

Special Meeting
Monday, June 15, 2015
Chowan County Public Safety Center
305 West Freemason St.
Edenton, NC
4:00pm

Present Chairman Jeff Smith, Commissioners Keith Nixon, Alex Kehayes, John Mitchener, Greg Bonner and Emmett Winborne. Commissioner Ellis Lawrence came in later

Staff present County Manager Kevin Howard and Board Clerk Susanne Stallings.

COA Worksession

Dr. Kandi Deitemeyer President of the College of the Albemarle, Joe Turner Chief Operations Officer, Susan Gentry Chief Financial Officer and Angie Crawford-Easterday an architect with Boomerang Designs out of Raleigh met with the Board of Commissioners.

COA representatives reviewed the Capital Improvement Plan and the status of all projects. A copy of the report is in the meeting file labeled June 15, 2015.

Mr. Howard noted that \$369,000 remains in the capital fund.

Mr. Turner stated that COA is still requesting approval to add drop down ceilings and lights in buildings #3 and #4, Security System Upgrade, Hire a design firm to renovate the culinary arts building. He stated repaving and reconfiguring parking lots are also proposed and out for RFP.

Commissioner Mitchener stated that he felt lighting at the back of the campus needed to be looked into.

Commissioner Nixon stated he would like to see success numbers on the culinary program.

Commissioner Lawrence joined the meeting.

Ms. Gentry stated that some capital projects still need to be billed. She stated that there may be a shortage of \$3,000 which may be charged to capital.

Commissioner Nixon stated he would like to see a breakdown of the operational expenditures by line.

Ms. Crawford-Easterday provided information on the master plan that was prepared for COA in 2013 and specifically commented on the restoration of the 2 story building. She noted that there are several scenarios regarding options for the 2 story building. She noted the building in its current state (asbestos, lead paint, fire, electrical, roof repairs, insulation needed) will have to be brought to code before any renovations may occur. She noted that just to bring the building to code before any renovation is \$120,000. She noted another option is demolition of the building.

She noted that option would cost approximately \$200,000 (which includes the removal of asbestos, lead paint etc.). She noted to abate and restore the 1st floor of the building would cost \$1.75 million or \$2.1 million including furniture). To do both floors (which includes stairs and elevators would cost approximately \$4 turnkey.

The Board discussed that the figures are estimates and were done in 2012-13.

Commissioner Nixon stated he would like to know what the cost would be to also remove the gym if the Board decided to remove the 2 story building.

Ms. Deitemeyer stated the college did not have a recommendation on the future of the 2 story building but she said that the building in its current state is not being maintained.

Commissioner Nixon stated he felt COA should consider all options for the 2 story building when considering parking.

The Board stated they may review the various scenarios at a later date.

Adjourn

Commissioner Bonner moved that the special meeting be adjourned. Chairman Smith asked for all in favor, the motion passed unanimously (7-0).

Chowan County Board of Equalization and Review
Meeting
Monday Jun 15,, 2015
6:00pm
Chowan County Public Safety Center
305 West Freemason Street

AGENDA

At 6:00 PM the Board convened the Chowan County Board of Equalization and Review for the June 15, 2015 meeting. Tax Administrator Hosea Wilson advised the Board that he had no scheduled appeals to come before the Board at this meeting. Mr. Wilson also inquired if anyone in the audience intended to make an appeal before the Board. Hearing none, Mr. Wilson then made the recommendation to the Board that they adjourn the Board of Equalization and Review for the 2015 tax year. Based on the recommendation, a motion was made to adjourn the Board of Equalization and Review for the 2015 tax year by Mr. Keith Nixon and unanimously approved, 7-0.

Regular Meeting
Monday, June 15, 2015
Chowan County Public Safety Center
305 West Freemason St.
Edenton, NC
6:00pm

Present Chairman Jeff Smith, Commissioners Keith Nixon, Alex Kehayes, John Mitchener, Emmett Winborne, Ellis Lawrence and Greg Bonner.

Staff present County Manager Kevin Howard Finance Officer Willie Carawan and Board Clerk Susanne Stallings. County Attorney Lauren Arizaga-Womble was also present.

Regular Meeting

Chairman Smith called the meeting to order and led all in attendance in the pledge of allegiance. Commissioner Mitchener then offered the invocation.

Approval of Agenda

Commissioner Mitchener moved to approve the agenda. Chairman Smith asked for all in favor, the motion passed unanimously (7-0).

Public Comment

Chairman Smith opened the floor to public comment in accordance with NCGS 153A-52.1

Jim Brock, 1101 Arrowhead Trail stated his concerns regarding Board of Commissioners Ethics and the policy adopted by the Board of Commissioners regarding ethics.

Virginia Wood 250 Greenfield Rd. stated her support of the recommended amendment by the Planning Board to the windfarm text of the zoning ordinance. She stated her concern was with the allowed height.

Ron Cummings, 317 Center Hill Rd. stated his concern regarding the existing windfarm ordinance and requested that the Commissioners support an amendment to the current text as requested by the Planning Board.

Lynn Partin 209 Montpelier Dr. Stated her concern with the current windfarm text with regards to allowed height. She thanked the Planning Board for their efforts and asked the Commissioners to consider amending the current ordinance.

Marilyn Lang, 201 Williamson Rd. stated her concern with the existing windfarm text. She stated her concerns with Commissioners having any personal obligations with Apex Energy. She stated she felt it was time for the Commissioners to act on the recommendation of the Planning Board.

Amy Zollawski, 118 Lloyd Overton Ln. asked the Board to act on the recommended amendment to the text as provided by the Planning Board.

Hardy Gilliam, 211 Lakeside Dr. stated his support of the recommendation to amend the text in the zoning ordinance for windfarms. He stated his concern with lack of response from Commissioners to his request to consider the Planning Board recommendation. He stated that Board members who have a financial interest in the windfarm should not vote on text amendments.

Amelia Bond 667 Virginia Road stated her concern with the proposed height of the windmills. She stated that the aesthetics and noise from the windmills will take away tourism monies. She urged the Board to consider environmental impact and requested that Board members with financial interest to recuse themselves from considering the application.

Earl Willis 107 Church Street requested that the Board consider the recommendation of the Planning Board.

Chairman Smith called for any further public comment, there was none.

