

Special Meeting
Thursday March 14, 2013

4:00 pm
Chowan County Public Safety Center
305 West Freemason Street

Minutes

The Chowan County Board of Commissioners held a special meeting on Thursday, March 14, 2013 at 4:00 pm at the Chowan County Public Safety Center. Present: Chairman Keith Nixon, Commissioners Jeff Smith, Ellis Lawrence, Greg Bonner (came in later), Emmett Winborne, Alex Kehayes and John Mitchener.

Staff present: County Manager Zee Lamb, Finance Officer Kim Woodley and Board Clerk Susanne Stallings.

Chairman Nixon called the meeting to order.

Budget Worksession

Chairman Nixon stated the purpose of the meeting was to provide the Manger with direction on planning the FY 2013-14 budget. He noted that most department heads have turned in budgets and the County Manager will be meeting with them in the coming days.

Mr. Lamb stated that he would like to have the public hearing for the budget at the first meeting in June. He noted new legislation may lengthen the time required between the public hearing and the budget adoption.

Commissioner Bonner joined the meeting.

Mr. Lamb asked what outside agencies the Board would want to present during the budget discussions noting the law requires the School Board to present their budget annually.

The following budgets were discussed and by consensus of the Board the following directives were made:

School Board will present to the full Board.

COA – Capital Improvement Plan should be presented.

Library – Will present to the Board. Mr. Lamb noted the Library has increased their contribution request. Chairman Nixon discussed his concern over operating hours.

Forestry- Does not need to present.

Edenton Chowan Partnership – yes needs to present

Animal Shelter – Mr. Lamb will meet with the Advisory Board and develop a budget request.

Albemarle Commission – Does not need to present the budget, however Commissioner Smith who represents Chowan County on the Albemarle Commission Board will request that they present to the Board the activities of the Commission.

Health Insurance – Mr. Lamb has been obtaining quotes for employee health insurance. He stated that to date United has provided the best quote that will present a savings to the County. He will invite them to present to the Board at the next worksession. Chairman Nixon requested a list of participating Counties in the United Plan.

Tax Revenues – Mr. Lamb noted that there will be additional revenues in tax collections. The Board discussed sales tax collections.

Maintenance – Mr. Lamb noted that the Maintenance Director will request an additional employee.

Sheriff – Mr. Lamb noted the budget request is roughly the same as last year. He added the only expansion is for an additional vehicle for a total of three vehicles as compared to two this year. And a van for the jail.

School – Mr. Lamb stated he requested that the school request the same amount as the previous year.

Land Transfer Tax

Commissioner Winborne stated he thinks now is the time to put the Land Transfer Tax back under the General Fund. He stated that he feels the Board should appropriate \$200,000 annually from Land Transfer to the School.

Mr. Lamb stated that currently all lottery proceeds go towards the QZAB loans for school construction and other approved projects. He stated that 30% of Article 40 and 60% of Article 42(Sales tax) go towards School capital. He stated that by refinancing the County's debt the school debt will be paid off in 8 years. He stated the lottery money and future Articles 40 and 42 surplus funds will be available for other school capital needs. He stated the law does not require land transfer to be used for school capital but it does require it be spent on capital needs in the County.

Commissioner Nixon stated that the County was receiving ADM monies for school capital. He stated that money has been taken away. He stated that he felt capital needs were the priority of the County and that he feels there are several capital needs remaining in the schools.

Mr. Lamb stated that the County could develop a Capital Reserve Fund for needs (not just school capital).

Commissioner Smith stated he would support a School Capital Fund (or Educational capital).

Commissioner Mitchener stated he felt the Board should be mindful of unfunded mandates.

The Board discussed who maintains control of the Land Transfer monies.

Commissioner Winborne moved to repeal the previous resolution designating Land Transfer to School Capital Reserve and direct the finance office to prepare next year's budget designating the Land Transfer Tax to a Capital Reserve Fund.

Commissioner Winborne stated he would like the Board to consider additionally designating \$200,000 annually from the Capital Reserve Fund for School Capital.

The Board discussed the motion and parliamentary procedure.

Chairman Nixon passed the gavel to Vice Chairman Smith to participate in the discussion.

