

Regular Meeting  
Monday June 1, 2009  
**6:00 pm**  
**Chowan County 1767 Courthouse**  
**East King Street**

**MINUTES**

The Chowan County Board of Commissioners held their regular meeting on Monday, June 1, 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 and Clerk to the Board Susanne Stallings.

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

**2. Public Comment**

Chairman Eddy Goodwin opened the floor to public comment in accordance with NCGS 153A-52.1 .

John Mitchener, 1000 West Queen Street asked what percentage reduction was figured for sales tax.

Mr. Rascoe noted that he has figured a 30% reduction. He noted that the figures from the current year are 24-30%.

Being no further public comment, Chairman Eddy Goodwin closed the floor.

**3. Consent Agenda**

Chairman Eddy Goodwin asked if there were any questions or comments on the following consent agenda.

Clerk to the Board noted a suggested change to the minutes of May 7<sup>th</sup> page 5 (County Manager's Office discussion) to reflect Commissioner Kenny Goodwin as having made the motion to reduce the line.

The Board discussed the DSS amendment with the County Manager. Commissioner Kenny Goodwin asked if the decrease for the Medicaid Hold Harmless was projected.

Mr. Rascoe stated yes.

Commissioner Kenny Goodwin asked if the fly over for Land Records would be paid in both budgets.

Mr. Rascoe stated it would be carried over to FY 09-10 and a separate line would be established for that project. He said part was paid in FY 08-09 because a grant was received.

Commissioner Jimmy Alligood moved that the Board approve the consent agenda as submitted.

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

**a. Budget Amendments**

3839 Insp./Planning	\$2,000	Increase misc. revenue for Gates Co. reimbursement for travel expense for Planner-Mutual Aid.
4350 Insp./Planning	\$2,000	Increase travel expense for Planner's increased travel to Gates County for Mutual Aid Agreement
3419 Land Records	\$4,687	Increase revenue for NCDENR Grant received 4/30/09 for Ortho Imagery re-flying contract.
4190 Land Records	\$4,687	Increase expense for contract for Sanborn Map Company Inc. for partial payment on digital Ortho Photography Project.
3835 Gen. Fund	\$2,000	Increase revenue for sale of property- Indian Trail
9841 Gen. Fund	\$2,000	Increase contribution to General Fund Reserve
3612 Recreation	\$ 688	Decrease Revenue After-School Plus Grant due to State JCPC Grant reduction.
6131 Recreation	\$ 688	Decrease Expenditures (salary and fringe) for After-School Plus Grant Program.
3531 DSS	\$169,139	Decrease Revenue – Medicaid Hold Harmless to reflect Actual revenue to be received.
5352 DSS	\$169,139	Decrease Expense – Medicaid cost savings due to County's Medicaid participation rate for federal stimulus act, reduced.
3591 School	\$ 10	Increase Revenue from Lottery proceeds received 05-08-09 to cover school debt service
5913 School	\$ 10	Increase Expenditure School Debt Service Interest Payment.

**b. Tax Release**

Duck Inc.	\$187.70	Value too high for trailer
Dunn, C.	\$100.42	Vehicle traded
Ellis, O.	\$103.74	Vehicle sold
Holland, R.	\$100.15	Vehicle sold
Nixon, J.	\$101.73	Vehicle traded
Terrones, G.	\$139.83	Double listed

**c. Minutes**

Minutes of the April 21, 2009 Special Finance Committee meeting, May 4, 2009 Board meeting, May 7<sup>th</sup> Special Meetings and the May 27, 2009 meeting.

**d. ARRA Administrative Funding for Food and Nutrition Services**

Chowan County Department of Social Services' plan for utilization of stimulus monies received through the 2009 American Recovery and Reinvestment Act (Food and Nutrition Services) for the Board's approval. DSS is scheduled to receive \$20,000 during Federal FY 08-09 and \$20,000 FY 09-10.

**e. Budget Transfer**

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4310 Sheriff	\$19,000	Decrease Salary and Fringe benefit expense from lapsed salaries from frozen positions.
4320 Jail	<u>\$ 3,000</u>	
4120 Admin	\$22,000	Increase Administrative Professional Services – Audit To cover final invoice from J.P. Timberlake for 07-08 Audit.

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9900 Contingency	\$ 3,319	Decrease Contingency and Courts- DA contracted services for projected expense under-run.
4160 Courts	<u>\$ 1,681</u>	
4331 Safety	\$ 5,000	Increase Contracted Services expense for First Call Contract for County wide telephone alert system.

