

**PITT COUNTY BOARD OF COMMISSIONERS  
GREENVILLE, NORTH CAROLINA  
MAY 28, 2002 MINUTES**

The Pitt County Board of Commissioners met on Tuesday, May 28, 2002, at 8:30 AM in the Commissioners' Auditorium, Pitt County Office Building, 1717 W. 5th Street, Greenville, North Carolina.

**Commissioners present:**

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

**Staff present:**

Scott Elliott, County Manager  
JoAnne Burgdorff, County Attorney  
Susan J. Banks, Clerk to the Board  
Melonie Bryan, Director of Financial Services  
John Bulow, Assistant Manager

**Call to Order**

Chairman Owens called the meeting to order.

**Invocation and Pledge**

The invocation was offered by Commissioner James.  
The Pledge of Allegiance was led by Commissioner Royal.

**Approval of Agenda**

**Motion:**

**Motion to approve the agenda as submitted.**

**Motion made by Commissioner David Hammond.**

**Motion seconded by Commissioner Eugene James.**

Commissioner Johnson said he would like to recess at 10:30 a.m. to attend the visit by the Governor at Wahl-Coates Elementary School. A poll was taken to see how many commissioners planned to attend the Governor's visit. Four commissioners indicated they would like to attend the visit.

**Motion Passed Unanimously.**

**Commissioners' Comments**

*Discussion/Decisions*

Mr. Elliott gave the Board a handout on items for further discussion including general fund items and nonprofit agencies.

Sheriff's Department –	Property Crimes Grant Position to Permanent Funding	\$46,407
	Unfreeze One Deputy Vacancy	\$40,248
	Pay Plan Change to Implement Pay for Certifications	\$153,047
Detention Center	Unfreeze Four Detention Officer Positions	\$136,300
Multi	Vehicle Replacement – 17 Garage Recommended (Sheriff – 10 @ \$22,000, Detention – 1 @ \$23,500, Health – 4 @ \$16,000, Social Services – 2 @ \$16,000)	\$339,500
Mental Health	Chargeback for partial in-kind value recovery	\$300,000
Board of Education	Chargeback for partial in-kind value recovery	\$150,000
Pitt Community College	Full Operating Fund Request	\$221,593
	Subtotal	\$1,387,095

Mr. Elliott stated that Dr. Russell has asked for an increase in his budget. Commissioner James asked if they were still using \$300,000 for advertising at Pitt Community College. Commissioner Coulson said the advertising funds were State funds and State law mandates the advertisements. Commissioner James asked for information on what is mandated by the State of North Carolina. Commissioner Hammond asked if the Manager was recommending this appeal. Mr. Elliott said he was not making these as recommendations.

**Pitt County**  
**NONPROFIT / AFFILIATE AGENCIES FOR FURTHER DISCUSSION**  
**Fiscal Year 2002-03**

<b>Agency</b>	<b>FY 00-01 Actual</b>	<b>FY 01-02 Budget</b>	<b>FY 02-03 Request</b>	<b>FY 02-03 Mgr Rec</b>
<b>Human Services 105800</b>				
Mediation Center	3,250	3,250	5,540	2,4
Farmville Child Development Center	0	10,000	10,000	7,5
Pitt County Council on Aging	130,000	135,000	246,014	135,0
<b>Cultural &amp; Recreational 106100</b>				
Sheppard Memorial Library	512,500	536,509	567,469	536,5
Farmville Public Library	5,000	2,000	14,568	2,0
Grifton Public Library	5,000	2,000	5,000	2,0
Fountain Public Library	5,000	2,000	0	
Winterville Public Library	5,000	2,000	2,000	2,0
Bethel Public Library	5,000	2,000	2,000	2,0
Grifton Recreation	3,000	2,000	5,000	2,0
Stokes Recreation	0	2,000	0	

Winterville Historical & Arts Society	3,000	6,000	5,000	45
Grifton Civic Center	4,000	5,000	6,000	37

**LATE REQUESTS (After 5/23/02 Workshop) NOT BUDGETED BY MANAGER**

Ayden Public Library	5,000	2,000	5,000
Jackie Robinson League	5,000	2,000	2,000
Town of Ayden - Old Town Hall Roof Repair	0	0	5,000

Commissioner Bowen said the Winterville and Bethel Libraries are under Sheppard Memorial Library and he would like to take their \$2,000 allocations each and put them into Ayden's Recreation and Library. The Board discussed the allocation to Sheppard Memorial Library and the individual library allocations. Chairman Owens asked staff to inquire on the funding between the libraries.

