoint a replacement member from Chowan County and that typically this appointment is held by a Commissioner. He said he would appoint a Commissioner soon to this Board.

NC Beach Plan – Chowan County

Chairman Eddy Goodwin noted that the Board heard at the February 2009 meeting a presentation of consideration for joining County and Municipal administrative appeal and lawsuit being headed by Dare County to oppose rate hike.

Commissioner Alligood moved that the Board should join but non-monetarily.

County Attorney John Morrison, said that the Board could submit in writing that they want to join as a party but are not required to contribute to the suit financially.

Being no further discussion, Chairman Eddy Goodwin asked for all in favor, the motion carried unanimously (7-0).

Zoning Items

Planner, Wes Haskett presented the Planning Board's recommendation to approve Rezoning(s) for the following three cases.

- A. Case No. CC-RZ-08-02:** A rezoning application from Kelly Hare to rezone .26 acres of property located at 3032 Kelly's Beach Rd. from A-1, Agricultural District to R-5, Residential District (PIN 6981-00-16-0101).
- B. Case No. CC-RZ-08-03:** A rezoning application from Chowan County to rezone the property located at 3028, 3042, 3044, 3048, and 3062 Kelly's Beach Rd. from A-1, Agricultural District to R-5, Residential District (PIN 6981-00-06-9626, 6981-00-06-6329, 6981-00-06-6229, 6981-00-06-6118, 6981-00-05-5845).
- C. Case No. CC-RZ-09-01:** A rezoning application from Dixon and Thompson Law Firm on behalf of The Fund for Sandy Point NC, LLC to rezone and bring into conformity with current County Zoning Regulations 476.41 acres located on the east side of NC Hwy 32 from A-1, Agricultural to R-5, Residential, 10.48 acres located on the east side of NC Hwy 32 from A-1, Agricultural to B-1, General Business and 8.27 acres on the west side of NC Hwy 32 from R-5, Residential to B-1, General Business. (PIN 7833-00-22-3796 and 7833-00-55-7887).

He then read the staff report into record for Item A.

STAFF REPORT

To: Chowan County Board of Commissioners
Date: March 2, 2009
Case: CC-RZ-08-02
Prepared By: Wes Haskett, Planner I

GENERAL INFORMATION

Applicant: Kelly Hare
3032 Kelly's Beach Road
Tyner, NC 27980
221-4597

Property Owners: (SEE ATTACHED LIST)
Subject Property: 3032 Kelly's Beach Road.
Requested Action: ~ Rezoning from A-1, Agricultural District to R-5, Residential District.

Tax PIN #: (SEE ATTACHED LIST)

Location: Off Kelly's Beach Road
Existing Zoning: A-1, Agricultural
Existing Land Use: "Agricultural" (Existing Single-Family Homes)

Surrounding Land Use & Zoning:

North- Agricultural; A-1, Agricultural (Existing Single-Family Homes, Farmland/Woodland)

South- Agricultural; A-1, Agricultural (Existing Single-Family Homes, Farmland/Woodland)

East- Agricultural; A-1, Agricultural (Existing Single-Family Homes, Farmland/Woodland)

West- Chowan River

Land Use Plan Major Goals & Objectives:

- Balance growth and development and conservation/preservation of natural resources.
- Promote land use and public infrastructure development that is compatible with land suitability as well as capabilities to provide requisite public services.
- Promote land uses and land development compatible with the functional purposes of Areas of Environmental Concern

Future Land Use Classification: *RESIDENTIAL AGRICULTURE*

- The Residential Agriculture classification is intended to delineate lands where the predominant land use is scattered, low density residences dispersed among farm land and open spaces.
- This classification is compatible with the County's current lowest density residential zoning district, the A-1, Agricultural District.
- The County's goals and policies support the continued use of land in Residential Agriculture classified areas for scattered, very low density residential development and agricultural and forestry purposes.

Zoning History: None on Record.

Applicable Regulations: Chowan County Development Codes: Zoning Ordinance; Article XIV, Amendments and Article IV Zoning Districts and Zoning Map.

SPECIAL INFORMATION

Public Utilities: County water is available.

Public Services: The property is located within Chowan County's general jurisdiction; County protection services are available.

Transportation: The subject property has frontage on Kelly's Beach Road

Physical Characteristics: Existing single family homes.

ANALYSIS

The request is for a "general use" rezoning to the R-5, Residential District. The R-5 District is defined as medium-density residential areas and additional open areas where similar residential

development will be a viable land use. The minimum lot size is 5,000 square feet for one unit and 4,100 for each additional unit. The uses permitted in this district are designed to stabilize and protect the essential character of the area and prohibit all activities of a commercial nature except certain home occupations controlled by specific limitations. The district is intended to accommodate moderate density single-family residential uses, multifamily residential uses, and supporting public and institutional uses in areas that have the necessary utilities and road systems to support such development. Mobile homes are not permitted.

This application is a general use request, **not** a conditional use permit or conditional district rezoning request, therefore, your decision should be based on all of the available uses for the property in the proposed zoning district and if the rezoning advances the general public health, safety and welfare. The NC General Statutes and Chowan County Development Codes (CCDC) do not allow specific development conditions to be attached to a “general use” rezoning application.

