

Special Joint Meeting
May 12, 2014
6:00 pm
Chowan County Public Safety Center
305 West Freemason St. Edenton, NC

MINUTES

The Chowan County Board of Commissioners held a special joint meeting with the Edenton Chowan Board of Education at 6:00pm on Monday, May 12, 2014.

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

Commissioner Ellis Lawrence was absent.

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

Edenton Chowan Board of Education Members present: Richard Browder, Gil Burroughs, Glorious Elliott, Eugene Jordan and John Guard.

Board of Education members absent were Kay Wright and Jean Bunch.

Edenton Chowan Schools Staff present: Dr. Alan Smith Superintendent and Carrie Baker Clerk

(Minutes of the Board of Education meeting are summarized below an official copy of the Board of Education minutes can be obtained through the Board of Education Clerk's office).

Call to Order

Chairman Nixon called the meeting of the Board of Commissioners to order. Mr. Guard called the meeting of the Board of Education to order.

FY 2014-15 School Budget

School Superintendent Dr. Alan Smith presented the 2014-15 Local Current Expense Budget Request from Edenton-Chowan Schools to the Board of Commissioners. (A copy of the request is in the meeting file labeled May 12, 2014.) He stated that the School is facing reductions from both State and Federal funding sources. He stated this is because of a reduction in small counties monies in the amount of \$230,000. He stated that the budget includes a State mandated salary increase of 3% and a restoration of the local supplement to 2.5% (currently 2%) and Mentor Support program of \$15,000. Dr. Smith noted that the Board of Education has utilized its fund balance to balance the budget in the amount of \$400,000 for the proposed budget.

The Boards discussed fund balance requirements for schools and the need to lobby the state to reinstate the small county appropriation.

Chairman Nixon asked what was the ADM (Average Daily Membership).

Dr. Smith stated 2,238 a little more than the previous year.

Chairman Nixon asked where Chowan County ranks on local spending compared to other counties in the State.

Dr. Smith stated that report is 2 years behind. He stated the last report showed Chowan County has dropped but is slightly above the state average. He stated the actual amount spent per student is still low.

Commissioner Winborne asked what the total budget for the school system was, including State and Federal monies.

Dr. Smith stated it is around \$25 million.

Commissioner Mitchener discussed reading requirements and common core requirements.

Eugene Jordan stated that North Carolina is one of the lowest in the Country and Chowan County is one of the lowest in the state for funding per student. He stated the Board of Education could not continue to utilize fund balance to balance its budget.

Dr. Smith reviewed the 2014-2015 Capital outlay budget. He stated that the tier one projects total \$203,176. He reviewed the ranked Tier II and Tier III projects which are not being addressed in this budget request.

Dr. Smith noted much of the small county and low wealth monies go towards salaries.

The Board of Commissioners discussed the Tier II and Tier III projects stating they hoped to see more emphasis placed on some of the Tier II and Tier III projects in the future including gym renovation.

Dr. Smith noted the Board will seek grant monies to address other projects on the capital list. He noted the total 2014-2015 request from the County is \$4,240,767

Commissioners discussed their philosophies on how to address school funding.

Commissioner Bonner stated that he felt the Board should put more funding towards the school system.

Chairman Nixon stated he felt the Board's responsibility is to address capital needs and he felt that the repairs at the gym should be a priority.

Dr. Smith stated that there are additional aging HVAC units in need of replacement at two of the schools.

Being no further business, Commissioner Kehayes moved to adjourn the joint meeting. Chairman Nixon asked for all in favor, the motion passed unanimously (6-0).

The Board of Education also adjourned their joint meeting.

**Special Meeting
Chowan County Public Safety Center
305 West Freemason Street**

AGENDA

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

Commissioner Ellis Lawrence was absent.

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

Call to Order

Chairman Nixon called the special meeting to order.

Discussion of proposed FY 2014-15 Chowan County Budget

County Manager Kevin Howard provided the Board with the requests from departments for the FY 2014-15. He stated that 1 cent tax is \$133,000-\$135,000. He stated that a tax rate of 76.7 would be revenue neutral. That would be a total tax increase of 8.2 cents.

Commissioner Winborne asked what the county's fund balance was.

Mr. Howard stated approximately \$4.2 million.

The Board discussed various increases in the budgets.

Tax – Various operational lines

Maintenance – new FT position (changed from part time) and one vehicle

Senior Center – additional nutrition program costs

Central Communications- additional part time and over time expense

Sheriff- Additional funds for part time, 3 vehicles and outdated computers

Jail- Contracted services, over time, outdated computers

Animal Control- Salary for fulltime officer

Soil Conservation – Hydrilla and Beaver Management

Cooperative Extension- Salaries and operational increase
School- additional request taken out
Library- increase for property and liability insurance
Recreation – Additional funds for part time and reduction in full time and two year lease purchase on a tractor
DSS- additional funds to meet maintenance of effort
EMS- Cover shortfall in revenues and expenses

Mr. Howard noted that this proposed budget utilizes \$456,000 from fund balance and a 5 cent tax increase \$665,000 to reduce the need for a revenue neutral tax rate increase.

The Board discussed proposed revenues and proposed increases to some of the revenue lines.

Chairman Nixon noted that approximately \$43,000 is needed for a 1% cost of living adjustment.

Each of the Board members discussed various options and philosophies in making the budget balanced without a large tax increase.

Mr. Howard noted that more cuts in departments could result in a reduction of services.

Chairman Nixon requested that the Board members review the proposed budget request and the Board will schedule another budget worksession.

Adjourn

Being no further business, Commissioner Kehayes moved that the meeting be adjourned. Chairman Nixon asked for all in favor, the motion passed unanimously (6-0).

D. Keith Nixon, Chairman

Susanne Stallings, Clerk