

MINUTES

LENOIR COUNTY BOARD OF COMMISSIONERS

October 06, 2014

The Lenoir County Board of Commissioners met in open session at 9:00 a.m. on Monday, October 06, 2014, 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 and Commissioners, Roland Best, Mac Daughety, Reuben Davis, Eric Rouse, and Linda Sutton.

Members Absent: None

Also present were: Michael W. Jarman, County Manager, Tommy Hollowell, Assistant County Manager, Martha Martin, Finance Officer, Vickie F. King, Clerk to the Board, Bob Griffin, County Attorney, members of the general public and news media.

Chairman Hill called the meeting to order at approximately 9:00 a.m. Ms. Brown offered the Invocation and Mr. Rouse led the audience in the Pledge of Allegiance.

PUBLIC INFORMATION:

Ms. Brown read a Proclamation declaring the 2014/2015 school year as "Paint Lenoir Purple" in Lenoir County. Upon a motion by Ms. Sutton and a second Ms. Brown the Paint Lenoir Purple Proclamation was unanimously approved.

Mr. Hill stated he hoped our citizens will take advantage of the Drop Off Prescription Drugs Program. Mr. Hill stated this is something that would certainly help our community.

Mr. Hill asked if anyone from the audience wished to address the Board?

John Nix stated he feels it's his duty as a citizen to be here. Mr. Nix stated at the last meeting, the Board approved a raise for Mr. Jarman. Mr. Nix stated he has known Mr. Jarman for many years and he likes Mr. Jarman, but there has been a public outcry about the raise. Mr. Nix stated he would like to address some obvious concerns and offer suggestions. Mr. Nix stated a 15% pay raise is excessive by any standard, and the manager already had a 2% cost of living raise with the rest of the County employees during the budget cycle. Mr. Nix stated in the last year Mr. Jarman had a 17% raise and the Department Heads have been told for years to reduce spending, so how can this be justified? Mr. Nix stated this sort of action breeds contempt among the Department Heads and employees. Mr. Nix stated the Commissioners did not have enough time to review the contract, and it's impossible to reach a reasonable conclusion on an eight page contract in 15 minutes.

Mr. Nix stated; therefore, the decision should have been tabled for further review or it should have been sent out to the Commissioners prior to the meeting. He does not think that happened. Mr. Nix stated the manager is a County employee, not a contractor. Mr. Nix stated committing the tax payers to a four year guaranteed contract with a payout is not reasonable by any standard. Mr. Nix stated we are a Tier One County, where the majority of the citizens qualify for government subsidies, and the tax base does not appear to be in a growth phase at this time. Mr. Nix stated the County does not need to be handing out raises at this time. Mr. Nix stated the Commissioners should rescind the contract, review it more carefully, and introduce a more reasonable contract as part of the next budget process in 2015. Mr. Nix stated that will give each person time to look at the contract comprehensively, look at the money involved, and review the salaries in other counties. Mr. Nix stated we are not Charlotte or Greenville. We are Kinston, Lenoir County, and we have our own issues. Mr. Nix stated he is not saying that Mr. Jarman is not worth it, but he is saying the process was flawed. Mr. Nix stated the citizens have put their trust in the Board to be good stewards of our tax dollars. Mr. Nix stated he is present today to ask questions and hold the Board accountable. Mr. Nix asked the Board to take his suggestions into consideration for the good of the citizens of Lenoir County.

Mr. Hill thanked Mr. Nix for his time and comments.

CONSENT AGENDA:

1. Approval of Minutes: Regular Board Meeting: September 15, 2014.
Closed Session Meeting: September 15, 2014.
2. Resolution Requesting the Establishment of fees for Rabies Vaccinations at County sponsored Rabies Vaccination Clinics.
3. Budget Ordinance Amendment: General Fund: Health: Immunizations. Increase: \$1,553.00.
4. Resolution to approve releases and refunds to the listed individuals.

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

PUBLIC HEARING/RESOLUTIONS

Item No. 5A was a Public Hearing regarding the proposed Rural Operating Assistance Program (ROAP) application for FY 2015. Upon a motion by Ms. Brown and a second by Ms. Sutton, the Board opened the Public Hearing at 9:17 a.m. Chris Harper, Transit Director, stated the Rural Operating Assistance Program (ROAP) includes programs providing assistance for the public transportation of elderly and disabled citizens.