Consent Agenda

All items on the Consent Agenda are considered to be routine and may be enacted by one motion. If a County Commissioner requests discussion on an item, the item will be removed from the Consent Agenda and considered separately.

a. Minutes

Attached are the minutes of the May 14, 2015 and May 27, 2015 meetings for the Board's review and consideration.

Commissioner Lawrence moved to approve the minutes as presented. Chairman Smith asked for all in favor, the motion passed unanimously (7-0).

b. Tax Collectors Report (attached) and Refund/Release Report

Morring, M.	\$211.58	Personal Property, repossessed
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Commissioner Bonner moved to approve the report and releases as presented. Chairman Smith asked for all in favor, the motion passed unanimously (7-0).

c. Budget Amendments

BA1415-051

Account Code	Description	Old	+ or (-)	New
11-3471-890-00	Health Septic Fees	(3,000.00)	(1,000.00)	(4,000.00)
11-4710-449-00	Health Septic Fees	3,000.00	1,000.00	4,000.00
11-3473-362-00	NCDENR Clear & Snag Grant	-	(22,218.00)	(22,218.00)
11-4730-602-00	NCDENR Clear & Snag Grant	-	22,218.00	22,218.00
Balanced:		-	-	-
Justification:				
<i>Budgeting additional septic fees and the NCDENR Grant for Soil & Water</i>				

Commissioner Bonner moved to approve the budget amendment as presented. Chairman Smith asked for all in favor, the motion passed unanimously (7-0).

d. Tipping Fee Extension

Ms. Stallings stated the tipping fee waiver for the April 2014 tornado victims expires on June 30, 2015. She stated that EM has indicated that volunteers that are assisting victims have indicated that work is scheduled to go through the summer as volunteer crews are lining up. Staff has requested that the waiver be extended until September 1, 2015.

Commissioner Nixon moved to approve the request and extend the waiver until September 1, 2015. Chairman Smith asked for all in favor, the motion passed unanimously (7-0).

e. Surplus Property

Ms. Stallings noted that in preparation for the online surplus auction of property at Center Hill Crossroads Fire Department, some additional equipment was identified to be declared surplus and sold on Gov Deals. Below is a list of the items identified. She requested that the Board declare the items surplus and authorize the Clerk to include these items in the online Gov Deals Auction to begin in late July.

- 3 Polaroid One Step Cameras (condition unknown)
- 1 Kodak Easy Share 3.2 Mega Pixel camera
- 1 Easy Share Printer
- 1 Sony Cyber Shot 7.2 Mega Pixel camera
- 1 Cannon NP 6230 Copier (20+ years old)

Commissioner Bonner moved to declare the items surplus and authorize the disposal of the items via the Gov Deals auction. Chairman Smith asked for all in favor, the motion passed unanimously (7-0).

Reappointment of Tax Administrator

Ms. Stallings noted that NCGS 105-294 requires that the person occupying the position of County Tax Assessor be reappointed to a term of not less than 2 years and not more than 4 years. It is in order to reappoint Hosea Wilson as Chowan County Tax Administrator for another term.

Commissioner Kehayes moved to reappoint Hosea Wilson as Chowan County Tax Administrator for a period of two years effective July 1, 2015. Chairman Smith asked for all in favor, the motion passed unanimously (7-0).

COA Presentation

COA President Kandi Deitemeyer provided the Board with an annual report on the activities of COA and the Edenton-Chowan Campus. A copy of the report is in the meeting file labeled June 15, 2015.

No Wake Zone Buoys

Jim Brock stated that the Arrowhead Beach Property Owners Association has requested that Chowan County endorse two (2) no wake signs for a canal in Arrowhead Beach to allow NC Wildlife to enforce the no wake zone.

Commissioner Kehayes asked if two was enough.

Mr. Brock stated only two are needed to establish a no wake zone.

Mr. Palmer noted that there is no formal name for this canal.

Wildlife Officer, Tyler Wood stated that the process for approval requires that the Commissioners vote to endorse a request and agrees to maintain buoys. He stated that then the application is forwarded to Raleigh for an investigation and Raleigh will approve or deny the request. He stated that public hearings are required and the process may take over a year to get final approvals.

Commissioner Smith asked what the cost was for the County.

Mr. Palmer stated that the buoys and anchor are \$500.

Commissioner Kehayes asked if individuals can purchase no wake zone buoys.

Mr. Wood stated that the buoys are issued by the State.

The Board discussed enforcement of no wake zones and determined that all enforcement and reporting is handled by Wildlife.

Commissioner Nixon stated he would like to know if the Property Owners Association voted on the request.

Mr. Brock stated that he can poll the Association on the request and bring it back to the Board.

Commissioner Winborne moved to table the request for consideration by the Arrowhead Property Owners Association. Chairman Smith asked for all in favor, the motion passed unanimously (7-0).

Staff Report – Planning Board Appointment

Mr. Howard stated that as requested, staff polled the sixteen (16) counties in our Northeast region to determine the method by which other Boards of Commissioners appoint their County Planning Board members. The attached chart reflects staff's findings. Eleven (11) counties in our region either have no planning board or no specific method for appointing their planning board members. Of the five counties with a specific method of appointment, three (3) counties appoint planning board members by Commissioners' voting districts, and two (2) counties appoint planning board members by township.

He stated that in Chowan County, we have seven (7) Planning Board members as prescribed by the Chowan County Zoning Ordinance. There are three (3) Commissioner Voting Districts and three (3) Townships within Chowan County. The Town of Edenton and its Extra-territorial Jurisdiction (ETJ) is included in both Voting District 3 and the Township of Edenton. Using either voting districts or townships to appoint planning board members would necessitate two appointments per district/township and one at-large appointment. This methodology would result in two, possibly three, Planning Board members appointed from within the Town of Edenton's town limits or ETJ; areas that are governed separately by the Town of Edenton Unified Development Ordinance (UDO) rather than by the Chowan County Zoning Ordinance. Therefore, it is staff's opinion that the most equitable distribution of appointments throughout Chowan County would be by geographic region rather than by township or voting district.

Commissioner Kehayes stated his concern with representation on the Planning Board for voting districts including the Town of Edenton.

Commissioner Smith stated that the Town of Edenton allows the County to appoint a member to their Board but that member must reside within the ETJ (one mile extra-territorial jurisdiction of the Town of Edenton). He stated that the Town's rules govern the Town and the ETJ.

