

Special Meeting
Monday June 3, 2024
5:00pm
Chowan County Public Safety Center
305 West Freemason St.
Edenton, NC

Present: Chair Bob Kirby, Commissioners, Ron Cummings, Larry McLaughlin, Alex Kehayes, Chris Evans and Ellis Lawrence.

Commissioner Tray Taylor was absent.

Staff present County Manager Kevin Howard and Board Clerk Susanne Stallings and County Attorney Lauren Arizaga-Womble.

Closed Session

Commissioner Kehayes moved to go into closed session in accordance with NCGS 143-318-11 (a) (3 and 5) attorney client and contract negotiations. Chair Kirby asked for all in favor, the motion passed unanimously (6-0).

The minutes of the closed session are sealed.

Commissioner Cummings moved to come out of closed session. Chair Kirby asked for all in favor, the motion passed unanimously (6-0).

Adjourn

Commissioner Evans moved to adjourn. Chair Kirby asked for all in favor, the motion passed unanimously (6-0).

Bob Kirby, Chairman

Susanne Stallings
Clerk

Chowan County Board of Commissioners
Regular Meeting
Monday, June 3, 2024
Chowan County Public Safety Center
305 West Freemason Street
6:00pm

This meeting was recorded. A copy of the recording is in the meeting file labeled June 3, 2024.

Present: Chair Bob Kirby, Commissioners, Ron Cummings, Alex Kehayes, Ellis Lawrence, Chris Evans, Tray Taylor and Larry McLaughlin.

Staff present County Manager Kevin Howard, Finance Officer Cathy Smith, County Attorney Lauren Arizaga-Womble and Board Clerk Susanne Stallings

Regular Meeting

Chair Kirby called the regular meeting to order and led in the pledge.

Commissioner McLaughlin then offered the invocation.

Approval of Agenda

Ms. Stallings noted a request to amend the agenda to add the consideration of a lease between the ABC Board and the County for temporary courtroom space (item 16a)

Commissioner McLaughlin moved to approve the agenda as amended.

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

Public Comment

Chair Kirby opened the floor for public comment.

John Grant, 412 E Queen Street asked what role the County will have with regards to meetings between the Town and SAGA regarding the Hotel Hinton. He urged the Board to not consider giving or selling any additional property to SAGA that adjoins the existing hotel.

John Mitchener 1000 W Queen Street spoke regarding the bond referendum discussions for the development of Red Banks Farm as a recreation complex. He stated that now is the time to develop this site.

Lorrie Dablow 110 E King Street spoke about her concern over the development of the Hotel Hinton. She spoke about her concern over the interest SAGA may have in the historic jail or jailers house. She urged the Board to not give or sell the property to the Town and stated she felt the Town has been ineffective in their oversight of SAGA and the Hotel Hinton project and stated that SAGA has not acted on neighboring property owner concerns.

Tom Gandee 117 Blount Street stated his concern over SAGA and the Hotel Hinton project. He stated that the developers are making fools out of the Town and asked that the County stand up to the developers. He noted that there is lost tax revenue because of the years the building has sat vacant and idle. He noted that nothing has happened to the building in 10 years.

The public comment was addressed by the Manager later in the meeting during the Manager's report.

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. **Minutes**

The Board will review and consider approval of the May 13 and May 14 Special Meetings, May 20th Regular Meeting and May 22, 2024 Special Meeting.

Commissioner Taylor moved to approve the consent agenda as presented. Chair Kirby asked for all in favor, the motion passed unanimously (7-0).

Public Hearing for the FY 2024-25 Budget

Chair Kirby noted that the Board will open the Public Hearing to receive comment on the proposed FY 2024-25 Chowan County Budget. Budget materials are available for public inspection on the Chowan County website, and the office of the County Manager.

Commissioner Cummings moved to open the public hearing. Chair Kirby asked for all in favor, the motion passed unanimously (7-0).

Chair Kirby then opened the floor for public comment.

