

Pitt County Board of Commissioners

Budget Public Hearing Commissioners' Auditorium Tuesday, June 12, 2001 7:00 p.m.

The Pitt County Board of Commissioners met to hold a public hearing on the Fiscal Year 2001-2002 County Budget on Tuesday, June 12, 2001, at 7:00 p.m. in the Commissioners' Auditorium, Pitt County Office Building, 1717 W. 5th Street, Greenville, North Carolina.

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
Janis Gallagher, Assistant 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 and welcomed all in attendance.

Prayer and Pledge

Chairman Hammond offered the invocation.
led in the Pledge of Allegiance to the American Flag.

Chairman Hammond stated he would be leaving around 7:45 p.m. for another meeting.

Manager's Overview of Alternative Budget Proposals

Mr. Robinson stated that there are three budget options that the Board requested and he presented.

He said the Manager's Recommended Budget includes the Education Compact, Courthouse Phase II, EMS Radio System and the Comprehensive Plan. It does not include the administration building, space for Social Services, Animal Shelter, or facility for Community Schools.

He stated that if the four large items were removed there would be a less than 1% increase over the current year's budget. These four items are \$1.6 million in the Education Compact, \$1.0 million in Medicaid increases, \$730,000 for Phase II of the Courthouse, and \$666,000 increase in health insurance. The General Fund reflects \$75,792,000 or a 4.9% increase. With these items removed the budget is \$500,000 less than the current budget. The Manager's Recommended Budget includes a three (3) cents tax increase and a three (3) cents countywide rescue tax, excluding the City of Greenville. He recommended \$4.8 million to be appropriated out of fund balance, which is already \$1.3 million more than he would normally do because the economy is down. He stated that the City of Greenville is looking to raise taxes also but the City of Greenville does not provide any money for education, human services and Medicaid costs. There is no duplication in costs or services.

Mr. Robinson addressed the Board about the budget scenario with no tax increase where \$1.8 million in services were cut out. He spoke about the reduction of services and how it accomplishes little of the priorities set by the Board.

Mr. Robinson stated that the other budget scenario uses fund balance to balance the budget. With this option, an additional \$1.8 million would be used out of fund balance, with a total of fund balance needed to be increased to \$6.6 million. Most of these funds are going for items that will need funding year after year and this leaves the Board to find a way to fund these expenses again cover next year.

He stated that the economy is not the problem in the County, as much as in the State government. With 54% of the revenue coming from property tax, and 19% from sales tax, the County will have a permanent shortage of revenue. Spending down fund balance may cause spending of Hospital revenue which may have an effect on the County's bond rating, interest earnings and other areas. Chairman Hammond spoke about the 24% increase in population in Pitt County. He said this County is a long ways above the neighboring counties

Public Hearing on Budget - Each speaker is limited to three minutes.

Chairman Hammond opened the public hearing.

- Gwyn Hilburn - District Court Judge in Pitt County, thanked the Board for what they do as county commissioners. She said she works with children and families in the court system. She works with delinquency, abuse and neglect cases where children have severe problems. She spoke about how successful and helpful the Mental Health Program has been with many of the cases she has referred to them. She gave an example of a case that she has worked on and the success of the case giving thanks to the Mental Health counseling he received. She asked the Board to remember the children and families in Pitt County.
- Jane Barnhill - requested that when budget is adopted, for the Board to try to stick to it. She asked the Board not to cut sources of income or food sources such as the Farmers Market.
- Bonny Feldbush, Chairman of the Mental Health Area Board, said she wants everyone to be proud of Pitt County. She said she wants good schools and services not just sufficient schools and services. She said the Board needs to maintain the fund balance. She said the tax increase provides something for everyone. She said by increasing and improving services and infrastructure in Pitt County, it makes recruiting new industry easier. She spoke of improvements at Mental Health this year and how they saved \$50,000 with the phone system. She said the budget was cut by the Manager. The County should have made the cuts with collaboration from the departments. She expressed concern that the State will probably make cuts also. She read a General Statute about the budget for Mental Health. She said they can not afford the reductions at Mental Health.
- Beatrice Johnson - She spoke about individuals being puzzled by the situation. She said there has been trickle down economics for the last eighteen months. We are at the bottom of economic cycle. Three options are being considered by the Board. No one wants essential

services cuts like Schools and Social Services. She spoke about the proposed three cents increase in property tax. The poor will gain the most and the people who can afford it will be the ones paying. She spoke about the commissioners need to consider their own personal taxes, re-elections, the whole County and the future of Pitt County. She noted that IRS refunds should be received before property taxes are due.

