

**PITT COUNTY BOARD OF COMMISSIONERS**

***Budget Workshop***

**8:30 A.M.**

**Tuesday, May 22, 2001**

**Commissioners' Auditorium, Second Floor**

**Pitt County Office Building, 1717 West Fifth Street, Greenville, NC**

Commissioners present:

David Hammond, Chairman  
Glenn Bowen, Vice Chairman  
Tom Coulson, Commissioner  
Eugene James, Commissioner  
Tom Johnson, Commissioner  
Mark Owens, Commissioner  
Randy Royal, Commissioner  
Terry Shank, Commissioner  
Beth Ward, Commissioner

Staff present:

Thomas B. Robinson, County Manager  
JoAnne Burgdorff, County Attorney  
Susan J. Banks, Clerk to the Board  
Arlen Holt, PIO and Cable Coordinator  
Melonie Bryan, Director of Financial Services  
John K. Bulow, Assistant County Manager

**Call to Order**

Chairman Hammond called the meeting to order.

**Prayer and Pledge**

Invocation was offered by Chairman Hammond.

Pledge of Allegiance was led by Commissioner Johnson.

**Approval of Agenda**

**UPON MOTION** by Commissioner James, seconded by Commissioner Shank, the Board voted unanimously to approve the agenda as presented.

**Preliminary Budget Overview – Tom Robinson, Melonie Bryan**

Mr. Robinson said this is a preliminary budget, not a recommended budget. He said they are still working with some of the departments on their figures. This budget is short \$2 million. He said the level of services and the ability to provide the services is what is of concern in this budget. He said the County can not continue to increase the level of services over years and not increase the level of funding. He said there is a \$1million increase in this budget. Schools have a \$1.6 million increase, with the Courthouse a \$800,000 increase and a total of \$4.3 million or seven-cent equivalent on the tax rate in requests. He said it is hard to meet these needs with the level of funding that is available. He spoke about lost revenues due to revaluation being in the fifth year of the eight year cycle.

He stated that fifty-three counties raised their tax rate in 14 years. He reviewed a chart comparing tax rates. He said a large number of counties are facing the same problems this year especially with Medicaid increases.

Ms. Bryan reviewed the notebook given to the Commissioners and what was included. She said there are some other possible dates proposed for additional meetings. She said that the Manager had talked about a continuation budget this year while waiting for the State to make their determinations.

Ms. Bryan stated she anticipates greater delinquent taxes to be collected next year and is requesting a position in the tax office that will pay for itself. There is a flat rate for sales tax since the flood. It has leveled off which is directly related to economy and flood. Ad valorem tax has increased but sales tax is flat. There is \$2.2 million in new money from last year to this year. Interest earnings are budgeted. She anticipates spending \$1 million of fund balance in this current year because the Governor held back around \$800,000 from Pitt County in inventory taxes.

Ms. Bryan said that \$6.5 million will be added to the fund balance figure because of the Hospital fund. Commissioner James asked about the funds excluding the Hospital revenues. Ms. Bryan stated that the State restricts some of the fund balance for future purposes. Ms. Bryan said that this Board adopted a policy that the Hospital funds would not be spent, only the interest would be used.

The Board discussed the possible use of fund balance to help fund the next year's budget. Commissioner Ward said that she does not believe in using fund balance for recurring expenses. It should be used for one-time expenses.

Ms. Bryan said that the State held \$800,000 back from the County this year and the stock market did not perform as anticipated. Medicaid expenses are \$300,000 more than anticipated. Commissioner Coulson said he asked back in March why the Board does not put money in a sinking fund. He said the economy ebbs and flows. The citizens are already suffering and if the County has money being held, then the citizens should not be asked to pay more in taxes.

Ms. Bryan stated that there are increases in health insurance, two percent cost of living raise was included and that the departments have maintained flat or decreased budgets.