Mr. Harper stated it also provides operating assistance for persons with employment related transportation needs and provides assistance for the public transportation of persons living in non-urban areas of Lenoir County. Mr. Harper stated this grant will run through June 30, 2015. Mr. Harper stated funds are distributed through a formula based allocation. Mr. Harper stated an application must be submitted to the North Carolina Department of Transportation/Public Transportation Division (NCDOT/PTD) in order to receive the funds. Mr. Harper stated the funds are all from the State of North Carolina without County funds attached. Mr. Hill asked if there were any public comments. There were none. Upon a motion by Ms. Brown and a second by Ms. Sutton, the Public Hearing Closed at 9:24 a.m.

Item No. 5B was a Resolution Supporting Lenoir County's Application for the Rural Operating Assistance Program (ROAP). Upon a motion made by Ms. Brown and second by Mr. Best, Item No. 5B was unanimously approved.

Item No. 5C was a Resolution Approving Lenoir County's Application for the FY 2014-2015 Rural Operating Assistance Program (ROAP) Grant and Authorizing Persons to Execute Required Documents for the Rural Operating Assistance Program (ROAP). Upon a motion made by Ms. Sutton and second by Ms. Brown, Item No. 5C was unanimously approved.

PROCLAMATION/BUDGET ORDINANCE AMENDMENTS/RESOLUTIONS:

Item No. 6 was a Resolution approving the purchase and installation of security fencing from Baker Fence and Flagpoles. Chris Harper, Transit Director, stated the fencing will provide better security for the Lenoir County Transit employees and protect the assets of the vehicles. Mr. Harper stated several of his employees have mentioned security concerns especially during the early morning hours between 2:30am – 6:00am. Mr. Harper stated there is a great need for security during early morning hours of operation when drivers have to perform pre and post-trip vehicle inspections. Mr. Harper stated Baker Fence and Flagpoles provided the lowest cost to the County for this project. Mr. Harper stated all local match monies are generated by Transit ticket sales and advertising. Upon a motion by Ms. Sutton and a second by Ms. Brown, Item No. 6 was unanimously approved.

Item No. 7 was a Budget Ordinance Amendment: Transportation Fund: Operations: \$21,358.00. Decrease. Chris Harper, Transit Director, stated this Budget Amendment is to adjust Transit revenues and expenditures for the Rural Operating Assistance Program (ROAP) allocations to actual approved amounts. Mr. Harper stated at the time of adopting the budget, the Transit Department budgeted numbers the same as the 13-14 fiscal year. Mr. Harper stated this will adjust those numbers to the correct amounts. Upon a motion made by Mr. Davis and a second by Mr. Best, Item No. 7 was unanimously approved.

Mr. Rouse asked how Transportation was doing? Mr. Harper stated Transit was doing really well and they have a couple of opportunities regarding advertising. Mr. Harper stated however, the arrangements are not finalized as of yet, so he did not want to mention the names. Mr. Harper stated he is looking at getting sustainable and multi-year advertising.

Mr. Harper stated they are looking at doing things like ticket price reductions or where someone can purchase 8 tickets and get 2 tickets free. Mr. Harper stated overall Transit is doing really well, but at some point when looking at public transportation, we will need to expand services. Mr. Harper stated he wanted to get the ridership back up and in a well coordinated way develop new trips. Mr. Harper stated he is excited and looking forward to growing with good opportunities.

Mr. Rouse asked about the ticket sales? Mr. Harper stated the ticket sales actually pay for more tickets. Mr. Harper stated the tickets sales don't come close to paying for rides. Mr. Harper stated he will be having some discussions with the County Manager and Assistant County Manager to see if he will be able to do something financially. Mr. Harper stated something he wanted to do from day one was to reduce ticket prices, but he's looking at the right timing, and he feels if he can get the advertising going, that will help bridge the gap.

Item No. 8 was a Budget Ordinance Amendment: General Fund: Cooperative Extension Kate B. Reynolds: \$77,270.00. Increase. Tammy Kelly, Cooperative Extension Director, stated this Budget Amendment is to set up funds received from the Kate B. Reynolds grant. Ms. Kelly stated this is the third and final of the installment payments from the grant. Ms. Kelly stated the funds help with the salary of the Market Manager, supplies, the food and nutrition program, and helped to get the EBT System set up at the Farmer's Market. Ms. Kelly stated the grant also helps with the Healthy Eating and Healthy Food Access Program. Upon a motion made by Ms. Sutton and a second by Ms. Brown, Item No. 8 was unanimously approved.

Ms. Sutton asked how things were going at the Market? Ms. Kelly stated things at the Market were going well and she was hoping to get the Solar Panels installed on top of the benches this week. Ms. Kelly stated they have a big event scheduled for Friday and Saturday. The 5 year anniversary of the Mother Earth Brewing Company will take place. Ms. Kelly stated she hopes to have the sidewalks and everything completed by then. Ms. Kelly stated they have the funds to cover it, it's just the time and weather that have prolonged it from being completed. Ms. Kelly stated they are hosting the Committee of 100 next week for their annual meeting and they have a demo by Vivian Howard/Chef and the Farmer on November 22, 2014.