Commissioner Shank said she understood that Pitt Community College was not going to be cut as much by the State as anticipated. Mr. Elliott said he met with Dr. Russell this morning. Dr. Russell had requested \$302,593 new money. Mr. Elliott had proposed \$81,000 additional funding. Dr. Russell stated that they needed an additional \$150,000 plus the \$81,000.

Commissioner Royal asked about the Sheriff's request. Mr. Elliott said they were requesting that the four detention center officers be reinstated. Commissioner Johnson spoke about public safety being the number two priority for the County. The Board discussed the Sheriff's positions and where the vacancies currently exist. The Sheriff has four frozen vacancies and he has an average of four vacancies during the year.

Chairman Owens said they had three budget workshops last week. The items before them may be putting the cart before the horse, since they do not know where the money is coming from to fund them. There are three choices to fund these items. Property values have not been kept up. He said tax revenues have not increased at the rate of need. Social Services, Mental Health, Health Directors and the Sheriff presented their needs. He said it is the poor people that are being served by these departments. He said he was hoping they would not have to cut personnel. He spoke of education being in direct proportion to what is provided in these other services. Education lessens the needs of the other departments. For funding these needs, the \$30 million has been alluded to for use. The \$30 million gives the county a good credit rating. He said he wants the Manager to come back with a budget where the Board's additions have been added back in. He said for the Manager to restore some of the services they have talked about during these meetings. He said he hoped the plan would not take away from the \$30 million but would use the fund balance and if that is not enough then use a two cents tax increase. Commissioner Johnson spoke about the rating agencies and said using some of the hospital money would not mean the County would get downgraded. Ms. Bryan said that they presented the hospital money to the rating agencies as a fund for education. She reviewed that the spend down of funds and avoiding building needs could affect the County's ratings. Vice Chairwoman Ward asked about the total of the fund. Ms. Bryan said \$31.8 million was in the bank. She said this Board needs to consider the possibility of the \$3 million being withheld by the State. Whatever is done with the proposed options, this Board may still have to find the \$3 million in addition to what is being discussed. She asked what 8% fund balance would be for Pitt County. Mr. Elliott said \$15 million in fund balance would meet the 8% fund balance minimum. Vice Chairwoman Ward asked if it had been determined that the County could liquidate funds

from the \$30 million and then repay the funds as needed. Ms. Bryan said she had requested an answer to this question from the Local Government Commission. Ms. Bryan said June 30, 2002, there should be an estimated \$19 million in fund balance. Commissioner James said the \$30 million was not put there just for education. He said the County has \$49 million in fund balance. He said he gets calls from senior citizens that cannot afford a tax increase on their fixed incomes. Commissioner James said Sean Ekert said that he could cash in the funds without a penalty if given advance notice. Ms. Bryan said Hospital Portfolio Manager, Mr. Ekert was only reporting and if you buy high and sell low you will lose money. Commissioner James said it is not the right time to raise taxes. Chairman Owens stated the County used \$2 million of fund balance last year to balance the budget and they are looking at using \$4 million this year. Using the \$4 million would take the County to a 7.55% fund balance. Commissioner Bowen said there is four and half times what is necessary in fund balance (including the \$30 million) so he is opposed to a tax increase. Commissioner Hammond said the City of Greenville paid no attention to the people last year when they levied a tax increase last year on the citizens. They also increased fees. The State did the same thing. Commissioner Hammond said the Register of Deeds rates were increased and enough if enough. He said we are in a recession, people are losing jobs to other countries and there are a whole lot of people that have been laid off. He said he would not vote a tax increase under any circumstances on the citizens he represents because they are already getting a tax increase in the City of Greenville.

Chairman Owens asked if they used the fund balance would they be able to get these things back in the budget. Mr. Elliott said they have already used \$4 million to plug the budget. They would need \$6 million to restore everything. If \$6 million were used, the fund balance would be \$8 million. Ms. Bryan said they would have to liquidate some of the \$30 million in order to keep the bills paid.

Ms. Bryan said that if the Board adds everything back into the budget then you would need to use \$7 million of fund balance. Commissioner Johnson said the paper is saying that the Governor is going to move up the sales tax to July 1, 2002. He spoke against using percentages and wants to deal in dollars. Ms. Bryan said that when July 1 comes; there would be \$15 million in fund balance and then \$30 million in hospital funds. Ms. Bryan said that \$4 million of fund balance is used in this budget. The Board discussed the cash flow needs. She said \$11.3 million would be left in unrestricted fund balance.

Commissioner Shank said that she understood that the \$30 million was supposed to be used to make money but when its spent, it will erode the savings and just taking care of the present needs. There are no accommodations being made for next year's expenses.

