MINUTES
EDGECOMBE COUNTY BOARD OF COMMISSIONERS
RECESSED MEETING
MONDAY, JUNE 22, 2015
COMMISSIONERS' ROOM
EDGECOMBE COUNTY ADMINISTATIVE BUILDING
TARBORO, NORTH CAROLINA

1. **MEETING CALLED TO ORDER BY CHAIRMAN LEONARD WIGGINS AT 7:00 P.M.**

MEMBERS PRESENT: Mr. Leonard Wiggins, Chairman, Mr. Jonathan Felton, Vice-Chairman, Mrs. Viola Harris, Mr. William Wooten, Rev. E. Wayne Hines, Donald Boswell and Mrs. Evelyn Powell.

MEMBERS ABSENT: None.

OTHERS PRESENT: Mr. Lorenzo Carmon, County Manager, Mahlon DeLoatch, County Attorney and Ms. Frangie Mungo, Clerk to the Board.

2. **PRAYER.**
Prayer provided by Rev. Hines.

3. **PUBLIC HEARING:**
Mr. Wiggins called a public hearing to order to receive citizen comments and questions relative to the proposed fiscal year 2015-2016 Edgecombe County budget.

Mr. DeLoatch read the public notice.

Mr. Carmon read the following revised budget message:

Submitted herein is the Edgecombe County recommended Budget for Fiscal Year 2015-2016. The Budget is balanced in its entirety, as required by the North Carolina Local Government Budget and Fiscal Control Act.

The County's proposed General Fund budget for FY 15-16 totals $58,821,481 which is a 1.7% increase from last year's original operating budget of $57,847,154. The proposed ad valorem tax rate for the FY 15-16 is 97 cents per $100 value, which is a 7.5 cent increase from prior year. One cent generates approximately $286,693. The proposed budget includes a fund balance appropriation of $4,053,022. Of that amount $351,775 is from restricted fund balance for school debt service and $650,000 from restricted fund balance for revaluation costs, leaving a $3,051,247 appropriation form general fund.

General Fund Operational Highlights

- **All outside agencies are recommended to remain the same as in the prior year with the exception of the school and community college, receiving approximately $300,000 and $200,000 respectively.**
- **Employee Health Insurance increase 5% at the cost of approximately $200,000.**
- **Health Department revenues have declined due to a decrease in client census and the elimination of the Home health and Hospice program.**
- **Additional $200,000 for mandated election costs.**
- **A decline in inmate housing census and revenue due to additional availability of other jails throughout the state.**

Personnel

This budget includes a 5% COLA for all county employees including the part-time convenience site workers. Only two new positions are proposed in the Water and Sewer department.

Health Insurance

The overall cost of employee health insurance increased by approximately 5% and will be passed along for spouse and family coverage. We are proposing to continue the deposit of $150 in a health care reimbursement account for all employees. We will continue to participate in the Health Risk Assessment program for all individuals covered by our health insurance in an effort to reduce our health care costs. Individuals who choose not to participate in the assessment will pay $50 per month towards the cost of their insurance.

Capital Outlay

This budget includes minimal capital outlay expenditures for minor facility renovations. Funding for Sheriff vehicles has been eliminated and will be revisited at a later date.

Solid Waste

The proposed tipping fee for Solid Waste is $48.50 for municipal solid waste and $41.00 for C&D, which is the same as in the prior year.

Water and Sewer

This budget includes a 10% increase in water and sewer rates to cover the cost of operation and maintenance of the system. The average bill for customers using 4,000 gallons per month is $48.00 and the average sewer bill for the same will remain the same at $57.00. We have approximately 5,500 water customers and 900 sewer customers. In addition, we are proposing that the rates in District 6 (Princeville) be increased to the equivalent of the other five districts.

Conclusion

With the expectation of another breakeven year in the current year and the additional needs in next year's budget for the school system, community college, cost of living and cost of elections, 4.5 cent of the 7.5 cent increase is recommended to cover additional costs and the additional 3 cent is needed in order to ensure there is an adequate fund balance. This appropriates our fund balance down to approximately 7%. We must continue to remain vigilant in our effort to reduce our overall operating expenses by eliminating and consolidating positions whenever possible while having minimal impact on customer service.

Mr. Wiggins called for public comment.