Item No. 9 was a Budget Ordinance Amendment: State Controlled Substance: Sheriff State Controlled Substance: \$3,670.00. Increase. Sheriff Chris Hill stated this Budget Ordinance Amendment is to appropriate funds from the State Controlled Substance Fund to cover the cost of ordering supplies for employee training.

Sheriff Hill stated the State Controlled Fund is not tax money, it basically comes from the arrest of the dope dealers. Upon a motion made by Ms. Sutton and a second by Mr. Daughety, Item No. 9 was unanimously approved.

Item No. 10 was a Resolution to approve a Purchase Order for Two In-Car Mobile Radios and Two Portable Radios: Motorola Solutions: \$10,328.64. Sheriff Chris Hill stated with the addition of the two Middle School Resource Officers, he desires to purchase two in-car mobile radios and two portable radios to be used by new Deputies. Sheriff Hill stated this purchase will be funded by grant money provided by the Lenoir County Public Schools. Upon a motion made by Mr. Davis and a second by Mr. Best, Item No. 10 was unanimously approved.

Item No. 11 was a Budget Ordinance Amendment: Federally Seized Property Fund: Sheriff Federally Seized Property: \$12,170.00. Increase. Sheriff Chris Hill stated this Budget Ordinance Amendment is to appropriate funds from the Federally Seized Property Fund fund balance to assist in the purchase of guns and training materials approved at the 09/15/2014 Commissioners meeting. Upon a motion made by Mr. Davis and a second by Mr. Best, Item No. 11 was unanimously approved.

Item No. 12 was a Resolution to approve a purchase order for 12 In-Car Laptop computers: Dell, Inc.: \$13,744.68. Sheriff Chris Hill stated he currently has many cars with inoperable computers. Sheriff Hill stated the purchase of these laptop computers will give law enforcement the capability of connecting to networks, complete incident and arrest reports, and complete other paperwork required of their position. Sheriff Hill stated Dell is the company chosen by MIS to provide County Departments with computers and equipment. Upon a motion made by Ms. Sutton and a second by Mr. Rouse, Item No. 12 was unanimously approved.

Item No. 13A was a Resolution to approve a purchase order for In-Car Printers and Consoles: B&G Electronics: \$17,250.24. Sheriff Chris Hill stated Deputies currently issue by hand citations for traffic, criminal, and other offenses into a paper book and submit the paper copies to the Clerk of Court. Sheriff Hill stated this will allow Deputies to electronically submit citations, wreck reports, and print warrants as needed while in their vehicles. Upon a motion made by Ms. Sutton and a second by Mr. Daughety, Item No. 13A was unanimously approved.

Item No. 13B was a Budget Ordinance Amendment: Federally Seized Property Fund: Sheriff Federally Seized Property: \$17,251.00. Increase. Sheriff Chris Hill stated this Budget Ordinance Amendment is to appropriate funds from the Federally Seized Property Fund fund balance to purchase thirty-two (32) in-car printers and consoles from B&G Electronics. Upon a motion made by Ms. Sutton and a second by Mr. Daughety, Item No. 13B was unanimously approved.

Item No. 14A was a Resolution to authorize the purchase of DNA Testing from the Center for Advanced Forensic DNA Analysis: \$33,000.00. Sheriff Chris Hill stated in 1996 the body of a 16 year old was found lying in a field. Sheriff Hill stated there were only a few items submitted to the State Lab in the investigation.

They are very restrictive about what they test because of the cost associated and the volume of requests they have. Sheriff Hill stated in this particular case he is firing all of the guns so they can solve the case. Sheriff Hill stated even 18 years later, if DNA is collected from any of the items it can be checked against the CODIS databank for a match. Sheriff Hill stated the science of DNA has advanced tremendously since 1996 and only minute particles of DNA are needed for a full analysis. Sheriff Hill stated a DNA match may unlock the mystery surrounding this case and result in the arrest of the person or persons responsible for this crime. Upon a motion made by Mr. Daughety and a second by Mr. Best, Item No. 14A was unanimously approved.

Item No. 14B was a Budget Ordinance Amendment: State Controlled Substance: Sheriff State Controlled Substance: \$33,000.00. Increase. Sheriff Chris Hill stated this Budget Ordinance Amendment is to appropriate funds from the State Controlled Substance Fund to cover the costs for DNA Analysis Services from the Center for Advanced Forensic DNA Laboratory Analysis. Upon a motion made by Mr. Daughety and a second by Mr. Best, Item No. 14B was unanimously approved.

