

**MINUTES**

**LENOIR COUNTY BOARD OF COMMISSIONERS**

**May 16, 2016**

The Lenoir County Board of Commissioners met in open session at 4:00 a.m. on Monday, May 16, 2016, in the Board of Commissioners' Main Meeting Room in the Lenoir County Courthouse at 130 S. Queen St., Kinston, NC.

Members present: Chairman Craig Hill, Vice Chairman Jackie Brown, Commissioners, Roland Best, Mac Daughety, Reuben Davis, Eric Rouse, and Linda Rouse Sutton.

Members Absent: None

Also present were: Michael W. Jarman, County Manager, Tracy Chestnutt, Finance Officer, Vickie F. King, Clerk to the Board, Joey Bryan, MIS Director, Robert Griffin, County Attorney, members of the general public and news media.

Chairman Hill called the meeting to order at approximately 4:00 p.m. Ms. Brown offered the Invocation and Mr. Davis led the audience in the Pledge of Allegiance.

**PUBLIC INFORMATION:**

Lucy Marston, Lenoir County Tourism, stated, it gives me great pleasure to present the 2016 Governor's Volunteer Service Awards for Lenoir County. This is the 37th year that the State of North Carolina has presented this award. Governor McCrory has called on North Carolinians to renew our efforts in volunteering in our communities. We have no better resources in North Carolina than our people, neighbors, family, friends, and coworkers. Just over 25% of the population in this state volunteers in some form and fashion, adding over \$5 billion in services to our economy. With the economy today, our needs could not be greater. Our recipients today have lived up to the true meaning and understanding of being a good neighbor every day by setting an example for others. They show what it means to give of self, by giving of their time, talents, money, and by being an integral part of our active community. It's been said that service to others is the rent we pay here on earth. I am pleased to introduce our two, 2016 Lenoir County Volunteer Service Awards recipients of the year. Our first recipient is Mr. Richard (Dick) Archie. Mr. Archie is receiving this award in the categories of lifetime, individual, and faith-based achievement. He has served on the Caswell Center Foundation as chairman since its conception in 1999. This foundation has a mission to enhance the quality of life for persons with intellectual and developmental disabilities and their families at Caswell Center and the 38 counties it serves.

He leads with his brilliant mind and a big heart. He is gentle and a hands on leader who has made a significant difference in countless lives that he's worked with in the foundation. He has also volunteered with Mary's kitchen for the past ten (10) years planning Sunday meals and serving as team leader.

Ms. Marston stated our second recipient is Mr. William Henry (Bill) Rowland. He is receiving this award in the area of individual senior achievement. Ms. Marston stated Mr. Rowland has spent fifty-seven (57) documenting the complete history of the CSS Neuse Iron Clad and he has been instrumental in the recovery of its remains. He has written several books and documented the recovery efforts and he has been a steadfast supporter. He has also been instrumental in the opening of the museum on Queen Street. In addition, he has been a Ham radio operator since 1983 and has volunteered his services to our emergency services department. Ms. Marston stated she has a copy of Mr. Rowland's certificate because he will be awarded the Medallion Award which is the state level for the Volunteer Service Award from Governor Pat McCrory at a reception in Raleigh, NC.

#### **PUBLIC COMMENTS:**

Geraldine Barbour, Chairperson, African-American Heritage Commission of Kinston and Lenoir County, thanked the Board for their support in the African-American Heritage efforts to have Kinston's first annual Funk Festival, Friday, May 27<sup>th</sup> and Saturday, May 28<sup>th</sup>. Ms. Barbour stated the Board has made it possible for them to have many opportunities to meet with other people and to spread the information about the purpose of their organization and they are very grateful for it. She encouraged everyone to take part in the different event areas such as the history of funk display at the Arts Council, and tour of the Kinston African American Music Trail. A meet and greet will be from 6-8 p.m. at the Adkin High School Complex located on Tower Hill Road. Saturday morning, a Cultural Fair will be held at Adkin High School followed by a tribute to Maceo Parker, and an evening of music and refreshments at 6 p.m.

