

MINUTES

LENOIR COUNTY BOARD OF COMMISSIONERS

May 20, 2013

The Lenoir County Board of Commissioners met in open session at 4:00 p.m. on Monday, May 20, 2013, in the Board of Commissioner Main Meeting Room in the Lenoir County Courthouse at 130 S. Queen St., Kinston, NC.

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

Also present were: Michael W. Jarman, County Manager, Tommy Hollowell, Assistant County Manager, Martha Martin, Finance Officer, Robert Griffin, County Attorney, members of the general public and news media.

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

PUBLIC INFORMATION

Ms. Vickie Robinson spoke on behalf of the Community Council for the Arts. She stated it was a pleasure to be here and to represent her organization. Ms. Robinson thanked the Board for the good work they do for the county and the support given to the Community Council for the Arts. She handed out information to the Board.

Ms. Robinson stated the Community Council for the Arts Center makes a tremendous difference for Lenoir County and for the Region. She elaborated on the African American Music Project which is considered across the state to be one of the foremost tourism, economic development and education projects this year. Ms. Robinson stated this one project enriches, encourages, and inspires the people of our community. She stated the positive influences of the arts reward both the artist and the audiences. Ms. Robinson stated our county boasts the 2nd largest public art collection in N.C. and there would soon be another first for our Arts Council and Lenoir County, which will be the only public art tourism trail in N.C.

Ms. Robinson stated they partner with numerous businesses for program funding support which enables them to establish and present an enviable list of artist coming to our community-keeping dollars spent in Lenoir County and providing citizens with a quality of life that helps to retain and attract residents and visitors alike. She stated a study done in 2011-2012 provided new evidence that the nonprofit arts and culture are a \$1.6 million dollar industry in Lenoir County, one that supports 52 full-time equivalent jobs and generates \$139,000 in local state revenue. She

stated there is a need for local government investment towards the operating budget and therefore, respectfully request an increase in the annual funding from \$7,500 to \$10,000. Ms. Robinson stated with the City of Kinston's contribution this amount would secure operations of the Arts Council for approximately six weeks or help to pay the annual utilities of approximately \$35,000.00. She stated the Art's Council daily investment in Lenoir County is making a difference and needs the County's assistance for sustainability. Mr. Robinson presented a marketing video to the Board.

Mr. Daughety stated the presentation was quite impressive and asked if this was on a website. Ms. Robinson stated it was not at this time because this was "fresh off the disc" but that was their goal. Ms. Sutton asked her to expand on the African American Heritage Musical Trail. Ms. Robinson stated this project had been in the making for over 10 years. She stated it would make Kinston even more of a destination place as it unfolds. Ms. Robinson stated this project encompasses eight counties but Lenoir is the key county.

Mr. Jerry Henderson, President, Lenoir County SPCA, addressed the Board. He stated the county took over the maintenance at the shelter a couple of years ago and that was a good move. He stated he would like to recognize Mr. Joey Huff, LCHD, for his strong support. Mr. Henderson stated he would like to address their passion and the counties responsibility. He stated animals are collected for two reasons. Number one being it is the law. Number two being it is the right thing to do. Mr. Henderson stated no living creature deserves to live in hunger and fear when something can be done. He stated the local ordinance states once these animals are picked up they must be kept for three business days (which does not include weekends or holidays). He stated the average time is five days, which is considered mandated time. Mr. Henderson stated the shelter felt that the county should be responsible for the mandated time. He stated anytime beyond what is mandated the SPCA should be responsible for. Mr. Henderson stated only 5% of animals picked up last year were returned to their owners and 59% of the animals were euthanized. He stated the expense for caring for these animals is about \$19,000 per month for mandated care. Mr. Henderson stated there is only one vet in Lenoir County who will euthanize a healthy animal. He stated the City of Kinston, where 40% of the animals come from, provides \$1,667 per month support and Lenoir County, where 60% of the animals come from, provides \$8,750 per month, and the SPCA provides another \$8,800 per month. Mr. Henderson explained the "spay-neuter project" which gives a discount on these services. He stated the permanent solution to the problem is to spay and neuter animals in order to prevent over population. Mr. Henderson stated the SPCA is asking for \$175,000 which is an increase of 2% from last year. Mr. Daughety asked Mr. Henderson to clarify the numbers. Mr. Henderson summarized the amounts, which were stated previously. Mr. Davis thanked him for the presentation.