Commissioner Nixon discussed the number of members appointed to the Town Planning Board. It was determined the County appoints two members.

Commissioner Winborne stated he felt the Town did not need representation on the County Planning Board and stated he felt the issues for the Town and County are different.

Commissioner Nixon noted that residents of the ETJ have to follow the zoning rules of the Town.

Commissioner Winborne moved to accept the recommendation from staff for the appointment of members to the County Planning Board with 2 appointees from area "A", 2 appointees from area "B", 2 appointees from area "D" and 1 appointee at-large. (A copy of the proposed map defining areas A, B, C and D is in the meeting file labeled June 15, 2015).

Chairman Smith asked for all in favor, the motion passed (6-1 Kehayes).

Ms. Stallings stated she would need guidance from the Board on how to implement the appointment.

Chairman Smith stated he felt it should occur as the terms expire.

Ms. Stallings noted for example there is currently a member on the Planning Board who resides in the proposed area "C" who has another 3 years left in his appointment term.

Commissioner Kehayes stated he would need clarification on the boundaries of area A and B as well as the ETJ.

Ms. Stallings stated that it would be best to clarify with a description on the map of the legal boundaries.

Commissioner Kehayes asked if the At-Large appointee could be from anywhere in the County.

Ms. Stallings stated yes, based on the motion that was approved.

Commissioner Bonner moved to table the matter to clarify the boundaries of the map.

Commissioner Nixon stated he would like clarification on the motion that was previous approved regarding the at-large appointee.

Commissioner Winborne stated his intention was to exclude the Town residents from the at-large appointment.

Ms. Stallings noted that was not clear to her when the motion was made.

Chairman Smith asked for all in favor of tabling the matter for more clarification, the motion passed unanimously (7-0).

Chairman Smith called for a 5 minute recess. Afterwards, Chairman Smith called the meeting back to order.

Public Hearing FY 2015-16 Proposed Budget

County Manager Kevin Howard provided the Board with an overview on the proposed budget. He noted that the proposed budget included a 6 cent tax increase which included a loss of revenues in EMS. He noted that 6 cents is \$796,608 in revenues. He noted that at the last budget worksession, it was noted that due to a miscommunication regarding funds for school capital, the actual proposed tax increase in the budget is 4.5 cents.

Commissioner Kehayes moved to go into Public Hearing to receive comment on the proposed FY 2015-16 Chowan County Budget.

William Robbins 222 Pueblo Trail stated that he has previously provided information to the Board to consider alternative revenue sources for the county that includes a dog tax. He stated he also recommended providing a service to provide County residents with a passport. He noted that monies for code enforcement were not allocated in the proposed budget.

John Guard 211 Wake Ave stated that on behalf of the Edenton Chowan Board of Education he thanked the Commissioners for the monies which have been committed towards school capital. He urged the Commissioners to consider the monies requested in the current expense request.

Brenda Ward 532 Center Hill Road stated her concern with low current expense funding for the schools. She stated that she felt the County Board of Commissioners needed to consider the teachers and salaries when approving the budget.

Chairman Smith called for any further public comment, there was none.

Being no further public comment, Commissioner Mitchener moved to close the public comment period. Chairman Smith asked for all in favor, the motion passed unanimously (7-0).

Mr. Howard stated that at the last meeting the Board requested that he find additional cuts within the budget to reduce the proposed tax increase to 2 cents. He stated he has provided information on the proposed cuts and recommended the Board schedule another budget meeting to review the cuts at a later date.

Board members concurred. (The Budget meeting was scheduled during Timely and Important Matters)

External Board/Committee Report

Board members are asked to report on the activities of the external boards to which they have been appointed.

Chairman Smith reported on the activities of the Voluntary Ag District Board.

Manager's Report

County Manager Kevin Howard noted that at times the second meeting in July has been cancelled. He asked the Board to consider cancelling the July 20th meeting.

Timely and Important Matters

Cancel Meeting

Commissioner Nixon moved to cancel the July 20th meeting. Chairman Smith asked for all in favor, the motion passed unanimously (7-0).

Budget Amendments

Finance Officer Willie Carawan requested that he be authorized to clean up the FY 2014-15 budget and bring budget amendments back to the Board at the August meeting. Commissioner Nixon moved to approve the request. Chairman Smith asked for all in favor, the motion passed unanimously (7-0).

Meeting to Recess

The Board discussed future meeting dates for another budget worksession to review and adopt the FY 2015-16 budget. It was decided the Board would recess the current meeting and reconvene on Monday, June 22, 2015 at 4:00pm.

Closed Session

Commissioner Mitchener moved that the Board go into closed session, in accordance with NCGS 143-318 (11) (a) (5 and 6) contract negotiations and personnel.

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

The minutes of the closed session are sealed.

Commissioner Nixon moved that the Board come out of closed session. Chairman Smith asked for all in favor, the motion passed unanimously (7-0)

Amend Agenda

Commissioner Mitchener moved to amend the agenda to include a decision on the resolution for the SAGA closing of the Hotel Hinton and to approve a personnel matter. Chairman Smith asked for all in favor, the motion passed unanimously (7-0).

Resolution – SAGA/Hotel Hinton/Preservation North Carolina

Commissioner Bonner moved to approve the resolution that transfers mold remediation insurance proceeds to Historic Preservation. Chairman Smith asked for all in favor, the motion passed unanimously (7-0).

RESOLUTION FOR TRANSFER OF MOLD REMEDIATION INSURANCE PROCEEDS TO HISTORIC PRESERVATION FOUNDATION OF NORTH CAROLINA, INC. or ASSIGN

WHEREAS, Chowan County is obligated to convey certain real property with improvements thereon known as The Hotel Hinton to Historic Preservation Foundation of North Carolina, Inc., a non-profit corporation; and

WHEREAS, subsequent to incurring said obligation, it was discovered the subject Hotel Hinton property was infested with mold and other damage related thereto; and

WHEREAS, Chowan County had insurance coverage for such damage, which yielded the sum of \$263,238.52 to Chowan County; and

WHEREAS, Historic Preservation Foundation of North Carolina, Inc. is obligated to convey the same property to Hotel Hinton, LLC, a North Carolina limited liability company; and

WHEREAS, contractual obligation amongst the parties stipulates damage by fire or other casualty is assumed by Seller; and

WHEREAS, it has been determined by the Board of Commissioners of Chowan County the sale of this property and the restoration of the Hotel Hinton and operation of the same as a viable business in the Town of Edenton and will benefit the economy of Chowan County and that without conveyance of these insurance proceeds, for damage that was not known to either Seller or Purchaser at the time contractual obligations were made, the conveyance and attendant benefits might be lost, it is appropriate, lawful, and a contractual obligation that Chowan County convey the insurance proceeds, so as to make the Purchaser whole and preserve the original purchase and sale contract, to Historic Preservation Foundation of North Carolina, Inc., or its assign(s), provided a written assignment is presented, Hotel Hinton, LLC.