RECOMMENDATION

The Future Land Use Map identifies this area as “Residential Agriculture”. Please note that all zoning decisions must include a statement of consistency with the Land Use Plan (per NC General Statutes effective January 1, 2006). This proposed rezoning is not consistent with the applicable land use classification as defined by the Edenton-Chowan Land Use Plan.

The property in question is zoned A-1, Agricultural. The property is being used for agricultural and residential purposes and is to be subdivided creating one new parcel for an existing single-family dwelling which is to be 10,890 square feet; therefore, staff recommends approval of the rezoning application.

Commissioner Kenny Goodwin asked why not all of Kelly’s Beach was rezoned.

Mr. Haskett said this particular request came specifically from Mr. Hare and that mobile homes do remain on some existing lots.

Chairman Eddy Goodwin noted Mr. Haskett’s statement of the land use plan inconsistency, he said that was his concern.

Mr. Haskett said that the current land use plan, he noted that under the plan the area can be rezoned but should be low density.

County Attorney, John Morrison noted the rezoning would create more uniformity. He said that the rezoning decision is political and is not binding. He said the Board could take into account the staff recommendation to eliminate the non-conforming uses.

Chairman Goodwin asked for any public comment on the rezoning, there was none.

Commissioner Allgood moved that the rezoning request was inconsistent with the land use plan.

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

Commissioner Allgood moved to rezone the property to bring the lot into conformity. Chairman Eddy Goodwin asked for all in favor, the motion carried unanimously (7-0).

Mr. Haskett then read the staff report for Item B.

STAFF REPORT

To: Chowan Board of Commissioners
Date: March 2, 2009
Case: CC-RZ-08-03
Prepared By: Wes Haskett, Planner I

GENERAL INFORMATION

Applicant: Chowan County
PO Box 1030
Edenton, NC 27932
482-5618

Property Owners: (SEE ATTACHED LIST)
Subject Properties: 3028, 3042, 3044, 3048, and 3062 Kelly's Beach Road.
Requested Action: ~ Rezoning from A-1, Agricultural District to R-5, Residential District.

Tax PIN #: (SEE ATTACHED LIST)
Location: Off Kelly's Beach Road
Existing Zoning: A-1, Agricultural
Existing Land Use: "Agricultural" (Existing Single-Family Homes)
Surrounding Land Use & Zoning:

North- Agricultural; A-1, Agricultural (Existing Single-Family Homes, Farmland/Woodland)

South- Agricultural; A-1, Agricultural (Existing Single-Family Homes, Farmland/Woodland)

East- Agricultural; A-1, Agricultural (Existing Single-Family Homes, Farmland/Woodland)

West- Chowan River

Land Use Plan Major Goals & Objectives:

- Balance growth and development and conservation/preservation of natural resources.
- Promote land use and public infrastructure development that is compatible with land suitability as well as capabilities to provide requisite public services.
- Promote land uses and land development compatible with the functional purposes of Areas of Environmental Concern

Future Land Use Classification: *RESIDENTIAL AGRICULTURE*

- The Residential Agriculture classification is intended to delineate lands where the predominant land use is scattered, low density residences dispersed among farm land and open spaces.
- This classification is compatible with the County's current lowest density residential zoning district, the A-1, Agricultural District.
- The County's goals and policies support the continued use of land in Residential Agriculture classified areas for scattered, very low density residential development and agricultural and forestry purposes.

Zoning History: None on Record.

Applicable Regulations: Chowan County Development Codes: Zoning Ordinance; Article XIV, Amendments and Article IV Zoning Districts and Zoning Map.

SPECIAL INFORMATION

Public Utilities: County water is available.

Public Services: The property is located within Chowan County's general jurisdiction; County protection services are available.

Transportation: The subject property has frontage on Kelly's Beach Road

Physical Characteristics: Existing single family homes.

ANALYSIS

The request is for a "general use" rezoning to the R-5, Residential District. The R-5 District is defined as medium-density residential areas and additional open areas where similar residential development will be a viable land use. The minimum lot size is 5,000 square feet for one unit and 4,100 for each additional unit. The uses permitted in this district are designed to stabilize and protect the essential character of the area and prohibit all activities of a commercial nature except certain home occupations controlled by specific limitations. The district is intended to accommodate moderate density single-family residential uses, multifamily residential uses, and supporting public and institutional uses in areas that have the necessary utilities and road systems to support such development. Mobile homes are not permitted.

This application is a general use request, **not** a conditional use permit or conditional district rezoning request, therefore, your decision should be based on all of the available uses for the property in the proposed zoning district and if the rezoning advances the general public health, safety and welfare. The NC General Statutes and Chowan County Development Codes (CCDC) do not allow specific development conditions to be attached to a "general use" rezoning application.

RECOMMENDATION

The Future Land Use Map identifies this area as "Residential Agriculture". Please note that all zoning decisions must include a statement of consistency with the Land Use Plan (per NC General Statutes effective January 1, 2006). This proposed rezoning is not consistent with the applicable land use classification as defined by the Edenton-Chowan Land Use Plan.

The properties in question are zoned A-1, Agricultural. The properties are all less than the required 40,000 square feet with an average lot size of 19,863 square feet. The properties are not being used for agricultural purposes and are considered legally nonconforming with respect to minimum lot size requirements; therefore, staff recommends approval of the rezoning application.