Mr. C. B. Daughtridge, 4460 Meadowbrook Road, Rocky Mount, NC, stated that he has been consistently in opposition of tax increases and an advocate of tax decrease. He stated that he has a great appreciation for the Board's service and their concerns for not having to raise property taxes to cover what the numbers say when you add up our needs as Edgecombe County citizens. Mr. Daughtridge stated that he understands what appears to be mandated by the State and Federal government agencies but sometime you must have the wherewithal to go against the system. He asked the Board to step outside the box and say no to a tax increase and send a message to Raleigh and Washington that the citizen of Edgecombe County are overtaxed and taxes cannot be raised to operate the programs included in the proposed budget. Mr. Daughtridge stated that property tax is the most unfair of all taxes.

Mr. John Britt representing Edgecombe County Rescue Squad, thanked the Board for all their help in the past. He stated that 13,000 patients were transported last year (25%) of the population of Edgecombe County. Mr. Britt requested the same

amount of funding as last year, even though operating expenses have increased and projected to do the same. He stated that their health insurance is going up 20%; the cost of maintaining their fleet continues to increase and payroll has increased. Mr. Britt requested that the Board the restriction of the $250,000 that they were told that they have to use for capital purchases be lifted. He stated that by placing that restriction on their allocation, the Board is cutting their operations budget by 25% as compared to the last two years. He stated that they do need new ambulances, but by cutting their operations budget by 25%, they will have brand new ambulances but will not be able to pay paramedics to operate them.

Mr. Carmon stated that money was appropriated last year for vehicles and none were purchased. That was the reason for restricting the money as to make sure vehicles are purchased.

Mr. Wiggins suggested that Mr. Carmon and Mr. Britt set up a meeting to further address this issue.

Ms. Denise Watkins, 11056 US 64 Alternate, Rocky Mount, NC, stated that she learned to day that Rocky Mount will increase property taxes by 2.5%. She stated that if the County increased taxes by 7.5%, she would see a 10% tax increase. She stated that general fund is 1.7% increase over last year's budget but yet you want to raise property tax between 4.5% and 7.5%. Ms. Watkins was against the tax increase and the 5% proposed COLA for County employees. She stated that something needs to be done to tighten the belt.

Mr. Ellis Cullipher, 10606 US 64 North, Macclesfield area, presented a petition signed by 87 people of Edgecombe County opposing a tax increase. He stated that raising taxes will create a hardship on senior citizens and those on fixed incomes. Mr. Cullipher suggested raising sales tax. He stated that he was in agreement with school funding to assist in bringing in good teachers. Mr. Cullipher was also for funding the community college.

Mr. Brian Mayo, 601 St. Andrew Street, Tarboro, NC, expressed his opposition to a tax increase stating that there is no such thing as a free lunch. He stated that government is taking from property owners and giving to other entities. He stated that the Board should be finding places where cuts can be made.

There being no further comments the public hearing was adjourned.

Mr. Wiggins asked for the pleasure of the board regarding consideration of adopting the fiscal year 2015-2016 Edgecombe County budget.

Mr. Boswell stated that he had an amended motion, but wanted to address the audience before making the motion. He stated that he made the motion for the 7.5 cent tax increase. He stated that he takes his job very seriously. Mr. Boswell stated that "We met with Mr. Carmon and Mrs. Harrell for about 3 ½ hours prior to the final adoption of the budget. We went over many line items and looked to cut and we are simply at a point where our financial responsibility is simply that we cannot continue to take money out of the reserve." Mr. Boswell stated that he agrees with everything that was said by all who spoke. He stated that he too is a taxpayer, but "we must be prudent in keeping our reserves at about 15 or 16 percent." He stated that he wants the public to know that we do not take money and put it somewhere else. "The money that we raise taxes for is to do the things we said we were going to do, to give to the community college; to pay teachers better money which we need in this County." He stated that our only hope for the County is education. It is very important. I am sure that some of you don't agree and I understand if you don't have children in the school but we are where we are because of lack of education. We have to do what we have to do to be financially responsible. He stated that

unemployment figures have improved over the last six months. He stated that he does not want taxes raised either, but there is no way I would introduce a tax increase if there was any other way to do it. We have done the very best we can with what we have to work with and we don't have much of a choice. We have some things on the horizon that we hope are going to change things, but we cannot count on tomorrow.

Mr. Boswell moved to amend his motion to approve the fiscal year 2015-2016 Edgecombe County budget to include a 5.5 cent tax increase. Mr. Wiggins seconded the motion.

Mr. Wiggins stated that this is one of the most serious responsibilities that we do as commissioners, is set tax rates. He stated that he has heard some talk about the things they would support and things they would not support. He stated that we have a responsibility to look at all of those and make decisions as a whole in terms of things that will grow our County.