Commissioner Shank said she would like to hear from the Departments before the Board starts asking questions. Vice Chairman Bowen asked about the Governing Board's budget and the decrease of 8.17%. Ms. Bryan stated that the conservation easement funds were put in the Governing Board's budget. Commissioner Ward asked Ms. Bryan to address items that have jumped out at the Board without the Board asking questions.

Ms. Bryan stated:

- ? Financial Services has an increase due to a requested position. She said there is too much work without enough people.
- ? Tax Assessor budget also requests a position. She stated that this position will pay for itself.
- ? Public Information increases by one position which the Board previously approved.
- ? Project with MIS - Coordinated permitting service
- ? Recovery Operations Center is now a County expense. Commissioner James asked when the County is going to stop spending money on the flood. Ms. Bryan said the County will stop this operation when the needs have been addressed. Mr. Robinson said there are continual ongoing needs in this area and he invited Commissioner James to go to the Recovery Operations Center and see the people that are going in there. Ms. Bryan said there is one employee working on the buy-out program. They are closing on five to six houses a week. Commissioner James said he is for helping these people but he wonders if the County is dragging its feet. Mr. Robinson said this takes a lot of staff time to do the research on titles prior to tearing down these houses. He said if you go to areas that have suffered a storm like Pitt County, they will still be working on these projects five to six years later.

Mr. Robinson reviewed major changes to revenue and expenditures in the budget. Chairman Hammond asked about the increase in health insurance. Mr. Bulow said that this is a self-funded hospitalization plan and this is the first year the rate has had to reflect the cost instead of the County covering it. Mr. Bulow said there is a 19.6% increase in this year's hospitalization plan. Chairman Hammond said that the North Carolina Association of County Commissioners gave a projection that the State's hospitalization fund would go up thirty percent this year. Commissioner Coulson questioned the use of the funds to keep insurance rates down. Mr. Robinson said the employee contribution is covered by the County. Commissioner Coulson asked that the staff look for the best benefit for the employee. He stated that possibly instead of giving a two percent increase to cover the family insurance. Mr. Bulow stated that when the rate goes up, the reserve has to go up. Around \$700,000 has to be kept in reserve in addition to some other expenses. This insurance increase will effect only the employees that carry family or parent/child coverage because the County will cover the employee's insurance.

Vice Chairman Bowen spoke about the purchase of the 800 trunking system and how the County was supposed to pay for it. He also asked about the County Garage. Ms. Bryan said there will be some use of outside vendors to pay for some of the services at the County Garage. It will be a more efficient operation. Commissioner Ward said the garage is not closing, but it will be run more efficiently. Ms. Bryan explained the plan for the County Garage. Ms. Bryan spoke about providing cost of living versus covering family or parent/child coverage. Ms. Bryan said she did not want employees to cut their insurance for their children or dependents. Commissioner Coulson asked staff to run the figures with options on paying employees to cover the expense of insurance. Commissioner Coulson said you can pay the employees now or later. Mr. Bulow stated that the City of Greenville pays 60-70% of dependent coverage. He said this is a problem nationwide. Commissioner Ward said many times State employees come home with less money when there is a raise and increase in insurance. Chairman Hammond said it is an insult to give someone a raise and they bring home less money. Mr. Robinson said the insurance consultant has informed the County that the increase is largely from medications.

Chairman Hammond called for a break.

Chairman Hammond called the meeting back to order.

Ms. Bryan reviewed the revenues, taxes and fees. Chairman Hammond asked about the 911 wireless fees. Ms. Bryan said the State gets \$.80 per wireless line. Vice Chairman Bowen asked how much the 911 fee it would have to be increased to cover the \$12 million expense of the 800 trunking system. Ms. Bryan said the plan is to raise the fee to \$2.00 for a ten-year period.

