

**Chowan County Board of Commissioners  
Special Meeting  
Monday June 18, 2007  
6:00pm  
Chowan County 1767 Courthouse  
East King Street**

**MINUTES**

The Chowan County Board of Commissioners met in special session on Monday, June 18, 2007, at 6:00 pm in the panel room of the 1767 Chowan County Courthouse, 117 East King Street.

Present: Jimmy Alligood, Ralph Cole, Louis Belfield, Bill Gardner, Kenny Goodwin, Jerry Downum and Harry Lee Winslow. Also present were County Manager, Cliff Copeland; County Clerk, Susanne Stallings.

**Consent Agenda**

Commissioner Goodwin noted one correction to the June 2007 minutes, page 8, paragraph 2, should read, "Lauren Goodwin, citizen". Commissioner Alligood then moved that Consent Agenda, including the correction to the June minutes and the following tax releases and budget amendments also be approved.

-Minutes from the June 4, 2007 Regular Meeting

-Budget Amendments

4350 Inspections	increase	\$2467.666	Insurance Proceeds for Vehicle Accident
4350 Inspections	increase	\$3075	Public Nuisance Fees
4710 Solid Waste	increase	\$7822	Scrap Tire
4270 E-911	increase	\$37,000	Sales Tax Revenue and Wireless Surcharge

Chairman Cole asked for all in favor, the motion carried unanimously

**Budget Presentation**

**BUDGET  
ORDINANCE**

2007-08

Section 1. BE IT ORDAINED by the Chowan County Board of Commissioners, State of North Carolina, meeting on the 18th day of June, 2007, in special session, that the following revenues and expenditures are hereby authorized and appropriated for the fiscal period beginning July 1, 2007 and ending June 30, 2008.

Section 2. Expenditures are authorized as follows:

GENERAL FUND

Department	Amount
Governing Body	\$54,205
Administration	436,392
Tax Listing/Collection	271,757
Legal	122,572
Courts	31,700
Elections	139,524
Register of Deeds	166,038
Land Records	141,269
Data Processing	356,541
NC Information Highway	500
Central Maintenance	405,608
Public Buildings:	
Hicks Field	4,800
Red Banks Farm	0
Old Armory	0
Mental Health Building	1,750
Agriculture	
Building	29,990
Water Plant House	750
Northern Chowan Community Center	75,400
Old DF Walker School-COA	104,200
Old DF Walker School-Recreation	55,650
Old DF Walker School-Alumni Building	750
Purser Field Maintenance Shop	8,685
Public Safety Center	18,950
Storage Building - Airport	2,500
New Courthouse	72,800
County Office Building	69,765
Old Courthouse	21,072
Jailer's House/Old Jail	4,200
Sheriff/Jail	59,125
Swain School	41,894
Chowan Community	
Building	350
COA-Chowan County	
Center	264,753
Senior Center	166,187
Central Communications	606,969

Sheriff	1,280,718
Mobile Computer Project	0
School Resource Officers	141,381
Domestic Violence	86,915
CORPS	0
Sheriff Special (Donations/Drug Seizures)	40,000
Jail	686,789
Civil Preparedness	174,458
Planning/Inspections	407,800
Medical Examiner	6,000
Animal Control	144,645
Animal Shelter	225,763
Sanitation	29,040
Soil Conservation	81,228
RC&D	18,190
Economic Development	128,000
Agriculture Extension Service	179,847
Governor's One On One	35,957
Expanded Food/Nutrition Grant	7,251
Health Department	274,173
Mental Health	34,112
Social Services	4,667,932
Veteran's Service	15,255
School Current Expense	3,753,068
Library	501,086
US 17 Highway Assn	5,000
Airport	25,000
Albemarle Recreation Center	30,000
Recreation	819,266
After School Program	0
Recreation Project-Red Banks Farm	500,000
Central Services	256,228
Special Appropriations	322,244
Contribution to Revaluation	25,000
Contribution to General Capital Projects Fund	25,000
Contribution to Emergency Services Fund	200,000
Contribution to Consolidated Capital Projects Fund	84,784
Contribution to Solid Waste Fund	0
Contribution to Library Capital Project Fund	300,000
Contingency	50,000