Item No. 15 was a Budget Ordinance Amendment: General Fund: Sheriff: \$216,575.00.: Increase. Sheriff Chris Hill stated this Budget Ordinance Amendment is to appropriate funding for two additional Resource Officers. This allows the schools to have a Deputy at each of the middle schools. Sheriff Hill stated the Board of Education will reimburse the County with grant funding for two years for the total cost of salaries, benefits, vehicles, equipment, fuel, etc. Sheriff Hill stated beyond the two year grant period, the schools have agreed to continue funding the two officer positions, as long as funds are available. Upon a motion made by Ms. Sutton and a second by Ms. Brown, Item No. 15 was unanimously approved.

Item No. 16 was a Resolution to approve Purchase Orders for Ilderton Dodge and Capital Ford of Wilmington: \$231,902.60. Sheriff Chris Hill stated he has chosen to use Dodge Charges as the standard vehicle for Deputies. Sheriff Hill stated he also chose to use the Police Package Ford Explorer for the Special Response Team (SRT). Sheriff Hill stated the current vehicle used does not allow for the issued equipment to fit into the trunk and it is currently stored in the back seat. Sheriff Hill stated this creates a danger if the vehicle is involved in a collision, because it does not allow for secured storage of the equipment. Upon a motion made by Ms. Sutton and a second by Ms. Brown, Item No. 16 was unanimously approved.

Chairman Hill asked if this purchase kept the County in the framework of the existing vehicle replacement program and also is there money left in the original budget? Sheriff Hill stated this will deplete the monies and he does not have any funds left to purchase vehicles.

Item No. 17 was a Resolution approving appointments of citizens to boards, commissions, etc. None at this time.

CURRENT VACANCIES: Lenoir County Health Board – (1) Optometrist

Item No. 18 was items from the County Manager. Mike Jarman, County Manager, stated the NCACC has asked the Board to view a five minute video regarding recent Legislative actions. Mr. Jarman stated he met with some NCACC Board members last week and they discussed the possibility of some of our Board members serving on some of their committees, so they may be giving some of you a call.

Mr. Jarman encouraged the Board to read the information that the Association sends out. Mr. Jarman stated some of the items are of importance, like the last two they mentioned that affect property revaluation and the funding of schools. Mr. Jarman stated it's good to try and stay abreast of information that will affect the whole State, especially in the economic times we are in.

Mr. Jarman stated everyone should have received an email on Friday from Electrolux. Mr. Jarman stated he spoke with John McAllester. Mr. McAllester asked if the Board members could join with them to celebrate their 25th year anniversary on Saturday from 11:30 – 1:00. Mr. Jarman stated the County is very appreciative of Electrolux being here as a corporate partner and they have employed a lot of our citizens. They have been great for the community. Mr. Jarman stated if the Board did not receive the information, he can get it to them, so they can respond.

Mr. Jarman stated the other items from the County Manager are the Lenoir County Inspections Permit/Inspection Report. Mr. Jarman stated nothing is out of line, so unless the Board has any questions, he had nothing to discuss regarding the two reports.

Mr. Hill stated in regards to Electrolux, many people in the community don't realize what Electrolux has done for Lenoir County. Mr. Hill stated in the email from Mr. McAllester, it mentioned they have turned out over 21 million dishwashers since 1989. Mr. Hill stated that is amazing, and we need to continue to support our corporate citizens who are doing great jobs. Mr. Hill stated he plans on attending and hopes others will as well.

Mr. Rouse stated unfortunately the new Wildlife Boat Ramp was not long enough to extend all the way to the base of the river. Mr. Rouse stated the boat ramp is shut down because we currently have a lot of high water, and it is projected to remain this way for some time. Mr. Rouse stated they are working on extending the ramp further down into the base, and until the concrete cures, it will be shut down. Mr. Rouse stated he received a couple of complaints about the pot holes out at Skinners By-Pass. Barnhill Construction will be making repairs and will be repaving the entire intersection since they are responsible for the up-keep. Mr. Rouse stated he received a letter from a Mr. Brooks regarding the condition of a property next to his house. Mr. Rouse stated the person who purchased the property has moved away and has only cut the grass once this year. Mr. Rouse stated he has been through this before and there is a process that they have to go through to get them to cut it.

Mr. Jarman stated he did not have a copy of the letter and we don't have a minimum housing standard. It is very limited to what you can enforce outside the City limits. Mr. Jarman stated the city has more enforcement measures. Mr. Rouse stated this has got to be a health hazard. Mr. Jarman stated sometimes it's pretty complicated for it to get to the point of being declared a health hazard, because it must affect enough people to make that apply. Mr. Jarman stated Mr. Huff can address that issue if needed. Mr. Jarman stated it would be very complicated for him to take action.