- Raymond Vickers - retired physician, Mental Health Area Board member, stated he has 50 years experience in Mental Health and geriatrics. He stated that taxes tend to rise, and never fall but if you have something valuable, it needs to be maintained because you can not fix it later and if you try then it is more expensive. The Mental Health Clinic is valuable. The County pulled Mental Health out of their financial problems a couple of years ago and they should not be rewarded by the County borrowing money from Mental Health. The clinic does not nearly touch all the people who need the services in Pitt County. He spoke of diverting costs. He asked that the Board take care of maintaining the Mental Health Clinic.
- Dail McLawhorn - veterinarian and Vice President of the SPCA – said the Board will hear facts about the animals that are being abandoned each year but they are creatures that cannot take care of themselves. He said the County is allowing strays to grow and there is a need for a larger animal shelter with spay and neuter programs where animals can be housed in clean quiet kennels and they will be adopted out. There needs to be less impoundments and less euthanasia. These animals were put here for the people to take care of and nothing has changed. He encouraged the Board to call or visit the current animal shelter. Its going to cost more in the future if it is not taken care of now.
- T. C. Soli - lives in the Stokes area and works at Catalytica. He said he has an aversion to paying taxes unless the services are needed and valuable and because of that he fully supports the three cents tax that is being proposed. He said they are barely keeping even with the three cents. The average family with a \$75,000 in property will pay \$23 a year. He said he knows it is unlikely that the animal shelter will be added back into the budget but the animal shelter is where the animals are killed and it is horrible. They need more dog runs, a separate cat area, an area where the animals can be humanely euthanized, provide educational conference areas, available for field trips for children, storage and office space, and an operating room capability with donated equipment. The adoption area needs to be made more appealing so the animals will be more likely to be adopted.
- William Baker - speaking on behalf of Allen's Starlight Café, spoke about sending the County back in time. Cities and Counties that bring the best businesses in are the ones that provide the best infrastructure. Pitt County is becoming a first rate place to live and he said he does not want us sent back in time. For himself, he said the solutions are not pleasant medicine but the tax increase seems to be the best solution. He said the County is not cutting into the fat but cutting into the marrow. It takes a lot of courage for a commissioner to support a tax increase.

Chairman Hammond left at this time, 7:40 p.m.

- Chris Mitchell - spoke about the early intervention offered by Mental Health. She said she is a social worker and has a son with autism. She spoke about the services that they have received from Mental Health. She spoke about compassion and empathy from Mental Health staff. She said she needs the services because they are helping her work with her son. Joey has been receiving services since January and his progress has been unbelievable. She said they are busy but they do not show it to the client. She said she is on the other side of the services and your children are the most important thing in the world. She said her worker has been unbelievable.
- Nimette Soli - said she has been doing animal cruelty investigations all day for the County. She stated her support of the new animal shelter. She said that the shelter is needed as because of health issues such as rabid animals. She said this County should be able to provide those facilities. She said there is no need to choose between providing services for people versus animals and that both issues should be addressed. She said she has no

problem with the three cents tax increase. If the animal shelter is put off it will cost more and it is needed now.