#### **CONSENT AGENDA:**

1. Approval of Minutes: Regular Board Meeting: April May 2, 2016.  
Budget Work Session: April 18, 2016.

Upon a motion by Ms. Brown and a second by Ms. Sutton, the consent agenda was unanimously approved.

#### **BUDGET ORDINANCE AMENDMENTS/RESOLUTIONS:**

Item No. 2 was a Proclamation honoring Maceo Parker. Ms. Brown read the proclamation. Upon a motion by Ms. Sutton and a second by Mr. Best, Item No. 2 was unanimously approved.

Item No. 3 was a Proclamation honoring Mental Health Awareness Month. Ms. Brown read the proclamation. Upon a motion by Mr. Davis and a second by Mr. Best, Item No. 3 was unanimously approved.

Item No. 4 was a Proclamation honoring Emergency Medical Services Week. Tammy Pitt-Jones, Captain, EMS read the proclamation. Upon a motion by Mr. Daughety and a second by Mr. Davis, Item No. 4 was unanimously approved.

Item No. 5 was a Proclamation honoring Foster Care Month. Jeff Harrison, Deputy Director, DSS read the proclamation. Upon a motion by Mr. Best and a second by Mr. Davis, Item No. 5 was unanimously approved.

Item No. 6 was a Resolution for Abandonment from State Maintained Secondary Road System. Mr. Jarman, County Manager, stated the Board received this request from NCDOT. Daly Waldrop Road was split in half when the Harvey Parkway was completed and this section is a portion of the dead end of the parkway. All of the property along this road is owned by Parrot Farms LLC, and the one owner that owns the property has signed the petition asking that the road be abandoned because they want to move a gate to where the road meets their property because it's a dead end road or cul-de-sac and people tend to throw trash and there are different activities and loitering going on. Upon a motion by Mr. Rouse and a second by Ms. Brown, Item No. 6 was unanimously approved.

Item No. 7 was a Resolution Approving Lease Agreement between John Wesley Creech, Sr. and Lenoir County Public Schools and North Lenoir High School Athletic Booster Club. Mike Jarman, County Manager, stated this Board has to approve multi-year leases that Lenoir County School Board (LCPS) does. This lease was approved several years ago between John Wesley Creech, Sr., LCPS, and North Lenoir High School Athletic Booster Club. This is a tract of land near North Lenoir High School to allow athletes a safe area close to the school to practice. The lease agreement must be renewed every five years. At that time, either party has the right to extend the terms of the lease for an additional period of five years, provided the lessee notifies the lessor in writing of its intention to extend same and the rent shall be renegotiated and paid by the payor at that time. Upon a motion by Ms. Sutton and a second by Mr. Davis, Item No. 7 was unanimously approved.

Item No. 8 was a Resolution Authorizing Lenoir County Health Department to Execute Purchase Order for Paragard: \$4,500.60. Tracy Chestnutt, Finance Officer, asked the Board to authorize the Lenoir County Health Department to execute a purchase order for Paragard in the amount of \$4,500.60 for the purchase of Intrauterine Devices (IUD). The additional funding was made available for the Health Department from the Infant Mortality Reduction funds for long-term contraceptives. Upon a motion by Ms. Brown and a second by Mr. Best, Item No. 8 was unanimously approved.

Item No. 9 was a Resolution Authorizing Lenoir County Health Department to Execute Purchase Order for TheraCom: \$10,556. And Nexplanon: \$4,155: Total: \$14,711. Tracy Chestnutt, Finance Officer, asked the Board to grant permission to the Lenoir County Health Department to execute a purchase order to TheraCom for Nexplanon and Mirena for the amount of \$14,711.00. The additional funding was made available from the Infant Mortality Reduction funds for long-term contraceptives. Upon a motion by Mr. Davis and a second by Mr. Best, Item No. 9 was unanimously approved.