Ms. Sutton stated we have been faced with some situations like this before.

Mr. Hill stated with his short time on the Board, this is the second time he had something like this come before them and the other one came from the Hugo area.

Mr. Rouse stated the Hugo situation had open trash lying around. Mr. Hill stated the situation he is speaking about was regarding a dilapidated roof that was caving in on a home that was worth over \$200,000. Mr. Hill stated if we rode around throughout the communities, we would probably see some of the same.

Mr. Jarman stated he will take the information, review it, and see if any of our existing Ordinances apply.

Mr. Daughety stated this is something the Board should think about. Mr. Daughety stated, just imagine if you lived in a neighborhood where you invested your money, your house, your property, and through no fault of your own the surrounding property presents an ugly appearance. Mr. Daughety stated this affects the value of your property and in a lot of cases it becomes an invitation for activities you don't want in your neighborhood. Mr. Daugehty stated this is becoming more of a problem in the County and it's something we as a Board ought to think about.

Ms. Sutton stated it would not hurt to address it again, but just for historical information, the Board has tried to address this issue one time before. Ms. Sutton stated what happened was the folks that made the request only wanted it as long as nobody told them what they could do to their property

Mr. Hill stated then you have the big issue with the amount of farm land we have and those structures. Mr. Hill stated you have a lot of different issues, but it certainly wouldn't hurt to investigate what other communities have done and bring it back for review.

Mr. Jarman stated when you're talking about imposing more government restrictions and passing an ordinance, it is no good unless you enforce it. Mr. Jarman stated you will then need staff to enforce and that will impact your budget. Mr. Jarman stated he agrees with the concerns, but it is not as simple as it may sound.

Ms. Sutton asked if anyone had considered reservations for the Christmas function, because places are booked early during that time of the year. Mr. Jarman stated we will see what is available and let the Board know.

Mr. Davis asked was the County receiving some type of incentive for purchasing a year old vehicle when 2015 models are available?

Mr. Jarman stated we are purchasing them off of the State contract, so it is a set price for the 2014 model and it goes up for the 2015 model. Mr. Jarman stated the difference is just a lower price and they didn't change the State contract price to try to liquidate the 2014 models. Mr. Jarman stated we are purchasing the 2014 models while we can capitalize on the lower price.

Mr. Rouse asked who was responsible for the contract, the State or the Association of County Commissioners? Mr. Jarman stated he did not know which State agency, but it's the State.

Mr. Hill reminded everyone of the Wake-Up Lenoir Program at 7:30 tomorrow. Mr. Jarman, Mr. Pope, and the City Manager will be speaking. Mr. Hill stated he hoped all members had registered for the event. Mr. Hill also mentioned that the Local Prayer walk is going on. It started on September 10th and will go through October 31st. Mr. Hill stated you will see citizens from all across the County involved in the prayer walk. Mr. Hill stated maps are available by contacting Ms. Barbara Perry, Cindy Mallard, Jason McKnight, or Steve Jefferson.

Ms. Sutton stated they are emphasizing you don't have to get out and walk, you can ride your area.

Ms. Brown stated Ms. Wanda Hall, Director with the Gate, will be getting married and moving to the Virginia Beach area at the end of this month.

Mr. Hill stated Ms. Hall has done a very good job here in Lenoir County.

Mr. Steve Ragan addressed the Board. Mr. Steve Ragan stated he is not a resident of Lenoir County. Mr. Ragan stated last year he and his family decided to sell their house and move because of the property tax increase. Mr. Ragan stated he remembered vividly Mr. Jarman talking about a sales tax increase because it went to a vote. Mr. Ragan stated that was shot down. As a former property owner in Lenoir County, he was burdened by the taxes. Mr. Ragan stated he has decided tentatively to move back to Lenoir County from Craven County. Mr. Ragan stated that in Craven County, within the City limits of New Bern, he can pay Craven County taxes and New Bern City taxes cheaper than Lenoir County. Mr. Ragan stated as a home buyer or a property owner, or soon to be, he doesn't have a very good feeling about coming back to Lenoir County, because of the raise given to Mr. Jarman. Mr. Ragan stated Craven County reduced their property tax by a quarter cent two years in a row. Mr. Ragan stated they took the time to make some tough cuts and look at their budget.