- Dr. Charles Russell – President of Pitt Community College- spoke about the possible cuts to the Community College budget if the Board chooses the budget with cuts in the services. He said there is already no provision for increase in energy costs and this year they had to transfer \$63,000 to meet those expenses. They are requesting an increase of \$70,000 in the new budget to cover the increases in energy costs. He said if they suffer the cuts they may have to cut a position or two to meet the needs. Dr. Russell said they could transfer from their fund balance, and if they have to continue using fund balance they will have too low of a fund balance or it could be depleted. He spoke about funding the \$157,328 increase which is 28% of what they asked for and stated that they will have to come back and ask for more funds for other expenses. The Board of Trustees will do the best they can with whatever the Board provides for the Community College.
- Willie Wallace - said he was against increasing property taxes. He said he has property in the City and County and his increase will be over \$1,000 a year on non-income producing property. His property has lost value because of the flood. The most important thing is that there is so much building that is going on in Greenville and questioned how much increase is being generated from all the building. He spoke about the elderly people on fixed incomes. It is all these people can do to pay their taxes. He said some people have to choose between drugs and medicine. There has to be another way to get the money. He stated he supports the rescue squad but there has to be a way to get the money.
- Norman Batts – spoke on behalf of nursing homes in Greenville and people being mistreated in the nursing homes. He asked the Commissioners to look into this matter. He said there are a lot of problems going on in nursing homes. He said the commissioners should talk to the C&E's.
- Naomi Howard with Jo Al-Sharawneh - read statement for parent and consumer of Mental Health services. She has an adolescent daughter and son who receives Mental Health services. There is no fat in their programs. She said she would be unable to care for her children without these services. She said there are many parents who receive a combination of services. She has a master's degree in child development services. Her son was unable to walk until he was two years old and is now four years old. She said they went through the reduction in force at Mental Health a few years ago and asked that they not have to go through another one.
- Timmy Dean, 17 year old young man who stated he had a bad drug problem. He has been receiving services from Mental Health. He stated that cutting the Mental Health program would be like cutting his life off. He said he can not stop the drugs on his own and the Mental Health programs and staff have helped him. He said this was his last chance and he is in a Mental Health residential program. He said his teacher tells him that he is an excellent student. It would cut kids lives if Mental Health is cut.
- Aaron Lucier from Greenville spoke about closing the Farmer's Market and the consideration of agriculture. The Farmer's Market is one of the last basic livelihoods of this community. He spoke of it being a tremendous loss to community if the Farmer's Market is closed. He also spoke about the animal shelter. He has a dog that he adopted from the animal shelter and he said the gross conditions of the shelter almost kept him from going into the shelter. He said the Humane Society is doing the County's work in the animal area. He said it is a travesty. He spoke about being a State employee who will not get a raise this year but he was supportive of paying the tax increase to provide for basic services. He asked the Board not to give up the life and livelihood of the community.
- Tim Dean - spoke about his son, who had spoken earlier and is in an at-risk program at Mental Health. He spoke of how his son has been provided with the treatment that he needs to get past his drug problems. He has been in a residential program in the last four weeks and it has made a difference like night and day in his son. He said his son is a changed person. He spoke about how Mental Health has helped him and he begged the Board not to cut Mental Health's finances. It is not easy to pay taxes but would be glad to pay to keep the services.

- Edith Webber - spoke about seeing the services made available for the citizens. It is good for the services to be available for the people who need them. Three cents is good and if the Board could add some of those other things back in, that would be good too.
- Donna Whitley – spoke of the occupations of her family members including farmers, store keepers, nurses, who have worked to make Pitt County the place it is today. She happily supports the tax increase and wants an annual increase each year so it will not be such a tax to the citizens. It is an important role of government. When the town grows it is like when a family grows. She does not support using the fund balance to offset the tax increase.
- Mary Snow Harris said she is a graduate student and treasurer of the SPCA, who said she cares a lot about this County. It would be great if the growth would pay for itself but it does not. She said the animal shelter that is needed is one that would foster education, improved spay and neuter programs and have teachers willing to bring students in to teach them compassion for animals. She said that we do not have to choose between animals and people. Do what needs to be done. The animal shelter is inadequate and the County will pay it now or pay it later and later the bill is going to be much higher.

Vice Chairman Bowen thanked the people for coming out tonight. He asked for Commissioners' comments.