TOTAL GENERAL FUND \$19,298,776

FIRE FUND

Center Hill Crossroads Fire Dept	\$290,609
Contribution to General Fund	10,000
Edenton Fire Dept	256,436
<b>TOTAL FIRE FUND</b>	<b>\$557,045</b>

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<b>EMERGENCY TELEPHONE FUND</b>	<b>\$147,856</b>
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<b>REVALUATION FUND</b>	<b>\$25,000</b>
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HEALTH CARE RESERVE I FUND

Contribution to General Fund/Capital Projects	\$446,700
Contribution to General Fund/Debt Service	315,927
Contribution to School Capital Projects Fund	521,929
Contribution to Reserve	
<b>TOTAL HEALTH CARE RESERVE I FUND</b>	<b>\$1,284,556</b>

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HEALTH CARE RESERVE II FUND

Contribution to General Fund	\$230,346
<b>TOTAL HEALTH CARE RESERVE II FUND</b>	<b>\$230,346</b>

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CAPITAL RESERVE FUND – SCHOOLS

Contribution to Capital Projects Fund	\$1,136,073
<b>TOTAL CAPITAL RESERVE FUND - SCHOOLS</b>	<b>\$1,136,073</b>

CAPITAL PROJECTS FUND – SCHOOLS

Capital Outlay	\$200,000
Bond Principal	847,449
Bond Interest	410,553
Technology	200,000
<b>TOTAL CAPITAL PROJECTS FUND – SCHOOLS</b>	<b>\$1,658,002</b>

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ROAD ASSESSMENT FUND \$0

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EMERGENCY SERVICES FUND

Operating Expenses	\$1,383,746.00
EMS Expansion	116,574.00
Contribution to General Fund	
<b>TOTAL EMERGENCY SERVICES FUND</b>	<b>\$1,500,320</b>

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WATER FUND

Operating Expenses	\$1,263,510
Debt Service	237,348
Contribution to General Fund	101,000
<b>TOTAL WATER FUND</b>	<b>\$1,601,858</b>

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SANITATION FUND

Contribution to Operations	\$875,644
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Section 3. It is estimated that the following revenues will be available in the following funds for the fiscal year beginning July 1, 2007 and ending June 30, 2008.

GENERAL FUND

Ad Valorem Taxes – Current	\$7,528,445
Ad Valorem Taxes – Prior Years	232,400
Tax Penalties & Interest	75,000
Interest Earned on Investments	5,000
Miscellaneous Revenue	1,320,067
Local Government Sales Tax – Article 39	1,200,000
Local Government Sales Tax – Article 40	500,000
Local Government Sales Tax – Article 42	350,000
Local Government Sales Tax – Article 44	625,000
ABC Net Revenues	55,000
Court Costs, Fees & Charges	65,000
Building Permits	300,000
Register of Deeds Fees	2,071,046
Jail Fees	250,000
Federal & State Revenues	2,705,845
Tipping/Tire Disposal Fees	20,000
Tax Refunds	67,000
Transfers from Other Funds, Agencies & Government Units	1,928,973
<b>TOTAL GENERAL FUND REVENUES</b>	<b>\$19,298,776</b>

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FIRE FUND

Ad Valorem Taxes	\$432,520
Delinquent Taxes	\$12,000
Tax Penalty	\$8,000
Interest Earned	3000
Local Government Sales Taxes	98,628
Sales Tax Refunds	2100
Miscellaneous Revenue	797
<b>TOTAL FIRE FUND REVENUES</b>	<b>\$557,045</b>

EMERGENCY TELEPHONE FUND

Wire Telephone Surcharge	\$62,356
Information Technology Service - Wireless Surcharge	75,000
Fund Balance Appropriated	0
Interest Earned	500
Sales Tax Refund	10000
Lease/Purchase Proceeds	0
Contribution from General Fund	0
<b>TOTAL EMERGENCY TELEPHONE FUND REVENUES</b>	<b>\$147,856</b>