DSS Salary Adjustment for Interim Director

Commissioner Kehayes moved to approve a stipend for Letecia Loadholt as Interim Director of DSS in the amount of \$500 per month for the period of time that she serves as interim director. Chairman Smith asked for all in favor, the motion passed unanimously (7-0)

Residency Policy

Commissioner Kehayes stated he would like for the Board to reconsider its current residency policy for department heads (rescinded by the Board in 2012). No action was taken on the matter.

RECESS

Rates and Fees

Being no further business Commissioner Kehayes moved that the meeting be recessed until Monday, June 22, 2015 at 4:00pm. Chairman Smith asked for all in favor, the motion passed unanimously (7-0).

Reconvened Meeting
Monday, June 22, 2015
Chowan County Public Safety Center
305 West Freemason St.
Edenton, NC
4:00pm

Present Chairman Jeff Smith, Commissioners Keith Nixon, Alex Kehayes, John Mitchener, Emmett Winborne, Ellis Lawrence and Greg Bonner.

Staff present County Manager Kevin Howard Finance Officer Willie Carawan and Board Clerk Susanne Stallings.

Regular Meeting

Chairman Smith called the meeting back to order.

Budget Worksession for review and Adoption of a FY 2015-16 Budget

The Board reviewed the following budgets and made recommendations:

Water Fund

Water Department Director Mickey Watson discussed a previous presentation regarding increasing the water rates (\$4.50/1,000 to \$6.00/1,000) and the base water rate (\$9 to \$12). He noted this will help with replacing the aging system.

Chairman Smith stated he viewed the water rates as a user fee.

The Board discussed other methods for collection (per 100 gallons vs. per 1,000 gallons). He also discussed the fees for overtime for afterhours water shut off. He noted that the code requires that consumers have a shut off on their side of the meter. He stated it is a regular occurrence for the Water Department to be called to shut off the water.

Commissioner Nixon stated his concern with raising the water rates and not considering reducing or eliminating the water development fee. He stated that there is not much growth in the County and he feels the fee prohibits some new development.

Mr. Watson stated that the average consumer uses 4,000 gallons and their current bill is \$18. He stated that their new rate will be \$24.

Mr. Watson stated that the current rates do not meet the recommended cost recovery index which is recommended to be higher than 1.0% and the proposed rates will put us at 1.02%. Currently Chowan County's rates are at 0.85% and that would impact potential to borrow monies for system repairs.

Commissioner Bonner moved to change the base rate from \$9 to \$12, change the water rate from \$4.50 to \$6 and to charge and to charge a fee for emergency afterhours shut offs.

Commissioner Lawrence expressed his concern for older homes being charged the fee when there is no shut off.

Commissioner Nixon recommended that customers be provided advanced notice of the fee.

Commissioner Bonner asked to amend his motion to include “and provide advance notice to the customers”.

Staff and the Board discussed an amount for an afterhours fee for emergency shut-offs. It was a consensus of the Board that \$25 would be reasonable.

Commissioner Bonner asked to rescind his motion. He then moved to change the base rate from \$9 to \$12, change the water rate from \$4.50 to \$6 and to charge and to charge a \$25 fee for emergency afterhours shut offs. He noted the rate change and afterhours shutoff charges should be sent out to the customers and not become effective until September 2, 2015.

Mr. Bonner noted that if that fee is inadequate, staff may bring back to the Board for amendment.

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

Water Development Fee

Commissioner Nixon moved to reduce the Water Development Fee from \$2500 to \$1500 beginning July 1, 2015. He stated the total for the fee and the tap would be \$2,500 instead of \$3,500 for new customer taps.

Chairman Smith asked if the tap fee covers the cost if changed.

Mr. Watson stated that currently the fee is close to the actual cost. He stated that the County has purchased boring equipment which reduces the costs and eliminates the need to cut the road and patch it.

Commissioner Winborne stated he felt the current development fee will help address the needs of the water department in the future. He gave an example of how monies were needed during Hurricane Isabel to expand and purchase generators to provide water to customers when there is no power. He stated he disagreed with reducing the development fee.

Chairman Smith called for all in favor, the motion passed (2-5 Smith, Bonner, Kehayes, Winborne and Mitchener).

General Fund

Mr. Howard stated he would briefly describe the cuts that the Board recommended he find to reduce the proposed tax increase from 4.5 cents to 2 cents.

IT- It was noted the IT budget increased \$50,000. IT Director John Wendling explained that the increase would cover network security to secure remote locations and upgrading the firewall and database protections. Board members discussed the costs of the proposal. It was noted the original request was for \$200,00 and this \$50,000 is only the beginning of the process to upgrade the security.

Commissioner Bonner asked if there is potential for budgetary shortfalls.

Mr. Howard stated there is a potential in all budgets.

Elections- Mr. Howard noted the Director of Elections feels that there is not enough monies in her part-time line to cover additional elections. He stated the amount budgeted is a comparison to previous years elections.

Register
Of Deeds- Reduction in printing, telephone, postage, travel, office supplies and maintenance and repair of equipment.

Land Records-Reduction in office supplies and IT support services

Senior Ctr- Reduction in maintenance/repair of equipment, moved some roll over monies for trips that should be budgeted in the discretionary lines, and he noted that she requested an increase in the nutrition program.

Central
Communications- Deputy Andy Bunch and Sheriff Dwayne Goodwin noted that they have concerns with the monies budgeted for part-time and over-time in this budget. He noted the current budget is over in these lines due to being short staffed. He stated his concern with reductions in the equipment maintenance and repair contracts. They noted this could delay repairs if needed.