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4110 Governing Body	\$ 8,500	Decrease salary expense from Commissioner salary savings, Tax and Central Communications frozen position savings.
4140 Tax	\$ 5,000	
4270 Central Comm.	<u>\$ 2,421</u>	
4120 Admin	\$14,006	Increase expense for budget correction of Admin compensation expense, and for vacation time payout for Inspections unit eliminated position (March 09).
4350 Insp./Planning	\$ 1,915	

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4320 Jail	<u>\$22,053</u>	Decrease Jail salary and fringe benefits from Chief Jailer frozen position savings.
4269 COA	\$22,053	

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4140 Tax	\$ <u>2,212</u>	Decrease salary expense for Tax from frozen position cost savings.
4190 Land Records	\$ 2,212	Increase GIS re-flying expense to cover partial invoice for digital Ortho-Photography project contract.
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4262 County Office Bldg.	\$ <u>785</u>	Decrease utility expense for Spring cost saving measures.
5110 Health	\$ 785	Increase interest payment expense for BB&T payment for Adult Day Health Center debt.
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**Public Hearing – CDBG 2007-08 Scattered Site Housing- Close Out**

Carolyn Morris, Consultant presented the information for the Close Out Public Hearing. She noted the purpose of the public hearing it to receive citizens’ comments concerning the 2007 CDBG Scattered Site Housing Project funded in the amount of \$400,000 through the Department of Commerce, Division of Community Assistance. She stated the activities eligible under the grant program included, clearance, relocation, housing rehabilitation and emergency repairs. She also stated that there was no local match from Chowan County.

Chairman Eddy Goodwin opened the floor for the public hearing. He asked if there were any questions or comments from the public (there were none). He then closed the floor.

Commissioner Jimmy Alligood moved that the Board close out the CDBG 2007-08 Scattered Site Housing project/grant.

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

**Board Appointment(s)**

Chairman Eddy Goodwin then noted the following requests for Board appointments:

- a. COA Edenton- Chowan Campus Advisory Committee Appointment.  
The Board of Trustees for COA has recommended that Richard Bunch be reappointed with his term ending June 30, 2013.  
Commissioner Belfield moved that the Board reappoint Richard Bunch. Chairman Eddy Goodwin asked for all in favor, the motion carried unanimously (7-0).
- b. The Albemarle Commission’s Chowan County Joint Community Advisory Committee has requested that Wayland Byrum and Lloyd W. Evans be reappointed with their terms expiring February 6, 2012.  
Commissioner Alligood moved that the Board reappoint Wayland Byrum and Lloyd Evans. Chairman Eddy Goodwin asked for all in favor, the motion carried unanimously (7-0).
- c. The Northeastern Workforce Development Board has notified the Clerk that Carol Ricketts, who was appointed to fill a two year term, is no longer available to sit on the Board. The membership committee has requested that Ellen Colodney be appointed to complete Ms. Ricketts term ending on June 30, 2010.

Commissioner Alligood moved that the Board appoint Ellen Colodney to complete Ms. Ricketts term. Chairman Eddy Goodwin asked for all in favor, the motion carried unanimously (7-0).

### **Internal Committee Reports**

Chairman Eddy Goodwin stated there were no internal committee meetings to report due to all of the activities of budget planning.

### **External Board/Committee Reports**

Chairman Eddy Goodwin asked the board members to report on the activities of the external boards to which they have been appointed.

Commissioner Cole noted that Ben Rose, the director of Chowan County DSS has submitted his resignation to the Board. He asked the County Manager to describe what will happen next.

Mr. Rascoe stated that the DSS Board accepted the resignation of Mr. Rose as he will be moving to Cabarrus County and serve as the director there. He said the DSS Board has appointed the current Deputy Director, Melanie Corprew as interim director for 6 months at her current salary. He noted the Director position will be frozen and selection for a director will begin in the fall. He said the Board of Commissioners will set the salary of the new director when the process for replacement begins.

Commissioner Alligood stated his appreciation of the service Mr. Rose had provided Chowan County and hated to see him leave. He said he felt Mr. Rose "was a great department head".

Chairman Eddy Goodwin said that on behalf of the Board he appreciated the work of Mr. Rose and the Board and audience gave him applause.

Mr. Rose replied that it had been an honor to serve Chowan County DSS.

Mr. Cole noted he will begin serving on the Hospital Director's Council and will report at the July meeting of its activities.

Commissioner Belfield noted the Albemarle Regional Health Services Board has noted an increase in rabies cases adding that the Board will approve their FY 09-10 budget at its next meeting. He noted the Interagency Council has realized a 7% cut in funding and the impact will be felt in the coming months. He said that the Council hopes to receive funding in the next year.

Commissioner Alligood stated the Workforce Development Board met and this was his first meeting. He said he is still learning and will have more to report soon.

Vice Chairman Winborne said that the ECDC Board did not meet in May but toured Mi-Tek and celebrated their announcement of expansion and job creation.

### **Finance Officer Report**

Finance Officer Lisa Jones provided the financial reports for the month of April. (A copy of the presentation is in the file labeled June 1, 2009 Chowan County Board of Commissioners Meeting). She noted cash and investment balance of \$2,194,800.

Commissioner Kenny Goodwin asked if there are any monies to be carried over for FY 2009-10.

Ms. Jones said the best projections show investment monies will be carried over.

Mr. Rascoe noted that the Local Government Commission has requested that the Board hold a special meeting at the end of June to balance all un-balanced lines in the FY 08-09 budget. He suggested a meeting date of June 30, 2009 at 9:00am.