Commissioners Discussion and Decisions

- Commissioner Coulson said he has had a lot of people speak to him against a tax increase and wondered where they are tonight. He stated that it bothered him that they are not present.
- Commissioner Ward spoke against using fund balance for recurring costs. She said it will happen again next year and does not know where the funds will come from if fund balance is used this year. All the phone calls she has received were supportive of a tax increase. She noted that all departments were asked to make cuts and they had cut to the bare essentials when their budgets were presented. Many of the areas cut were in the areas of the Board's priorities. She said the County has not had a tax increase to match the number of people that have come into this County. The needs must be met for the County. Nobody likes to increase taxes but if the Board is going to be fiscally responsible to the people who voted for them, they are going to have to vote for a tax increase. She said she would like for the animal shelter to be reconsidered. She said, as commissioners, they are responsible for the animals in the County. She suggested that the citizens visit the shelter and see how deplorable it is. She asked that the Board reconsider this need and get the ball rolling on this project. She said this is her third year working on the County's budget and does not see how things can keep moving and improving without a tax increase.
- Commissioner Royal said about five percent of the people present were against a tax increase and 95% were for a tax increase. He said even the poorest of the poor are supportive of a tax increase in order to keep services and it is not the time to use fund balance. He said \$5 million has been spent on the flood that has not been collected from FEMA. With considering the bond rating, the County needs to keep the fund balance. The Board needs to continue to commit to education and Mental Health. He said they need to listen to what the people said. He thanked the people for coming. He also recognized that Michael Dixon, Chairman of the Board of Education and Raymond Reddick, Chairman of Pitt Community College Board of Trustees were present and noted that he was glad to see them here.
- Commissioner Shank said her vision is that Pitt County can be the best in the east. She spoke against using any of the \$30 million for education and behoofs the use of fund balance because of the effects. The three-cent tax increase just keeps the County at status quo. The department heads have been asked to cut twice. She said she has asked for rough estimates on the animal shelter. If the County has an \$800,000 facility it would cost \$70,000 per year with \$225,000 in annual operating costs. The annual cost would be about \$300,000 per year.

- Commissioner James said you have to live within your budget and means. He said the County does not have the money to give everybody what they want. He has received phone calls from people asking him not to raise taxes. He said it will be next year also. The County spent millions within the year and it has gotten the County in trouble. He said he wants an animal shelter but there needs to be other sources of income. He spoke of concerns of the senior citizens and stated that social security is not going up. There are a lot of people who cannot afford \$50 more a year. The tax goes on the house and automobiles and fees are going up at the same time. He said if they had the money then he would give it to the citizens.
- Commissioner Johnson thanked the citizens for coming out tonight. He said that they heard specifics from department heads. He does not believe in using fund balance to meet the needs of the County and supports the small tax increase.
- Commissioner Owens thanked the twenty-odd people who spoke tonight and stated that they had special interests. He spoke of fund balance being regulated by the State and the County has a good substantial amount in fund balance and he advocates using some of it. He spoke of the three cents increase in ad valorem taxes in addition to the three cents tax for rescue squad. He stated that he will use his best judgement for the people here and the other 120,000 in the County. He said a three cents tax increase will not provide for every thing that has been requested tonight. He said the County would need a 24-30 cent increase to meet the bounds that have been requested tonight.
- Vice Chairman Bowen said Mr. Robinson said you “could” use fund balance and it could affect things. He said not everybody in Pitt County makes as much money as the people here tonight. He said the County would be glad to take a contribution from the citizens should they wish to give one. He said the rich people never suffer because they pass it down to the consumer. There are ways to move money around. He said there is a lot of money in the fund balance. The State requires a minimum of 8% in the fund balance. He asked the County Manager how much of fund balance was used during the flood and he had responded not much. He said today is the rainy day to use the \$42 million in fund balance. He said raising taxes is the last resort.

Adjournment

UPON MOTION by Commissioner James, seconded Commissioner Ward, the Board unanimously voted to adjourn the meeting at 8:30 p.m.

Respectfully submitted,

Susan J. Banks, CMC
Clerk to the Board