Sheriff- Chief Deputy Bunch stated that \$25,000 was taken out of gas and vehicle maintenance and repair. He noted that there are overages in this line in the current year budget. They noted that gas prices are going back up and this causes some concern. They noted there are reductions in maintenance of equipment.

Commissioners Bonner and Mitchener expressed their concern with reductions in this and the 911 budget.

The Board discussed taking out vehicles and purchasing them with fund balance. No recommendation was made on this discussion.

SRO- The increase is because of more JV girls games than in previous years.

Jail- Chief Deputy Bunch stated his concern with reductions in the over-time for the budget because of staffing needs.

Chairman Smith called for a 5 minute recess. After 5 minutes he called the meeting back to order.

Inspections- Reduced vehicle maintenance and advertising.

Animal Control- Reduced supplies, dues, automovice and equipment lines.

Soil/Water- No monies budgeted for beaver manamgnet program. Mr. Howard noted some of those monies were spent in the current year and there are none budgeted in the FY 15-16 budget. The Board discussed the monies budgeted for Hydrilla and it was recommended the County look into asking the Albemarle Commission to work with the counties in the region to develop a regional Hydrilla plan.

Planning- Salary line was adjusted to meet the actual salary expense for FY 14-15

Recreation - Reduced gas, office supplies, copier, and additional concessions. Eliminate port-a-john at Cannon's ferry, reduced office supplies, departmental supplies and travel including contracted services. He stated that youth awards may be cut back as well as travel.

The Board discussed the concessions as Recreation. Commissioner Nixon and Chairman Smith recommended that Recreation look into having a non-profit assume the responsibilities for the concessions.

Commissioner Nixon recommended that Recreation look into getting rid of the dumpster at the Community Center or look into sharing with the Schools.

The Board discussed the fee schedule, no recommendation was made to increase the fees.

Extension- Reduction in travel, equipment maintenance, telephone/postage but also includes a state mandated increase for salary.

COA- Reduction in the appropriation to capital, cut in half.

Library- Reduction in property and liability insurance.

DSS Fund- Reduction in contribution.

Reval- Eliminated contribution to revaluation fund. Projected savings when debt is paid off prior to the revaluation year, County will address at that time.

Schools- The Board discussed the school current expense and capital.

Commissioner Mitchener discussed options for borrowing the monies to address capital and the repayment of these loans. The board also discussed the availability and the stipulations on potential QZAB loans for school capital projects.

Board members expressed their concerns about borrowing monies. Some Board members stated they felt the School Board was satisfied with the proposed capital contribution.

School Board Chairman John Guard stated that the capital is important but due to state cuts the current expense is also vital. He stated he felt this is important for the Commissioners to consider.

Motions to Adopt the FY 2015-16 Budget

Commissioner Bonner moved to adopt the budget as presented but to put back 90% of the cuts back into the Sheriff's Office budget (Approximately \$33,000) which is a .25 cent tax increase.

Commissioner Bonner, after some discussion, rescinded his motion.

Commissioner Bonner then moved to adopt the budget with the manager's 4 cent tax increase as recommended (2 cents of that dedicated to school current expense and .25 cents dedicated to the Sheriff and .75 cents dedicated to the general fund).

Board members commented on the motion

Commissioner Winborne asked if there is a stipulation on what the school current expense monies could be used for.

Commissioner Nixon stated that he felt the County could not make up for the state budget cuts to the school with taxpayer monies. He stated his concern with the creation of positions that are administrative not teaching positions.

Commissioner Winborne stated he did not want to dedicate .25 cent of a tax rate to one county department over another.

Commissioner Bonner asked to rescind his previous motion.

Commissioner Bonner then moved to increase the tax rate 4 cents with 2 cents dedicated to the General Fund, 2 cents to the School current expense. Chairman Smith asked for all in favor, the motion failed (3-4 Nixon, Smith, Kehayes and Winborne).

Commissioner Mitchener moved to increase the tax rate 5 cents with 2 cents dedicated to the general fund and 3 cents to the Schools and to budget additional monies for school capital. Chairman Smith asked for all in favor, the motion failed (1-6 Nixon, Smith, Bonner, Kehayes, Winborne and Lawrence)

Commissioner Nixon moved to go with the previous budget worksession recommendation, and budget presented that night of a 2 cents tax increase with .25 of the 2 cents to be dedicated to school current expense (excluding the fire fund).

Commissioner Bonner stated he felt the proposed budget does not address school current expense.

Commissioner Lawrence stated his concern with not having additional monies for school current expense.

Chairman Smith stated he felt an additional \$33,000 should go to the Sheriff/Jail/911 and .25 cent should go to the schools.

Commissioner Winborne stated that he feels the community expects the Board to do good because years ago the public made sacrifices.

Commissioner Bonner stated that the Commissioners have been good stewards of the County's tax dollars. He stated the Board is not spending what they do not have. He stated that the Board should not live in the past, but should remember it in its decision making.

Chairman Smith asked for all in favor, the motion failed (2-5 Nixon, Smith, Kehayes, Winborne and Lawrence).

Commissioner Mitchener moved to raise the tax rate 3 cents with 2.5 cents going to educational current expense , .25 cents to the Sheriff and .25 cents to general fund.

Mr. Howard noted this would require him to cut an additional 1.5 cents from the current proposed 2 cent tax increase budget.

Commissioner Mitchener rescinded his motion.

Commisisoner Mitchener then moved to raise the tax rate 3 cents with 2.5 to school current expense and .5 cents to general fund.

Chairman Smith asked for all in favor, the motion failed (2-5 Nixon, Smith, Kehayes, Winborne and Lawrence).

Chairman Smith called for a 5 minute recess after 5 minutes Chairman Smith called the meeting back to order.

Commissioner Winborne moved to increase the tax rate for the County 4 cents. He stated this would cover the manager's cuts.

Commissioner Bonner stated he would like to see monies budgeted for the schools.

Commissioner Nixon stated he could not agree with that motion as 25% of the total budget is for the school system and there are no monies to increase the school current expense.

Chairman Smith asked for all in favor, the motion failed (1-6 Nixon, Smith, Bonner, Kehayes, Mitchener and Lawrence).