Roger Smith, Veterans Affairs, addressed the Board. He referred to the information he provided the Board and stated he had been in the Lenoir County office since 2002 and prior to that he was

superintendent at the State Veterans Cemetery in Jacksonville, N.C. He stated this office serves six other counties, which include Greene, Duplin, Jones, Craven and Pamlico, and someone from his office visits each county twice a month on Tuesdays and Thursdays. Mr. Smith state they drive their personal vehicles but the state reimburses them gas mileage. He stated he would like to mention Ms. Trivia Jenkins, Ms. Flavia Creech and Ms. Brandy Hines who are office support personnel. Mr. Smith stated Ms. Brandy Hines is a temp from Mega Force and has been with Lenoir County for about a year and a half. He stated he is asking the Board to make Ms. Hines a permanent employee with benefits. Mr. Smith elaborated on what an asset Ms. Hines is to the Veterans Affairs office, which participates in the work of 33,900 veterans. Mr. Davis stated the Board will take this into consideration.

Mr. Daughety introduced Mr. Timmy Mooring, President of Lenoir County Fire Association. Mr. Mooring stated it had been brought to his attention that the Fire Protection monies may be taken away. He stated that money is used by all of the departments and is used wisely. He asked that the money remain. Mr. Mooring stated he is aware that a tax increase has been mentioned and thinks it would be hard to sell getting them to increase taxes at this time.

ITEMS FROM THE CHAIRMAN/COMMISSIONERS

Ms. Brown provided each commissioner with a folder from the annual JCPC breakfast. She stated all four Legislators, Mr. Graham, Mr. Davis, Mr. Pate and Mr. Bell were present this year. Ms. Brown stated the newly appointed Commissioner, Mr. J.R. Gorham was in attendance who is the Commissioner of Juvenile Justice, Department of Public Safety and the Division of Juvenile Justice. She stated they had a good meeting and the speakers were excellent.

Ms. Sutton stated while at the meeting they learned the Senate budget had been released the night before. She stated there was a proposal in that budget proposing the closure of the Lenoir Youth Development Center. Ms. Sutton stated she would like to see the Chairman send a letter to all Legislators expressing opposition. She also stated this involves 71 jobs.

A motion was made by Ms. Sutton requesting the Chairman to write a letter to all the Legislators on behalf of all the commissioners and was seconded by Ms. Brown. The request was unanimously approved.

ITEMS FROM THE COUNTY MANAGER

Mr. Jarman showed the NCACC Legislative Video Report. He stated County Assembly Day is May 22, 2013. Mr. Jarman stated the deadline for preregistration had passed but if anyone wanted to attend he would try to get them registered tomorrow but his schedule will not permit him to attend. He stated the General Session would be held that morning until lunchtime and the afternoon would be available for visiting different legislators, followed by a reception that night. Mr. Davis, Mr. Daughety and Mr. Hill stated they would not be able to attend.

Mr. Jarman stated the Financial Performance Report and the Inspections/Permitting Reports are in the packet. He reminded the Board of the Grand Opening at the Lion's Waterpark on Thursday, May 22, 2013. Mr. Jarman stated in the earlier work session today the request had been made for another work session. He asked if something was needed in the form of a presentation he would like some guidance regarding that in order to provide the information needed. After a brief discussion the work session was scheduled for Thursday, May 30, 2013, at 2:00 in the conference room of the Tax Office.

Mr. Mark Pope gave an update regarding the Control Tower. He read a letter drafted to the representatives to keep the tower in place as well as the funding. He asked that the Board approve sending the letter to the representatives. Upon a motion by Ms. Sutton and a second by Ms. Brown it was unanimously approved.

CONSENT AGENDA

3. Approval of Minutes: Regular Board Meeting-May 06, 2013
Budget Work Session: May 6, 2013.

Item No.4 was a Budget Ordinance Amendment: Finance/Sheriff's Department: \$717: Increase: Ms. Martha Martin, Finance Officer, stated the Budget Ordinance Amendment is to budget insurance proceeds received from Argonaut Great Central Insurance Company on 05/06/2013 in the amount of \$716.51. This is payment for damages received to a Sheriff's vehicle on April 9, 2013, as a result of an incident where a deer ran into the side of a Ford Crown Vic that was en-route to a call. This is the amount of estimated charges to repair the vehicle, less the county's \$1,000.00 deductible. Upon a motion by Ms. Brown and a second by Mr. Daughety, the consent agenda was unanimously approved.

BUDGET ORDINANCE AMENDMENTS/RESOLUTIONS

Item No. 5 was a Budget Ordinance Amendment: General Fund: Process Funds: \$9,319: Increase: Ms. Tammy Kelly, Cooperative Extension Director, stated the Budget Amendment is to appropriate funds for the community transformation grant for Cooperative Extension. The acceptance of this grant was approved by the commissioners at the 4/1/2013 meeting Item #15. These funds are to be used to support access to healthy local foods, by providing marketing and supplies to the Lenoir County Farmers' Market and LCFM Annex. Upon a motion by Ms. Sutton and a second by Mr. Daughety Item No. 5 was unanimously approved.

