

**Regular Meeting**  
**Monday June 3, 2013**  
**6:00 pm**  
**Chowan County Public Safety Center**  
**305 West Freemason Street**

Minutes

The Chowan County Board of Commissioners held their regular meeting on Monday, June 3, 2013 at 6:00 pm at the Chowan County Public Safety Center. Present: Chairman Keith Nixon, Commissioners Jeff Smith, Greg Bonner, Ellis Lawrence, Emmett Winborne, Alex Kehayes and John Mitchener.

Staff present: County Manager Zee Lamb, Finance Officer Willie Mack Carawan and Board Clerk Susanne Stallings.

Chairman Nixon called the meeting to order and led the pledge, he then provided the invocation.

Approval of Agenda

Commissioner Smith moved to amend the agenda to include a closed session in accordance with NCGS 143-318.11 (3&5). Chairman Nixon asked for all in favor, the motion passed unanimously (7-0).

Public Comment

Bert Banks, Director of the Albemarle Commission provided the Board with the 2012 Annual Report and 2013 Directory of Public Officials. A copy of the report is in the meeting file labeled June 3, 2013.

The Board discussed a vacancy on the RPO Board of the Albemarle Commission. They also discussed requirements for membership. The Board did not make an appointment to the RPO and agreed to contact Mr. Banks if there is any interest.

There was no further public comment.

Consent Agenda

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. Tax Release and Collector's Report**

Woodley, K.	\$174.05	SITUS Franklin, NC
Hayes, B.	154.20	SITUS Perquimans Co.
Kern, D.	106.35	Vehicle Sold

CA Perry	693.96	Owned 1 month
Mallette, W.	122.93	Vehicle Traded
Wilkerson, K.	141.05	SITUS Perquimans Co.
Waff, M.	157.81	SITUS Perquimans Co.
Perry, D.	100.25	Vehicle turned back in
Browder, J.	131.27	Incorrect mileage

**b. Approval of Minutes**

Attached are the minutes of the May 6, 2013, May 15, 2013 and May 21, 2013 meetings for Board review and consideration.

**c. Budget Amendments**

**BA1213-072**

	<b>Line Item</b>	<b>Debit</b>	<b>Credit</b>
11-3100-170-00	Tax Penalty & Interest		\$ 1,500.00
11-4180-380-00	IT Software / Services		\$ 3,351.33
11-4190-311-00	Travel		\$ 506.98
11-4190-299-00	Departmental Supplies		\$ 800.00
11-4190-491-00	Dues & Subscriptions		\$ 20.00
11-4210-192-00	Professional Services	\$ 6,178.31	

The Register of Deeds and Land Records telephone system in the Courthouse has failed. These are the additional funds needed to add them to our PSC CISCO VoIP Telephone System.

**BA1213-073**

	<b>Line Item</b>	<b>Debit</b>	<b>Credit</b>
11-3616-535-00	Donations – Building Imp		\$ 1,377.00
11-4268-351-00	Building Maint & Repair	\$ 1,377.00	

Appropriating additional revenues received that were not previously budgeted.

**BA1213-074**

	<b>Line Item</b>	<b>Debit</b>	<b>Credit</b>
11-3100-170-00	Tax Penalty & Interest		\$ 9,829.30
11-6130-213-00	Uniforms	\$1,000.00	
11-6130-251-00	Automotive Supplies	\$3,000.00	
11-6130-270-00	Concessions	\$1,329.00	
11-6130-299-00	Departmental Supplies	\$ 500.00	
11-6130-321-00	Telephone & Postage	\$1,000.00	
11-6130-331-00	Utilities	\$2,500.00	
11-6130-354-00	Maint. & Repair – Ball Field	\$ 500.00	
11-6130-510-00	Capital Outlay Equipment	\$ .30	

Reimbursing the Recreation Department for the purchase of the new lawnmower.

**BA1213-075**

	<b>Line Item</b>	<b>Debit</b>	<b>Credit</b>
41-4935-390-11	Repair Coop. Extension	\$ .40	
41-4930-011-00	Contribution General Fund	\$10,217.85	
41-4935-355-00	Repair Senior Center		\$ .25
41-4935-361-00	Repair Swain School		\$7,814.00
41-4935-393-00	Repair County Office Building		\$2,404.00
11-3980-980-41	Transfer from Hurricane Rec	\$10,217.85	
11-4261-351-00	Maintenance and repair of Buildings		\$10,217.85

Transferring remaining of the Hurricane Recovery Funds to the General Fund to make repairs to the Courthouse.

**BA1213-076**

	<b>Line Item</b>	<b>Debit</b>	<b>Credit</b>
11-3616-535-00	Donations Building Imp	\$4,820.00	
11-4268-351-00	Bldg Maint/Repair		\$4,820.00

Appropriating additional revenues received that were not previously budgeted.