Vice Chairman Winborne thanked Ms. Jones for providing copies of all banking statements.

Chairman Eddy Goodwin amended the agenda to skip the FY 2009-10 budget consideration to complete all other items.

### **Tax Collector Report**

Mr. Rascoe presented the Tax Collector's Report noting collections to date were at 97.5% which was what was budgeted for FY 09-10. (A copy of the presentation is in the file labeled June 1, 2009 Chowan County Board of Commissioners Meeting).

### **Manager's Report**

County Manager Peter Rascoe provided the Manager's report highlighting the following items:

- NC DOT has submitted notification that the Bridge on Dillard's Mill Road will be closed on June 22, 2009 through October 30, 2009 for replacement.
- East Carolina Behavioral Health out of Ahsoskie will begin contracting and overseeing the operations of Albemarle Mental Health in Chowan County.
- He said that he has received the packet for RFP from the Department of Veterans Affairs for the proposed VA Clinic. He said he will begin working on the County's proposal and the Planning and Enterprise Committee as well as the site selection group will be involved in developing the proposal.

### **Timely and Important Matters**

Clerk to the Board read a resolution that was submitted for the Board's consideration:

#### **Merchant Marine Resolution**

#### **A RESOLUTION OF THE CHOWANCOUNTY BOARD OF COMMISSIONERS SUPPORTING AN ALTERNATIVE METHOD OF RECOGNITION FOR VETERANS STATUES TO MERCHANT MARINE SEAMEN OF WW II**

**WHEREAS**, Public Laws 95-202 and 105-368 authorized designation of Veteran status to U. S. Merchant Marine Seamen of WWII; and

**WHEREAS**, two specific actions by the U. S. government have prevented some 10,000 merchant seamen from gaining Veteran status recognition, being:

- (1) the U. S. Coast Guard relieving Masters of tugs, towboats, and seagoing barges of the responsibility of submitting reports of seamen shipped and discharged, and
- (2) the National Maritime Administration ordering certain ship's logbooks to be destroyed because they were too costly to maintain, both actions having

removed the two main criteria required by the government to issue official recognition to those seamen; and

**WHEREAS**, the average age of the remaining seamen is above 86 and the population of U.S. Veterans is shrinking at an average of 850 per year causing time to be of the essence; and

**WHEREAS, No costs are associated with this proposal as funding is already included in the above public laws and:**

**WHEREAS**, this Chowan County Board of Commissioners therefore request that this matter be remedied.

**NOW, THEREFORE, BE IT RESOLVED**, that the Chowan County Board of Commissioners supports the attached proposal and requests that this Resolution and attached proposal be sent to Senator Kay Hagan, Senator Richard Burr, Congressman Walter B. Jones and Congressman G. K. Butterfield.

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

**ABC Resolution**

Clerk to the Board, Susanne Stalling then read the following resolution for the Board's consideration:

A RESOLUTION  
SUPPORTING THE CHOWAN COUNTY ABC BOARD'S OPERATION OF ABC STORES AND  
OPPOSING MERGER OF ABC BOARDS AND "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, Senate Bill 839/House Bill 768 (Modernization of the ABC System) would require all ABC boards in a county to merge; allow the ABC Commission to further merge county-wide boards into regional boards; require the ABC Commission to develop performance standards; and allow the ABC Commission, if a board does not meet performance standards, to close an ABC board, close ABC stores, merge boards with other boards or regional boards, contract in its name directly with agency stores for the sale of spirits where ABC stores are authorized but not in operation, and require an ABC board to contract with an agency store;

WHEREAS, an "agency store" is a private retail seller, like a grocery store, pharmacy or convenience store and the citizens of Chowan, in voting to permit the operation of ABC stores, did not vote to allow spirits to be sold in such private off-premise retail establishments;

WHEREAS, any increase in profits of the Chowan ABC Board that may be realized by merger or consolidation inures to the benefit of the local government and community and not to the State;

WHEREAS, the State does not appropriate funds for the operation of the ABC Commission or its warehouse, which are funded by spirits sales, and does not appropriate funds for local ABC Boards:

WHEREAS, Chowan County Board of Commissioners desires 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);

WHEREAS, it is a local decision to establish and operate an ABC store, and any decision to merge an ABC Board should be made by the local government, and not the State.

NOW THEREFORE, BE IT RESOLVED BY THE Chowan County Board Of Commissioners:

Desires to maintain the operation of the County's ABC store(s) through the control system, opposes any State mandate to merge ABC Boards, and opposes agency stores.

By: \_\_\_\_\_

Attest:

\_\_\_\_\_ Date: \_\_\_\_\_

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

**ABC Board Appointment**

Commissioner Kenny Goodwin noted that there is an upcoming vacancy on the ABC Board. He asked the Clerk to the Board for clarification.

Clerk to the Board, Susanne Stallings noted that after research of the terms of the ABC Board members, ABC Board Chairman Burton Jones' term expires in June 30, 2009. She noted that term

limits were waived when Mr. Jones was appointed however, the statutes only allow for a 3 year terms with renewals.