Commissioner Kehayes moved to raise the County taxes 2.5 cents with 2 cents dedicated to the general fund and .25 cents to school capital and another .25 cents to school current expense.

Chairman Smith noted this would increase the school capital contribution from \$600,000 to \$633,000.

Mr. Howard noted the remaining ¼ cent would go to contingency to match the current proposed budget.

Commissioner Keahyes rescinded his motion.

Commissioner Kehayes then moved to raise the taxes 2.5 cents to dedicate .5 cents to school current expense and 2 cents to the general fund (.25 cents will be dedicated to contingency) to adopt the FY 2015-16 budget ordinance.

Commissioner Nixon asked if contingency monies require a Board vote to be spent.

Mr. Howard stated yes.

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

Fire Fund

Mr. Howard stated the proposed budget includes a 1 cent tax increase of the fire tax.

Mr. Carawan explained that the expenditures exceeds revenues in the current budget \$55,500.

Board members discussed the current fire tax collection rate.

Commisisoner Nixon moved to increase the fire tax by .5 cents.

Mr. Howard asked if fund balance should be used to balance the fire fund.

Commissioner Nixon stated yes.

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

Commisisoner Nixon discussed the budgeting of the sale of property to go into the capital projects budget.

Chowan County Budget Ordinance
Fiscal Year 2015 - 2016

BE IT ORDAINED by the Board of Commissioners of Chowan County, North Carolina as follows:

Section 1.

General Fund (11):

Based on current history, the following revenues are hereby projections and appropriated in the General Fund for the county's operations and its activities for the fiscal year beginning July 1, 2015 and ending June 30, 2016, in accordance with the Chart of Accounts heretofore established in the County:

AD VALOREM TAXES:		9,981,125.17
	<i>TAX PENALTY & INTEREST</i>	<i>100,000.00</i>
	<i>PRIOR YEAR - R & P</i>	<i>218,500.00</i>
	<i>CURRENT YEAR LEVY - R & P</i>	<i>8,851,177.79</i>
	<i>PRIOR YEAR - MV</i>	<i>16,300.00</i>
	<i>CURRENT YEAR LEVY - MV</i>	<i>795,147.38</i>
SALES TAX		1,662,428.00
	<i>ARTICLE 39 SALES TAX</i>	<i>924,308.00</i>
	<i>ARTICLE 40 SALES TAX</i>	<i>676,240.00</i>
	<i>ARTICLE 42 SALES TAX</i>	<i>61,880.00</i>
OTHER TAXES		53,250.00
PERMITS & FEES		273,850.00
DEPARTMENTAL		604,787.00
MISCELLANEOUS		796,884.00
FUND BALANCE APPROPRIATION		390,850.89
TOTAL REVENUES:		13,763,175.06

Likewise, the following expenditures are estimates for the fiscal year beginning July 1, 2015 and ending June 30, 2016:

EDUCATION		4,077,852.38
	<i>D. F. WALKER</i>	<i>25,000.00</i>
	<i>FINES & FORFEITURES</i>	<i>37,500.00</i>
	<i>SCHOOLS - CURRENT EXPENSE</i>	<i>3,488,455.38</i>
	<i>COA - CURRENT EXPENSE</i>	<i>200,000.00</i>
	<i>COA - CAPITAL OUTLAY</i>	<i>100,000.00</i>
	<i>AFTER SCHOOL GRANT</i>	<i>23,319.00</i>
	<i>LIBRARY</i>	<i>203,578.00</i>
GOVERNMENT		2,383,483.95
HUMAN SERVICES		1,051,996.49
OTHER		201,591.28
PUBLIC SAFETY		3,312,638.32
TRANSFER TO SOCIAL SERVICES		931,000.00
TRANSFER TO RE-VALUATION		0.00
TRANSFER TO DEBT SERVICE		1,369,735.58
TRANSFER TO EMS		434,877.06
TOTAL EXPENDITURES:		13,763,175.06

Section 2.

DSS Fund (12):

The following revenues are hereby projections and appropriated in the DSS Fund for the Department of Social Services operations for the fiscal year beginning July 1, 2015 and ending June 30, 2016:

SOCIAL SERVICES ALLOCATIONS	2,507,295.00
TRANSFER FROM GENERAL FUND	931,000.00
TOTAL REVENUES:	3,438,295.00

Likewise, the following expenditures are estimates for the fiscal year beginning July 1, 2015 and ending June 30, 2016:

SOCIAL SERVICES - ADMINISTRATION	1,667,936.00
SOCIAL SERVICES - PROGRAMS	1,770,359.00
TOTAL EXPENDITURES:	3,438,295.00

Section 3.

Water Development Fund (22):

The Water Development Fund revenues are hereby projections and appropriated for the future expansion of the county's Water System if needed in the fiscal year beginning July 1, 2015 and ending June 30, 2016:

WATER DEVELOPMENT FEES	25,000.00
EARNINGS ON INVESTMENTS	750.00
TOTAL REVENUES:	25,750.00

Likewise, the following expenditures are estimates for the fiscal year beginning July 1, 2015 and ending June 30, 2016:

CAPITAL RESERVE - WATER DEV.	25,750.00
TOTAL EXPENDITURES:	25,750.00

Section 4.

Fire Districts Fund (23):

For those properties located within Chowan County Rural Fire Districts, there is hereby levied a fire tax rate of Five and one-half cents (\$.055) per one hundred dollar (\$ 100.00) value listed as of January 1, 2015, along with the remaining revenues are projections and are hereby appropriated for the purpose of providing fire coverage:

PENALTY & INTEREST	4,000.00
PRIOR YEAR - R & P	4,750.00
CURRENT YEAR LEVY - R & P	435,627.24
PRIOR YEAR - MV	2,500.00
CURRENT YEAR LEVY - MV	38,291.06
ARTICLE 39 SALES TAX	38,513.00

EARNINGS ON INVESTMENTS	500.00
FUND BALANCE APPROPRIATION	82,927.30
TOTAL REVENUES:	607,108.60

Likewise, the following expenditures are estimates for the fiscal year beginning July 1, 2015 and ending June 30, 2016:

CENTER HILL - CROSSROADS	199,595.00
EDENTON - Rural Fire District	343,668.00
BELVIDERE	15,000.00
TRANSFER TO DEBT SERVICE	48,845.60
TOTAL EXPENDITURES:	607,108.60

Section 5.