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REVALUATION FUND

Contribution from General Fund	\$25,000
<b>TOTAL REVALUATION FUND</b>	<b>\$25,000</b>

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HEALTH CARE RESERVE I FUND

Interest Earned	\$1,284,556
<b>TOTAL HEALTH CARE RESERVE I FUND</b>	<b>\$1,284,556</b>

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HEALTH CARE RESERVE II FUND

Interest Earned	\$230,346
<b>TOAL HEALTH CARE RESERVE II FUND</b>	<b>\$230,346</b>

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CAPITAL RESERVE FUND – SCHOOLS

Local Option Sales Tax	\$775,000
Contribution from General Fund	0
ADM Funds	250,000
Lottery Proceeds	103,573
Interest Earned	7,500
<b>TOTAL CAPITAL RESERVE FUND – SCHOOLS</b>	<b>\$1,136,073</b>

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CAPITAL PROJECTS FUND – SCHOOLS

Contribution from Other Government Units	\$0
Contribution from Capital Reserve Fund	1,136,073
Contribution from Health Care Reserve Fund	521,929
<b>TOTAL CAPITAL PROJECTS FUND – SCHOOLS</b>	<b>\$1,658,002</b>

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ROAD ASSESSMENT FUND

Street Assessments	\$0
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EMERGENCY SERVICES FUND

Ambulance Service Fees	\$1,203,170
Sales Tax Refund	6,150
Interest Earned	0
Miscellaneous	1,000
Loan Proceeds	90,000
Contribution from General Fund	200,000
<b>TOTAL EMERGENCY SERVICES FUND REVENUE</b>	<b>\$1,500,320</b>

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WATER FUND

Interest Earned	\$0
Tax Refunds	10,000
Charge for Utilities	1,410,858
Taps & Connection Fees	85,000
Reconnection Fees	30,000
Miscellaneous Revenue	1,000
Loan Proceeds	65,000
Fund Balance Appropriated	0
<b>TOTAL WATER FUND REVENUE</b>	<b>\$1,601,858</b>

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SANITATION FUND

Tipping Fees	\$875,644
Interest Earned	0
Contribution from General Fund	0
<b>TOTAL SANITATION FUND REVENUE</b>	<b>\$875,644</b>

Section 4. The following funds reflect projects that are budgeted by separate project ordinance:

- General Capital Projects Fund
  - Water/Sewer Extension Capital Projects Fund-Airport Industrial Park Phase II
  - Water/Sewer Extension Capital Projects Fund - Wharf Landing
  - Public Safety/EOC Construction Fund
  - D F Walker Gym Renovation Fund
  - Library Expansion Fund
  - Albemarle Mental Health Building Expansion Fund
  - Water System Generator Projects Fund
  - Holmes High School Renovation Fund
  - Architectural Survey Fund
  - Red Banks Farm Park Development Fund
  - Water Quality Project Fund
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Section 5. Tax Levies: There are hereby levied the below indicated property taxes for the fiscal year 2007-2008. The anticipated revenue is based on a collection rate of ninety-seven (97.5%), at the respective tax rates shown per \$100 of taxable valuation.

Area	Estimated Valuation	Tax Rate
County-wide	\$1,373,836,121	\$0.56
Fire District	\$891,793,521	\$0.05

Section 6. The Budget Officer is hereby authorized to transfer appropriations within a fund as contained herein under the following conditions:

Section 6a. He may transfer amounts between objects of expenditure within a department without limitation and without a report being requested.

Section 6b. He may transfer amounts up to \$10,000 between departments of the same fund with an official report on such transfers at the next regular meeting of the Board of Commissioners.

Section 6c. He may transfer \$2000 between funds from contingencies with an official report at the next regular meeting of the Board of Commissioners.

Section 7. Be it further directed that End of Year Financial Statements for FY 2005-06 reflect undesignated reserves at ten percent (10%) of General fund expenditures.

