

**Special Meeting**  
**Wednesday, May 15, 2013**  
**10:00am**  
**Chowan County Public Safety Center**  
**305 West Freemason St.**

Minutes

The Chowan County Board of Commissioners held a special meeting on Wednesday, May 15, 2013 at 10:00am at the Chowan County Public Safety Center. Present: Chairman Keith Nixon, Greg Bonner, Emmett Winborne and Alex Kehayes.

The four Commissioners participated in a webinar hosted by the School of Government for mandatory ethics training.

No further business was discussed.

**Special Meeting**  
**Wednesday, May 15, 2013**  
**1:00pm**  
**Chowan County Public Safety Center**  
**305 West Freemason St.**

The Chowan County Board of Commissioners held a special meeting on Wednesday, May 15, 2013 at 1:00pm at the Chowan County Public Safety Center. Present: Chairman Keith Nixon, Commissioners Jeff Smith, Greg Bonner, Emmett Winborne, Alex Kehayes, Ellis Lawrence 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.

**FY 2013-14 Proposed Budget Worksession**

County Manager Zee Lamb provided the Board with a proposed FY 2013-14 budget that included recommended changes from previous worksessions. He stated the budget is based on a \$0.685 tax rate the same as FY 2012-13. He stated the total revenues and expenditures of the general fund including the Social Services fund total \$16,158,266 as compared to the FY 2012-13 budget of \$15,996,380. He stated the increase was 1% over the previous year's adopted budget.

Mr. Lamb stated the purpose of the meeting was to review the special and enterprise funds.

The following funds were reviewed; any actions or discussions are listed below the fund.

### **Social Services (DSS) Fund**

\$2,312,751 is the total State/Federal monies, the General Fund contribution is \$999,922.

Commissioner Winborne asked if a generator is budgeted in the proposed budget.

Mr. Lamb stated no.

This budget is discussed again below.

### **Water Development Fees/ Capital Reserve**

#### **Fire Fund**

Mr. Lamb noted Belvidere Fire Department requested \$25,963 but the Board recommended \$15,000 an increase of \$2,200 over the previous year.

Commissioner Smith noted that Centerhill Crossroads Fire Department has requested additional monies for a new roof on the building. He stated that the Fire Department has indicated they will contribute monies towards the roof and the County's cost is \$18,000.

Chairman Nixon urged the Board to be cautious in increasing the expenditures for the Fire Department when the revenues have reduced.

The Board discussed the contribution to the Edenton Fire Department.

Mr. Lamb noted the Town has been informed that the County expects that the fire budget will be "true up" at the end of the year, as is done for the Public Safety Center Building, IT and Inspections. Or in the alternative, unspent fund may be made part of a Fire Capital Reserve Fund.

Commissioner Smith asked the Board members to research this more and bring any recommendations back to the full Board.

### **Social Services (DSS) Fund**

Chairman Nixon asked for clarification on the low energy assistance increased budget.

DSS Director, Clifton Hardison stated this figure is based on the information sent to the County regarding the allocation to be designated for Chowan. He clarified that this money is a pass through.

Chairman Nixon asked if the custodian is full time in the Social Services Building.

Mr. Hardison stated the time spent by the custodian in the DSS Building is reported and filed for reimbursement.

Commissioner Winborne asked if lawn care is reimbursed.

Mr. Lamb stated those monies are claimed for reimbursement.

Commissioner Kehayas asked for clarification on the line for rental property.

Mr. Hardison stated that is no longer used, previously DSS rented storage space before it moved to its current location.

### **Central Communications**

Mr. Lamb stated that \$207,722 is based on a 5 year average of spending. He noted that \$57,000 is appropriated for future use.

### **Revaluation Fund**

Board members requested that this fund be re-named from previously named "Tax Listing and Collection" to Revaluation Fund.

Mr. Lamb stated that the amount has doubled up to \$50,000. He stated that Board members may recall he negotiated that 10% (\$248,000) of the contract will be paid after July 2014.

### **Debt Service Fund**

Chairman Nixon noted that this fund was set up to track debt.