Item No. 10 was a Resolution Approving Purchase Order to Down East Protection Systems for the Installation of Security System at the Lenoir County Transit Office at 201 E. King Street, Kinston, North Carolina: \$6,844.06. Angie Greene, Transit Director, stated the Lenoir County Transportation Department began its operation in October 1994 with six vehicles to provide transportation to Lenoir County residents. The LCT Program is a partnership between the North Carolina Department of Transportation/Public Transportation Division (DOT/PTD) and Lenoir County Government. On November 3, 2014, the Lenoir County Board of Commissioners approved a resolution (Item No. 5C) allowing Lenoir County Transit to apply to NCDOT/PTD for Community Transportation Program Grant funds for FY 2015-2016. Included in the CTP grant was funding in the amount of \$6844.06 to cover the cost of a security system to provide better security for the Lenoir County Transit employees and equipment located inside the office building. There is a need for added security measures at LCT office to be diligent in maintaining the protection of LCT employees and its property. All local match monies will be generated by Transit revenues. Upon a motion by Ms. Sutton and a second by Mr. Daughety, Item No. 10 was unanimously approved.

Item No. 11 was a Resolution Approving the Resurfacing of Parking Lot at the Lenoir County Transit Office at 201 E. King Street, Kinston, North Carolina: \$23,974. Angie Greene, Transit Director, stated. The Lenoir County Transportation Department began its operation in October 1994, to provide transportation to Lenoir County residents. The LCT Program is a partnership between the North Carolina Department of Transportation/Public Transportation Division (DOT/PTD) and Lenoir County Government. On November 3, 2014, the Lenoir County Board of Commissioners approved a resolution (Item No. 5C) allowing Lenoir County Transit to apply to NCDOT/PTD for Community Transportation Program Grant funds for FY 2015-2016. Included in the CTP grant was funding in the amount of \$23,974 to cover the cost of resurfacing the parking lot at Lenoir County Transit offices. There is a need for the resurfacing of the parking lot at LCT offices due to the current conditions of the parking lot. The parking lot poses a potential risk of personal injury or property damage for LCT employees, LCT equipment and the citizens of Lenoir County. To be diligent in maintaining the safety of LCT employees, its property and the safety of the citizens of Lenoir County, the resurfacing of LCT Parking lot is a necessity for the prevention of any loss. All local match monies will be generated by Transit revenues. Upon a motion by Ms. Sutton and a second by Ms. Brown, Item No. 11 was unanimously approved.

Item No. 12 was a Resolution Approving Purchase Order for B&G Electronics: \$10,703.50. Sheriff Ingram stated the Lenoir County Sheriff's Office currently issues deputies shotguns which are a quick and easy tool to use for protection, but currently, they are stored away from the deputy in the trunk. This does not allow the deputy to have quick access to these guns in emergency situations which could prevent them from protecting themselves or another person. By allowing the shotgun to be stored next to the deputy aids in preventing theft from the vehicle by securely locking the shotgun in a holder. We will install these in 30 patrol vehicles with cages when purchased. Upon a motion by Mr. Best and a second by Ms. Sutton, Item No. 12 was unanimously approved.

Item No. 13 was a Resolution Approving Purchase Order for Lawmen's: \$16,000. Sheriff Ingram stated the Lenoir County Sheriff's Office currently issues patrol rifles or shotguns to deputies for protection during long range incidents. Shotguns and rifles have different applications in the law enforcement field just as handguns have a specific purpose. Handguns are for close range protection and shotguns are for close to medium range protection and rifles are for medium to long range protection. With these different uses of weapons, a law enforcement officer is best equipped when he/she has access to all of these. The Sheriff's Office employees 67 sworn deputies, but only have 38 shotguns and 30 rifles, which leaves 29 deputies without shotguns and 37 deputies without rifles. We will purchase an additional 12 shotguns and 12 rifles to work towards having every deputy with a shotgun and rifle. Upon a motion by Ms. Sutton and a second by Mr. Daughety, Item No. 13 was unanimously approved.

Item No. 14 was a Resolution Approving Purchase Order for American Uniform Sales: \$42,000. Sheriff Ingram stated the Lenoir County Sheriff's Office currently issues each deputy a bullet proof vest to wear while on duty. Approximately 80 to 90 % of these vests were all purchased at one time 5 years ago. These vests have a 5-year warranty which requires our agency to purchase vests for each officer every 5 years. We do not wish to purchase all the vests at one time. To assist with creating a revolving replacement cycle rather than all being purchased at once we will use current excess fuel funds to purchase 25 undershirt vests and 12 SRT vests this fiscal year. Another order will be placed in the 16-17 fiscal year with funds that have been requested in that budget. Upon a motion by Ms. Sutton and a second by Mr. Daughety, Item No. 14 was unanimously approved.