Item No.6 was a Budget Ordinance Amendment: Trust & Agency Fund: Innovative Approach Literacy (IAL): \$18,000: Increase: Ms. Tammy Kelly, Cooperative Extension Director, stated the Budget Amendment is to set up funding for the innovative approach to literacy grant. The commissioners authorized the acceptance of the funds on January 7, 2013-Item #25. These funds will cover a two year period beginning on January 1, 2013 and ending September 30, 2014 and will be used to augment the current Parents as Teachers Program. Upon a motion by Ms. Sutton and a second by Mr. Daughety Item No. 6 was unanimously approved.

Item No. 7 was a Budget Ordinance Amendment: General Fund: Debt Service: \$90,559: Increase: Ms. Martha Martin, Finance Officer, stated the Budget Amendment to appropriate bond premium as a result of the refinancing of the series 2007 school bonds. These funds will be used to offset the costs associated with the refunding of the bonds. The actual amount received was \$90,558.57. Upon a motion by Ms. Sutton and a second by Ms. Brown Item No. 7 was unanimously approved.

Item No. 8 was a Budget Ordinance Amendment: Capital Improvements Fund: Economic Development: \$86,356: Increase: Mr. Mark Pope, Economic Development Executive Director, stated the Budget Amendment is to appropriate funds from NCDOT for a Rail Industrial Access Grant. This grant was approved by the NC Board of Transportation on June 7, 2012 for the construction of an additional rail spur at DOPACA/PACTIV. The grant is to reimburse PACTIV for a portion of its costs of the rail spur. Grant funds in the amount of \$86,355.87 were received on 05/8/2013. These are “pass through” funds. Upon a motion by Mr. Daughety and a second by Ms. Sutton Item No. 8 was unanimously approved.

Item No. 9 was a Budget Ordinance Amendment: General/Capital Projects Fund: Smithfield Sewer Project: \$750,000: Mr. Mark Pope, Economic Development Executive Director, stated the Budget Amendment is to appropriate General Fund fund balance to Smithfield sewer project that was approved by the Commissioners on January 3, 2012, Item #7 This is for the county’s portion of the sanitary sewer project as part of the expansion of Smithfield Foods. \$750,000 of General Fund fund balance was set aside in assigned fund balance with the remaining \$25,000 to come from the capital projects fund’s industrial park improvements line. Upon a motion by Ms. Sutton and a second by Ms. Brown Item No. 9 was unanimously approved.

Item No. 10 was a Proclamation recognizing Emergency Medical Services Week 2013. Ms. Jami Hardy, EMS “B” Shift Supervisor, read the Proclamation to the Board and upon a motion by Ms. Sutton and a second by Mr. Daughety Item No. 10 was unanimously approved.

Item No. 11 was a Resolution Authorizing the Increase of the Fee Schedule for the EMS Division: 2013 Mr. Roger Dial, EM Director, read the Resolution to the Board. Mr. Dial stated the Board is requested to authorize an increase of the EMS Division response fee schedule in order to accommodate the increase in the Medicare and Medicaid charges for the current fiscal year. The requested action is necessary to keep up with the increase in costs incurred to provide services to our citizens. Upon a motion by Mr. Daughety and a second by Ms. Sutton Item No. 11 was unanimously approved.

Item No. 12 was a Resolution Approving the Hiring of Grantham Geographic to Assist in Merging Jones and Lenoir Counties GIS Database NTE: \$3750 Mr. Roger Dial, EM Director, stated the Board is requested to approve a contract with Grantham Geographic to assist the

Lenoir County GIS Department in merging the Jones and Lenoir County GIS databases for an amount not to exceed \$3,750.00. He stated this will be funded out of the NC911 Board approved grant. Upon a motion by Ms. Sutton and a second by Mr. Daughety Item No. 12 was unanimously approved.