Ms. Bryan provided a list of requests of funding from outside agencies. She also reviewed requests for positions totaling 8.75 positions. She said many of the positions would generate the revenues to cover the cost of the position and provide additional revenues. She reviewed vehicle requests. Chairman Hammond asked about some of the cars being replaced. Ms. Bryan said the deputy vehicles only get three to four years of service because the type of usage. There was a proposed capital improvement plan introduced with a total of \$27,484,591 for 2001-2002. A debt service summary for 1995-2015 was provided. Ms. Bryan also provided a copy of the short-range goals and objectives the Board adopted on March 21, 2001 and the status of those items. Medicaid has increased 18.06% in the last year. A graph on education funding was provided. Mr. Robinson said the loss of revenue from Procter and Gamble also has had a significant effect of the budget. Property valuation went from Fiscal Year 2000 at \$5.7 million to Fiscal Year 2002 at \$6.15 million.

### **Elections – Margaret Hardee**

Ms. Hardee stated they have noticed the County Manager's cuts. They are concerned about the cuts to the pollworkers/temp labor category. She said they expect to have three elections in this fiscal year. In Greenville they have twenty-four precincts. She said they may delay their elections if they cannot get their redistricting ready in time. She said with either case, she said they would be ready during this budget period. She said they are way behind in purchasing voting equipment. Ms. Hardee

said Mr. Robinson has discussed with her the improved voting equipment that would not cost as much in labor or space for storage. Mr. Robinson said the newer machines are like enhanced laptops and it eliminates the need for some many pollworkers and large storage space. They are looking at the costs of this equipment. The current system is very labor intensive. Vice Chairman Bowen asked how old the machines are that are being used. Ms. Hardee said the machines are about ten years old. Ms. Hardee said several companies are offering deferred payment on voting equipment. She stated her appreciation from this Board on the proposed legislation about voting at any precinct. However, she stated that the City Council not only did not support it, but voted to oppose it. She said she plans to pursue this concept. Ms. Hardee said the City made a resolution as a safety net, in case they do not get pre-clearance from the Justice Department, otherwise they will continue to hold their election in November, 2001. Chairman Hammond asked about the new machines. Commissioner Coulson asked Ms. Hardee state explain the AVAP as Any Voter Any Precinct which was a plan to eliminate problems with voters going to the wrong precinct to vote. She said this plan is to make each precinct independent so any voter could go to any poll by using computer equipment at each precinct. Ms. Hardee stated the City Council did not want this tried on them and wanted the system perfected before used on them. Commissioner Coulson asked if the requirement for positive identification was mentioned at the Greenville City Council meeting. He asked Ms. Hardee's opinion on this requirement. She said she had been told that this had been introduced in the Legislature many times but every time it has been voted down. Commissioner Coulson said there is nothing that prohibits a local board from requiring it. Ms. Hardee said she had checked into this and stated that they follow the State laws and requirements. Commissioner Coulson said a local Board of Elections could ask for positive identification at the polls. Mr. Robinson said the City Manager said they were afraid that one poll may be inundated on the day of election. In addition, he said there would be a cost for equipment for the start up. Ms. Hardee said they wanted to do it when there was not a huge election. She stated that a disadvantage was that the City Council members would not know which poll to electioneer at if people could vote at any precinct. Commissioner James said that he sees a 26% increase in this budget. Ms. Hardee said there are 459 pollworkers, there is a lot of redistricting to do this year, and a lot of purging records. Commissioner Coulson said these numbers are times three for each pollworker for three elections. Mr. Robinson said that Ms. Hardee does return money at the end of the year if it is not used. Ms. Hardee stated that she and Commissioner Coulson have discussed closing the County offices and have the County employees work the election or use teachers from the schools. She stated there are thirty-eight precincts open on Election Day. Ms. Hardee spoke about sharing the building with the ABC Board.

Commissioner Ward spoke about how well the one stop voting time period had worked. She said it is a very smart process and worked well. She asked that Ms. Hardee review the statistics on how this affected the Election Day turnout. Commissioner Coulson said he wants to see a demonstration on the proposed equipment. Commissioner James said the increase that Ms. Hardee is asking for is too much. Commissioner James said he does appreciate her turning money back in but he feels this budget needs to be lessened. She spoke about the voting machines and temporary help. Commissioner Shank said she does need to look at utilizing technology and move along with the one stop voting. Ms. Hardee said she wants Pitt County to be a leader in the elections area.