**BA1213-077**

	<b>Line Item</b>	<b>Debit</b>	<b>Credit</b>
11-5230-442-00	Intensive Super & Counsel	\$1,821.00	
11-3523-003-00	Intensive Super & Counsel		\$1,821.00
11-5230-442-00	Intensive Super & Counsel	\$ 140.00	
11-3523-003-00	Intensive Super & Counsel		\$ 140.00
11-3523-004-00	JCPC Council	\$ 140.00	
11-5230-443-00	JCPC Council		\$ 140.00

Appropriating an additional grant award and the re-allocation of program revenues to utilized anticipated year-end balances.

Mr. Lamb noted the Board would be provided with a copy of the Tax Collection report at the June 18, 2013 meeting. He stated that Tax was not able to close out the month of May prior to that meeting.

Board Clerk Susanne Stallings noted a correction in the minutes.

Finance Officer, Willie Mack Carawan noted a correction to the budget amendments.

The Board discussed the budget amendments.

Mr. Lamb noted that Recreation was unable to locate monies within its budget to cover the cost of the lawn mower approved by the Board earlier in the fiscal year.

Commissioner Mitchener moved to approve the consent agenda as presented. Chairman Nixon asked for all in favor, the motion passed (7-0).

**Public Hearing FY 2013-14 Proposed Budget**

Commissioner Smith moved to go into public hearing to receive public comment on the proposed FY 2013-14 budget. Chairman Nixon asked for all in favor, the motion passed unanimously (7-0).

Chairman Nixon called for public comment on the budget, there was none.

Commissioner Mitchener moved to close the public hearing. Chairman Nixon asked for all in favor, the motion passed unanimously (7-0).

Mr. Lamb reviewed the proposed budget ordinance. He stated the proposed budget is balanced and can be adopted by the Board at any time. Mr. Lamb stated that over the past five years the Board has worked on getting the fund balance up to the policy and goal set of 25%. He stated he would recommend that in November when the audit is finalized, the Board could choose to allocate monies towards various projects or set aside the monies to be used towards tax relief after the revaluation. He explained the revaluation process noting the current tax rate is set at 68.5 cents per \$100. He stated that projections indicate the County may realize a 13% decrease in values. He stated the excess revenues from the current year could be used to reduce the revenue neutral amount for next year's tax rate. He stated he would recommend that the Board allocate the monies once the audit is finalized.

Chairman Nixon asked how the budget ordinance is set up for COA.

Mr. Lamb stated that the budget is set up the same as the previous year. He stated that \$200,000 is allocated for current expense that will be equally distributed monthly and another \$200,000 is set aside for capital needs. He stated that any expense over \$5,000 will require Board of Commissioners review and approval. He stated COA will pay for the capital expense up front and file for reimbursement from the County.

Commissioner Winborne thanked staff for their work on the budget. He stated he was glad that the Board met the goal of 25%. He stated that the Board made many tough decisions to get to that point. He stated that the citizens of Chowan County were a part of getting the County to this point. He stated he was going to ask the Board to consider giving a 1 cent reduction of the current tax rate for the next fiscal year. He stated that he did not feel his plan would impact any department. He stated that the Board will have to increase the rate next year and he felt that if there was a way to give relief this was a good way to do it now.

Chairman Nixon stated this topic was discussed in work sessions and tax relief and employee raises were also discussed. He discussed difficult decisions that were made in 2008 to balance the budget. He stated it was difficult to raise taxes on the public during a recession. He stated he wanted to help businesses with the reduction. He stated the monies from the reduction could be found in the monies turned in from the current budget. He stated the ambulance and jail van could be held off on purchasing until the audit is complete. He stated that the Sheriff vehicles could be purchased this fiscal year. He stated this plan would allow employees to receive a \$300 end of year bonus and will help lower paid employees. He stated he felt this would be a reward for employees who also monitored their budgets and turned in money.

Vice Chairman Smith stated that he could appreciate the position of Chairman Nixon and Commissioner Winborne. He stated that the value of businesses normally would not reduce during a revaluation and he felt that a one cent tax relief now would not help as much as a reserve for tax relief next year would help more. He stated that he would like to see the monies from the current fiscal year kept in a reserve fund to be used for a smaller increase on the tax rate next fiscal year after revaluation.

Commissioner Mitchener stated that he felt it would be unwise to reduce taxes this fiscal year with the uncertainties of the state budget. He stated he felt the Board should focus on the current capital responsibilities.

Commissioner Lawrence stated that personally he liked the position of Commissioner Winborne and Chairman Nixon. He stated that he liked the plan described by Vice Chairman Smith also. He stated his concern was giving a small decrease this year and having to do a larger increase next year. He stated he felt that would not accomplish much. He stated he most supported the position of Vice Chairman Smith.