Here in Lenoir County taxes have actually gone up, so as somebody from the outside looking in on these meetings, will I get double the service, do I get double the Fire Department, do I get double the water, double the services I can acquire in the surrounding Counties. Mr. Ragan stated he wanted the Board to be aware that in this time of the financial woes for the entire Country, he has been to several of these Board meetings watching the Board just check yes to \$100,000 and \$70,000 expenditures. Where does somebody draw the line? Mr. Ragan stated everybody wants to have a brand new house and car, everybody wants the best of everything, but you have to cut expenses, you can't have the best of everything all the time. Mr. Ragan stated he would love to hear the commissioners explain to him why he would even want to move back to Lenoir County to double his taxes? Why should he move into the city limits to triple his taxes, when the median income in Lenoir County is just around \$30,000-33,000, and you are going to give somebody, no offense personally, but you are going to give somebody an increase over a four year contract that is two years worth of salary for a median income person in Lenoir County. Mr. Ragan stated people are leaving Lenoir County because there are no businesses and no jobs. Mr. Ragan stated most people who live in Lenoir County are commuting to Goldsboro, Greenville, or Craven County. Mr. Ragan asked the Board what are you working on to bring new businesses to Lenoir County. Mr. Ragan stated the Board needs to think about what they are doing.

Mr. Hill thanked Mr. Ragan for his concerns and comments.

Mr. Jarman stated he understands when the viewing public is watching the meetings, and the majority of the times the Board is saying yes. Mr. Jarman stated, the reason it's going to be a yes at this point is because the Board has given County Departments specific instructions. Mr. Jarman stated the Board does not want something brought to them unless there's a revenue source to cover the cost or there's complete justification that the expenditure is needed. Mr. Jarman stated Department Heads get their budget instructions and limit what comes to the Board. Mr. Jarman stated sometimes requests come to County Administration during the budget process and we will say no. You never see it as a Board. Mr. Jarman stated the ones you seen have gone through a process and we feel they are highly justified and need to happen or there's a revenue source to cover it. Mr. Jarman stated there are times when things go directly to the Board, like school Resource Officers that are funded through a grant. It didn't come through the process but you told them no last year. So by the time its gets to the meeting it's going to be a yes and rightfully so. Mr. Jarman stated sometimes the Board will question an item pretty strongly, and get us to look at something we haven't considered. Mr. Jarman stated you have a highly experienced group of Department Heads that know you will say no, so they clean it up before it gets here.

Mr. Hill stated in regards to what this Board has done over a period of time, these elected officials have passed the first unanimous vote on the budget in over 20 years in Lenoir County. Mr. Hill stated the Board collectively made a decision supporting management to privatize the non-emergency transport system.

That decision moved public employees from our payroll to the private sector. Mr. Hill stated we've voted to eliminate our participation in the East Carolina Council and the Eastern Alliance when we decided their services did not justify the expenditures. Mr. Hill stated we worked collectively to improve the process and appointment of citizens and board representatives to decision making commissions. Mr. Hill stated we eliminated the signage regarding dangerous weapons at our drop-off sites and worked with the hours of operation at the dump sites. Mr. Hill stated we voted to remove funding for the volunteer Fire Departments from the General Fund and place it in the appropriate Fire Tax for each District. Mr. Hill stated we have consolidated 911 services with Jones County, which saved this County hundreds of thousands of dollars and millions of dollars for the Radio Upgrades. Mr. Hill stated we are doing a lot of things to try to offset costs. Mr. Hill stated; however, the Board does have items that certain people are not going to agree with. Mr. Hill stated, he hopes in moving forward, we can develop a subcommittee, a Human Resource committee of this Board, to examine those employees that are directly appointed by this Board. This includes the County Manager, the Clerk, the Tax Assessor and the County Attorney. Those are the four for which this Board is responsible. Mr. Hill stated he would like to work with County Administration to look at the salary structure of all of our employees. Mr. Hill stated we can always do something better and I am not stating that this whole process is perfect, it never was and it never will be perfect. Mr. Hill stated; however, we can try to improve because it was a process that had not ever been entered into in any form in over five years and it really hadn't been entered into in any manner for almost ten years. Mr. Hill stated so in that process alone the Board started behind the eight ball. Mr. Hill stated leadership is a commodity. It is brought and sold every day in the public and in the private market. Mr. Hill stated the action of this Board at our last meeting secured a Manager in a legal binding contract and hopefully this will protect the County as we move progressively into the future. Mr. Hill stated we provided our Manager with the security he needs to be retained here in our County. Mr. Hill stated he is sure that in moving forward, we will look for ways to minimize our overall administrative costs while providing the appropriate salaries to all employees in Lenoir County. Mr. Hill stated it is his hope in the coming months that we will establish a subcommittee of this Board to deal with Human Resources and develop an evaluation instrument for the Manager, a timeline for implementation, a clearer procedure for dealing with contracts, and a comprehensive salary and benefits study of all of our employees. Mr. Hill stated, with that being said, I commend those who have spoken out on both sides of this issue and I hope all will allow this Board to continue working together for the betterment of this County.