Commissioner Kenny Goodwin moved that the Board appoint Haywood Coston to the ABC Board to fill the upcoming vacancy.

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

The Board took a 15 minute recess.

Chairman Eddy Goodwin called the meeting back to order and noted the next item:

### **FY 2009-10 Budget Consideration**

Chairman Eddy Goodwin noted that the Board will consider the 2009-10 Budget and Budget Ordinance for adoption.

Chairman Eddy Goodwin opened the discussion by stating he wanted to clear up some confusion and misinformation on the law for County and School budgets. He noted that schools receive money annually from the State/Federal and Local Budgets and do not need large fund balances for cash flow shortages. He noted that only counties are to have a fund balance of a minimum 8% of the total budget. He noted the Board of Commissioners does not hire, fire, set salaries, supervise administration or set classroom size. He noted the budget for a school is complex. Chairman Eddy Goodwin read the items that are mandated by law for a county to provide such as law enforcement, jail, court, fire protection, Public Health, Mental Health, school, Social Services, Administration and Tax assessment. He noted services like Water, Sewer and Fire are optional services to provide. He noted that often, a school budget is the largest item in a County budget.

He then opened the floor to public comment.

Betty Onufrack of the Chowan Arts Council asked if the Board would consider allowing the Arts Council to pay rent in one lump sum for their space at the Swain Auditorium. She said that after membership drives, that is when the Council would have money for rent. She added that the Council was seeking a 12% discount for early payment by paying in one lump sum.

Mr. Rascoe noted this could create a cash flow issue unless the tenant agrees to cost share for utilities. He said the County couldn't carry the utility expense if the tenants only made two payments in a year. He said calculations would have to be done to determine the costs for the utilities for just that space.

Commissioner Winborne moved to set the rent for the Arts Council at \$700 per month with no early payment exception.

Commissioner Nixon asked for clarification on the budget to show the expense for the Arts Council.

Finance Officer, Lisa Jones clarified the location in the budget printout.

Being no further discussion, Chairman Eddy Goodwin asked for all in favor, the motion passed (4-3 Nixon, Cole, Belfield)

Chairman Eddy Goodwin asked the Board to use the printout of the most recent budget discussion and stated that the Board would review the items that were highlighted as no consensus had been reached on the following items.

### **Administration/Finance**

Commissioner Kenny Goodwin stated he proposed an initial reduction of \$60,000.

Commissioner Winborne asked why that was put back in.

Mr. Rascoe stated that this would, under the RIF (Reduction in Force) policy would eliminate 2 positions.

Commissioner Belfield moved that the budget remain the same as proposed \$443,588.

Being no further discussion Chairman Eddy Goodwin asked for all in favor, the motion passed (4-3 K. Goodwin, Winborne, E. Goodwin)

### **Register of Deeds**

Chairman Eddy Goodwin asked why the variation in the number.

Mr. Rascoe stated that at the last budget meeting, a Commissioner requested that the money be put back in.

Commissioner Alligood moved that the total budget be \$133,559.

Commissioner Winborne asked what the reduction was.

Mr. Rascoe stated that the budget was so tight that any reductions would dip into the assistant's salary.

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

### **Sheriff**

Commissioner Alligood asked if the Sheriff could operate with the budget as proposed.

Sheriff Dwayne Goodwin said \$1,432,330 would allow continued operations the same as current levels. He said that he and his staff would work efficiently to keep costs down.

Commissioner Belfield moved that the total budget for the Sheriff to be \$1,432,330.

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

### **Animal Shelter**

Commissioner Cole asked Animal Control Officer, Ginny White if the Shelter could function at the proposed level.

Ms. White said yes.

Commissioner Cole moved that the total budget for Animal Shelter be increase to reinstate one position for a total amount of \$135,550.

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

#### **Agriculture Extension/EFNEP**

Commissioner Kenny Goodwin stated that the last proposal had the wrong number. He said he proposed \$167,249 to reinstate the 4-H position.

Commissioner Alligood moved to approve the amount of \$167,249.

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

#### **Public Health**

Vice Chairman Winborne asked why the number changed.

Mr. Rascoe stated that at the May 18<sup>th</sup> meeting a Board member recommended to put the monies back into the budget.

Commissioner Kenny Goodwin said that the County was getting a good deal for Public Health.

Commissioner Belfield moved that the total budget be \$79,600.

Commissioner Keith Nixon said he was in favor of the amount, because after he checked into it, the amount is low compared to other counties.

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

#### **Social Services**

Commissioner Nixon said he worked with the DSS staff on the numbers. He said the amount would reinstate positions and keep on a hiring freeze.

Commissioner Alligood moved that the Board adopt the figure of \$3,426,145.

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

#### **Forestry Wildlife**

Mr. Rascoe noted that all capital purchases were frozen by the state and the proposed vehicle had been removed from the budget.

Commissioner Nixon moved that the total budget for Forestry be \$59,602.