Edenton Chowan School Superintendent Dr. Michael Sasser spoke regarding the proposed budget. He noted that level funding would require that staff be cut. He stated it is fiscally irresponsible for the Board of Education to use its savings to balance the budget for reoccurring expenses such as salaries. He noted that the student population has decreased over the past 5 years (130 students) and staffing has been decreased as well (58 positions). He stated if the Board does not invest in opportunities for the students, parents will send their children to other schools. He urged the Board to consider investing in the HOPE academy and consider that school staff deserves compensation to retain quality teachers.

Sonya Rinehart 406 N Broad Street stated that there is a need for well trained staff. She discussed opportunities that are offered to the students at John A. Holmes High School and she stated that these opportunities allow the school system to be competitive. She stated the County needed to match state funding. She noted the school system competes with neighboring counties and the teacher supplements are important for teacher recruitment and retention. She shared stories of teachers and volunteers working in the schools to provide opportunities for the students. She urged the Board to not devalue education.

Wes Mattera 100 Meadowlark Dr. shared his experience in coaching for Edenton-Chowan Schools and that he felt he was here to represent the teachers on the “battlefield”. He stated the school system has done more with less for many years. He stated that society values choices for education. He stated that he wants the school system to win. He stated that Edenton-Chowan Schools have never been “have nots”. He stated he was begging the Commissioners for help. He stated that there are three head coach positions that need to be filled. He stated that coach supplement pay has not been changed in many years. He placed poker chips on the podium and stated that this was a representation of him being “all in” on education and he stated his request for the Board to invest in the school system.

Ricky Browder 809 W Queen St. thanked the Board for allowing him the opportunity to speak. He spoke about the amount of ADM (Average Daily Membership) funds that are being lost to neighboring schools’ systems and Charter schools. He stated the loss of this state revenue has infringed on the school systems ability to compete and caused a deficit. He asked the Board of Commissioners to increase the current expense appropriation by \$200,000 to fund the deficit. And he urged the Board to make education in Chowan County a number one priority.

Joyce Ward signed up to speak and indicated she did not wish to speak.

John Mitchener 1000 West Queen Street stated that people do not like a tax increase however he added that he was willing to pay an additional amount in property taxes to fund needs and encouraged others in attendance to speak up that they were willing to pay more to invest in the County.

Susan Inglis 101 E Water Street stated she has provided tutoring services at the middle and high school. She stated she has personally seen how teachers are providing educations with little resources. She stated that children are the County’s most precious resource. She stated her concern with level school funding. She encouraged the Board invest in education.

Being no further public comment, Commissioner Cummings moved to close the public hearing.

FY 2024-25 Budget Ordinance

Chair Kirby noted the next agenda item is for the Board to consider adoption of the FY 2024-25 Chowan County Budget Ordinance.

Board members discussed tabling the matter to allow them time to consider the public comments.

Chair Kirby noted that if the Board decides to spend more on any agenda item, the tax rate will need to be increased more. He noted that the School System is carrying a significant fund balance which was County funds that were not spent and are being saved in a fund balance.

Commissioner Evans moved to table the approval of the budget ordinance until the June 17, 2024 meeting. Chair Kirby asked for all in favor, the motion passed (6-1 Cummings).

Recreation Department Pre-Grant Application

Recreation Co-Director Shannon Ray presented the Board with a pre-grant application from the Recreation Department to apply for grant funds from AED Grant to purchase three (3) AED machines at Earnhardt and Fisher Field and the third to be portable for staff programming. The total grant is for \$3,900 and matching funds required is \$3,600. She stated that donation monies will cover the matching funds portion of the grant.

Commissioner McLaughlin asked for clarification on the AED acronym.

Commissioner Kehayes noted it stands for Automated External Defibrillator.

Commissioner Evans moved to approve the grant preapplication as submitted. Chair Kirby asked for all in favor, the motion passed unanimously (7-0).

Public Safety Center Tower Foundation Repair

Mr. Howard presented the Board with a quote for repairs to be made to the foundation of the tower located at the Public Safety Center. The cost for the repairs is \$96,275. He noted that cracks in the foundation were noted and it is recommended to make the repairs soon.