Item No. 15 was a Resolution Approving TANF Block Grant Funds for Child Day Care and Work First Employment Services: \$350,000. Jeff Harrison, DSS Deputy Director, stated Lenoir County Department of Social Services Subsidized Child Care Program is a service-oriented program that is administered by local purchasing agencies (LPA's) that purchase child care services for low income and other eligible families. LPA's determines if families are qualified for child care services based on state and federal rules and requirements. Families of children ages 0-5 and families of children with special needs are eligible for subsidies if their countable income is less than or equal to 200% of the federal poverty level for the family size. Families of children ages 6-12 are eligible for subsidies if their countable income is less than or equal to 133% of the federal poverty level for the family size. Families may need child care for one of the following reasons – maintain employment or seek employment; pursue education or job training that leads to employment; Child Welfare Services; Child Protective Services or to meet the child's developmental need. In addition, eligible families are required to pay a portion of the cost of care based on countable income. To appropriately spend these funds, counties must document a child or a family with a child is being served. The child or family must have income at or below 200% of the federal poverty level, per Section 404(d) (3) (B) of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996. The funds are 100% TANF and will be reimbursed by the state. Upon a motion by Ms. Brown and a second by Ms. Sutton, Item No. 15 was unanimously approved.

Item No. 16 was a Resolution Approving FY2016-17 Lenoir County Home and Community Care Block Grant Funding Plan: \$472,258. Jeff Harrison, DSS Deputy Director, stated the Home and Community Care Block Grant began July 1, 1992. It is comprised of funding for in-home and community based services, currently available through the Division of Aging, as well as a portion of funding targeted for in-home and community-based services previously administered by North Carolina Division of Social Services. Funds from the Older Americans Act constitute approximately 45% of Home and Community Care Block Grant funding and are intended to develop and enhance comprehensive and coordinated community-based systems of services, opportunities, and protections for older adults. Future funds appropriated by the General Assembly for this purpose will also be included in the Home and Community Care Block Grant. Area Agencies on Aging will fund county programs on aging through grant agreements with Boards of County Commissioners and community service providers. Home and Community Care Block Grant funds provide services to the elderly population of Lenoir County by providing meals, Level I, II and III in-home care services, the operation of local senior centers, adult day care services, and transportation. These grant funds are utilized by DSS and the local Council on Aging to provide senior services. Upon a motion by Mr. Daughety and a second by Mr. Best, Item No. 16 was unanimously approved.

Item No. 17 was a Resolution in Support of Improvements to Highway 11 N. from Kinston to Jacksontown Road in Ayden by NC DOT. Commissioner Eric Rouse read the resolution. Mr. Rouse stated they are removing several turning lanes. The majority of property owners that will be affected are in support of this action. Upon a motion by Ms. Sutton and a second by Mr. Davis, Item No. 17 was unanimously approved.

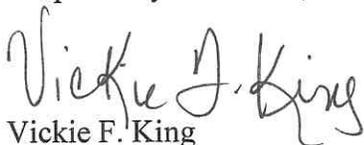
Item No. 18 was a Resolution Approving Citizens to Boards, Commissions, Etc. Ms. Brown stated since this was the first appearance no action is required at this time.

Item No. 19 was items from County Manager. Mr. Jarman reminded the Board that the Public Hearing on the budget will be June 6<sup>th</sup> at the next Commissioners meeting.

Item No. 20 was items from Commissioner Eric Rouse. Mr. Rouse shared information from the May 2016 transportation meeting. He stated the bridge project is approximately 65% complete, and the contractors are anticipating pouring the deck of stage 2 on the overflow bridge by May 13<sup>th</sup> and all pours should be complete by the end of May. The Riverwalk project is complete and has been turned over to the City of Kinston. He shared information regarding Lenoir County Statewide and Regional projects as of April 13, 2016.

Meeting Adjourned at 4:50 p.m.