Ms. Sutton stated as Mr. Ragan said it does appear the Board always says yes; however, by the time the Board gets to the meeting, the homework is already done, if we're doing our due diligence. Ms. Sutton stated if there is something on the agenda and she questions the source of the funding or anything else about it, she will call Mr. Jarman or call Mr. Hill. Ms. Sutton stated for the members to wait until they get to the meeting is irresponsible, because you are to do your homework before then. Ms. Sutton stated she has heard it also mentioned several times here that the Board giving Mr. Jarman a raise was a sore thumb with the Department Heads.

She would like to point out that she thinks many of the employees here would tell you, if it were not for Mike Jarman, the employees would not have gotten a 2% increase because he has pushed and made it a priority. Ms. Sutton stated Mr. Jarman felt like the employees needed something and he made the Board realize this. He is always pushing for a regular pay increase for the employees. Ms. Sutton stated she feels like some of the people may be misleading others about that and there are others that don't understand. Ms. Sutton stated she is not saying that there are not any disgruntled people out there, but they need to understand the process and know all the facts before they jump off and say something, when they don't know the true facts. Ms. Sutton stated this Board has worked hard and done due diligence, the most she has ever seen on our budget, and she credits a lot of the leadership to Mr. Hill, as well as our members. Ms. Sutton stated the Board really has looked at what they could cut, and like Mr. Hill said, they are not perfect. Ms. Sutton stated sometimes people are looking with different eyes but I think we've made it an open process and we are glad to listen to anybody. We appreciate peoples' comments, but it doesn't mean we will always agree. The Board has to look at it from a different perspective. Ms. Sutton says she welcomes the involvement of more people, because that way the people will get educated and understand it's not just coming to the Board and receiving a rubber stamp. Ms. Sutton stated she can appreciate people who come and voice their opinion instead of those that don't ever come and listen and see what goes on.

Ms. Brown stated another thing they need to look at is that Lenoir County has an elderly population and that contributes to some of things like taxes, and others that are going on. Ms. Brown stated when we can do something to entice our young people to come back to Kinston and Lenoir County, then and only then, will we be able to raise our base.

Mr. Rouse stated one of the things the Board needs to take away from this whole situation is the fact the way the whole thing has developed. The Board represents the people in this County and the last thing you want is for the people to feel like they are not being heard or getting a fair shake. Mr. Rouse stated that he is starting to see things along those lines. Mr. Rouse stated he asked Mr. Jarman to identify the last time the Board of Commissioners had voted no on spending any money and he believes they are still researching. Mr. Rouse stated his concern is the people feeling like the Board is out of touch with them. This is what he was hearing today, and he thinks the Board needs to do more to make sure we reflect the sentiments of the people. Mr. Rouse stated we are privileged to information sometimes that not everybody has, and they have to trust us to make the right decision. When they come we still have to listen to them.

Mr. Hill stated the decision of this collective Board cannot be made in the court of popular opinion, or the new court of social media, or in the editorial of our local press, or when the minority screams louder than the majority. Mr. Hill stated the decisions of this Board must be made within the constraints of our meetings and within the procedures established by law. Mr. Hill stated where some of you say the time frame was too short to make a decision of this magnitude and where the salary and term were too much, I would disagree based on the support expressed regarding the Manager in our closed session.

Mr. Hill stated the votes demonstrated a favorable majority in our open session. We can just agree to disagree on this. Mr. Hill stated he certainly did not intend, and if there was at any point in time in this that he disrespected the dissenting votes, he apologizes for that because that was not his intent and he did not mean for it to happen that way. Mr. Hill stated the Board has a great working relationship and we will continue to try and build this relationship moving forward. Mr. Hill stated the Board has made some tough decisions and we are going to be asking Mr. Jarman to make some difficult decisions in the near future as well.

Mr. Daughety stated he has listened to what everybody was saying and there is merit on both sides. Mr. Daughety stated what he is going to say is what he has been saying for the past three years. Mr. Daughety stated this is a very tough and difficult job and there are often very tough choices, but I said all along and I still firmly believe there is some merit to what Mr. Ragan said, and I firmly believe that we are at a point with our property tax that we have to figure out how we can do something to provide some relief to the tax payers. Mr. Daughety stated if we don't control the spending and we don't start to provide relief for our tax payers, then we are going to see this property tax become where we are in a position of diminishing return and we're having even higher property taxes. Mr. Daughety stated because of that we have people moving assets out of the County or people choosing to live in a different area. Mr. Daughety stated we have to be very careful moving forward, because we are at that point now with the property tax, where if we do anything else we will start trending in a negative direction. Mr. Daughety stated he hopes, as we go forward, we can continue to provide places of relief and move the trend back down. Mr. Daughety stated we are in a very precarious situation now from the property tax at the rate it is now.