Commissioner McLaughlin asked if the tower is 5 years old and if warranty covers any of it.

Mr. Howard stated he is unsure what caused the cracks.

Commissioner Lawrence stated his concerns if there was any liability or warranty for the engineered drawings.

Commissioner Cummings asked if there would be any warranty for the repairs.

Mr. Howard stated he could come back with more information on the warranty.

Chair Kirby noted that standard warranty is for one year.

It was noted the structure and its footings are inspected by the County Building Inspector.

Commissioner Lawrence moved to approve the repair expense of \$96,275.

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

Chowan County Courthouse Renovation, Phase I

Mr. Howard presented the Board with a request to award the low bid to AR Chesson Construction Company for the Phase I renovations to the Chowan County Courthouse. The bid amount is \$877,491 to be paid from the Capital Improvement Projects (CIP) Fund. He noted that the architect has discussed value engineering to reduce costs for the repairs and AC work.

Commissioner McLaughlin moved to approve the request as presented. Chair Kirby asked for all in favor, the motion passed unanimously (7-0).

Ag Center Pedestrian Bridge Repair

Mr. Howard presented the Board with a request to award the low bid to AR Chesson Construction Company for the repairs to the Chowan County Ag Center Pedestrian Bridge. The bid amount is \$447,622 to be paid from the Capital Improvement Projects (CIP) Fund. He noted that the architect is looking into value engineering to save on the total cost of this project.

Commissioner McLaughlin stated he felt this price was high and asked if staff has looked into placing a large culvert pipe instead of rebuilding the bridge.

Mr. Howard stated that he will have to research the deed to see if there are any restrictions

Commissioner McLaughlin moved to table the matter to allow the manager more time for review. Chair Kirby asked for all in favor, the motion passed unanimously (7-0).

Chowan County Reverse Osmosis Pilot Water Treatment Plant (WTP) Study

Mr. Howard noted that bids for this project were advertised to be received on May 23, 2024. The project consists of conducting a RO Pilot WTP study at an existing test well site (619 Poplar Neck Rd, Edenton). It is recommended that the contract be awarded to Majette Well & Pump Company, Inc in the amount of \$276,800. He noted that state grant funds will be used to pay for this expense.

Chair Kirby noted it is recommended this contract be reviewed and approved by the County Attorney before being signed.

Commissioner Kehayes moved to approve the contract subject to the final review and approval by the County Attorney. Chair Kirby asked for all in favor, the motion passed unanimously (7-0).

Mr. Howard noted that the County is moving forward with the purchase of the test well sites.

Edenton Steamers Capital Project at Hicks Field

Mr. Howard presented the Board with a request from the Edenton Steamers for approval of a capital improvement project to be completed at Hicks Field in the amount of \$38,530. The project is included in the CIP plan.

Chair Kirby asked about the expense for labor.

Mr. Howard stated that was volunteer or in house labor.

Commissioner McLaughlin moved to approve the request as presented. Chair Kirby asked for all in favor, the motion passed unanimously (7-0).

Transformer Replacement former DF Walker Building (Oakum St.)

Mr. Howard presented the Board with a request to replace a transformer at the former DF Walker Building in the amount of \$95,548.64. He noted this price includes a second transformer in the event this one has to be replaced. He stated the Town has offered to rent one and the payments would be in perpetuity or this could be purchased outright and owned by the County.

Commissioner Cummings moved to approve the expense as presented. Chair Kirby asked for all in favor, the motion passed unanimously (7-0).

Annual Report – Water Department

Water Department Director David Tawes provided the Board with the annual report from the Water Department. A copy of the report is in the meeting file labeled June 3, 2024.

Appointments

COA Board of Trustees

Due to NC House Bill 259 and restructuring of the COA Board of Trustees. Due to Chowan County providing plant funds to the college, a request has been made to appoint one additional member to the COA Board of Trustees from Chowan County.

Commissioner Lawrence stated he has served on the COA Board in the past and has the credentials to serve.