Item No. 13 was a Resolution Approving Purchase Order with Coeco Office Systems: \$13,500: FY 12-13 Ms. Susan Moore, Department of Social Services Director, read the Resolution to the Board. Ms. Moore stated the Board is requested to authorize the Social Services Director to execute a purchase order with Coeco Office Systems in the amount of \$13,500 for Alchemy Software indexing licenses. The Department of Social Services is requesting approval to purchase 30 additional Alchemy Software indexing licenses which will allow several additional departments' access to our paperless system. This agreement is necessary in order to accomplish the day to day work activities at DSS. Upon a motion by Ms. Brown and a second by Mr. Best Item No. 13 was unanimously approved

APPOINTMENTS

Item No. 14 was a Resolution Approving Citizens to Boards, Commissions; Etc. Ms. Brown made a motion to appoint Mr. Wiley Dawson to the ABC Board and Ms. Emily Moore to Eastpointe Board. Mr. Rouse stated he wanted to change it and stated he would go back on the Eastpointe Board and would send a proxy if he could not attend. He stated it has always been a commissioner in the past and there is a lot of money involved. Mr. Daughety asked that whoever is the appointee should make reports to the Board. Ms. Sutton seconded Ms. Brown's motion. The motion was passed with Mr. Rouse casting the only dissenting vote.

<u>BOARD/COMMITTEE/COMMISSION</u> <u>N</u>	<u>APPLICANT/CURRENT MEMBER</u>	<u>TERM EXPIRATION</u> <u>N</u>
Lenoir County ABC Board	Wiley Dawson (Re-Appointment) 2nd Appearance	June 2017
Eastpointe Board	Emily Moore	June 2017
Department of Social Services		

BUDGET WORK SESSION

Mr. Davis called the meeting at 2:00 p.m. He stated the Invocation and Pledge would be provided when recessed to the Commissioners' Meeting Room for the regular meeting.

Mr. Jarman stated this Budget Work Session was called due to conversations with several of the commissioners last week. He encouraged everyone to speak openly and said now is the time to talk, since there are so many decisions that have to be made.

Mr. Jarman stated the Volunteer Fire Department issue may be political for some, but he was approaching it from a manager's perspective. He stated Mr. Rouse had questions concerning Department of Social Services and the Health Department. Mr. Hill had questions concerning cuts to the outside agencies, and Mr. Daughety had submitted some suggested cuts. Mr. Jarman said all of these would be addressed.

Mr. Jarman said the funding for the Volunteer Fire Department in FY 2012-13 was \$48,340 and did not put anything in the upcoming budget for them. He stated it was his understanding years ago this money was used to purchase new fire trucks and was rotated to different departments each year. It then became controversial and prior management made the decision to split the funds among all the departments. The decision was based on size of the area and number of stations. He then showed how the City residents were paying 36.55% of this tax, but not receiving an allocation. Mr. Jarman said the Fire District Tax Rates vary and these rates could be adjusted in order to receive the same amount of funding.

Roger Dail was asked if any department had approached him and requested a tax increase. Mr. Dail said no department had yet asked for an increase, and he also told the commissioners they had the authority to increase the tax rate up to 15 cents, as long as that money was used for fire protection within the fire district.

Mr. Hill commended all the Volunteer Fire Departments for the work they perform on such limited budgets, and said he thought increasing the district tax maybe the way to go. Ms. Sutton asked if this would be for all fire districts. Mr. Jarman stated the rates are set for individual districts. Mr. Dail also commended the Fire Departments for their work and said the Fire Departments generally come to the Board whenever they are requesting an increase.

Mr. Jarman said he received a letter last year from someone asking why the City of Kinston didn't get a share of this funding, so there are issues to consider when making this decision.

Mr. Daughety said he was concerned about the Fire Departments having to purchase new radios to comply whenever the new towers are put in place, and Ms. Sutton agreed. Mr. Jarman stated ten positions had been abolished this year to cut costs, and would gladly listen to any concerns, but the final decision would come from the Board. Mr. Davis commended the VFD's for the job they do.

Mr. Jarman presented Mr. Daughety's suggestions to the Board that he received in an email which contained several items. He stated Mr. Daughety suggested cutting spending rather than increase taxes on our citizens. Mr. Jarman stated all departments have provided information for the Board of Commissioners concerning cutting an additional 3% from their departmental budgets and there is a

difference in cutting spending and just reducing employee benefits. He stated raising the tax rate affects all citizens who pay property taxes, including county employees and raising the rate 3.5 cent will increase the bill for a Lenoir County tax payer whose property is valued at \$100,000 by \$35.00. The same rate increase will amount to \$17.50 for the ones who qualify for the Senior Citizens Exemption. Mr. Jarman stated making the recommended changes suggested by Mr. Daughety will cost a Lenoir County Tax office employee with 13 years of experience who earns \$28,000 per year \$6,220. He stated there are several employees who make less than \$28,000 per year. Mr. Davis stated he would not be in favor of anything that would be detrimental to the county employees.