Chairman Eddy Goodwin asked for any public comment on the application, there was none.

Mr. Haskett added that this rezoning request would eliminate spot zoning.

Mr. Morrison stated the law does not allow spot zoning and this would conform the neighborhood.

Commissioner Allgood moved that the rezoning request was inconsistent with the land use plan.

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

Commissioner Kenny Goodwin moved to rezone the property to bring the lot into conformity.

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

Mr. Haskett then read the staff report for Item C.

STAFF REPORT

To: Chowan County Board of Commissioners
Date: March 2, 2009
Case: CC-RZ-09-01
Prepared By: Wes Haskett, Planner I

GENERAL INFORMATION

Applicant: Samuel B. Dixon
PO Box 24
Edenton, NC 27932
482-8696

Property Owner: The Fund for Sandy Point NC, LLC
723 McMullen Ave., Unit 305
Edenton, NC 27932

Subject Properties: 131 Sandy Point Rd. and off Snow Hill Rd. (PIN 7833-00-22-3796, 7833-00-55-7887).

Requested Action: ~ Rezone and bring into conformity with current County Zoning Regulations 476.41 acres located on the east side of NC Hwy 32 from A-1, Agricultural to R-5, Residential, 10.48 acres located on the east side of NC Hwy 32 from A-1, Agricultural to B-1, General Business and 8.27 acres on the west side of NC Hwy 32 from R-5, Residential to B-1, General Business.

Tax PIN #: (SEE ATTACHED LIST)

Existing Zoning: A-1, Agricultural; R-5, Residential

Existing Land Use: "Agricultural" (Farmland/Woodland)

Surrounding Land Use & Zoning:

North- Agricultural; A-1, Agricultural (Farmland/Woodland)

South- Albemarle Sound

East- Agricultural; A-1, Agricultural (Existing Single-Family Homes, Farmland/Woodland)

West- Institutional/Public, Residential; R-25, Residential (Existing Single-Family Homes, Mulberry Hill & Chowan Golf and Country Club)

Land Use Plan Major Goals & Objectives:

- Balance growth and development and conservation/preservation of natural resources.
- Promote land use and public infrastructure development that is compatible with land suitability as well as capabilities to provide requisite public services.
- Promote land uses and land development compatible with the functional purposes of Areas of Environmental Concern

Future Land Use Classification: *NEW URBAN WATERFRONT AREA (WEST SIDE OF NC 32), LOW DENSITY RESIDENTIAL (EAST SIDE OF NC 32)*

- The New Urban Waterfront Area is intended to accommodate future development of lands adjacent to the shorelines of public trust waters that provide a mixture of residential, commercial, and recreational uses in a publicly accessible, pedestrian-friendly traditional neighborhood community.
- The major characteristics of development in New Urban Waterfront Areas include the preservation of natural shorelines and other critical areas; public access to shorelines and public trust waters; interconnected streets; civic spaces, squares, and recreational space, and centrally operated water, sewer, and stormwater management systems.
- The Low Density Residential classification is intended to delineate lands where the predominant land use is low density residences, particularly properties with waterfront access and areas where public water service is readily available.
- The Low-Density Residential Classification is compatible with the R-40, R-25 and RMH-25 Residential Districts of the Chowan Zoning Ordinance. Higher residential densities may be permitted on a case-by-case basis in Traditional Neighborhood Developments—up to 4 dwelling units per acre in R-25, RMH-25, and R-40 zoning districts.
- Public sewer or an approved private wastewater treatment system will generally be required to support the higher end (2 or more dwelling units per acre) of residential densities allowed within this classification. Minimum lot sizes for land uses utilizing individual subsurface septic systems and/or individual water systems are determined by the local health department based upon soil types present at the site and generally range from 20,000 square feet to 30,000 square feet.

Zoning History: West Side Zoned R-5, Residential, East Side Zoned A-1, Agricultural concurrent with initial County-wide zoning, October 2006.

Applicable Regulations: Chowan County Development Codes: Zoning Ordinance; Article XIV, Amendments and Article IV Zoning Districts and Zoning Map.

SPECIAL INFORMATION

Public Utilities: County water is available.

Public Services: The property is located within Chowan County's general jurisdiction; County protection services are available.

Transportation: The subject property has frontage on Soundside Road, Haughton Road (NC 32), and Sandy Point Road.

Physical Characteristics: Farmland/Woodland

ANALYSIS

The request is for a "general use" rezoning to the R-5, Residential District and B-1, General Business District. The R-5 District is defined as medium-density residential areas and additional open areas where similar residential development will be a viable land use. The minimum lot size is 5,000 square feet for one unit and 4,100 for each additional unit. The uses permitted in this district are designed to stabilize and protect the essential character of the area and prohibit all activities of a commercial nature except certain home occupations controlled by specific limitations. The district is intended to accommodate moderate density single-family residential uses, multifamily residential uses, and supporting public and institutional uses in areas that have the necessary utilities and road systems to support such development.

The B-1, General Business district is defined as certain areas that are designed to serve both non-residents and residents using the major state and county roads that run through the areas zoned. This district is designed to accommodate retail or service establishments customarily patronized by transient traffic as well as non-transient traffic. This district allows a range of retail, service, office, limited wholesale, and moderate density residential uses that have access to major roads and the necessary utilities to support such development.