The Board requested that I send a copy of the job description to the Board.

Commissioner Kehayes moved that the appointment be tabled to the June 17th meeting.

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

County Attorney Contract Rate Increase

Mr. Howard noted that the Board will consider approval of a proposed rate increase to the County Attorney Contract.

Commissioner Evans moved to approve the proposal as presented (a copy of the increase letter is in the meeting file labeled July 8, 2024). Chair Kirby asked for all in favor, the motion passed unanimously (7-0).

2024-25 Legislative Goals Proposal

Chair Kirby noted that every two years, in the months preceding a long session of the General Assembly, the NCACC engages in a process to determine the legislative goals it will pursue in the best interest of the counties. The first stage is member driven as counties are encouraged to participate by submitting legislative goals. These proposals may include changes to statutes or requests for funding and should have an impact on all 100 counties. Proposed goals are due to the NCACC in late August. Board members are asked to begin submitting your list of goals to the Board Clerk no later than the first meeting in August.

New ABC Store Location/Temporary Courtroom Location

Mr. Howard noted that the ABC store has purchased the former Evans Funeral Home Building. While they are working on the remodeling of the building for a new ABC Store, the ABC Board has agreed to lease the space to the County to use as temporary courtroom space while the Courthouse is being renovated. He stated the County Attorney has drafted a lease and sent it to the ABC Board for their review and consideration. He stated the monthly mortgage payment for

the space is \$8,700 cost to the ABC Store. He stated that he recommends the Board approve the lease for a 4 month period and allow for 2 month extensions in the event the courtroom is not finished on schedule. He noted that if there are any major changes to the draft lease they will come back to the Board. HE noted the ABC Board has indicated they will not begin their renovations until the County has relocated the courtroom back to its original space.

Commissioner Kehayes asked how much will the rent be.

Ms. Arizaga-Womble stated that she would like to request the Board approve up to the mortgage payment amount however the County Manager will negotiate and enter into a lease.

Commissioner McLaughlin moved to approve the draft lease and allow for the final review and approval of the lease language to be approved by the attorney and County Manager, with a rent amount up to \$8,700

Commissioner Kehayes asked if there are any other locations that could be used for the temporary courtroom.

Mr. Howard stated that staff and the Clerk of Court have looked at space at the old Food Lion shopping Center however renovations would have to be made to the space in order to occupy it.

Ms. Arizaga-Womble noted that all court documentation is now digital and a consistent space is needed. She added that the Administrative Office of the Courts (AOC) is going to handle the wiring of the temporary courtroom space.

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

Financial Items

Finance Officer Cathy Smith presented the following:

- a. Current Fiscal Year Budget Amendments

BA2024-069

Account Number	Account Description	Revenue (Inc+/Dec-)	Expense (Inc+/Dec-)
Capital Projects			
32-3810-033-00	Transfer from Capital Reserve	38,530.35	
32-8100-615-00	Hicks Field Renovations		38,530.35
Capital Reserve			
33-3990-990-00	Fund Balance Appropriation	38,530.35	
33-9800-980-32	Transfer to Capital Projects		38,530.35
	Balanced	77,060.70	77,060.70
Justification:			
	<p><i>To amend the 2024 budget to include Hicks Field Renovations. Capital Project was included in CIP funding schedule that was approved by BOC on 08/07/23.</i></p>		

BA2024-070

Account Number	Account Description	Revenue (Inc+/Dec-)	Expense (Inc+/Dec-)
DF Walker Building			
47-3990-990-00	Fund Balance Appropriation	21,498.50	
47-5914-351-00	DF Walker - Building Repairs		21,498.50
	Balanced	21,498.50	21,498.50
Justification:			
	<p><i>To amend the 2024 budget to include replacement of pump station at former DF Walker Building. Repairs were approved by BOC on 05/20/24.</i></p>		

BA2024-071

Account Number	Account Description	Revenue (Inc+/Dec-)	Expense (Inc+/Dec-)
Opioid Settlement Fund			
28-3301-238-00	Opioid Settlement Revenue	63,901.40	
28-9930-995-00	Designated for Future Appropriations		63,901.40
	Balanced	63,901.40	63,901.40
Justification:			
	To amend the 2024 budget to include Opioid Settlement Fund payments received through 05/29/24.		