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

### **Public Safety Center**

Commissioner Alligood said he felt it was important to reinstate monies for contracts. He moved to increase the budget to \$171,168.

Being no further discussion Chairman Eddy Goodwin asked for all in favor, the motion failed (3-4 Nixon, K. Goodwin, Winborne, E. Goodwin).

By default the budget would remain at the proposed level of \$124,465.

### **County Manager Office**

Commissioner Alligood stated he wanted to budget to remain at \$6,730 to allow the building to stay open, otherwise, he said he felt the building would deteriorate.

Vice Chairman Winborne said he felt the building could have other possible uses.

Mr. Rascoe said if the building is not funded for maintenance, his staff would have to find other housing and there would be up fit costs to rent out the building. He said the current location of the building is convenient.

Commissioner Belfield moved to set the budget for the building at \$6,730.

Commissioner Nixon asked if the building could be rented out as it is.

Mr. Rascoe said yes, if the tenant agreed.

Commissioner Kenny Goodwin said he did not feel the building would deteriorate.

Being no further discussion, Chairman Eddy Goodwin asked for all in favor, the motion failed (3-4 Nixon, K. Goodwin, Winborne, E. Goodwin).

By default the budget would remain at the proposed level of \$0.

### **COA Admin Building**

Mr. Rascoe noted that the \$61,984 would restore the internet upgrade and the security guards.

Commissioner Alligood moved that the total budget be \$319,071.

Commissioner Kenny Goodwin stated he felt the budget should remain as proposed.

Being no further discussion, Chairman Eddy Goodwin asked for all in favor, the motion failed (3-4 Nixon, K. Goodwin, Winborne, E. Goodwin).

By default the budget would remain at the proposed level of \$257,087.

### **Safety Office**

Mr. Rascoe noted the proposed increase allows for one position, travel and office equipment expenses.

Commissioner Alligood moved to add the position back.

Vice Chairman Winborne asked the County Manager to clarify the elimination.

Mr. Rascoe said that a Public Safety Officer is not a legally mandated position, he stated however, it is mandated that the County have an Emergency Management person in place to be eligible for FEMA reimbursement. He said this person is in charge of the Emergency Operations plan and Disaster mitigation Plan, which requires constant updates. He said the \$21,571 will cover the Fire Inspector salaries. He said the EM Coordinator's position is essential for FEMA reimbursement. He said this person keeps the County's NIMS (National Information Management System) certification in compliance.

Vice Chairman Winborne asked when the position was created.

Mr. Rascoe said the Public Safety Officer position was merged 2 years prior to the meeting date but an Emergency Management Coordinator has been in place for the past 11-12 years.

Commissioner Alligood asked who would oversee the Emergency Management Plan and the Hazard Mitigation Plan.

Mr. Rascoe said he met with the Division of Emergency Management and their concern is the first 72 hours for response. He said the County would need to create a position to take over that responsibility.

Chairman Eddy Goodwin said he did not believe that FEMA would not come to Chowan County if there was no Emergency Management Coordinator in place.

Commissioner Nixon said he researched and Perquimans County has a part-time EM Coordinator in place. He said the County would be eligible for grant monies for the position.

Mr. Rascoe said that the General Assembly has not approved the monies for that as of yet in their budget.

Commissioner Kenny Goodwin moved that the County put \$25,571 in that budget.

Being no further discussion, Chairman Eddy Goodwin asked for all in favor the motion passed (4-3 Cole, Alligood, Belfield).

The Board took a 15 minute recess

Chairman Eddy Goodwin called the meeting back to order.

### **Library**

Commissioner Alligood moved that the Board fund the Library at the FY 08-09 level of \$147,529.

Librarian, Rosalie Miller said that amount is much better for the Library, and stated that staff could cope with the budget and maintain working hours.

Commissioner Kenny Goodwin said he felt that with volunteers the Library could function with \$146,161.

Vice Chairman Winborne said that he felt volunteers could help the Library function on the proposed budget of \$146,161.

Commissioner Alligood said he was concerned about what would happen to the Library when the volunteers do not show up.

Commissioner Cole said he wanted to see the Library at the FY 08-09 level.

Commissioner Belfield said he did not want to see the Library or its programs decimated.

Being no further discussion, Chairman Eddy Goodwin asked for all in favor, the motion failed (3-4 K. Goodwin, Nixon, Winborne, E. Goodwin).

By default the budget would remain at the proposed level of \$146,161.

### **Recreation**

Commissioner Alligood said that the public spoke out in favor of supporting Recreation, Schools and Animal Control. He said he did not want to see the department negatively affected.

Commissioner Kenny Goodwin said he felt the budget should be left as is and the public would volunteer.

Commissioner Nixon said he has reviewed the budget and partook in discussions on its budget at several meetings. He said he felt the Recreation direction could develop a budget and suggested the budget be set at \$350,000.

Mr. Rascoe said the recreation director would develop the fees.

Commissioner Nixon suggested allowing additional revenue of \$33,661.