EMERGENCY TELEPHONE FUND (24):

The Emergency Telephone revenues noted below are hereby appropriated for the sole purpose of providing E-911 Services in the fiscal year beginning July 1, 2015 and ending June 30, 2016:

TELEPHONE SURCHARGES	335,678.00
EARNINGS ON INVESTMENTS	375.00
FUND BALANCE APPROPRIATION	244,900.00
TOTAL REVENUES:	580,953.00

Likewise, the following expenditures are estimates for the fiscal year beginning July 1, 2015 and ending June 30, 2016:

CAPITAL GRANT PROJECT	410,000.00
CENTRAL COMMUNICATIONS	170,953.00
TOTAL EXPENDITURES:	580,953.00

Section 6.

RE-VALUATION FUND (25):

Having recently completed it's 2014 Re-evaluation with a monies remaining, the Chowan County Board of Commissioners chose not to appropriate any monies to the Re-Val Fund this fiscal year with the understanding additional monies may need to be appropriated in subsequent years to cover the next re-evaluation.

Section 7.

DEBT SERVICE FUND (30):

The following funds have be transferred to the Debt Service Fund and are hereby appropriated to meet the financial obligations of the county for the fiscal year beginning July 1, 2015 and ending June 30, 2016:

TRANSFER FROM GENERAL FUND	1,369,735.58
TRANSFER FROM FIRE DISTRICT FUND	48,845.60

TRANSFER FROM SCHOOL CAPITAL RESERVE	624,343.56
TRANSFER FROM LOTTERY	103,573.00
TRANSFER FROM SOLID WASTE	157,344.00
TOTAL REVENUES:	2,303,841.74

Likewise, the following are the actual debt services payments to be made in the fiscal year beginning July 1, 2015 and ending June 30, 2016:

JAHHS RENOVATIONS - QZAB BOND	103,573.00
DF WALKER ELEMENTARY SCHOOL	624,343.56
NORTH CHOWAN COMMUNITY CENTER	208,606.78
SHEPARD - PRUDEN LIBRARY TRUSTEES	108,269.60
SHEPARD - PRUDEN LIBRARY	80,808.00
PUBLIC SAFETY CENTER	1,009,068.00
EOC FURNISHINGS	120,327.20
CENTER HILL FIRE TRUCKS	48,845.60
TOTAL EXPENDITURES:	2,303,841.74

Section 8.

COUNTY CAPITAL OUTLAY FUND (33):

The following revenues are based on projected land sales and are hereby appropriated in the Capital Reserve Fund for the fiscal year beginning July 1, 2015 and ending June 30, 2016:

LAND TRASFER TAX	220,000.00
TOTAL REVENUES:	220,000.00

Likewise, the following expenditures are estimates of the school's capital needs and future county projects for the fiscal year beginning July 1, 2015 and ending June 30, 2016:

TRANSFER TO SCHOOL CAPITAL OUTLAY	200,000.00
DESIGNATED FOR FUTURE NEEDS	20,000.00
TOTAL REVENUES:	220,000.00

Section 9.

SCHOOL CAPITAL OUTLAY FUND (40):

The revenues below are projections based on current fiscal year and are hereby appropriated for the school's capital needs in the fiscal year beginning July 1, 2015 and ending June 30, 2016:

ARTICLE 40 SALES TAX	241,763.00
ARTICLE 42 SALES TAX	483,525.00
TRANSFER FROM COUNTY CAPITAL RESERVE	200,000.00
FUND BALANCE APPROPRIATION	346,587.00
TOTAL REVENUES:	1,271,875.00

Likewise, the following are estimated expenditures for the fiscal year beginning July 1, 2015 and ending June 30, 2016:

SCHOOL CAPITAL OUTLAY	603,176.00
DESIGNATED FOR FUTURE APPROPRIATION	44,355.44
TRANSFER TO DEBT SERVICE	624,343.56
TOTAL EXPENDITURES:	1,271,875.00

Section 10.

SCHOOL LOTTERY FUND (49):

The revenues below are projections based on current fiscal year and are hereby appropriated for the school's capital needs in the fiscal year beginning July 1, 2015 and ending June 30, 2016:

ESTIMATED LOTTERY PROCEEDS	218,575.00
TOTAL REVENUES:	218,575.00

Likewise, the following are estimated expenditures for the fiscal year beginning July 1, 2015 and ending June 30, 2016:

TRANSFER TO DEBT SERVICE	103,573.00
DESIGNATED FOR FUTURE APPROPRIATION	115,002.00
TOTAL EXPENDITURES:	218,575.00

Section 11.

TOURISM DEVELOPMENT FUND (51):

Upon recommendation from the Tourism Development Authority, the following revenues are hereby appropriated for the fiscal year beginning July 1, 2015 and ending June 30, 2016:

OCCUPANCY TAX	120,000.00
GOLDLEAF	30,000.00
EARNINGS ON INVESTMENTS	100.00
TOTAL REVENUES:	150,100.00

Likewise, the following is a estimate of operational costs for the fiscal year beginning July 1, 2015 and ending June 30, 2016:

TDA ADMINISTRATION / OPERATIONS	150,100.00
TOTAL EXPENDITURES:	150,100.00

Section 12.

EMERGENCY MEDICAL SERVICES FUND (60):

Based on the medical services needs of the county, the revenues listed below are hereby appropriated for the fiscal year beginning July 1, 2015 and ending June 30, 2016:

AMBULANCE SERVICE FEES	1,100,000.00
MEDICAID STATE SETTLEMENT	100,000.00
EARNINGS ON INVESTMENTS	50.00
TRANSFER FROM GENERAL FUND	434,877.06
TOTAL REVENUES:	1,634,927.06

Likewise, the following is a estimate of operational costs for the fiscal year beginning July 1, 2015 and ending June 30, 2016:

EMS ADMINISTRATION / OPERATIONS	1,627,321.06
RESCUE SQUAD	7,606.00
TOTAL EXPENDITURES:	1,634,927.06

Section 13.