BA2024-072

Account Number	Account Description	Revenue (Inc+/Dec-)	Expense (Inc+/Dec-)
Solid Waste			
62-3471-530-00	Scrap Tire Tax Distribution - Rev	6,891.53	
62-4710-694-00	Scrap Tire Tax Distribution - Exp		6,891.53
62-3471-531-00	White Goods Tax Distribution - Rev	1,581.21	
62-4710-695-00	White Goods Tax Distribution - Exp		1,581.21
62-3471-521-00	Electronics Recycling Program - Rev	1,150.20	
62-4710-696-00	Electronics Recycling Program - Exp		1,150.20
	Balanced	9,622.94	9,622.94
Justification:			
	To amend the 2024 budget for Solid Waste to include Scrap Tire, White Goods, and Electronics Recycling tax distributions.		

BA2024-073

Account Number	Account Description	Revenue (Inc+/Dec-)	Expense (Inc+/Dec-)
Elections			
11-4170-341-00	Printing		(1,223.01)
11-4170-182-00	Retirement		1,223.01
11-4170-121-00	Salaries - Regular		(2,200.00)
11-4170-122-00	Salaries - PT		2,200.00
11-4170-183-00	Hospitalization		(900.00)
11-4170-380-00	IT Software		900.00
	Balanced	-	-
Justification:			
<p><i>To amend the 2024 budget for Board of Elections. These are transfers between line items to clean up deficit balances.</i></p>			

BA2024-074

Account Number	Account Description	Revenue (Inc+/Dec-)	Expense (Inc+/Dec-)
DSS			
12-5310-121-00	Salaries - Regular		(30,000.00)
12-5310-198-00	Professional Services - Temp Agency		10,000.00
12-5310-199-00	Professional Services - Legal Fees		20,000.00
	Balanced	-	-
Justification:			
<p><i>To amend the 2024 budget for Social Services to include additional legal services and staffing from Vanguard. These are transfers between line items and no additional funding is being requested.</i></p>			

BA2024-075

Account Number	Account Description	Revenue (Inc+/Dec-)	Expense (Inc+/Dec-)
Fire District			
23-4340-213-00	Uniforms		(4,444.00)
23-4340-510-00	Capital Outlay - Equipment		4,444.00
	Balanced	-	-
Justification:			
	<p><i>To amend the 2024 budget for CHFD to include additional air packs , radios and replacement batteries. This is a transfer between line items and no additional funding is being requested.</i></p>		

Commissioner McLaughlin moved to approve the budget amendments as presented. Chair Kirby asked for all in favor, the motion passed unanimously (7-0).

FY23-24 Budget Clean Up

Ms. Smith requested that the Board authorize the Finance Officer and Manager to perform necessary FY 2023-24 budget clean up amendments and bring them back to the Board as FYI at a future regular meeting.

Commissioner Cummings moved to authorize the annual budget clean up as requested. Chair Kirby asked for all in favor, the motion passed unanimously (7-0).

External Board/Committee Report

Board members are asked to report on the activities of the external boards to which they have been appointed.

Commissioner Evans noted that the Major League Fishing Tournament would start the next week.

Commissioner McLaughlin noted that the Destination Downtown Edenton Board is working on the Sounds of Summer event.

Commissioner Lawrence reported on a program at Elizabeth City State for high school students on renewable energy. He also reported on talks with neighboring counties regarding Broadband initiatives that provides training on computers and purchases computers for elderly residents.