Commissioner Coulson spoke about local reimbursements being included in the budget. He said that Governor Easley looked at the local governments' fund balances and that's why he is holding back the reimbursements. He said that nobody cares which account the funds get put back into between the \$30 million or the regular fund balance. He said during good years, enough money was not put in fund balance. He said there is a spending problem in North Carolina. Commissioner Coulson said that \$53 million spending was added to last year's State budget. There has been fiscal mismanagement at the Legislature's level and they are balancing the expenses on the local governments. People on fixed incomes cannot pay additional taxes. He asked to make sure when times are good the funds go back into fund balance.

Vice Chairwoman Ward said it is important that commissioners look at all the options to figure out how to get this job done. She asked how much of the money is invested on a regular basis. Ms. Bryan said that she looks at it daily and the interest on the regular fund balance has been higher than the investments from the Hospital portfolio. She asked if the hospital portfolio has to be liquidated, it would still be invested. Ms. Bryan agreed that these funds would be invested. Vice Chairwoman Ward said that this should be considered as an option and that would not include a tax increase. Commissioner Bowen said in 1998 the first part of the money came in from the Hospital fund. In 1999, the County gave the Schools \$500,000, in 2000, \$4.0

million and this year plans to give \$1.7 million over the normal contribution. Commissioner Bowen said he has heard other commissioners express their wishes to see that the Schools continue to receive this funding. He stated that at this time he wanted to make the following motion.

**Motion:**

**Motioned for the County to go into the hospital fund for \$6.2 million to pay the County back to General Fund for \$4.5 million already spent on education and the \$1.7 million that is going to be given to the schools this year; and in addition, to instruct the Manager to bring back a budget using County general funds to balance the budget.**

**Motion made by Commissioner Glenn Bowen.**

**Motion seconded by Commissioner Eugene James.**

Commissioner Coulson said he would not vote on giving funds to the schools until he receives the information he requested at the joint board meeting. Commissioner Coulson said if the progress could not be supported by the statistics, then he would not support increasing the funds to the school. Commissioner Coulson said they should evaluate the schools by category and not reward those areas if they have not achieved the goals. Commissioner Hammond noted that Dr. Priddy is going to give this Board additional information in the fall. Commissioner Hammond said he is optimistic that Pitt County will pull out of this but he said he remembers this same discussion last year. He said the State's picture has not improved. He said the Association of County Commissioners has told Managers to budget as if reimbursements are coming in but he just does not see that happening. Commissioner James said there must be accountability by the schools. He said he voted for the compact and was supportive of it. However, he said the funds are not going into the classroom.

Commissioner James said this whole point is still negotiable with the schools. Commissioner Johnson said they need to sit down with the County Manager with concerns that then need to be reviewed with Dr. Priddy.

Commissioner Bowen said to go ahead and budget the \$6.2 million for the schools out of Hospital funds to be put in the fund balance which will reimburse the County and still support the schools. Commissioner Bowen said the Board does not have to give the schools the \$1.7 million but this would make it available and that would mean they have used the Hospital funds to support the schools. Commissioner Shank said this would be a \$12 million expense next year. Mr. Elliott said that the Schools would still receive about \$800,000 on an average more each year and they would net out \$3.8 million even without the compact. The net growth of the compact is like \$3.8 million. Commissioner Bowen said all the county has to give the schools is what they were given last year. Commissioner Royal said this Board should stick with the commitment made to improve education. He said when you look at learning there are some other things that need to be looked at outside of this particular setting. He said it normally would take three to five years to see some merit. He said they need to deal with individuals' problems and stop killing the system. He said they based their report on statistics from them and the State and they are doing well and on the road to competency.

**Vote Record:**

<b>Tom Coulson</b>	<b>Yes</b>
<b>David Hammond</b>	<b>Yes</b>
<b>Glenn Bowen</b>	<b>Yes</b>
<b>Eugene James</b>	<b>Yes</b>
<b>Mark Owens, Jr.</b>	<b>Yes</b>
<b>Beth Ward</b>	<b>No</b>
<b>Randy Royal</b>	<b>No</b>
<b>Terry Shank</b>	<b>No</b>
<b>Tom Johnson</b>	<b>Yes</b>

**Total Yes Votes: 6**  
**Total No Votes: 3**  
**Motion Passed.**

**Motion:**

**To leave the \$30 million for liquidation for whatever amount is taken out and have the Finance Officer invest the funds just like fund balance is invested, and take money needed to balance the budget. The \$900,000 in cuts are still on the table to be considered.**

**Motion made by Vice Chairman Ward.**

**Motion seconded by Commissioner Shank.**

**Vote Record:**

<b>Tom Coulson</b>	<b>No</b>
<b>David Hammond</b>	<b>No</b>
<b>Glenn Bowen</b>	<b>No</b>
<b>Eugene James</b>	<b>No</b>
<b>Mark Owens, Jr.</b>	<b>No</b>
<b>Beth Ward</b>	<b>Yes</b>
<b>Randy Royal</b>	<b>Yes</b>
<b>Terry Shank</b>	<b>Yes</b>
<b>Tom Johnson</b>	<b>No</b>