Section 8. That copies of this ordinance be filed with the County Manager and the Clerk to the Board of Chowan County, pursuant to the requirements of the laws of the State of North Carolina.

Section 9. That the Ordinance be spread upon the minutes of the Board of County Commissioners of Chowan County, North Carolina, for permanent record and reference, and to meet the requirements of the law.

Ratified this 18th day of June, 2007.

County Manager Cliff Copeland presented the proposed budget ordinance for the 2007-08 fiscal year. He presented a PowerPoint showing highlights of the budget. He noted that the current General Fund budget is \$19,298,776, and the reason for the elevation from last year was grant monies. He noted the total budget was \$25,639,501. He noted the sales tax was proposed to be 1.5 cents for a total of \$201,655 in revenues. He noted some expenditures, a 2% cost of living increase, 5% increase in health premium, 26% increase in worker's comp and liability/property insurance, 5% increase in school current expense funding, library expansion, furnishings and services; \$500,000 match for Red Bank Farm development, four new positions at the schools, Department of Social Services (DSS), and EMS. He presented a slide that was the 2007-08 School Budget Request and noted the 5% State mandated increase for teacher supplements. He said that Chowan County currently ranks 95<sup>th</sup> in the State for supplement. He noted the Schools requested \$461,258. Mr. Copeland noted some of the major capital purchases, such as DP equipment, phone system at DSS (adding the current system is at capacity), and Document Imaging system for DSS. He said that EMS is in need of a new ambulance, and the Valhalla Water Tank will be refurbished. He said the payroll software will be upgraded, 7 county vehicles will be replaced. Mr. Copeland noted several needs that will be unfunded in this budget such as, Courthouse Building expansion, Animal Shelter expansion, Sheriff Office, Administrative Secretary, Full time position at the Northern Chowan Community Center (NCCC), Recreation Park Ranger, and Playground equipment at the NCCC. Mr. Copeland noted the tax increase impact. He said he would never recommend a tax increase unless it was needed. He said the budget was reviewed and changed by the Finance Committee. He said the average homeowner would see an increase of \$30 on their tax bill.

Chairman Cole then opened the floor to the public hearing.

Rae Knox said she was going to read a statement into the record on behalf of Gill Burroughs, she read:

“It is my understanding that the county budget contains an item in the Sheriff's budget for a School Resource Officer for White Oak and D.F. Walker. This position was submitted by the two schools to the Board of Education (BOE) as one of the many second and third tier items. The BOE was unable to accommodate this request since it could not include all the first tier requests in its budget request to the County Commissioners, let alone second and third tier items. The BOE's request appears to be funded at only one third of the requested amount so many of the first tier items will have to go unfunded. It was the BOE's feeling that a SRO was a much lower priority than instructional personnel. A report I read stated that there was only one place where a child was safer than in school or on a school bus. That place was church. The home was way down on the list. I contacted the administration at both schools and asked if they would rather have a SRO or an additional teacher and teacher assistant. Yes, you can get two for the price of one; educators come cheap in our society. Their reply was give us the teacher and assistant. I also asked how many times a deputy was called to the school and it was less than once a month and that was generally to escort an irate parent off the premises. It's really not a public safety issue. For the few times a deputy is needed there is the SRO just a few minutes away at Chowan Middle School. If you have the funds for a SRO and want to help the schools just transfer the SRO funding to the BOE's allocation and

let them have what they want and need. Don't get me wrong, if for some political reason you don't feel you can do this, don't just eliminate the SRO funding. Go ahead and hire the SRO. Some of the times you have to take what you can get, not what you want and need.”

Mr. Copeland noted that the Sheriff and the Superintendent of Schools were to meet to discuss the SRO at the schools.

Jim Brock, citizen, asked that the statement from Arrowhead Beach's property owners association, be entered into the record. Mr. Brock asked if the 2007 budget's expenses exceeded the budget, he also commented on response time and the need for GPS to reduce delay in EMS response.