Respectfully submitted,



Vickie F. King  
Clerk to the Board

MINUTES  
LENOIR COUNTY BOARD OF COMMISSIONERS  
BUDGET PLANNING WORK SESSION  
ADMINISTRATION BUILDING CONFERENCE ROOM  
MAY 16, 2016

The Lenoir County Board of Commissioners began their scheduled Budget Work Session on Monday, May 16, 2016, at 2:00 p.m., at the Administration Building Conference Room, 101 North Queen Street, Kinston, NC.

Members present included: Chairman Craig Hill; Vice Chairman; Jackie Brown and Commissioners; Roland Best, J. Mac Daughety, Reuben Davis, Eric Rouse, and Linda Rouse-Sutton.

Members Absent: None

Also present were: Michael W. Jarman, County Manager; Joey Bryan, MIS Director; Tracy Chestnutt, Finance Officer; Vickie F. King, Clerk to the Board; Department Managers: Roger Dail, EMS, Jerri King, EMS, and the media.

Mr. Hill welcomed everyone to the budget work session and turned the meeting over to Mr. Jarman.

Mr. Jarman stated the submitted budget will be placed online for access. This Board has requested in past years to see each departments request by line item along with their justifications and the reason for each request. The public hearing is scheduled for June 6, 2016. Mr. Jarman stated as he prepares to go through the budget if anyone has any questions or see something that needs to be added, deleted or changed, feel free to share at any time during the presentation. The budget as it is put together in the general fund is \$67,398,451 which is what we are projecting with this budget. The 2015-16 budget was \$66,694,918 and this budget represents a \$703,533 about (1.2%) increase over the previous year's budget. The reason for the bulk of the increase is due to employee salaries, and the radio maintenance and monitoring system which is needed for the radio system that was put in with grant money that Mr. Dail and his staff worked on with a joint venture with Jones County.

Mr. Jarman summarized increases/decreases, with general departments, public assistance, other than county departments, and transfers which totaled \$703,533.

Mr. Jarman reviewed and shared information regarding the summary of expenditures for each department. He shared some of the major changes within the departments. County Administration is up 9.21%. Last year we removed the funding for the assistant county manager's position and we had a special projects person in place that we were trying to see how it would work out. Things did not go as planned so we decided to go another route in order to move forward in a timely and productive manner. In January 2016, we moved Joey Bryan over to our offices which has greatly improved where we are and what we are accomplishing. At the same time Joey has still been handling the responsibilities of MIS as well. This budget will show this position in county administration. Mr. Daughety stated since we moved Mr. Bryan's salary into the administration line is there a corresponding move in this budget removing him from MIS? Mr. Jarman replied they removed Joey's salary and budgeted a lower salary for an additional person in MIS.

Mr. Jarman stated Finance is down 11.8% because last year Ms. Chestnutt was coming on board and there were several months that we had two finance officers in place. Also, when an employee retires they may have 30 days of leave they are able to receive, therefore, those extra months and 30 days were reflected. Human Resources up 10% due to cost of living increase in the budget, Tax down 9% because one position was abolished, Legal was reduced. Last year it was increased because we thought there were some issues that might require the extra. Building and Grounds up 2%, Elections shows down 26%, because there were no municipal elections. The bulk of the Sheriff Department increase is due to the new certification program. With EMS, the bulk of its increase was for the maintenance and monitoring of the radio system. Health was down 3% and up slightly on county dollars. DSS was up 2%. Mr. Daughety asked if the 2% for DSS was county dollars. Mr. Jarman replied it was an increase in county dollars. Ms. Chestnutt stated it would have been about half because they had an increase in their state foster care program because of the additional number of children they had to take into custody. That alone was at \$200,000 which is a 50% reimbursement so \$100,000 would have been county money and they had to budget appropriately for that increase. Mr. Jarman stated Recreation is at 0% increase and could change depending on what happens within the next couple of weeks. The county might have to do something because there are 9 employees that are city employees but are funded by the county. If the city does a raise or increase the county may have to cover its portion. Mr. Jarman stated other than that, salary increases will be the biggest difference for all other increases.