**Total Yes Votes: 3**

**Total No Votes: 6**

**Motion failed.**

**EMS Budget**

Commissioner Johnson said he has investigated this budget and motor vehicles and capital outlay in this budget. He said Ayden, Bell Arthur and Winterville were going to get additional funding budget but they were not the squads that were having financial difficulties. Motor vehicle payments and payment on a building in Ayden were included in this budget and the Board was told there was no capital outlay in this budget, which is not true. Commissioner Hammond said he talked to forty-four citizens and only three said they were willing to do both things, three-cent tax and pay \$400 fee per call. He spoke of the people in municipalities that pay both taxes. He wanted to amend Dr. Johnson's motion to say if you have the fee you do not have the tax or have the tax and not the fee in the Manager's budget. The amendment did not receive a second. Commissioner Bowen said he did not think it was the intention for the Manager to single-handedly work this budget out. Commissioner Johnson said the Manager needs to consult with the committee. Vice Chairwoman Ward said they originally talked about the formula for the amount of money each squad receives from the County. She said to use the formula for distribution of the funds. She asked that it be done expediently. She said that if the call fee is not charged then the County couldn't file for insurance, Medicaid or Medicare. Commissioner James said Falkland and Pactolus squads were reasons to do make a change. He said they have told him that they cannot function a whole year with the budget they have been given. He said he was told they made lean budgets. Commissioner Hammond said if the State is mandating this change in EMS services, then this is another unfunded mandate by the State and they should be indited for non-support. Commissioner Shank asked if the formula takes the level of service into consideration. Mr. Bobby Joyner said the formula is based on level of service such as paramedic services receive additional funds. However, the rescue captains have said that the budget they received will not allocate them enough money to provide the service for the entire year. Mr. Joyner said this is the first phase of countywide rescue services. Commissioner Hammond asked how much money has been collected on the calls at this point and how much the collector has been paid. Mr. Joyner said he would have to report this back to the Board. Commissioner Bowen noted that the private collector is being paid on a per call basis. Commissioner Johnson said for two years the three cents has been the proposal before the people and he would support using fund balance versus a higher tax rate. Commissioner Johnson asked why there were funds

in Ayden's budget for vehicle expense. Mr. Joyner said the committee did the budget and he was not sure how they came to that recommendation.

Mr. Elliott stated that this Board is appointed by the EMS Committee and they have worked hard on this project, as well as the Board, but this process will take a number of years. The EMS committee has worked with each squad on their need. When the committee met last, they went through a process with the Manager and if their funds run short before the end of the year they will come back requesting fund balance. He said they could look at a redistribution of the money but the majority of the squads seem to be in agreement. A public hearing was held last month. The EMS squad and association met and there was not a lot of discussion at this point. He said the committee feels they have allocated out the dollars and they have made their recommendation for the Board. He said he would be glad to re-look at the funds but it may mean changing the date of the public hearing for the budget. Commissioner James asked why Belvoir has no population listed. Mr. Joyner said that Falkland has an area of Belvoir, Bethel serves some of Belvoir and Greenville serves some of Belvoir. Three areas are spread into other areas of service. Commissioner Bowen asked if every rescue squad has a representative on the committee. Mr. Elliott said the Board did not have enough slots on the committee for every squad to have a representative. Commissioner Bowen suggested that enough slots be added. Commissioner Hammond thanked the Manager for his work on this plan.

Commissioner Johnson said the reason he asked for closed session was because he knew in detail how Eastern Pines systematically was not allowed to have someone on that committee. He said he did not think they should have been rejected when they are such a large unit as Eastern Pines. Chairman Owens called for a vote.

**Motion:**

**Manager take charge of the EMS budget and come back with reasonable proposal for EMS services.**

**Motion made by Commissioner Tom Johnson.**

**Motion seconded by Commissioner Eugene James.**

**Motion Passed Unanimously.**

Mr. Elliott said the plan is to have the budget presentation on June 3 but he is going to have to push back that schedule. He stated he would report on a possible schedule change at the June 3, 2002 meeting.

**Closed Session - Personnel**

**Meeting Notes**

Closed session was not held.

**Adjourn**

**Motion:**

**Motion to adjourn at 10:15 a.m.**

**Motion made by Commissioner Eugene James.**

**Motion seconded by Commissioner David Hammond.**

**Motion Passed Unanimously.**

Respectfully Submitted,

Susan J. Banks, CMC  
Clerk to the Board