WATER FUND (61):

Based on the current Water System Operations and a new water rate structure, the revenues listed below are hereby appropriated for the fiscal year beginning July 1, 2015 and ending June 30, 2016:

UTILITIES CHARGES	1,132,000.00
TAP & CONNECTION FEES	12,000.00
RECONNECTION FEES	45,000.00
EARNINGS ON INVESTMENTS	500.00
MISCELLANEOUS	16,400.00
FUND BALANCE APPROPRIATION	248,023.34
TOTAL REVENUES:	1,453,923.34

Likewise, this is the anticipated cost for operating the county's Water System for the fiscal year beginning July 1, 2015 and ending June 30, 2016:

WATER SYSTEM OPERATIONS	1,453,923.34
TOTAL EXPENDITURES:	1,453,923.34

Effective 9/01/15, Chowan County's base water rate will increase from \$ 9.00 to \$ 12.00 per month for the first 2,000 gallons. Afterwards, the rate per 1,000 gallons will increase from \$ 4.50 to \$ 6.00 per 1,000 gallons. Any water customer requesting to have his or her water shut-off outside of regular office hours will be charged a \$ 25.00 Service Call Fee.

Section 14.

SOLID WASTE FUND (62):

The following revenues are based on anticipated grants and the prior year's fees for the Solid Waste program and are hereby appropriated for the fiscal year beginning July 1, 2015 and ending June 30, 2016:

TIPPING FEES	1,035,000.00
SOLID WASTE DISPOSAL	8,000.00
FUND BALANCE APPROPRIATION	57,344.00
TOTAL REVENUES:	1,100,344.00

Likewise, the following is the estimated cost for the program for the fiscal year beginning July 1, 2015 and ending June 30, 2016:

OPERATIONS	943,000.00
TRANSFER TO DEBT SERVICE	157,344.00
TOTAL EXPENDITURES:	1,100,344.00

Section 15.

AGENCY FUNDS (73, 75 & 76):

These funds act a simple pass-through, where the County collects revenues for an outside sources. The Tax Department collects monies owed to the Town of Edenton (*Fund 73*), the North Carolina Department of Motor Vehicles (*Fund 75*) and various Drainage Districts (*Fund 76*). Once collected, the revenues are then redirected to the appropriate agency for their specific use.

Section 16.

TAX LEVY:

There is hereby levied a tax rate of SEVENTY-TWO AND 1/2 cents (\$.725) per one hundred dollar (\$ 100.00) value on Real & Personal Property and Motor Vehicles listed as of January 1 , 2015 for the purpose of generating the revenues included in Sections 1 of this ordinance under the subheading of Ad Valorem Taxes:

Real & Personal Property:

ASSESSED REAL PROPERTY		1,221,921,517.00
ASSESSED PERSONAL PROPERTY		112,899,549.00
TOTAL ASSESSED VALUES		1,334,821,066.00
<i>plus:</i>	<i>PUBLIC UTILITIES</i>	29,150,449.00
<i>minus:</i>	<i>DEFERRED PROPERTIES</i>	-100,592,110.00
<i>minus:</i>	<i>EXEMPT PROPERTIES</i>	-13,018,785.00
ADJUSTED TOTAL ASSESSED VALUES		1,250,360,620.00
	<i>divide by \$ 100.00 of value</i>	/ 100
Total Taxable Value		12,503,606.20
	<i>Multiple by FY '13 Collection Rate</i>	X 97.64 %
Total Collectible Value		12,208,521.09
	<i>Multiple by Levied Tax Rate</i>	X 0.725
TOTAL AD VALOREM TAXES ON REAL & PERSONAL PROPERTY		8,851,177.79

Motor Vehicles:

ASSESSED MOTOR VEHICLES		115,000,000.00
	<i>divide by \$ 100.00 of value</i>	/ 100
TOTAL TAXABLE VALUE		1,150,000.00
	<i>Multiple by FY '13 Collection Rate</i>	X 95.37 %
TOTAL COLLECTIBLE VALUE		1,096,755.00
	<i>Multiple by Levied Tax Rate</i>	X 0.725
TOTAL AD VALOREM TAXES ON MOTOR VEHICLES		795,147.38

Section 17.

EDENTON - CHOWAN SCHOOLS:

The Edenton - Chowan Schools current expense appropriation in the amount of \$ 3,488,455.38 is contained within the General Fund. It is to be disbursed in (1) monthly payment of \$ 290,711.38 and (11) equal monthly payments of \$ 290,704.00.

Section 18.

LAND TRANSFER TAX:

The Land Transfer Tax collected by Chowan County shall be deposited in the County's Capital Outlay Fund and shall be used for County & Schools Capital Projects as approved by the Board of Commissioners.

Section 19.

AUTHORITIES OF THE BUDGET OFFICER:

The Budget Officer (*County Manager*) is hereby authorized to make budget amendments and revisions contained herein under the following conditions:

- a. Transfers between operational line item expenditures within a department without limitation. Transfers involving salary/fringe benefits line items or capital line items will require prior approval by the Board of Commissioners.
- b. Transfers up to \$ 1,000.00 between departments, including contingency appropriations within the same fund. The Budget Officer must make an official report on such transfers at the next regular meeting of the Board of Commissioners.
- c. Budget Amendments involving re-occurring Grants (*not requiring a local monetary match*) and/or Departmental Discretionary monies without limitation. For informational purposes, the Budget Officer must provide copies of such amendments to the Board of Commissioners at their next regular meeting.
- d. Transfers involving an employee choosing to receive a cellphone stipend rather than use a county cellphone. For informational purposes, the Budget Officer must provide copies of such an amendment/transfers to the Board of Commissioners at their next regular meeting.

Section 20.

DISTRIBUTION:

Copies of this Budget Ordinance shall be furnished to the County Manager, County Finance Officer, County Tax Assessor and the Board of Education for direction in the carrying out of their duties.

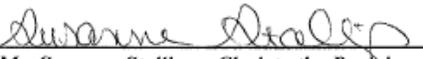
Section 21.

ADOPTION:

The Chowan County Board of Commissioners does hereby adopt this Budget Ordinance for the 2016 fiscal year on the 22nd day of June 2015.



Mr. Jeffrey A. Smith, Chairman of the Board



Ms. Susanne Stallings, Clerk to the Board

Adjourn

Being no further business Commissioner Nixon moved that the meeting be adjourned. Chairman Smith asked for all in favor, the motion passed unanimously (7-0).

Jeffery Smith, Chairman

Susanne Stallings, Clerk