Mr. Jarman highlighted and shared breakdowns on revenues and expenditures from the FY16-17 general fund appropriations graph chart showing major areas of appropriation on expenditures. He pointed out public assistance at 22.3% being the largest portion, 10% of that amount is county dollars, and there is a lot of funds that come through the DSS budget that are not reflected in our general fund budget.

Mr. Jarman shared the summary of revenues general fund 16-17. For property taxes \$35,470,059, Sale Tax \$6,400,000, Sales, Service and other Revenues \$7,570,658, Inter-governmental revenues \$15,604,079, and appropriated fund balance \$2,353,655.

Mr. Jarman stated for years Lenoir County historically has averaged 1-2% increase per year which is relatively flat. Not a large appreciation in our real property values that actually helped. During the recession we did not see a great decrease as others did. In times past in a revaluation year we generally saw 8-10% increase, however, next year we are not expecting that big of an increase. If we can maintain relatively flat in the revaluation year we will be pleased. Mr. Best asked in regards to the sales tax what percent does the county keep and what percent does the state keep? Mr. Jarman replied we get article 40, 42 which is about 2%. Ms. Chestnutt stated there is a formula based on per capital amounts and there are different ones figured different ways. One area of concern is property tax which is over 53% of our revenue source and this year it is up a percent which continues to be a burden on the property taxpayers.

Mr. Jarman shared information regarding Summary of Authorized Positions. The total for Fiscal Year 16-17 is 472 and the total for the current year is 468 which is a difference of four. The Board approved last year positions for DSS, and we abolished one position in the Tax Department, and one in the Health Department. The only new position reflected in the budget is the detention center transport officer, which would keep the sheriff from having to pull deputies out of their area to do transports. Sheriff Ingram felt if he could get a full-time employee performing transports, deputies would be able to patrol their areas more.

Mr. Jarman stated Board of Elections came before the Board of Commissioners and requested several things. We met with them and at that meeting they requested a postage machine, an additional full-time position, and also they requested that the chief judge, the judge and the assistant salaries be changed to \$12, \$11, and \$10 dollars. The current salaries are \$7.25, \$7.50 and \$8.50. The salaries we included in the budget are \$7.50 \$8.50 and \$9.50. If this Board desires to honor Board of Elections wishes we will need to be instructed to go back and include the figures in the budget. Mr. Jarman shared statistics from 2012-2015 pertaining to registered voters in Lenoir County that was vital in forming their decision. Mr. Jarman stated they didn't see a large increase as they saw some decreases and nothing in the workload statistics made them feel there needed to be additional employees. He shared information from comparable counties including population sizes, registered voters, the number of employees, and rate of pay for chief judges, judges, and assistant positions.

We didn't see where other communities were using more employees than Lenoir County to get the job done based on the workload. We did include in the budget for a part-time employee that could possibly work for a three month period prior to the elections and maybe a month after to try and take some of the burdens off.

Ms. Sutton stated Lenoir County salary is not that far off from the others listed. Mr. Jarman stated Board of Elections requested \$12 for chief judge \$11 for a judge and \$10 for an assistant. Currently, we are paying \$7.25 assistant and raised it to meet the minimum wage requirement and then \$7.50 and \$8.50. In the budget, you will see the chief judges and judges with a \$1 increase and the assistant a .25 cent increase. We polled the comparable size counties and those surrounding that were larger to see what they paid. There were some variations which were hard to track and they are not reflected because some added fees for training, set up, and travel, and some pay an hourly rate, travel reimbursement, etc. The hourly range for the chief judge was \$9.50-\$10.67 by hour, by week \$130.00-\$310.00. Based on the information we received our recommendation for Lenoir County is as follows: \$7.50, \$8.50 and \$9.50 and the request was for \$10, \$11 and \$12. Mr. Daughety asked what would a postage machine cost the county each month. Joey Bryan replied \$189 per month.