Arrowhead Beach Letter:

Mr. Chairman, This weekend, June 9, 2007 at our monthly Arrowhead Property Owner's Association meeting, there was great concern expressed by our membership concerning the proposed tax increase. As I'm sure you are aware, many of our full time residents live on a fixed income. The property reevaluation we experienced last year resulted in increased tax liability which placed a burden on many members. Now, the proposed tax rate increase will further compound the problem. In response to our membership's concern, the Board of Directors of the Arrowhead Property Owner's Association unanimously voted to oppose the proposed tax increase. We ask the County Commissioners to carefully consider the impact of the tax rate increase on those citizens on fixed incomes and on those with limited resources. Additionally, we ask you to thoroughly explore other options, such as, delaying projects until they are affordable, eliminating non-essential projects/programs, look for efficiencies in the county government that may reduce costs, etc. We enjoy a great quality of life in Chowan County. We hope that those on fixed incomes or limited financial resources will not have that quality of life diminished by continued tax increases. Thank you for your consideration of our opposition to the proposed tax rate increase. We appreciate your service to the County and to our community. Respectfully, William M. Smith, President Arrowhead Property Owner's Association.

Doug Belch, Emergency Services Director, said they are currently trying the GPS systems in their vehicles, he said there are some problems with the system. He added they always check into any complaint about response time. He noted the time of day is always important in response time. He said that EMS is always trying to do its best to reduce the delay in response.

Roy Kirkman, citizen, spoke in opposition to an increase in taxes. He discussed the re-evaluation from last year and said he was having trouble selling his home.

Steve Biggs, Town Councilman, spoke in opposition to an increase in taxes. He said that increases are affecting his parents. He asked that the County give tax payers a break. He said that insurance rates are based on evaluations.

Jean Burr, volunteer for EMS, spoke of her concern about doing non-emergency transfers with relations to the EMS budget.

Richard Elliott, citizen, said his concern was on the re-evaluation. He asked how many parks are needed. He spoke of his concern about the monies being used for the Library expansion.

Aubrey Tynch, citizen, spoke in opposition to a tax increase.

Chairman Cole then asked for any further comments or questions (there were none). He then declared the public hearing closed. He then asked for discussion from the Commissioners.

Commissioner Gardner said that the state mandates the Commissioners to collect monies through property taxes. He said the money is best spent locally to pay for goods and services. He said he feels the items in the budget are necessary to provide the services.

Commissioner Alligood said that several items that are not being funded weren't even mentioned in the presentation, such as EMS needs or that of the County Office Building. He said he wants to be more proactive and said he would not vote for another increase next year.

Commissioner Winslow noted that two additional staff proposed in the budget should help alleviate any delay in response.

Commissioner Belfield said the School System is the backbone of Chowan County. He noted the School Superintendent only got 5% of what he requested.

Commissioner Downum said that he was a member of the Finance Committee and the Committee looked for ways to cut expenses. He said that the 2% cost of living increase for employees does not meet the rate of inflation. He said 1.5 cents increase is the minimum increase.

Commissioner Downum moved to approve the 2007-08 Budget Ordinance.

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

### **Re-schedule July Meeting**

Chairman Cole noted that the current Regular meeting of the Chowan County Board of Commissioners was scheduled for July 2, 2007 at 9:00am. He said that with this being the same week of July 4<sup>th</sup> Holiday, the Board is asked to consider re-scheduling the regular meeting for July 9, 2007 at 9:00am.

Commissioner Alligood moved to change the meeting date to July 9, 2007 at 6:00pm.

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

### **New Business**

Mr. Copeland noted that his office sent a letter to the residents of Drummonds Point, Indian Trail and Yeopim Roads, informing them that DOT plans to start aggressively patching the road and hope to pave the roads in late summer. He noted that DOT did not declare the secondary roads "light roads" at the Technical Review Committee meeting, and that is why the developer was not required to bond the roads.

There being no further business before the Board, the meeting was adjourned.

L. Susanne Stallings  
Chowan County Clerk