Manager's Report

County Manager Kevin Howard provided the following updates:

- Mr. Howard asked when the Board would like to schedule the next budget meeting
- The Committee has met to review the CAB grants and the selections should be finalized the next week.
- Mr. Howard noted that with regards to the public comment on SAGA earlier in the meeting he wanted to note that SAGA originally expressed interest in use of the Jailers House for a business office. He stated that SAGA requested a long term lease and the Board did not agree to this request. He stated he did not feel this current Board would be in favor of giving the property or entering into a long term lease with SAGA for it. Mr. Howard stated the County is invited to attend the meeting with SAGA and the Town later in June. He noted there have been no discussions regarding giving the Jailers house to the Town. He noted that there have been discussions about giving the property to the State for tours but no agreement has been formalized.

Commissioner McLaughlin stated he did not believe this Board would give any property to SAGA.

Timely and Important Matters

Amend Agenda

Commissioner Cummings moved to amend the agenda to schedule a budget work session. Chair Kirby asked for all in favor, the motion passed unanimously (7-0).

Public Hearing Comments

Chair Kirby noted that during the meeting there was a speaker in public comment about the budget who referred to their position in the schools as being in the battlefield. He stated that budget discussions are not a battlefield scenario. He stated this Board is committed to the students and to the tax payers. He stated the Board has to balance monies available as well as addressing the needs of the community.

Budget Work Session/ Recess Meeting

The Board discussed their next budget work session date, it was decided the best time to meet to finalize the budget was June 4th. It was noted that the actual vote on the budget will be at the June 17th meeting.

Chair Kirby declared the regular meeting recessed until 9am on Tuesday, June 4, 2024 in the 2nd floor training room of the Public Safety Center.

Chowan County Board of Commissioners

Regular Meeting

Tuesday, June 4, 2024

Chowan County Public Safety Center

305 West Freemason Street

9:00am

Present: Chair Bob Kirby, Commissioners, Ron Cummings, Alex Kehayes, Ellis Lawrence, Chris Evans, Tray Taylor and Larry McLaughlin.

Staff present County Manager Kevin Howard, Finance Officer Cathy Smith and Board Clerk Susanne Stallings.

Chair Kirby reconvened the meeting.

Budget Work Session

At the start of the meeting Chair Kirby shared the following information that he gathered from the North Carolina Association of County Commissioners (NCACC) website with regards to budgets and public school funding. (this information taken from the NCACC FY 2023-24 Budget Survey of all Counties).

County	General Fund	Property Tax Revenue	Public School Current Expense	Public School Capital Outlay
Chowan	\$20,018,450	\$11,418,792	\$4,164,594	\$729,954
Bertie	\$25,337,699	\$11,004,585	\$3,027,671	\$375,000
Camden	\$18,320,894	\$10,091,273	\$3,000,000	\$587,200
Perquimans	\$21,066,927	\$9,717,270	\$3,389,546	\$585,000

Commissioner Lawrence stated that with regards to this comparison his concern is with the performance of students and the quality of teachers.

Chair Kirby noted that Perquimans, Camden and Bertie are not low performing schools. He stated that it is the responsibility of the School Board to hire staff and support the development of a sound education program. He stated he did not believe this is about money. He stated this data is from counties with similar demographics as Chowan County.

Mr. Howard noted that including the increase last year to the teacher supplement given by the County, Chowan is spending \$1 million more than Perquimans County.

Commissioner Kehayes noted that of the 272 employees with Edenton Chowan Schools 20.52 employees are paid with local expense monies.

Commissioner McLaughlin noted that at the public hearing the night before, Ricky Browder who is on the Board of Education asked for an additional \$200,000 for the school current expense than what is included in the current budget.

Chair Kirby noted that he had a discussion with the Superintendent of the school system and he indicated an additional \$100,000 would support the greatest need to expand the HOPE Academy at the middle school. This would increase the number of students in the program from 30 to 45 and would add one additional teacher.

Dr. Jana Rawls was present to represent Dr. Sasscer who could not attend the budget work session. She presented the Board with detail on the challenges faced by the school system in the upcoming school year budget. She discussed the issues teachers are having to deal with in the

classroom which are resulting from trauma experienced by the children outside of school. She discussed the role of the school system to address the needs of the students.

Commissioner McLaughlin spoke that he was impressed when he met the teacher who is leading the HOPE Academy currently and spoke positively about the program.