This application is a general use request, **not** a conditional use permit or conditional district rezoning request, therefore, your decision should be based on all of the available uses for the property in the proposed zoning district and if the rezoning advances the general public health, safety and welfare. The NC General Statutes and Chowan County Development Codes (CCDC) do not allow specific development conditions to be attached to a "general use" rezoning application.

RECOMMENDATION

The Future Land Use Map identifies this area as "New Urban Waterfront Area" and "Low Density Residential." Please note that all zoning decisions must include a statement of consistency with the Land Use Plan (per NC General Statutes, effective January 1, 2006). This proposed rezoning is consistent with the applicable land use classifications as defined by the Edenton-Chowan Land Use Plan.

The properties in question are zoned A-1, Agricultural and R-5, Residential. The preliminary plat for the Sandy Point subdivision was approved in 2005, and renewed in 2006, 2007, and 2008. The proposed rezoning is an effort by the applicant to bring the approved preliminary plat into conformity with current Chowan County Development Codes by rezoning the subject properties into appropriate County Zoning Classifications; therefore, staff recommends approval of the rezoning application.

Mr. Haskett explained that this application was previously heard under a preliminary plat and under the vested rights, Sandy Point's expire in 2010.

Samuel Dixon Attorney representing the developer, noted this property was allowed to develop under special legislation for New Urban Waterfront Development districts. He said when the preliminary plat was approved, this rezoning should have also taken place and the developer wanted the zoning map to be correct.

Commissioner Kenny Goodwin noted that no development has been seen on either side of the development since approved.

Mr. Dixon said that they have been obtaining state and federal permits since 2004.

Chairman Eddy Goodwin questioned available water to sustain the development.

Joe Lassiter with Quiable and Associates, also representing the developer said he met with County Staff and the Technical Review Committee and was told that with the 15 year build out, there will be time to monitor the water supply to the development.

Mr. Rascoe stated that he anticipates a review with each phase by the County Engineer. He said part of the review process includes capacity. He said no lots will be conveyed if there is any impact on the current storage and production of water.

County Engineer, Bill Diehl said he concurred with Mr. Rascoe's comment.

Commissioner Kenny Goodwin asked who would be liable if there is not enough infrastructure for water to the development.

Mr. Rascoe said the developer would have to include a plan to expand the infrastructure to support the development.

Mr. Dixon added that this development would have significant impact on the tax rolls for Chowan County and the developer would hopefully begin building houses in 2010. He said this development would put locals back to work, have beaches and road construction going on. He stated that in his opinion this project would have significant positive impact on Chowan County.

Chairman Eddy Goodwin asked for any public comment on the request, there was none.

Commissioner Belfield moved that the application was consistent with the Land Use Plan.

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

Commissioner Goodwin asked for clarification on each phase having a review.

Mr. Rascoe said that he will include Board for comment in administrative review and decisions on each phase by staff.

Commissioner Alligood moved that the Board approve the application for rezoning. Chairman Eddy Goodwin asked for all in favor, the motion passed (6-1, E. Goodwin)

IT Director Position

Mr. Rascoe presented a request for the Board to approve a suspension of the current hiring freeze for the sole purpose of advertising and hiring the position of Information Technology Department Director since official written notice of retirement has been received. He said that the current director has been a Chowan County employee for 36 years.

Commissioner Kenny Goodwin moved that the freeze be lifted to advertise and hire for the Information Technology Director position only.

Chairman Goodwin asked for any public comment, there was none. He and asked Ms. Phyllis Cranford to stand up, as the Board and the public recognized her with applause. He thanked her for her service to Chowan County.

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

Tax Collector Report

Tax Administrator, Lynda Hendricks gave an annual report on her department's activities. A copy of the Power Point is in the Chowan County Board of Commissioners meeting file labeled March 2, 2009.

Ms. Hendricks then asked the Board to consider approval of a resolution that authorizes a discount to residents if taxes are paid by August 31 of that tax year in accordance with G.S. 105-360 (c). A copy of the Power Point showing the discount impact is in the Chowan County Board of Commissioners meeting file labeled March 2, 2009.

The Board discussed the figures presented in the PowerPoint.

Mr. Rascoe noted that a debt of \$900,000 would become due in the beginning of FY2009-10 and this program would assist the County with cash flow to avoid having to borrow from reserves to pay on the debt.

Commissioner Alligood moved that the Board adopt the early discount.

Chairman Eddy Goodwin asked for any public comment.

David Barrett thanked the Board and staff for providing the figures he requested at the previous meeting. He questioned if the Board borrowed the money rather than offer a discount would they lose more.

Commissioner Nixon said his calculations based on current interest rates show that the County is better off to offer a discount.

Commission Winborne asked if the Board was looking at a 1% only discount or a 2% then 1% discount.

Commissioner Kenny Goodwin said he thought the Board was looking at only a 1% discount.

John Mitchener said he felt the 2% then 1% offer the best opportunity for someone to pay early and that he felt it was a win/win for the County.

Bob Steinburg said he suggests a 2% then 1% discount, otherwise people have no incentive to pay taxes early in July.

Chairman Eddy Goodwin polled the audience by a show of hands, to see how many would pay their taxes early with a 2% then 1% discount in July/August. (the majority of the audience approved the 2% then 1% discount option)

Chairman Eddy Goodwin asked for all in favor on the original motion, the motion failed (0-7).