Mr. Jarman shared information, budgeted amounts and estimated pieces of postage from other departments. In the past the county had three (3) postage machines in different departments, but now there is one (1) postage machine centrally located in the Tax building. During the recession, we looked for ways to cut back on the budget so we went back to one postage machine being centrally located. We did not feel comfortable recommending Board of Elections to have a postage machine when you have three other departments that handle a larger quantity of postage. Mr. Hill stated one of the things that happens when you reduce the number of postage machines is you might increase the emails but you decrease the number of postage items. The tendency is if you have postage machines nearby you will most likely place items in the mail rather than communicating in another way. There are some hidden cost that you can't see because of your expenses and upkeep, and lease agreement on the machines grows and creeps up on you and you don't realize what's happening until the end of the year. Mr. Hill stated he understands what was done and it makes a lot of sense. Ms. Sutton asked if Board of Elections Board knew the recommendation Mr. Jarman was making to this Board. Mr. Jarman replied yes. They received an email, and a telephone call. They were also advised if they felt different they could appear before the Board, which they did at the very next meeting.

Mr. Jarman shared information regarding the sheriff office and detention center number of employees. He shared comparisons between several other counties which showed the average being about 62 and Lenoir County is at 72.

Mr. Jarman stated the starting salary for Lenoir County deputies is \$28,000 and the average starting salary for deputies is \$31,000 for all of the comparable counties and three adjoining counties. Our average is \$30,000 - \$34,000 and we are 10% behind the starting and 11% behind the average salary. We are thinking the certification pay that was put in this budget will help close that gap and it will also provide us with a more highly trained staff.

We have met with the sheriff's office and we agreed this would be the best way to get to the next level. Mr. Hill asked if this figure reflects the 3% increase or is it the old salary. Mr. Jarman replied this is current salary range that was used. Mr. Daughety stated it worries him that we are almost \$2,000 behind Duplin County's starting salary and almost \$3,000 behind the average salary. We are next to the lowest in starting salary on this list and next to lowest in average salary. He stated he could understand with Pitt and Onslow but with comparable it causes concerns. Mr. Jarman stated not only are we behind in law enforcement it is the same for starting salaries in multiple departments as well. Mr. Jarman shared different scenarios regarding other counties with deputies. Mr. Jarman stated Sheriff Ingram would be able to better answer questions pertaining to his department and deputies and detention officer issues. There are a lot of other relevant factors that were not shown that we were not able to get in such a short period of time. This Board asked for a total number compared to others and that is what we were able to provide.

Mr. Best stated it will also depend on how each sheriff runs their jail, and make things happen, the operational procedure and how they choose to manage it. Mr. Jarman continued to share salary percentages for the sheriff's department and the detention center as presented in the budget. Mr. Jarman shared turnover rate in the detention center. He stated that with 61 employees 11 left, which represents an 18% turnover rate. Part-time employees had a 61% turnover rate. We had two counties to report information to us. Our turnover rate as a county this year was 11.9% which was pretty high and the two counties that reported were Duplin and Franklin County. Duplin County is having more issues, where we are at 4.2% in sheriff office they are at 9.1%, and Franklin is at .15% and .13% in both categories. Duplin County on their detention side is 1.5% and we are at 18%. Mr. Hill stated to keep in mind that turnover rates can come from a variety of things like, change of personnel or management, a new sheriff which can change a lot of things, and retirement etc. Currently, these numbers reflect the 2015 calendar year and for this year up until this point, we had three to leave in the sheriff's office and four are in the process of leaving. Mr. Rouse stated in speaking with other people, Pitt County has a big turnover rate also. Those higher paid employees must be going somewhere or are dissatisfied which is why he was hoping we had the numbers. Mr. Hill stated the work itself causes turnover rates. Mr. Jarman stated he is not sure how you would get a true and accurate turnover rate. Mr. Best asked in regards to salary how does the 2 ½ % increase and the 3% across the board work.

Mr. Jarman replied the 2 ½ % would be for the detention officers, the 2 ½% is the step increase. The 3% as we proposed for all employees is the COLA but that amount is one step and the whole table being raised ½%. The certification program was for the sheriff office, not the detention center. In the sheriff's office, it would vary on their level of certification the amount of the increase. Mr. Daughety asked if the detention center will be getting a 5 ½% increase. Mr. Jarman replied in the budget there are funds included to give them 5 ½% increase.