Mr. Jarman stated Item #1 was to "Close all the jails but the new jail therefore eliminating the need for the extra jailers that were added last year with a cost estimated by the Sheriff's Department to be between \$750,000 to \$1 million dollars. Item #2 was "Take the money set aside for the Soccer Fields on Hwy 11S at Skinners Bypass and use that to help close the gap. The last estimate I saw put that figure at \$350,000 but I am sure it probably is closer to \$200,000 by now." Item #3 was "The Commissioners take a 10-20% pay cut. Item #4 was "Tax Office be closed on Wednesdays with regular hours during the rest of the week." Item #5 was "Inspections Office be closed on Wednesdays with regular hours during the rest of the week." Item #6 was "Recycle Centers be closed on Wednesdays with regular hours during the rest of the week." Item #7 was "Consider closing all Recreation facilities on Wednesdays." Item #8 was "Register of Deeds be closed on Wednesdays." Item #9 was "We ask Social Services to look at what if any matches we can eliminate without jeopardizing the essential functions of that department." Item #10 was "We ask the Health Department to look at what if any matches we can eliminate without jeopardizing the essential function of the department." Item #11 "We look at all non-essential operations we are funding that are non-essential such as JCPC and consider not funding them in this budget." Item #12 was "If the Board chooses to appoint Major Hill interim replacement for Sheriff Smith that the position of Major not be backfilled and possibly be eliminated permanently." Item #13 "There not be a Christmas Party funded by the County for County Employees this year." Item #14 "That there not be any bonuses this coming year. I also hope if we get to that point we give the county employees a significant amount of notice so they can adjust accordingly." Item #15 "I suggest we suspend longevity bonuses and that we make it required that you have a minimum of 5 years if not 7-10 years to acquire these bonuses with future employees." Item #16 "I suggest we consider that any future employees have only a 401k with match versus having that and a pension as we currently have."

Mr. Jarman presented each individual item to the Board and each was discussed in detail. Mr. Hill expressed appreciation to Mr. Daughety for his time to put his concerns together and Mr. Davis stated that as a county commissioner the entire county was a priority and not just one's election district. Mr. Daughety stated he did not care about the political aspect and only made these suggestions on what he believed to be right.

Mr. Jarman stated he would like to say, as not to misinform the public, Mr. Daughety's list was sent to him in February 2013 and he did address the commissioners of such. He stated the main points of the list were taking benefits from the employees and he would not be presenting numbers on that information unless specifically asked by the Board to do so and he was not given that instruction. Mr. Daughety stated that he had specifically stated he did not want this to have to happen but if the cuts could not be found elsewhere then "here was the list".

Mr. Jarman presented the information regarding the outside agencies. He presented the 2012-2013 budgeted amount, that amount less 2%, and the difference between the two. Mr. Jarman stated the biggest difference in the allocation was the Lenoir County Public Schools. He stated the schools had received an increase in the current year. Bill Ellis expressed some concerns about cuts in the Recreation Department. Mr. Jarman stated he does have some concern about owning a facility in Pink Hill. He stated the county does own some facilities jointly with the City of Kinston. Mr. Jarman stated from a managerial point of view he thinks Pink Hill should step up to the plate and take some responsibility for the facility and Mr. Ellis agreed. Mr. Ellis also stated if the county is going to provide recreation for the county then it should be the entire county. Mr. Jarman stated the total cost of operating the Pink Hill gym is about \$30,000.

Mr. Hill stated he did not have a problem as long as adequate notice is given and people are given the opportunity to share ideas then a cooperate decision could be made regarding issues at hand. Mr. Jarman stated the county does not own, but manages, the Moss Hill Ruritan Building. He stated the net cost to the county for FY 2012-13 was \$960. Ms. Sutton stated it is the "hub" for that area.

Mr. Daughety stated again he was not advocating taking money from the employees and the "list" was intended to open dialogue and put everything on the table. He stated before considering a tax increase the county should look at in-house first. Mr. Jarman stated in-house had been looked at and asked if the Board wanted to discuss the 3% cuts. Mr. Hill asked if a work week of 9 hours per day, 4 days per week and a 4 hour day on Friday would contribute to energy savings.

Mr. Rouse stated he did not want to see the employees take a pay cut but would like to see the county do less for the same amount. Mr. Jarman stated he would proceed with compiling the budget and Mr. Daughety asked if another meeting could be scheduled to review before the public hearing.

With no further discussion Mr. Davis adjourned the meeting at approximately 5:49 p.m.

Respectfully Submitted,

Reviewed By,

Faye H. Mervin

Michael W. Jarman

Deputy Clerk

County Manager