Commissioner Nixon moved that the Board adopt the following resolution:

WHEREAS, N.C.G.S. 105-360(c) authorizes the governing body of any county or municipality to establish by resolution a schedule of discounts to apply to taxes paid prior to the due date of September 1; and,

WHEREAS, the Board of Chowan County Commissioners desires to adopt a schedule to allow discounts as hereinafter set forth for the payment of taxes prior to the due date;

NOW, THEREFORE, BE IT RESOLVED by the Chowan County Board of Commissioners that a discount rate of 2% is adopted for application to all payments received prior to the date of August 1, and that a discount rate of 1% is adopted for application to all payments received on August 1 and prior to September 1;

BE IT FURTHER RESOLVED that this resolution be submitted to the North Carolina Department of Revenue for approval for the discount schedule set forth and upon such approval that said discount schedule be published at least once in the weekly newspaper the Chowan Herald;

BE IT FURTHER RESOLVED that this discount schedule is effective for fiscal year 2009-2010 and for subsequent years unless rescinded or modified by the Chowan County Board of Commissioners in accordance with the law.

Chairman Eddy Goodwin asked for all in favor, the motion passed (6-1 K. Goodwin)

Tax Supervisor Lynda Hendricks then presented the Tax Collector's Report. A copy of the report is in the Chowan County Board of Commissioners meeting file labeled March 2, 2009.

External Board/Committee Reports

Chairman Eddy Goodwin stated that the Board members are asked to report on the activities of the external boards to which they have been appointed.

Commissioner Belfield stated that the ARHS Board has awarded the bid for auditor to Mason Spruill. He said the District Health Board recently gave a presentation on Identity Theft.

Mr. Rascoe noted that the Department of Social Services has requested a joint meeting with the full Board scheduled for March 23, 2009 at 3:00pm.

Commissioner Winborne reported that the Economic Development Board is negotiating the role of the County in economic development and he noted that he needs guidance from the Board.

Internal Committee Reports

Commissioner Kenny Goodwin stated that the Sub-Finance Committee met and the news about sales tax revenues was not good. He asked the County manager to elaborate.

Mr. Rascoe presented a PowerPoint. A copy of the presentation is in the Chowan County Board of Commissioners March 2, 2009 meeting file. Mr. Rascoe presented a major budget amendment in the PowerPoint. The sales tax revenues are averaging 30% reduction of what was projected for 2008-09. He noted that this is a problem being seen in every county in the State.

The following is the presentation:

CURRENT FISCAL AND BUDGET CHALLENGES

- 1. 08-09 Budget Cost Over-runs and Revenue Shortfalls**
- 2. 09-10 Budget Development**
- 3. Cash Flow for 08/09 and 09/10 Operating Expenses**

08-09 Sales Tax Revenue Projected Shortfall

Total Budgeted Sales Tax Revenues = \$3,390,000

Total Projected Sales Tax Revenues = \$2,631,352*

Total Projected Sales Tax Shortfall = \$758,648

*Based on Sales Trends Through December 2008 (Revenue Received Through February 15, 2009)
(applied and calculated through June 30, 2009)

Chowan County Sales Tax Collections

	FY 03/04	FY 04/05	FY 05/06	FY06/07	FY 07/08	FY 08/09
Jul	\$165,707	\$269,689	\$288,793	\$312,139	\$317,139	\$310,537
Aug	\$223,654	\$261,329	\$272,402	\$313,109	\$264,737	\$266,899
Sep	\$238,581	\$228,946	\$207,684	\$280,884	\$308,711	\$259,564
Oct	\$206,924	\$228,677	\$238,397	\$219,783	\$236,125	\$230,314
Nov	\$224,910	\$260,014	\$256,508	\$284,943	\$266,855	\$188,299
Dec	\$235,239	\$247,115	\$235,693	\$283,705	\$304,026	\$211,573
Jan	\$274,637	\$292,154	\$363,833	\$283,178	\$265,967	\$186,180
Feb	\$215,651	\$221,264	\$249,883	\$289,191	\$291,342	\$203,940
Mar	\$214,500	\$219,836	\$230,350	\$281,168	\$240,587	\$168,420
Apr	\$241,347	\$262,048	\$252,542	\$277,023	\$318,414	\$222,900
May	\$234,523	\$236,261	\$271,898	\$275,102	\$264,343	\$185,050
Jun	\$257,047	\$256,593	\$248,716	\$318,907	\$282,371	\$197,676
	\$2,732,720	\$2,983,926	\$3,116,699	\$3,419,132	\$3,360,617	\$2,631,352

Projected 30% Collection Deficit

Other 08/09 General Fund Revenue Shortfalls

Register of Deeds Fees = \$20,000

Recreation Fees/Concessions/Donations = \$35,000

Total Other General Fund Revenue Shortfall = \$55,000

08/09 General Fund Budget Projected Cost
Overruns

Building Utilities:

- COA Campus Buildings \$ 15,000
- Public Safety Center \$ 35,000
- County Office Bldg \$ 16,000
- COA Admin Bldg \$ 10,000