Mr. Jarman shared COLA increase information from 2005-2015. In 2005 3%, 2006 2.5%, 2007 2.5% 2008 5% (2.5% COLA 2.5% Step) no increase in 2009 and 2010, 2011 2.5%, 2012 none, 2013 2%, 2014 2%, 2015 none. Mr. Jarman shared the cost of increases at five different percentages: 2.0% \$379,000 2.5% \$474,000 3.0% \$569,000 3.5% \$664,000, and at 4.0% \$759,000. Mr. Daughety asked if the Board went with 3% and with the revaluation coming along with other variables in and out of the budget the next 2-3 years, by looking at the numbers would the 3% be sustainable the next 3-5 years. Mr. Jarman replied there will always be some uncertainty. He can't say where the revaluation will be. However, he does think that this is the right time and year and that we can do this without it affecting any tax rates. We are getting far enough behind that we really need to increase the salaries. Mr. Jarman stated if you look back at the salary increase, when we started getting into tough years, employees continued to work without saying anything when we did nothing. We may be faced with some of those kinds of things in the future and as this Board knows and can see from the final predictions, we budget conservatively, and we left it flat for the revaluation because we don't know. It's just like we said about the fund balance we showed using fund balance just to keep from affecting the tax rate or unnecessarily cutting services. The budget message always has the same sentence. The year we are actually using savings we have to change what we do because that is not a sustainable practice. We really need to be looking at the sales tax. There are multiple reasons because it's not right for 50% of our revenue to come from our property tax and the numbers continue to increase. Mr. Jarman stated he would like to see that decrease. The school capital will no longer get the average daily member (ADM) funds and lottery funds are reduced and we are going to have to fund the capital items. Mr. Jarman stated it is time to seriously work with these other groups for an alternative revenue source for multiple reasons. I am comfortable as far as what the revaluation will do for us and comfortable for making the attempt to bring our employees closer to where they need to be. Mr. Hill stated if we are ever going to have an impact on the property tax moving in a downward spiral we are going to have to make a move on the sales tax. While that might not happen immediately it's the area that could have the quickest impact on being able to drop a penny or whatever at any point in time, especially with what's happening across the state with the changes with revenue sources that you can't do one without the other. Mr. Rouse stated at this point there is nothing saying that we can't cut services. I understand where you are coming from with the sales tax but that ship sailed. The money has to come from somewhere and we need to start looking at the reality of what we have and that's what we are going to adjust our services accordingly and pick and choose. I would like to see where we are doing matches and the individual programs and what they amount to and take a long hard look at those programs and determine what we need to keep and get rid of and in order to free up some income until we can get things trending back in favor of the tax rate.

Mr. Jarman shared county benefits information. He stated Lenoir County has a good benefit package which is similar to plans of other Local Government Units. There are no changes recommended at this time. Mr. Jarman stated Lenoir County increased both the employer and employee contribution for insurance in FY2015-2016 and no change is recommended at this time.

Mr. Jarman shared information regarding Lenoir County Public Schools operating current expenses and other capital expenditures. He shared their schedule of funding from 2005 to 2016-2017. Mr. Hill stated he felt like the schools made a reasonable request this year and are heading in the right direction.

Mr. Jarman shared information regarding Lenoir Community College operating and capital expenditures from 2013-2016.

Mr. Jarman shared outside agencies requested versus recommended FY2016-2017.

Mr. Jarman shared general fund analysis showing expenditures, revenues, and fund balance appropriated figures for projected FY2016-2017. Mr. Jarman stated revenues shown include \$1,200,000 from the public school capital fund fund balance article 40 & 42 Sales Tax. Mr. Jarman shared the projected fund balance usage for fiscal years 2016 through 2021.

Mr. Jarman reviewed the revenue/expenditure general fund/fund balance forecast for the fiscal year 2016-2017. Mr. Jarman asked if anyone had any questions or comments. Mr. Jarman commended department heads and the finance staff for their preparation of the budget.

Recessed at 3:49 p.m.

Respectfully submitted,

A handwritten signature in cursive script that reads "Vickie F. King". The signature is written in black ink and is positioned above the printed name and title.

Vickie F. King  
Clerk to the Board