Recreation Director, Robbie Laughton said that \$350,000 budget would result in drastic changes in the Recreation program. He said this would eliminate 3 full time positions and summer programs. He said this would cut his staff in half. He stated that he has reviewed cutting the Recreation Departments working hours to absorb some of the cuts.

Commissioner Belfield stated his concern about Recreation fees becoming too costly for participants.

Commissioner Alligood moved that the Board set the Recreation budget at \$454,000.

Vice Chairman Winborne said he felt that parents would not allow recreation to suffer.

Commissioner Nixon said he would love to see a job saved and add expense money back into the recreation budget.

Being no further discussion, Chairman Eddy Goodwin asked for all in favor, the motion failed (3-4 K. Goodwin, Winborne, E. Goodwin, Nixon)

(see final budget motions in minutes for additional monies put back into the recreation budget)

### **Schools Current Expense**

Commissioner Alligood stated he wanted to see the Budget increased \$52,000.

Superintendent of Schools, Dr. Alan Smith stated that he felt it was important to address any reductions in the proposed school budget. He said there were monies that were being pulled from the state nearing 1.8-1.9 million dollars. He said the existing fund balance could address contingencies and monies withdrawn from State and Federal contributions.

Chairman Eddy Goodwin stated that all monies that are not spent that are State or Federal must be returned, however, a reserve fund of local monies are taxpayer dollars and he did not feel the schools were taking a cut because there is local monies there to assist.

Commissioner Kenny Goodwin stated that he wanted to note that at the last Board meeting Dr. Smith stated Chowan County would rank 100<sup>th</sup> in local funding but he didn't know that the numbers were factual because most Counties in the State are cutting school funding. He asked for clarification on federal stimulus monies.

Dr. Smith said that \$500,000 is coming for Title I and exceptional children programs. He said that stimulus monies have to be used only for certain purposes and is monitored closely to not be used for any other purpose.

Commissioner Cole asked if there would be any low wealth monies for Chowan County.

Dr. Smith said that there will be a reduction in those monies as well as lottery proceeds.

Vice Chairman Winborne said that not until recent discussions, was the public aware that the school was carrying a fund balance. He stated his concern about previous comments on job loss when there is an existing fund balance.

Dr. Smith said that Edenton Chowan School system is anticipating large reductions on both State and Federal levels. He stated that he did notify teachers of the upcoming meetings so that they could attend and be informed on potential reductions. He said he hoped that there could be more open communication between the school and the Board in the future.

Chairman Eddy Goodwin said that all needed to do a better job and as always there is room for improvement.

Commissioner Alligood said that he does not take offense to the school system carrying a fund balance and said that he appreciates the teachers making their voices heard.

Commissioner Belfield said the most important thing is the children and said he was concerned that they may suffer as a result of any cuts.

Commissioner Nixon said that public comments stated the school was taking the brunt of reductions. He said it was important to note the County has reduced its budget by 4 million dollars. He said much of the problem is the reduction in sales tax. He said he not sure if the County is underestimating sales tax collections, but he said he felt the County should be more cautious. He said if more sales tax monies come in, he would recommend giving the money to the schools.

Commissioner Goodwin stated that at a previous meeting he mentioned sales tax and asked if it was best to budget for overages or just transfer additional monies as they come in.

Commissioner Alligood moved that the County increase the School budget \$50,000.

Mr. Rascoe noted the projections for sales tax are based on recommendations from the NCACC. He said each month's excess revenues can allow the budget to be amended for the schools.

Being no further discussion, Chairman Eddy Goodwin asked for all in favor, the motion failed (3-4 Nixon, K. Goodwin, Winborne, E. Goodwin).

### **Capital Reserve Funds**

#### **Storm Preparedness Fund**

Commissioner Kenny Goodwin asked when this fund would be paid off.

Ms. Jones stated next year.

Commissioner Kenny Goodwin moved to approve the fund in the amount of \$75,000.

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

#### **Water Development Capital Reserve Fund**

Mr. Rascoe noted this does not increase any fees.

Commissioner Kenny Goodwin moved that the Board approve the fund at \$125,000.

Being no further discussion, Chairman Eddy Goodwin asked for all in favor, the motion carried (6-1 Alligood).

#### **Revaluation Fund**

Commissioner Louis Belfield moved to approve the fund in the amount of \$25,000.

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

#### **School Capital Reserve Fund**

Commissioner Kenny Goodwin moved to approve the fund in the amount of \$1,012,666.

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

**School Capital Debt/Projects Fund**

Commissioner Cole moved to approve the fund in the amount of \$1,012,666.

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

**Fire Fund**

Commissioner Belfield moved to approve the fund in the amount of \$468,971.

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

**Emergency Telephone Fund**

Commissioner Nixon moved to approve the fund in the amount of \$166,000.

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

**Road Assessment Fund**

\$0 projected no vote or discussion by the Board.

**Tourism Development Fund**

Commissioner Nixon moved to approve the fund in the amount of \$93,000.