Worker's Comp Premium: \$ 41,000

Contrib. to School Capital Reserve: \$ 40,000*

*Due to Reduced Sales Tax Revenue

Total Projected Cost Overruns \$157,000

Total Projected 08/09 Budget Shortfalls

Total Projected Revenue Shortfalls = \$ 813,648

Total Projected Expense Overruns = \$ 157,000

Total Projected Budget Shortfall = \$ 970,648

**(Includes 3 Reserve Funds: General, Fire, and School
Capital Reserve Funds)**

Recommendations to Balance 08/09 Fire
Fund (\$20,000 Deficit)

Reduce Sales Tax Revenue* \$20,000

*Attributable to the Fire Fund

Reduce Contrib. to Fire Fund Reserve \$20,000

Recommendations to Balance 08/09 School Capital Reserve Fund (\$140,000 Deficit)

Reduce Sales Tax Revenue* \$140,000

* Attributable to the School Cap. Reserve Fund

Increase Contrib. From General Fund Revenue \$ 40,000

Reduce School Special Tech. Approp. \$100,000

Recommendations to Balance 08/09 General Fund (\$810,648 deficit)

• Reduce General Fund Sales Tax Revenue (30% reduction)	\$598,648
• Reduce Other General Fund Revenues	\$ 55,000
• Increase Total projected General Fund Expenses (Cost Overruns)	<u>\$157,000</u>
• Total Reductions Needed in General Fund Budget	\$810,648

• Reduce Employee Salary Expenditure Line (10% reductions) <small>(2 day per month unpaid furlough-all employees)</small>	\$141,004
• Reduce Lease Payments for (4) Sheriff Vehicle Purchase (Postponed)	\$ 5,217
• Reduce Recreation Departmental Program Expenditures	\$ 30,560
• Reduce Facilities Departmental Program Expenditures	\$ 15,494
• Reduce Soil & Water Lapsed Salary Savings	\$ 16,533
• Reduce Sheriff Lapsed Salary Savings	\$ 35,253
• Reduce Central Communications Lapsed Salary Savings	\$ 22,512
• Reduce Cooperative Extension Lapsed Salary Savings	\$ 4,000
• Reduce DSS Lapsed Salary and other Departmental Savings	\$ 67,500
• Reductions In Force	\$ 47,158
• Reduce Economic Development Appropriation/Savings	\$ 12,295
• Reduce School Budget Current Expenditure	<u>\$413,122</u>
• Total Proposed Reduction in Budgeted Expenses	\$810,648

Commissioner Alligood asked if the 2 day furlough (10% reduction) applied to the Board of Commissioners.

Mr. Rascoe said it does not.

Mr. Rascoe stated that the Sheriff or EMS Director have given him no indication that they will be unable to cover emergency calls. He said he has encouraged the employees to work with their supervisors to make the furlough work. He said the RIF's (Reduction In Force) were enacted the previous week. He noted that DSS has enacted its own RIF voluntarily of two positions an office assistant and one social worker. Mr. Rascoe stated that Facilities maintenance has cut one temp

part-time worker and Recreation has cut 3 maintenance workers. He added that included in the RIF were 1 building inspector, 1 Administrative Assistant in Inspections, 2 Kennel Technicians at the Animal Shelter, 1 Coordinator at the Senior Center, 1 Tax Clerk and 1 Housekeeper. Mr. Rascoe noted that Gates County will be sharing the Planner and will reimburse Chowan County for his services.

Mr. Rascoe noted that the School Board has just presented the Board with a resolution which he read into the record:



EDENTON-CHOWAN SCHOOLS

OFFICE OF THE SUPERINTENDENT

Post Office Box 206 Edenton, North Carolina 27932
Telephone: (252) 482-4436 Fax: (252) 482-7309
www.ecps.k12.nc.us

Allan T. Smith, Superintendent

Resolution

WHEREAS, Chowan County is currently experiencing a severe financial crisis that will affect virtually all aspects of county governmental services; and,

WHEREAS, the crisis has created a significant shortfall of available funds that endanger the continuance of vital services to the citizens of Chowan County; and,

WHEREAS, the Edenton-Chowan Board of Education recognizes that while its primary responsibility is to continue to provide the highest quality educational services to students, the Board also acknowledges its civic obligation to the citizens of Chowan County to assist the Board of Commissioners in resolving this crisis; and,

WHEREAS, the Edenton-Chowan Board of Education fully intends to contribute to the county's recovery and prosperity while minimizing any negative impact the reduction of funds may have on the quality of educational services to the County's children; and,

WHEREAS, the Chowan County Board of Commissioners has identified that a reduction of \$513,122 from the 2008-2009 Edenton-Chowan Schools local allocation is required to help alleviate the current shortfall of sales tax revenue;

NOW, THEREFORE BE IT RESOLVED, that because the Edenton-Chowan Board of Education firmly believes that the school system should assist in resolving the financial crisis, the Board agrees to the reduction of local funds in the above stated amount.

FURTHER BE IT RESOLVED, a copy of this resolution is to be submitted to the Chowan County Board of Commissioners.

Adopted this 2nd day of March 2009.

EDENTON-CHOWAN BOARD OF EDUCATION


Ricky Browder, Chairman


Allan T. Smith, Superintendent

Commissioner Allgood said he felt the Board should give up 10% of their salary.

All of the Commissioners requested their salaries be reduced.

Commisisoner Belfield asked if the persons RIF'd were eligible for the positions should the positions be reinstated.