Commissioner Lawrence spoke about school performance and stated that he felt the mission should be to make a school system where people would want to move to the area to put their children in Edenton-Chowan Schools.

Ms. Rawls discussed that the district is considered low-performing and stated this is not a reflection of what the teachers are doing in the schools. She stated that this is a direct result of young people in the school system dealing with trauma and the teachers spending a lot of time addressing the needs of the students who are struggling.

Commissioner Taylor asked what students are identified to be placed in the HOPE Academy.

Ms. Rawls stated that there are various qualifiers for placement in the program, she provided examples of discipline issues, teen pregnancy, students who are homeless or in need of modified schedules to work and provide income for their homes.

Commissioner Kehayes discussed the term “intentional non-learner” and asked if students who are intentional non-learners and disrupting the learning environment are being moved to the HOPE Academy to restore a learning environment in the classroom.

Commissioner McLaughlin asked if there is a system of “strikes” in order to be placed in the HOPE Academy program.

Ms. Rawls stated it is not a system of strikes, the school identifies the children to placed in the academy and they meet with the parents to develop goals and a plan for each student.

Commissioner McLaughlin discussed his experience in teaching trades at the high school and stated he felt these programs are beneficial for students who are not engaged in traditional curriculum. He shared a success story of a student he had who did not thrive in school but went on to do well in trades after high school.

Ms. Rawls discussed the NC requirements for graduation that all students are required to have in order to graduate.

The Board discussed Dr. Sasscer’ s request for an additional \$100,000 for the HOPE Academy.

Commissioner Evans asked what the other \$100,000 requested by Board of Education member Mr. Browder would be used for.

School Board member Ricky Browder stated that he asked for \$200,000 in addition to the \$100,000 requested by the Superintendent. He stated this would replace the revenues lost from the State that are going to Charter Schools.

Board members discussed how the additional monies cannot be earmarked by the County.

Mr. Browder discussed that the Board of Commissioners and Board of Education need to have a level of trust between the two Boards.

Commissioner Evans stated his concern was not about trust but the impact of an additional tax increase on County residents.

Commissioner McLaughlin asked if the additional monies would fund teacher supplements or would it just be used to replace lost State revenues.

Mr. Browder stated the monies would replace the lost revenues from the state.

Commissioner McLaughlin stated he felt more trade programs would be an attraction to bring students back to the high school.

Mr. Browder stated that there is a Skills USA program in place that addresses the needs for trades at the high school and COA also offers trade programs to high school students.

Ms. Rawls discussed the impact of DHHS (Department of Health and Human Services) mandates for salaries for classified staff. She noted that support staff does not get the supplement that teachers receive. She noted that minimum pay was raised and that created an additional cost.

Commissioner Cummings discussed the impact of the economy on tax payers in the County. He stated that everything is going up. He noted when the revaluation was done, property taxes went up and the Board adjusted the tax rate down to reduce that impact on taxpayers. He stated that they still had to pay more in taxes. He stated insurance has gone up along with everything else. He stated he felt the Board needed to maintain the current tax rate. He noted that many County residents do not pay property taxes and all of the burden is on the tax payers. He discussed the school fund balance. He noted the Board of Commissioners is required by law to have an 8% fund balance set aside. He stated the Commissioners put in place a policy to have 25% set aside. He stated he would not vote for a tax increase when the actual monies given to the schools are not broken down on what they are being spent on.

Mr. Browder stated that a family would not spend its savings up to meet its expenses that it would be risky. He stated that while schools are not required by law to carry a fund balance it is advisable to have one. He stated that this year the National Hurricane Center is forecasting numerous hurricanes. He stated the Board of Education has no way of knowing if the County's fund balance can address school needs while they wait for FEMA to reimburse the schools. He provided an example in the 1980s where the state had a fiscal crisis and were not able to fund the schools. He stated that the schools were able to use their fund balance to pay teachers and capital needs.

Chair Kirby noted that if the school has an AC unit go bad, the Board of Commissioners has a fund balance to fix the AC unit.