Mr. Hill stated I think the conversation that we have started is the conversation we started with our school system about long range planning. Mr. Hill stated how school capital expenditures would impact our budget if they don't fully utilize their current facilities and operations. Mr. Hill stated those are huge sums of money and avoiding huge increases may keep us out of an additional bond issue, that we must avoid at any cost. Mr. Hill stated we do remember that the existing increase in property tax only paid for the debt service on the school bonds that the citizens voted and approved. Mr. Hill stated this is where that was applied and so we are in a very difficult situation, and I understand that; however, there will be some times when there's going to be absolute increases that have to occur. Mr. Hill stated when you look at the cost of the Eastern Alliance Region and the Eastern Council, we felt like we were not getting the services we were paying for out of these. Mr. Hill stated just those two items alone were over \$50,000.00 a year. Mr. Hill stated they had been in our budget for almost 20 years and now they are gone. When we didn't have to build an E-911 backup system, like every other County, and we chose to partner with another County, that's millions of dollars saved. Mr. Hill stated this was done by the acts of this Administration and this Board. Mr. Hill stated he knew the decision to remove the \$58,000 from the General Fund to the Volunteer Fire Departments was a difficult decision and hit hard.

Mr. Hill stated the decision of this Board never intended to cut Fire Departments funding, it simply was to get it out of the General Fund and place it in a fund where the taxes in those districts would fund those Fire Departments. Mr. Hill stated the Board's intention again was not to cut the Fire Departments, in fact the statement was made that if they needed additional funds they needed to address it in their district tax rates. Mr. Hill stated there is not a single person on this Commission that voted to cut the money from the Fire Departments. The Fire Departments themselves chose not to raise their Fire District Tax, so they cut themselves. That's what happened and this has been misconstrued. Mr. Hill stated we were not in closed session for 15 minutes, we were in closed session for over an hour. Mr. Hill stated he did not share the contract in the open session because that was not something we have done before. I shared that information based on the trust that we have built over time. Mr. Hill stated if I devalued that trust based on that particular decision, that was not my intent. It was based on how the Board has operated with previous issues like this. Mr. Hill stated there are reasons like with Economic Development, situations that come before the Board. Very similar and we don't put those items before the commission before we go into closed session. Mr. Hill stated I am sorry that this has gotten muddy because there is no good time to address a contract. Mr. Hill stated we have made a lot of progress and we will continue to make progress.

Mr. Jarman stated Mr. Hill did a really great job in bringing up some of the budgetary issues. Mr. Jarman stated just a reminder so people would understand some of the different issues this Board has had to deal with. Mr. Jarman stated the school bonds were issued in 2007 and 2008. They were passed by a vote of citizens and they approved them knowing it meant a 5 cent tax increase. Mr. Jarman stated the Local Government Commission told us a 5 cent increase would cover the first issue, and then in two years, we would need another 4 1/2 cents to cover this debt service. We said we would try to do something to not raise it. Mr. Jarman stated the Board did that and between the recession hitting us in 2008 and with us not doing what the Local Government Commission said, it would take the increase to pay the debt service. Mr. Jarman stated our debt service is over 12% of our budget and anytime you get to that point, it severely restricts what you can do. This last increase of 3.5 cents was just to meet the debt service on the school bonds. Mr. Jarman stated prior to this tax increase, it had been covered by cuts in other areas. We have been working hard to protect the citizens. Mr. Jarman stated he understands the property tax rate is high, but we also understand that rural communities are going to have a higher property tax rate and if you live in Carteret County, where there are a lot of high valued beach homes, you can have a 30 cent tax rate. Mr. Jarman stated the main thing he wanted everybody to understand is the increase was there for the debt service on school bonds voted for by the citizens, and we've been doing a lot of things to keep it from coming back to future tax increases.

Ms. Sutton stated she felt there was not a single person on the Board that is not concerned about taxes. Ms. Sutton stated she has elderly parents and she and her husband both are retired. Ms. Sutton stated everyone on the Board has been very serious about taxes and this was stated from day one. Ms. Sutton stated at the budget meeting, all were asked to bring any ideas or suggestions and any ways to cut expenditures. We all share this responsibility and I would love to see more ideas brought forward.

Meeting Adjourned at 10:11 a.m.

Respectfully submitted,

Reviewed By

Vickie F. King
Clerk to the Board

Michael W. Jarman
County Manager