Mr. Rascoe said yes.

Chairman Eddy Goodwin opened the floor to public comment.

EMS Director Angela Toppin stated that she came to work for Chowan County in 2003 and was not going to lose her intergrety that night. She said "Peter I never told you I could answer all the calls". She also stated she "never told Mr. Rascoe that she could make it work without difficulty." She said she told Mr. Rascoe that she would try to make the furlough work, however she said she told him was not sure how. She stated that she tried to answer Mr. Rascoe's questions honestly when they discussed the potential furloughs.

Mr. Rascoe stated that he was never informed by Ms. Toppin that the calls would not be answered.

Ms. Toppin said she understood that she was only allowed to pay employees for 72 hours, and she felt this was going to be a safety issue because two people are needed on the truck. She stated to Mr. Rascoe "I did tell you this would be difficult."

Mr. Rascoe stated that this is management issue and that he would stand by what he had previously stated, that calls would not go unanswered.

Ms. Toppin said her concern was the safety issue, or the "what if factor".

Commissioner Kenny Goodwin assured the public that the calls would be answered by EMS.

Citizen Les Kersey asked how.

Mr. Rascoe stated that and if there was an emergency situation, the county would utilize mutual aid.

EMT Bob Clark stated that this furlough would become a safety issue. He said that EMS is currently understaffed and he felt the County was asking him to work for nothing. He said he felt employees were being unduely punished.

EMT Harriett Dehart stated she was upset with the reductions and said that if employees gave up Holiday pay back in August the County would not have had to impose such cuts now.

Mr. Rascoe reiterated that he will work on the plan and he will make sure that it works, he noted other local governments are implementing the furlough and it can work.

Commissioner Alligood asked if employees work over their assigned shifts would they be paid.

Mr. Rascoe said they would receive comp time.

EMS employee Annette Pendleton said she was willing to give up her Holiday pay.

Mark Dehart stated that the Board needed to look at a way to increase revenues.

EMT James Brabble, said he was worried that this would cause EMT's to have to make tough decisions on answering a call or taking a furlough.

Mr. Rascoe stated this is a management issue and he will discuss this with the EMS Director.

Former EMS employee Delbert Wilkes said that limited growth in EMS could impact the health of Chowan County residents.

John Sams applauded the efforts of the Board and asked that they go back to the 2003-04 expenses and mirror that budget in planning for future expenses and budgets.

Retired Deputy William Bunch said that while the furlough does not impact him, he noted the scenario of an employee who is getting off a shift being close to a call location and having to choose between answering the call or taking their furlough. He said that he felt the younger new employees are not as willing to donate their time to the County like his generation did.

Commissioner Belfield moved to approve the budget amendment as presented. A copy of the amendment is in the March 2, 2009 Board of Commissioners meeting file.

Commissioner Winborne said the decision is difficult, but he felt that the staff can make it work. He said the Board needs the help of everyone, and if there is a call, answer it, and you will receive your time for it.

Commissioner Alligood said he did not feel the EMS employees would allow a call to go unanswered. He said he felt that the EMS employees are good people.

Commissioner Nixon noted that many communities are facing the same problems. He said the job of the Board is to oversee the budget and the County manager oversees the employees. He said that the Manager has said the services would be met and the job of the Board is to balance the budget.

Being no further discussion, Chairman Eddy Goodwin asked for all in favor, the motion carried unanimously (7-0).

Commissioner Keith Nixon noted the Planning and Enterprise Committee met and at the time there were no bids on the real property sale.

Mr. Rascoe said that on the same day of the Board's meeting his office received an offer on the Chowan Community Building property which exceeds the minimum bid amount. He said the offer will be advertised and he will follow up with the Board after that time.

Commissioner Nixon added that the committee reviewed a plan for the wastewater discharge and the County Manager has prepared a memo in response to the corrective action plan. A copy of the memo is in the Board of Commissioners meeting file, March 2, 2009. Mr. Rascoe noted this is a 5 year plan.

Commissioner Winborne discussed with the County engineer any potential obstacles from the State or any stimulus monies to fund the project.

Mr. Rascoe said that stimulus monies are doubtful because most projects must be shovel ready and this project is not.

Commissioner Alligood moved that the Board approve the memo to submit to the State for a corrective action plan for Chowan County.

Being no further comment, Chairman Eddy Goodwin asked for all in favor, the motion carried unanimously (7-0).

FY 07-08 Audit Report

The County's Auditor, J.P. Timberlake presented the Board the FY 2007-08 Audit comparative statements of net assets and activities. He noted this is a draft and the funds were not prepared. A copy of the sheets are in the March 2, 2009 Board of Commissioners meeting file.

Commissioner Nixon asked if the numbers will change in the final copy.

Mr. Timberlake said they should not change and the LGC will make notes.

Commissioner Nixon asked what an average percentage of debt repayments was for most counties.

Mr. Timberlake said he did not know off the top of his head. He concluded by asking the Board to call if they had any questions.

Finance Report

Finance Officer Lisa Jones provided the financial reports for the month of January. (A copy of the presentation is in the file labeled March 2, 2009 Chowan County Board of Commissioners Meeting). She noted cash balance of \$314,389 as of December 31, 2008 an investment balance of \$4,158,220. She highlighted the departmental budget for the Tax Office in her report also.