### **Land Transfer/ Capital Reserve Fund**

Mr. Lamb noted that \$225,000 is the anticipated revenue from the land transfer tax going into the County Capital Reserve Fund. The budget also provides a \$5,000 transfer from the General Fund. He stated that \$200,000 will be transferred to the School Capital Reserve and \$30,000 has been designated for future use, possibly renovations to the Shepard Building in front of the Public Safety Center as recommended by the Board.

### **School and School Capital Outlay**

Chairman Nixon expressed his concern over the lottery project requests and asked that more information be given on the projects at the next meeting specifically the priority of the projects.

### **Tourism Development Authority**

Mr. Lamb stated that the TDA Board will develop its own budget.

### **EMS Fund**

Mr. Lamb stated that last year the EMS Fund brought in \$1.07 million in revenues. He stated that the proposed FY 2013-14 budget anticipates \$1.06 in revenues. He stated that the transfer from the General Fund to the EMS Fund is \$338,000 including \$90,000 for the purchase of an ambulance.

### **Animal Shelter Budget**

Mr. Lamb stated he met with the Gates County Manager who expressed concerns over the increased appropriation for FY 2013-14 (an increase of \$15,000 for Gates County). He stated the Shelter Advisory Committee will meet again to discuss the budget.

### **Closed Session**

Commissioner Mitchener 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 unanimously (7-0).

The minutes of the closed session are sealed.

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

### **Employee Health Insurance**

Commissioner Smith moved to continue with the Jones contract for employee health insurance (+10 option including vision).

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

### **Water Fund**

Mr. Lamb noted that the Water Supervisor will skip book 3 this fiscal year and do books 4 and 5 for digital meter replacement.

The Board discussed the appropriation from fund balance to cover the costs of the Valhalla Special Order by Consent (S.O.C.).

Chairman Nixon asked if the monies are necessary for the S.O.C.

Mr. Lamb stated that he would check into the S.O.C and if they were necessary he would note in the budget ordinance a restriction for use of the funds.

Chairman Nixon asked if the budget includes any vehicles or equipment.

Mr. Lamb stated no.

### **Solid Waste Fund**

Chairman Nixon stated that this Board still needs to meet to determine its budget.

### **General Fund – Cost of Living Adjustment and Tax Rate Discussion**

Mr. Lamb noted the proposed budget includes a cost of living adjustment.

Chairman Nixon stated that while the County has found savings and employees are working full time, he felt that the County has not given back to its tax payers. He stated that savings found are being spent elsewhere in the budget. He stated that Public Safety expenses have increased. He added he would like to see some items proposed in FY 2013-14 purchased from this current fiscal year instead of next.

Commissioner Mitchener stated he felt there are more than one way the County has given back to the taxpayers and discussed the debt reduction, facilities renovation and services.

Chairman Nixon stated he felt those things were not tangible.

Commissioner Winborne stated his support of the idea.

Chairman Nixon stated he felt this was an economic development tool.

Commissioner Smith stated that he would advocate using funds to offset a potential tax increase next fiscal year after the revaluation.

Commissioner Bonner stated that he is an advocate for tax relief but felt the public is satisfied with the work being done by the Board. He stated that his concern was that not enough has been done for the employees.

Commissioner Kehayes stated that he felt employees should be a Board priority and stated he would like to feel that employees are fairly compensated before he could make a decision.

Commissioner Lawrence expressed his concerns over employees not being compensated and stated that cost of living adjustments for employees have been consistently given.

The Board discussed a proposed COLA for employees.

Commissioner Winborne stated his support of a flat dollar amount for employees across the Board. He moved to provide employees with a \$500 salary increase per employee.

Mr. Lamb stated he would need clarification on how to handle part-time employees.

Chairman Nixon stated that he felt 1% and onetime bonus later in the year are better.

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

Commissioner Mitchener moved to leave the 1% COLA in the budget and determine later how to disburse it. Chairman Nixon asked for all in favor, the motion passed (7-0).

Chairman Nixon passed the gavel to Vice Chairman Smith.

Chairman Nixon moved to reduce taxes 1 cent for the next fiscal year and added that capital purchases be made this fiscal year instead of next year.

Vice Chairman Smith asked for any further discussion.

Chairman Nixon stated that \$90,000 could come from EMS and the rest could be found this year.

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

Being no further business, the meeting was adjourned.

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D. Keith Nixon, Chairman

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L. Susanne Stallings, Clerk