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

**Emergency Services Fund**

Commissioner Kenny Goodwin moved to approve the fund in the amount of \$1,406,500.

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

**Water Fund**

Commissioner Kenny Goodwin moved to approve the fund in the amount of \$1,349,000.

Commissioner Nixon said the Planning and Enterprise Committee can do research before the Board recommends a rate increase.

Being no further discussion, Chairman Eddy Goodwin asked for all in favor, the motion carried (6-1 Alligood).

**Solid Waste**

Mr. Rascoe noted that the original rate projections were overstated and a recommended rate increase is \$3.50 per household.

Commissioner Nixon asked the amount that the Solid Waste Fund owed the General Fund.

Ms. Jones said \$1,191,600.

The Board discussed various rates and amounts for payback.

Commissioner Nixon said the County has to absorb additional costs, and noted that if people did more recycling; this would help the County in Solid Waste costs.

Commissioner Goodwin suggested reducing the fee for solid waste when the fund has paid the general fund back.

Ms. Jones said this money cannot be used for anything but solid waste and could not go into the General Fund.

Chairman Eddy Goodwin stated his concern on the Solid Waste Fund owing the General fund and not paying itself back.

The Board discussed the savings that are realized in recyclables.

Mr. Rascoe noted that there are some residences that the County has trouble collecting on solid waste fees. He stated that some counties bill annually on the tax bill to ensure that all are paying for solid waste fees.

Commissioner Nixon moved to increase the fee to \$6.50 per household for the first year.

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

(See below for additional discussions on the Solid Waste Budget)

The Board took a 15 minute recess.

Chairman Eddy Goodwin called the meeting back to order.

He asked if the Board had any budget items that they wanted to discuss.

### **Senior Center**

Commissioner Cole said he was concerned over the budget for the Meals on Wheels program at the Senior Center. He made a motion that the amount of \$51,483 that was previously removed from the budget be restored.

Commissioner Kenny Goodwin said the program is great but the County could no longer afford the amount required for the County's match.

Chairman Eddy Goodwin stated his concern over what he felt were relaxed eligibility requirements for the congregate meals served on site. He noted the only requirement is that the participant be 62 years of age.

Commissioner Kenny Goodwin said he wanted to see the money spent in the homebound meals program.

Mr. Rascoe said he was told by the Albemarle Commission that the grant does not allow you to stipulate or set restrictions on who can be served on site.

Jim Brock, a volunteer and Board member of the Albemarle Commission said the home bound meals participants have more stringent screening requirements.

Mr. Rascoe said he would be meeting with the Director of the Albemarle Commission to discuss the program in more detail.

Commissioner Nixon said he hoped more discussions can take place after the program is reviewed by the County Manager and the Director of the Albemarle Commission.

Being no further discussion, Chairman Eddy Goodwin asked for all in favor on the previous motion, the motion failed (3-4).

By default the proposed amount of \$128,663 remained.

### **Solid Waste**

Commissioner Nixon asked for clarification on monies cannot be used in the General Fund that is paid back from the Solid Waste Fund.

Ms. Jones stated that the monies loaned from the General Fund were paper transfers but were not actual money.

Commissioner Nixon said if there is a negative balance in the Solid Waste Fund which spent real money, why then couldn't real money pay back the General Fund.

Ms. Jones explained that the Local Government Commission allowed the fund balance of the general fund to paper transfer money to the Solid Waste fund for negative balance.

Commissioner Nixon requested to rescind his previous motion of an increase of \$6.50 for solid waste.

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

Commissioner Nixon stated that since monies could not be paid back to the General Fund from the Solid Waste Fund, he moved that the Solid Waste fee only be increased by \$3.50 to allow the fund to break even, but not pay back what is owed on paper to the General Fund for the County and Town Customers.

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

Mr. Rascoe noted that his calculations show expenses exceeding revenues by \$453,214. He stated that he would have to notify 5 RIF's positions the next day to all the 30 day notice as required in the personnel policy.

Commissioner Alligood asked what type of increase it would take to retain the 5 positions that were going to be lost. He said he would recommend an increase of the tax rate of 10 cents. He said he was concerned that all of the proposed cuts would put Chowan County back 20 years.

Commissioner Nixon said he was concerned about the personnel cuts and was concerned about Recreation and the School System.

Vice Chairman Winborne said he was concerned about salaries and wanted to bring up that subject.

Chairman Eddy Goodwin noted that a 1% reduction in salaries would equal \$35,944 and result in a revenue loss in DSS (State and Federal monies). He said the total payroll including the Water and EMS funds is \$4.9million.

Commissioner Alligood said that the Board had previously voted to remove the salary study from the FY 09-10 budget and he was not comfortable in reducing anymore salaries without a salary study.

Vice Chairman Winborne asked for clarification on the furloughs.

Ms. Jones clarified that the proposed reduced workweek does not include the 16 hours per month furloughs.

Being no further discussion Chairman Eddy Goodwin opened the floor for a motion.

Being no motions on the floor, Chairman Eddy Goodwin passed the gavel to Vice Chairman Winborne and moved that the Board increase the tax rate 3.5 cents.