Mr. Felton offered a substitute motion to approve the Edgecombe County fiscal year 2015-2016 budget ordinance with an amended 3.5 cent tax increase. Mrs. Harris seconded the motion.

Mr. Felton stated that we have had a budgeting problem more than we have a money problem during the past several years. He stated that he has been a Commissioner for almost twenty years and we have had the same problem most of that time. Mr. Felton stated that the North Carolina legislature said that when counties do budgets they have to have a balanced budget. He stated that counties cannot borrow money to balance budgets. "So what we do, we come up with a figure that we need to do the things we need and want to do and then we use our fund balance to balance the budget. We have been doing that every since I have been a commissioner. I am in total agreement with everything Mr. Boswell said, but we have to have a certain amount of revenue in order to justify the things that we do. The fund balance, seven years ago, when we had a property revaluation, was roughly $7 million. Our fund balance now is within $1.5 million from where it was seven years ago. We have over appropriated the free fund balance by 80% and that's what we have been doing for years. We say that we are getting down close to the 8% required by law every year, but then we come up with a 13, 14, 15, 16 percent fund balance. If you've got $7 million in a bank account and you say you are going to spend $5 million of it, but you only spend $1 million. I am not saying that we don't need a tax increase, I think we do and I think our employees are entitled to a raise. When we had our last budget work session Mr. Carmon came back and offered a budget with a 3.5 cent tax increase and that is the budget I am in favor of."

Mrs. Harris stated that the reason she seconded the motion tonight and at the budget work session is because, " We were offered the same 3.5 cent tax increase that the Manager had given to us. Our School teachers do need supplements so that we can stop losing all of our good teachers to Nash, Pitt and Wilson Counties. Our children deserve the best just like those counties. Our employees work every single day for the citizens of Edgecombe County, they too deserve a raise after six years of going without one. As Commissioners we cannot just arbitrary create a tax without getting permission from the General Assembly. She stated that every department has trimmed their budget to the bare bones. Our employees at DSS are given more work every. As a county that has a high unemployment , they are seeing people that have never been to the department of social services, but find themselves in a position that they have no work, not by choice of their own but they have children that have to be fed and need care. The General Assembly just gave $96 million to Cary to bring in MedLife that's going to bring in thousands of jobs. Edgecombe County has gone to the General Assembly asking for the same kind of incentives to

bring jobs to our citizens. We invite you to call your General Assembly members and let them know that the people in Edgecombe County deserve the same kind of life that the people in Cary will now have. I also voted because we need reserve; She stated that she was here in 1999 when hurricane Floyd came, and if we did not have reserve people would still be living in trailers. Property taxes are the main way government is run."

Mr. Wiggins called for a vote on Mr. Felton's substitute motion. Voting for the motion were Mr. Felton and Mrs. Harris. Voting against the motion were Mr. Wiggins, Rev. Hines, Mr. Boswell, Mrs. Powell and Mr. Wooten. Motion failed by a 5 against, 2 for vote.

Mr. Wiggins called for a vote on Mr. Boswell's motion. Voting for the motion were Mr. Wiggins, Rev. Hines, Mr. Boswell, Mrs. Powell and Mr. Wooten. Voting against the motion were Mr. Felton and Mrs. Harris. Motion carried by a 5 for, 2 against vote.

4. OTHER BUSINESS:

A. Approval of budget amendments.

Mrs. Harris moved to approve the budget amendments as presented. Rev. Hines seconded the motion, which carried by unanimous vote.

B. Approval of July 2015 fireworks displays requests from the Towns of Macclesfield and Tarboro.

Mr. Felton moved to approve the requests as submitted. Mrs. Powell seconded the motion, which carried by unanimous vote.

CLOSED SESSION:

Mr. Felton moved to enter into closed session to discuss legal matters. Rev. Hines seconded the motion, which carried by unanimous vote.

Mrs. Powell moved to go out of closed session and resume the recessed meeting of the Board. Rev. Hines seconded the motion, which carried by unanimous vote.

5. MR. FELTON MOVED TO ADJOURN THE MEETING UNTIL THE REGULAR SCHEDULED MEETING ON MONDAY, JULY 6, 2015. MRS. POWELL SECONDED THE MOTION, WHICH CARRIED BY UNANIMOUS VOTE.

Frangie Mungo

Frangie Mungo, Clerk to the Board