### **Sheriff / Detention – Sheriff Mac Manning**

Sheriff Manning spoke about the public's expectations of the Sheriff's Department and law enforcement. The population in the County has grown and the total County population has a direct impact on the services delivered or needed by the County Sheriff's Department. The cost for service is mainly reflective of the rural population. The numbers of civil processes indicates they are getting more work and doing a better job meeting those services. There is a nine percent increase in the criminal process. The grantwriter helped prepare some of this information. Calls for Service have increased with the increase in population. He stated that violent crimes in Pitt County such as murder, rape, robbery, and aggravated assault, have been on a decline since 1997. Motor vehicle theft and larceny have been on an increase. Unemployment affects crime rates. Sheriff said that there is more money lost in white collar crimes than in breakins and such.

Things that are impacting the Sheriff's Office with more requirements:

- ? Crime Victim Rights Act of 1999 - affects every element of the law enforcement system
- ? Arrest notifications to schools
- ? Video poker registration
- ? Firearm purchase permits
- ? Federal Gun Control Act (Lautenberg Act) - prohibits people with domestic violence from getting their gun back, the Sheriff's Office has to check on these citizens
- ? State Wanted Entries for Pitt Co. arrest warrants that are returned unserved - were just sitting in Clerk of Court's Office, any unserved warrant returns to Sheriff's office and they are following up on these warrants
- ? Inmate Work Crews
- ? I.D. Lab & Evidence Storage Facility
- ? Crime Prevention Program (loss employee last month to a hirer paying position)
- ? Computer Software Improvements
  - Jail Records Management Software
  - Records Management Software
    - +Field reporting for four community field offices
  - Computer Aided Dispatch
- ? Jail Revenue
- ? Special Response Team
- ? Dive Team
- ? Crisis Negotiation Team
- ? Water Emergency Response Team
- ? Volunteer Mounted Patrol
- ? Venturing Crew
- ? Domestic Violence Unit
  - ✍ SLAM Jam
  - ✍ Messages (Violence/Drugs/Gangs)
  - ✍ Hosting a national D.V. Conference
  - ✍ Collaborating with SAVE Chapters
  - ✍ Over 800 DVPO a year
  - ✍ Over 1,500 follow-up contacts with victim
  - ✍ 24 hour/7 day coverage
  - ✍ Cellular Phone Drive

A records clerk handles all these things in the Sheriff's Office. He stated there is a check and balance system for gun permits. The Sheriff's Office, Detention Center, Jail Health Services, School Security, and Jail Inmate Coordinator budgets are all included under the Sheriff.

Sheriff's Office operations and personnel budgets have decreased over the last few years. In this budget situation, it has a negative impact on the Sheriff's Department budget. He said they are trying to help out by going after revenue.

#### Requested Personnel

- ? 1-telecommunicator
- ? 1- investigator
- ? **1- maintenance technician for the jail**
- ? **1 - victim advocate (grant ending)**
- ? **1 - deputy/D.V. (grant ending)**
- ? **2 - Part-time court officers**
- ? 3 - deputies (GHSP grant) GHSP- Governor's Highway Safety Program

The maintenance technician for the Detention Center is needed because the facility is getting older and things are breaking down. The uniformed deputies are spending more time in legal process and calls for