Commissioner Winborne stated his intent is to continue funding capital needs for the school but his concern was that over the past two years the schools have not saved any of the Land Transfer monies to build a reserve. He stated that he would like for the school to present a list of needs and allow the Board to fund the priorities.

Chairman Nixon explained his concern with voting on the motion that day. He provided the Board with a history of negotiations when the Land Transfer was designated for the Schools.

The Board discussed that the Capital Reserve Fund would be part of the general fund and part of general fund balance.

Chairman Nixon stated he would like for all the Board members to review the history of the Land Transfer Designation.

Finance Officer Kim Woodley stated that both School Capital Reserve Funds and general Capital Reserve funds are included when calculating fund balance.

Vice Chairman Smith asked for all in favor of the motion, the motion passed (4-3 Smith, Nixon Bonner).

Vice Chairman Smith passed the gavel to Chairman Nixon.

Commissioner Lawrence moved to appropriate \$200,000 annually from the Capital Reserve Fund to the Schools.

Commissioner Winborne asked if the County would provide the schools with a blank check or would they review the requests.

Commissioner Lawrence stated his intent is to provide the schools with money to address capital needs.

Mr. Lamb noted that approximately \$200,000 is being transferred this fiscal year to the School Capital Reserve Fund from Land Transfer proceeds. He stated that there will be \$200,000 already in the fund but the school is planning only to spend approximately \$200,000.

Chairman Nixon asked for all in favor on the motion the motion passed (5-2 Smith, Nixon)

ABC revenues

Mr. Lamb stated he is working with the ABC Board to get more revenues for the upcoming fiscal year. He stated he will request \$25,000.

Chairman Nixon recommended that Mr. Lamb meet with the ABC Board Chairman and store Manager.

Water Department

Mr. Lamb stated the budget request included more automated meters.

Commissioner Smith stated that he met with fire departments recently and there was a discussion about repairs to the fire hydrants to maintain a 6 rating. He stated the fire department has spoken with the Water Department about this.

Mr. Lamb stated he would meet with the Water Supervisor.

EMS

Mr. Lamb stated that EMS is requesting a truck. He noted that there will be a reduction in Medicaid revenues in the coming year from \$15,000 to \$20,000. He noted that the current fiscal year will show over \$300,000 that will have to be contributed from the General Fund.

Commissioner Winborne asked if now is the time for the County to look into EMS service districts similar to the fire districts.

Mr. Lamb stated that he would check on legislation that allows that type of district.

The Board decided to schedule a special worksession on EMS in April.

Maintenance

Mr. Lamb noted that the maintenance director is requesting monies for repairs to the courthouse, jail, and other county owned buildings.

Elections

Mr. Lamb stated that Elections has budgeted for a municipal election in 2013 and May primary in 2014. He asked if the Board wished to budget for a second primary.

Mr. Lamb stated he would not recommend budgeting for that primary.

There was no objection.

Planning

There was no objection with maintain the Planner contract at \$30,000 annually.

Debt

Mr. Lamb noted the budget places 1.5 cent to go towards debt.

Cost of Living Adjustment (COLA)

Commissioner Smith stated the Salary Study will meet to form a recommendation to the full Board.

The following budgets were discussed:

ICPTA Transit – is the county required to fund this program? Does it impact DSS funding?
Albemarle Commission/Workforce Development – Commissioner Mitchener will provide the Board with statistics on its impact in Chowan County.

Current Year Contribution for DA/Pub Def Space

The Board by consensus voted to pay the current appropriation of \$12,053 in this fiscal year but not for the next year.

Fire Department

Commissioner Smith stated that there will be an increase in the proposed fire budget for a new roof.

Commissioner Winborne expressed his desire to make sure that the building inspector is the supervisor of the fire inspector. He asked for clarification on who is paying for the Town fire inspections.

Commissioner Nixon asked that the manager meet with the Recreation Director to see if the Northern Chowan Community Center can be open on Saturday.

Being no further business before the Board, by a motion of Commissioner Winborne, and unanimously approved, the meeting was adjourned.

D. Keith Nixon, Chairman

Susanne Stallings, Clerk