Commissioner Bonner stated his position was the same as when this was discussed at a previous work session. He stated he did not feel comfortable with implementing a decrease now and then raising taxes next year after the revaluation. He stated that fluctuation of the tax rate, he felt would be unfair to the tax payer. He stated he felt the capital needs in the County need to be addressed in the upcoming budget.

Vice Chairman Smith clarified that his position of the capital fund was for all of the monies over the 25% fund balance be used for tax relief next year.

Commissioner Winborne moved to decrease the tax rate 1 cent for the next fiscal year.

Commissioner Kehayes stated that lowering the tax rate is a marketing tool for Chowan County. He stated lowering the tax rate would set a good precedence and make a positive statement for Chowan County. He discussed that there would be those that benefit more from a decrease this year or next.

Vice Chairman Smith stated his concern would be the businesses that get a decrease now, and if the values do not change the business will have to pay more after the revaluation because the value of the assets will remain the same.

Commissioner Bonner stated that a reserve fund for next year would also benefit the taxpayer as a decrease now would benefit the tax payer.

Commissioner Winborne stated that he felt everyone would be a winner with a tax reduction. He stated he felt the taxpayer is the person best suited to spend their own money.

Chairman Nixon discussed the tax rate and the lack of population growth. He stated in the past the County spent more than it brought in. He stated he didn't support spending the savings of each budget.

Chairman Nixon asked for all in favor, the motion failed (3-4 Smith, Bonner, Lawrence and Mitchener).

Vice Chairman Smith discussed a motion for reserving the monies for next fiscal year. It was decided to wait to make that motion until after the audit is completed.

Commissioner Mitchener moved to adopt the FY 2013-14 budget as presented.

Commissioner Winborne stated he would recommend not voting on the budget. He stated the Board had about 30 days to adopt the budget. He stated the wait would allow the public to express their opinion on the budget to the Board.

Commissioner Mitchener asked to withdraw his motion and allow the budget to be discussed on June 18, 2013.

Mr. Lamb noted the tax bills cannot be printed and mailed until the budget is adopted.

### **School Lottery Requests**

Mr. Lamb stated that the Board will consider a request from the Edenton Chowan Board of Education to utilize lottery funds in the current fiscal year for three capital projects. He stated that the Board of Education wishes to begin the projects during the summer months prior to school starting back in the fall.

Maintenance Director for the Schools, Brad Bass asked if there were any questions from the Board on the following projects.

- Renovation of School Entrances at John A. Holmes High School
- Renovation of Student Restrooms at Chowan Middle School
- Renovation of Student Classroom at Chowan Middle School

Commissioner Winborne asked about the priority of repairing the air conditioning in the gym at the high school.

Mr. Bass stated that these items on the list while small have been a priority. He stated the a/c repairs in the gym have been in the long range plans but there were more immediate needs than the a/c. He added that the Superintendent has indicated that the Board of Education would like to hold a joint meeting with the Board of Commissioners to discuss projects and the priority.

Chairman Nixon stated his concern over which projects are considered capital or routine maintenance. He stated he was concerned that some routine maintenance was not being addressed with the school fund balance. He stated he noted the a/c on previous year priority lists. He stated he would like to see the school system use Swain Auditorium for functions. He stated that he was concerned that the Schools were asking for donations for the repair of the a/c in the gym, when the project was not on the school priority list for the Board to review and approve. He asked for clarification on the floor tile project.

Mr. Bass provided the Board with photographs of the proposed tile.

Chairman Nixon stated that he would prefer the school system look into the project done at COA for the entrance way. He stated he felt that would be more efficient than tile.

Mr. Lamb noted the schools system has monies in a capital reserve and the monies are used in the year for unexpected needs. Mr. Lamb noted that any projects not approved by the Board of Commissioners could be done with other monies held by the school system.

Commissioner Lawrence moved to approve the projects except the \$25,000 and \$7,000 project. After some discussion on the motion and the summer timeline, he withdrew his motion.

Vice Chairman Smith stated he would like to see more clarification in the projects and added that he considers capital projects, a project that increases the value of the property. He stated he would like to see the categories defined for future requests.

Commissioner Kehayes asked if there was any guarantee on the tile.

Mr. Bass stated yes.

Commissioner Lawrence moved to authorize the three projects totaling \$218,980 and to authorize the Chairman to sign the appropriate lottery applications for any other qualifying projects. Chairman Nixon asked for all in favor, the motion passed (6-1 Nixon)

### **Boys and Girls Club Request**

Mr. Lamb stated this request was heard at the May work session meeting. He stated the Boys and Girls Club have requested that the Board forgive \$3,000 of the \$23,000 due on the amount still owed by the Boys and Girls Club when the Albemarle Learning Center was purchased from the County. He stated the deed shows the monies being due in November 2014. He noted the Boys and Girls Club also requested that the monies be paid in installments over five years totaling \$20,000.