Manager's Report

County Manager Peter Rascoe provided the Manager's report noting he is working with the proposal for the VA Clinic. He stated he will work with Department Heads to continue to provide quality service and stated that he is positive that no emergency call will go unanswered. He said that he met with the new director of Albemarle Mental Health. He said he is meeting with COA to discuss consolidating campus to reduce costs. He said that he is still receiving inquiries from the State Auditor's office and no indication has been given on when a report will be finalized. Mr. Rascoe added that a travel ban has been implemented for out of county travel. He said only mandatory or previously approved trainings may be traveled to. He stated that purchases will be suspended after June 1st and the heating and air conditioning will be shut down April 1st through June 30th. He said he has received one bid for an auditor. He concluded his managers report by adding that he is planning a retreat of the full Board in April dedicated to budget planning.

Timely and Important Matters

Chairman Eddy Goodwin noted the Board had received a resolution from the ABC Board for consideration.

Clerk to the Board, Susanne Stallings read the following resolution into the record.

RESOLUTION

IN SUPPORT OF THE CHOWAN COUNTY ABC BOARD'S OPERATION OF ABC STORES

AND OPPOSING "AGENCY STORES"

WHEREAS, the citizens of Chowan County voted to permit the sale of spirituous liquor through the establishment of the Chowan County ABC Board, which is a part of the North Carolina's control system for the sale of spirituous liquors;

WHEREAS, the General Assembly's Program Evaluation Division released a Report on the ABC System in December 2008 (the "PED Report") that recommends, in part, that the General Assembly should authorize the state ABC Commission to require local ABC boards to contract with an "agency store" to sell liquor when performance standards indicate that operation of an ABC store by a board is not efficient;

WHEREAS, an "agency store" means that liquor would be sold by a private seller in a grocery store, pharmacy or convenience store;

WHEREAS, the citizens of Chowan County, in voting to permit the operation of ABC stores, did not vote to allow spirits to be sold in a private "off-premise" retail establishments;

WHEREAS, the objective of the PED Report in recommending agency stores is to provide increased profits;

WHEREAS, by law, any increase in profits of the Chowan County ABC Board inures to the direct benefit of the County and the local community, none of which accrues to the state; and

WHEREAS, Chowan County prefers to retain North Carolina's control system over the sales of spirits and to continue to make spirits available to its citizens only through its ABC store(s).

NOW THEREFORE, BE IT RESOLVED BY THE COUNTY COMMISSIONERS OF THE COUNTY OF CHOWAN:

That the County Commissioners desire to maintain the operation of the County's ABC store(s), oppose any mandate from the state to contract with a private seller for the sale of spirits at retail, and oppose "agency stores".

Commissioner Allgood moved that the Board adopt the resolution as presented. Being no further discussion, Chairman Eddy Goodwin asked for all in favor, the motion carried unanimously (7-0).

Chairman Eddy Goodwin asked Mr. Rascoe to read another resolution that is in support of creating an insurance commission.

Mr. Rascoe read the following resolution into the record:

A RESOLUTION SUPPORTING CREATION
OF AN INSURANCE COMMISSION

WHEREAS, increasing homeowners, wind and hail and other property related insurance rates and deductibles are a major concern to all property owners within North Carolina and of particular concern to those who own property in coastal region of North Carolina; AND

WHEREAS, currently decisions regarding increases or decreases in the rates and deductibles of insurance in North Carolina rest solely with the Insurance Commissioner and the Department of Insurance; AND

WHEREAS, the processes, procedures and methods used by the Insurance Commissioner and the Department of Insurance in making such decisions currently provide the public with little to no transparency and very limited means of providing input or recourse for unfair and unjust decisions of the Insurance Commissioner and the Department of Insurance; AND

WHEREAS, this lack of transparency, input and recourse often places an unjust and unfair burden upon North Carolina property owners through the increase in those property owners' insurance rates based on incorrect and/or misconstrued data and the arbitrary and capricious processing of that data to make decisions contrary to the public welfare; AND

WHEREAS, the legislative creation of an Insurance Commission in a form similar to that of the Utilities Commission created pursuant to Chapter 62 of the North Carolina General Statutes and in a manner that is open to the public, that provides for the fair and just regulation of insurance rates for all North Carolina residents and that provides aggrieved persons sufficient means of recourse for unfair or unjust insurance rates would be a benefit to all citizens and residents of North Carolina.

NOW THEREFORE BE IT RESOLVED that the Chowan County Board of Commissioners supports the legislative creation of an Insurance Commission tasked with providing fair and just insurance rates to all North Carolina residents in a manner that is open to the public and provides aggrieved persons sufficient means of recourse for unfair or unjust insurance rates and encourages all Chowan County and North Carolina residents, property owners, and visitors to contact their representatives in the North Carolina General Assembly to indicate support for such legislation.

This the 2nd day of March 2009.

Commissioner Belfield moved that the Board adopt the resolution as presented. Being no further discussion, Chairman Eddy Goodwin asked for all in favor, the motion carried unanimously (7-0).

Chairman Eddy Goodwin noted that 5 Commissioners attended the school in Raleigh for new Commissioners. He stated it was very informative.

Being no further business before the Board, the meeting was adjourned.

Eddy Goodwin
Chairman

L. Susanne Stallings
Clerk to the Board

(SEAL)