Vice Chairman Winborne asked for all in favor, the motion failed (1-6 K. Goodwin, Winborne, Cole, Belfield, Alligood, Nixon)

Commissioner Nixon stated the amount owed for the lights at the ball field could save one position. He said that he would suggest pulling it from reserves and use the money from the sale of the Community Building.

Ms. Jones stated the unreserved fund could be used for cash flow.

Mr. Rascoe said the LGC would site the County if the reserves dropped below the required 8% minimum.

Vice Chairman Winborne asked for any motions.

Chairman Eddy Goodwin moved to pull \$138,000 from the Finistar account and increase the tax rate 2.5 cents and appropriate any surplus to the Schools.

Commissioner Belfield said he did not agree with personnel cuts.

Chairman Winborne asked for all in favor, the motion failed (3-4 Belfield, Alligood, Cole and Nixon).

Commissioner Alligood said listening to the public comment and originally the budget called for a 23 cent increase. He said the Board has cut and cut. He said he doesn't want to see taxes raised and stated he did not want to see the County regress 20 years. He moved that the Board increase the tax rate 10 cents to retain the services and get the rate in line with surrounding counties.

Chairman Goodwin asked for all in favor, the motion failed (3-4 Nixon, E. Goodwin, K. Goodwin, Winborne).

A citizen (no name, address) stated she supported a tax increase.

Chairman Eddy Goodwin asked if there was any public comment.

Richard Bunch, Sandy Ridge Road said he thinks a 3-5 cent increase would be fair.

Henry White, 1225 Macedonia Road said a 2-3 cent increase would be fair.

Ed Britt, 119 Benbury Drive said he was prepared for a 5 cent increase but 3.5 would be fair. He said the Board needed to raise the taxes.

Bob Steinberg, 103 South Granville Street said he felt a 3.5 cent increase was fair, and asked the Board to consider those living on fixed incomes.

John Mitchener, 1000 West Queen Street said a 5 cent increase for a home valued at \$200,000 would amount to an additional \$100 per year. He said he felt the Board should consider all unforeseen problems and raise the tax rate 7.5 cents.

Jim Brock, 1101 Arrowhead Trail said he felt a 4 cent increase and restoring the home delivered meals program would be fair.

Commissioner asked for clarification on fees and revenues from Robbie Laughton, Recreation Department Director. He stated that he wished to give \$33,000 back to the Recreation department to restore the position.

Robbie Laughton said it is difficult to raise fees with reduced staff.

Commissioner Cole moved that the Board increase the tax rate 5.5 cents.

Being no further discussion, Chairman Eddy Goodwin asked for all in favor, the motion failed (3-4 K. Goodwin, E. Goodwin, Nixon, Winborne).

Chairman Eddy Goodwin gave the gavel to Vice Chairman Winborne.

Chairman Eddy Goodwin moved that the Board increase the tax rate 3.5 cents.

Vice Chairman Winborne asked for all in favor, the motion failed (2-4 Cole, Nixon, Belfield, Winborne, Alligood).

Chairman Eddy Goodwin moved that the tax rate be increased 2.5 cents.

Vice Chairman Winborne asked for all in favor, the motion failed (3-4 Nixon, Cole, Belfield, Alligood).

Commissioner Alligood moved that the Board increase the tax rate 4.5 cents and use 138,000 from reserves.

Chairman Eddy Goodwin asked for all in favor the motion failed (3-4 Nixon, E. Goodwin, Winborne K. Goodwin)

Chairman Eddy Goodwin gave the gavel to the Vice Chairman. He then moved that the Board increase the tax rate 4 cents.

Vice Chairman Winborne asked for all in favor, the motion failed (2-5 Belfield, Alligood, Nixon, Winborne, Cole).

Citizen, Pat Grother stated that 3.5-4 cents appeared to be the most sensible.

Commissioner Cole said his concern was job loss.

Commissioner Alligood moved that the Board increase the tax rate 4 cents and use \$138,000 from reserves.

Chairman Eddy Goodwin asked for all in favor, the motion failed (3-4 E Goodwin, K. Goodwin, Winborne, Nixon).

Commissioner Nixon moved to reinstate \$104,000 to Recreation, raise the tax rate 3.5 cents take out \$134,000 contribution to reserve and reinstate the 3 positions in Recreation and hire an Emergency Management Coordinator at \$30,000. He stated that if additional revenues come in from sales tax that money would be given to the School system.

Mr. Rascoe noted that an additional \$15,000 may come from the State for the EM position, but it was not guaranteed.

Chairman Eddy Goodwin asked for all in favor, the motion passed 4-3 (Cole, Belfield, Alligood).

Mr. Rascoe noted that he would fill in the amounts and the Budget Ordinance would be posted in a couple of days.

Commissioner Alligood moved that the Board adopt the budget ordinance.

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

Being no further business, the meeting was adjourned.

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Eddy Goodwin  
Chairman

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L. Susanne Stallings  
Clerk to the Board