Chairman Nixon asked if there were any motions on the request.

Commissioner Smith moved to not forgive \$3,000 of the total \$23,000 debt owed to Chowan County and to allow the Boys and Girls Club to make six (6) equal annual payments beginning in November 2013 and ending in November 2018 to pay off the debt of \$23,000 owed.

Commissioner Winborne stated that the County is not a bank. He stated he felt the Boys and Girls Club provides a great service to the County but if the Board is not funding non-profits, therefore he did not want to forgive the \$3,000 owed. He stated he would prefer that the Boys and Girls Club seek private funding for the amount owed.

Chairman Nixon asked for all in favor of the motion, the motion passed (5-2 Bonner, Winborne).

Chairman Nixon called for a 5 minute recess. After the recess, Chairman Nixon called the meeting to order.

#### **Fiscal Monitoring Report – East Carolina Behavioral Health**

Commissioner Kehayes stated that he met with another ECBH Board member and reviewed the financial report. He stated that he has been focused more on the providers and patients end of the service. He noted that there is proposed legislation to end these types of authorities.

Commissioner Mitchener moved to acknowledge receipt of the fiscal monitoring report as required. Chairman Nixon asked for all in favor, the motion passed (7-0).

#### **Review of 2013 Meeting Schedule**

Ms. Stallings stated the Board asked that the efficiency of the meeting schedule be reviewed in June.

The Board discussed the current schedule.

Commissioner Lawrence will provide the clerk with the fall class schedule once it is available.

Chairman Nixon recommended that the Board discuss this at the June 18, 2013 meeting.

#### **Emergency Management Annual Report**

Cord Palmer, Emergency Management Coordinator gave a PowerPoint on the activities of Emergency Management for the past year. (A copy of the PowerPoint is in the meeting file labeled June 3, 2013).

#### **Resolution from Hyde County**

Commissioner Mitchener stated he recommended that the Board consider a request from Hyde County to support their request that black bear management laws for Hyde County be amended. He stated this request is to allow Wildlife Resources Commission to manage black bear. He noted the Commissioner that requested the support of the resolution.

Commissioner Smith stated that while Chowan County does not have the amount black bear problems that Hyde County has, the black bear are becoming a nuisance especially in on farms. He moved that the County send a letter of support of Hyde County's request.

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

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

Commissioner Mitchener gave a report from a meeting in New Bern with the NC 20 group.

Commissioner Winborne reported on the activities of the Animal Control Advisory Committee. He also requested that the Board allow him to serve as a liaison with Representative Steinburg to discuss hydrilla. There was no objection from the Board.

### **Timely and Important Matters**

Commissioner Smith commended the Recreation Department for the lawn maintenance and work done at the Northern Chowan Community Center and Pembroke Creek.

Commissioner Mitchener stated he would like to set up a meeting between County officials to discuss bridge deficiencies in Chowan County as reported in the newspaper last week.

Chairman Nixon stated he would like for the Board to recognize J&J Environmental (Jim Droze) for the work he has donated to the County in cleaning up the recreation facilities.

### **Senior Center Van**

Mr. Lamb stated that the Senior Center requested an additional van in the FY 2013-14 budget. He stated that request was not funded however in the past week; problems have developed with the van. He stated he has been talking with dealers about low mileage used vans and requested permission from the Board to purchase a van in the current fiscal year not to exceed \$15,000.

Commissioner Mitchener moved to give the manager authority to purchase a van for the Senior Center to replace the van needing service, not to exceed \$15,000.

Chairman Nixon asked where the monies would come from for the purchase.

Mr. Lamb stated that there are monies left in contingency approximately \$28,000.

Chairman Nixon stated he would like to see the purchase come from an expense line item.

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

### **Reschedule July Meeting**

The Board discussed rescheduling the July 1<sup>st</sup> meeting to another date because of the July 4<sup>th</sup> Holiday.

Commissioner Smith asked if the Board members would check their schedules and notify the Clerk if June 27<sup>th</sup> or 28<sup>th</sup> worked best for them.

Chairman Nixon stated he would prefer a night meeting.

### **Closed Session**

Commissioner Smith moved to go into closed session in accordance with NCGS 143-318-11 (3&5). Chairman Nixon asked for all in favor, the motion passed (7-0).

The minutes of the closed session are sealed.

Commissioner Mitchener moved to close the closed session. Chairman Nixon asked for all in favor, the motion passed (7-0).

### **Sale of Property**

Board Clerk Susanne Stallings noted that the property off Sandy Ridge Road was declared surplus and advertised for bids. A bid in the amount of \$251 was received, advertised with no upset bids.

Commissioner Smith moved to accept the officer and require the buyer to pay for all recording fees.

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

Being no further business, the meeting was adjourned.

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D. Keith Nixon, Chairman

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Susanne Stallings, Clerk