

PASQUOTANK COUNTY, NORTH CAROLINA
May 16, 2016

The Pasquotank County Board of Commissioners met today in a budget work session on Monday, May 16, 2016 in the Community Room at the W.C. Witherspoon Memorial Library.

MEMBERS PRESENT: Joseph S. Winslow, Jr., Chairman
Cecil Perry, Vice-Chairman
Jeff Dixon
Lloyd E. Griffin, III (arrived at 2:30 PM)
Dr. William R. Sterritt (departed at 3:30 PM)
Frankie Meads
Bettie Parker

MEMBERS ABSENT: None

OTHERS PRESENT: Rodney Bunch, County Manager
R. Michael Cox, County Attorney
Sheri Small, Finance Officer
David Smithson, Water Superintendent
Robert Boyce, VFD Coordinator
Michael Etheridge, Solid Waste Director
Lynn Scott, Clerk to the Board

The work session was called to order at 2:00 PM by Chairman Joe Winslow.

1. BUDGET WORK SESSION:

The Board reviewed the proposed budgets for the Water Department, Fire Departments, and Solid Waste Department and Finance Officer Sheri Small explained significant increases or decreases in each department.

Ms. Small stated that the Water Department's proposed budget has increases in sewer revenue and salaries and decreases in utilities and chemical costs. She noted that staff has not received their indirect cost plan, but should be receiving it by the end of the week. Capital Outlay includes a truck and a lawnmower trailer. She said the current budget is \$2.9 million and the proposed request is for \$2.8 million.

Ms. Small said the largest increase in the proposed Wastewater budget is for maintenance of the lagoon and waste water treatment. The cost to dredge the lagoon is approximately \$100,000. Staff is discussing the possibility of charging a surcharge fee to customers who are putting large amounts of trash in the lagoon.

Ms. Small noted that revenue from the RO Plant has decreased by \$300,000. She is working with the bond holder to reduce the interest rate on the bond. Preliminary numbers suggest the debt payment will be reduced. The total budget this year was \$845,000 and this year's request is \$788,000. Capital Outlay includes \$118,000; \$80,000 of which is to install meters on Halstead Boulevard Extension. County Manager Bunch reported that our engineer is recommending a meter be placed at each tap into the transmission line instead of two larger meters in the transmission line. This will hopefully eliminate potential back pressure issues in the transmission line. Currently, there are five taps in the transmission line along the Halstead Corridor. The proposed budget includes two meters and next year's budget will include the remainder. He stated that in the future whoever is putting a new tap in will be required to install a meter at the same time.

Ms. Small reviewed the proposed Fire Department budgets.

The Inter-County Volunteer Fire Department is requesting \$77,500, plus \$275,000 toward a new fire truck over a ten year period. Staff is proposing they be funded flat, plus the \$27,500, for a total of \$76,000. Chairman Winslow suggested the Board fund the new truck at 43%, which is the percentage the county pays of their overall operating budget. The Board came to a consensus to fund the truck at 43%, which totals \$19,350 per year for a ten year period rather than \$25,000 per year.

The Newland Volunteer Fire Department's budget request is up slightly due to a grant match for equipment for their new fire truck.

The Weeksville Volunteer Fire Department's budget is up slightly as well due to a grant match.

The Providence Volunteer Department was funded at \$84,085 in last year's budget. This year they are asking for \$672,605. Ms. Small said staff is proposing \$86,605. She said the big difference is they are requesting paid staff and a new fire truck.

The Nixonton Volunteer Fire Department is up slightly due to grant match for turnout gear.

Fire Department Coordinator Robert Boyce reported that bids for the new fire truck at Newland VFD came in between \$299,000 and \$374,000. He said they are currently reviewing the specifications on each bid received.

Mr. Bunch and Ms. Small asked the Board to review the request from the School System and COA to see if they would like to make any changes to the proposed budget. No changes were recommended.

Ms. Small presented a spreadsheet comparing the approved FY 15-16 budget, the FY 16-17 department requests, the FY 16-17 staff proposed budgets and the difference between the approved column from last year and what is being proposed this year. She said the staff proposed budget is short \$240,000 plus debt payments. She said this is assuming we use \$30,000 in Library Fund Balance, \$548,873 for the EMS shortage, we borrow money on the EMS vehicles, Sheriff's vehicles, County Manager vehicle, and the Inspections vehicle, we borrow \$2.9 million to fund the school projects, and we borrow money to purchase 64 portable radios requested by the Sheriff. She reminded the Board that the budget includes \$575,000 in the budget for a Backup Center for E911 and \$800,000 for the new VIPER system. If something happens and the backup center is pushed back, the \$575,000 will not be spent. She noted that there is \$400,000 in capital reserve. The Board agreed to transferring up to \$300,000 from capital reserve if necessary.

Ms. Small advised the Board that the Sheriff's Office was not awarded the \$185,000 grant they applied for to purchase the 800 MHz radios. She said we can either take them out of the budget or finance them.

Ms. Small provided a handout which breaks down the School Systems current expense request. She stated that the Board funded them at \$9,250,000 in the current fiscal year. She said with borrowing money and shifting funds staff was able to increase that to \$10,000,000. She noted they are requesting \$12.4 million.

Ms. Small made the Board aware that there are several non-profits that are asking for increases in their funding. The proposed budget is funding all non-profits flat with the exception of SPCA. She asked what the Board's pleasure is for funding the additional \$5,000 requested by SPCA. After discussion, there was a consensus to fund the additional \$5,000. Chairman Winslow said he thinks they should be funded flat.

Ms. Small reviewed the proposed Solid Waste Department budget. The proposed Landfill revenues for this fiscal year were \$4.8 million and that has not changed. Expenditures have increased for electronics disposal, contracted services for expansion, contracted services for C&D, and contracted services for the transfer station and decreased in gas and oil, maintenance of equipment and vehicles, and tire disposal. Solid Waste Director Michael Etheridge stated that we are one of the last counties that can longer dispose of electronics at no cost. He is exploring other avenues for disposal to hopefully eliminate the cost. Capital Outlay includes \$120,000 for a road tractor. Ms. Small said she does have indirect cost yet. There is an approximately \$50,000 revenue over expenditure at this time.

The Board reviewed the proposed budgets for the convenience sites. Ms. Small said the revised budget for this fiscal year is \$2.2 million. This year's budget request is \$2 million. The decrease is due to a transfer of Capital Reserve.

The Board reviewed the proposed budget for the transfer station. Ms. Small noted that capital outlay is increased by \$15,000 for the purchase of a “yard dog”.

Mr. Etheridge reported that the Solid Waste Department will be debt free after next year, which will equate to approximately \$200,000 that can be transferred into reserves. Ms. Small reminded the Board that \$100,000 was transferred in this fiscal year to Capital Reserve for future closure of the landfill and hopefully we can do the same amount this year.

Motion was made by Cecil Perry, seconded by Lloyd Griffin that the Board enter Closed Session per N.C.G.S. 143-318.11(a)(3) to protect the attorney-client privilege and to consult with the attorney concerning Pasquotank County v City of Elizabeth City. The motion carried unanimously.

Upon the end of Closed Session;

Motion was made by Jeff Dixon, seconded by Cecil Perry that the Board return to Regular Session. The motion carried unanimously.

Motion was made by Lloyd Griffin, seconded by Frankie Meads to adjourn the meeting. The motion carried unanimously and the meeting was adjourned at 4:05 PM.

CHAIRMAN

CLERK TO THE BOARD