service when he needs them to spend more time on patrol. The Governor's Highway Safety Program Grant cost is \$36,000. The first year one hundred percent of the personnel would be paid for and over 75% of equipment costs would be covered by the grant. Three officers, marked patrol units, are a deterrent to crime. They will focus on traffic problems and execute warrants for traffic violations. Cost for the three-year grant would be \$119,685 for Pitt County and the Governor's Highway Safety Program would provide - \$385,955. Sheriff Manning said they are not spending enough time patrolling the County. This program would start late in the fall of this year. Commissioner Ward stated that at the end of this grant, these deputies could possibly be without a job. Police Corp program is where high school candidates are interviewed and hired once they graduate from Law Enforcement Academy. Sheriff Manning is concerned that here is no way to reduce his patrol staff. He said they are cutting costs from a building. Commissioner Coulson asked why so many officers are assigned to each court. Sheriff Manning said there is a set number required and he has asked them to keep an eye on the number of officers in the courtroom. He reviewed the requirements for officers in the courtroom. At least three deputies are assigned to courtrooms where a jury trial is taking place. Commissioner Ward said she would like to have the grant approved and budgeted. Commissioner James spoke about the federal prisoners and asked how many prisoners are being housed on an average. They are averaging eighty-four prisoners now. Mr. Robinson said those funds are already budgeted at a rate of eighty-two prisoners. Mr. Robinson stated that he felt this fund should be budgeted conservatively. However, if they have more prisoners, that would bring in more funding for this department. Commissioner James asked about the Jail Health Services. Mr. Robinson said that there is an increase in providing medications for the prisoners. He said if there is a way to cut down on the days that the prisoners are being held then some of those costs would be decreased. Sheriff Manning said good law enforcement is good law enforcement across the Board, not in just some areas. With the traffic component, it helps reduce other crimes. Commissioner James spoke about the courtrooms being empty some times and asked what happens with the deputies when court is out. Sheriff Manning said they go home and stop being paid which is where the part time positions offers flexibility. Commissioner Owens asked about his comments to reduce the Drug Task Force. Sheriff said that five elements of that Task Force are now gone. The drug enforcement activities will still continue and would not be curtailed. The employees will be moved back into the department. Commissioner Owens asked how much money the grantwriter has brought in. Sheriff Manning said he would estimate about \$150,000 generated by the grantwriter.

Chairman Hammond questioned Ward Parker about the cars being replaced. Commissioner Coulson asked if the staff had looked at replacing the cars every two years. Vice Chairman Bowen asked the Sheriff about the increased expenses from the County Garage. Mr. Robinson said that the County took over the garage about two years ago. He said they have been working for two years to make the Garage more efficient. The County has been subsidizing the Garage for two years. He said they have been told that their costs were too high from the County garage.

Commissioner Owens left the meeting at this time, 12:00 p.m.

### **Mental Health – Debra Dihoff**

Ms. Dihoff said they are trying to go with the flow. She said that last year they did not ask for an increase at all. The last two years have been very positive by paying their own raises and replace own vehicles. She said they were told they need to cut \$76,000 from their budget to meet the County's needs. She said her focus is on rebuilding Mental Health for the future.

She spoke about the Surgeon General's report that one out of five people suffer from mental illness. Mental Health held some community forums and they found that people wanted from mental health were:

- ? faster appointment times
- ? more education and community outreach
- ? more services for developmental disabilities population
- ? easier access to services (after hour services)

They worked on setting goals for the future. She said they did not have a system to estimate productivity over 2000. They have built a new reporting system. State standard is fifty percent of productivity. They are working to improve first and third party collections by 25% and increase their fund balance from less than 1% to 5%. She said they came up with the funds to purchase the fire station. One of their goals is to improve the satisfaction of customers in getting the services they need quickly.

#### **Accomplishments of the Mental Health Center**

- ? achieved financial stability
- ? created an agency plan and goals
- ? establish a productivity standard
- ? bought new computers
- ? implemented a collection policy
- ? achieve Division accreditation in June 2000
- ? positive press coverage this year
- ? new telephone system
- ? purchased fire station #2 to be used for Challenge House
- ? settled six lawsuits

She reviewed the population that is receiving services. She said they are serving a disproportionate number of Blacks and not enough Hispanics. She stated that 80% of their population is either poor or uninsured. The majority of clients fall in the mentally ill category. The developmentally disabled is the most costly to serve. Commissioner Shank asked about the services that had been deleted in the past couple of years because of finances. Ms. Dihoff said they are looking at smarter ways to provide services in the communities. She said they have eighty-nine people waiting for development disability services.