Mr. Browder noted that school board members are elected and answer the public as do Commissioners.

Commissioner Kehayes noted that the schools have a fund balance of almost \$2 million and they are asking the County for additional monies.

School Finance Officer Sandy Pittman noted the current unassigned fund balance for the schools is \$1.7 million.

Ms. Rawls stated that the schools would be appreciative of any increase from the County and would be frugal with the funds given. She stated that the Board of Education knows that the County Commissioners have many other departments in which they are required to fund. She stated that the schools would appreciate any additional funding from the County that would replace what has been lost from the State.

Chair Kirby asked how much is currently committed for the construction budget for the High School. He noted the BOC authorized up to \$85 million to be spent on the construction.

Ms. Smith stated that \$82,495,579 is currently committed.

Chair Kirby noted that leaves \$2.5 million, not committed to the project. He stated that some of the monies not committed are in contingency. He stated there is a huge cushion remaining, and he wanted to make it clear the consensus of the Board of Commissioners is that any monies not spent on what is currently designed for the high school will not be borrowed. He stated the county is committed to borrow up to \$35 million but if that \$35 million is not needed the county will only borrow what is needed to complete the project as presently designed. He stated he has seen Facebook posts about a turf football field, and he stated that this Board is not favorable to that and in the interest of transparency he wanted to make this clear in a public meeting.

Mr. Browder stated that there are two years to finish the project and they will cross that bridge when they get to it. He stated that turf field from safety and inclusivity aspects makes sense for all athletes and they will deal with that later. He stated that there are things the Board of Commissioners will want the support of the Board of Education as they move forward.

Chair Kirby reiterated that in the interest of transparency he has raised this issue now, so that everyone is aware of the Board of Commissioner's position. He stated he saw a Facebook post of someone cutting the grass on the field stating they were doing it hopefully for the last time, which implies they are expecting something that this Board does not have the resolve to fund. He stated he wanted to make this position clear.

Mr. Browder stated and he likewise wished to do the same.

The Board recessed for five minutes, after the break Chair Kirby called the meeting back to order.

Chair Kirby stated he was inclined to give the schools the additional \$100,000 for the HOPE Academy.

The Board discussed the benefits of looking at a ¼ cent sales tax referendum. It was noted that in 2019 that would generate around \$300,000 in revenue.

Board members discussed the proposed tax rate and agreed that they did not want to increase above the 69.5 cents. It was noted that if the Board finds the additional \$100,000 from fund balance it would drop below the 25% fund balance policy.

Ms. Smith noted that she is not sure the Board will use the budgeted \$750,000 that is budgeted for the current year fund balance appropriation. She stated if she was to change it to \$500,000 the fund balance would remain at 25.4%. She noted this was hypothetical as she is not able to say for sure that the fund balance may spend more.

Board members discussed the school fund balance and agreed the schools should use some of their fund balance to fund their requests.

Mr. Howard noted the Board has been provided a copy of the proposed FY 2024-25 budget that includes the salary increases for the Sheriff. He noted it includes changes recommended at previous budget work sessions. He noted the proposed budget includes salary increases for EMS. He noted that hiring of positions can be delayed to absorb the additional \$100,000 for the schools.

Commissioner McLaughlin moved to use \$100,000 from Fund Balance to give to the schools for the HOPE Academy. Chair Kirby asked for all in favor, the motion passed unanimously (7-0).

Mr. Howard noted that the budget does not include the additional capital for COA (\$24,695) and the salary increases for the Library (\$13,000).

The Board agreed that if COA requested the funding during the year it would be considered.

The Board asked the Manager to include the Library increase in the proposed budget.

The final budget will be voted on at the June 17th meeting.

Commissioner McLaughlin requested that a letter be sent to the school superintendent and board chair designating the \$100,000 to be used for the HOPE Academy.

Being no further business, Commissioner Evans moved that the meeting be adjourned. Chair Kirby asked for all in favor, the motion passed unanimously (7-0).

Bob Kirby, Chairman

Susanne Stallings, Clerk