Dwayne Holder reviewed the highlights of the budget:

- ? change in budget structure to reflect new age/disability organizational structure
- ? \$17 million budget
- ? reclassification of contract service dollars
- ? \$2.7 million for at risk child contracts
- ? increase agency training budget

Financial Summary shows a total 15% budget increase. There was a sixty-two percent increase in Medicaid for Mental Health. She said there is an increase in contracted services which is a pass through of funds. Mr. Robinson asked if they wanted to see a budget comparison from last year versus this year then they should take away the \$2.7 million. Mr. Holder said that their budget is stable from last year to this year without the \$2.7 million in pass through contractual services. County appropriations make up 9.2% of their budget. Funds were not properly segregated in the past which was part of the problem. Budget cuts were made in personnel, operating expenses, consulting services and capital. Mr. Holder said they had made upgrades in vehicles and computers last year so this better prepared them for this year. There are contract increases: \$2.1 million in At-Risk Children and \$500,000 in Substance Abuse Grant.

Commissioner James said he appreciated what Mental Health has have done but stated that it can always get better. Commissioner James asked about the PORT program that the County had allocated \$700,000 for this program. Ms. Dihoff said they have fixed the expenses in PORT and one of the position cuts this year came from PORT. She said PORT is an award winning program and they do outcome studies on children. She said this program makes a difference for children. Seventeen of the children are from Pitt County. They have reduced the program to around \$400,000 but she said it is one of their most effective programs. She said they have sixteen beds that stay filled but the outreach is into the County schools.

Commissioner James left the meeting at this time, 12:20 p.m.

Commissioner Ward asked to delay the County Government agencies and start this meeting at 8:00 a.m. but allow Tim Bright, Mayor of Grifton, to do his presentation today.

### **Outside Agencies**

Mr. Tim Bright, Mayor of Grifton, gave a flood recovery report for Grifton. He said there was a small problem with the census. He said when they received the results of the population figure from the 2000 Census of 2,073 which was down by 600 people from the previous year which was 2650. He said the financial impact of the new census to their community, effects the Powell Bill funding, beer and wine tax with a total accrued amount of \$98,000. He said their losses are over \$100,000. He said Grifton intends to seek some recovery of the census. He said the appeal process begins June 30, 2001. Mr. Bright said their housing counselors tell them that the people that are displaced are moving back to Grifton once the housing is complete. He said it indicates a temporary dip in their population. Mr. Bright said the County Manager stated that the County is looking at providing some EMS support which would help Grifton because they would not have to pay it. There is a Global Transpark grant which is helping but the Town has a \$18,500 debt per year to pay back. There is a possibility that the County can ask the Global Transpark to reduce or defer the debt for one year. Ayden and Grifton water lines tie in for more water provisions, with an emergency supply and they need more land. They are in difficulty because of the census count. He stated that if the County would assist in this relief it could help the Town of Grifton by \$61,500.

He also spoke on behalf of the Civic Center, Library and Little League baseball field. This is the final year of support on the baseball field. He said no community has suffered from the flood as much as Grifton. Vice Chairman Bowen said there have been 118 water hook ups since the flood. Vice Chairman Bowen asked about the cost to County residents for recreation programs. Commissioner Ward thanked Mayor Bright for his presentation. Commissioner Shank asked how many families are projected to move back into Grifton. He said before the flood they had documented 1140 homes. There are 1131 total housing units documented, but within the next eighteen months anticipate exceeding 1140 families because of the repairs.

The following items were postponed.

#### **General Government Position Requests**

- ? Financial Services – Melonie Bryan
- ? Tax Assessor – Glenn Cutrell
- ? Tax Collector – Jeff Niebauer
- ? Register of Deeds – Judy Tart

Chairman Hammond recessed the meeting at 12:45 p.m.

Respectfully submitted,

Susan J. Banks, CMC  
Clerk to the Board