

June 23, 2014

The Washington County Board of Commissioners met in a recessed session on Monday, June 23, 2014 at 6:00 PM in the Commissioners Room, 116 Adams Street, Plymouth, NC. Commissioners Manning, Phelps and Sexton were present. Also present were County Manager Jerry W. Rhodes, Clerk to the Board Julie J. Bennett, County Attorney Curtis Potter and Finance Officer Frank Milazi. Chair Johnson was unable to attend.*

Vice-Chair Phelps called the meeting to order. (*Chair Johnson had a previously scheduled family obligation out of town and was unable to attend this meeting.)

APPROVAL OF THE WASHINGTON COUNTY 2014-2015 BUDGET ORDINANCE:
Mr. Rhodes gave the following report to the Board:

**WASHINGTON COUNTY
FY 2014-2015 RECOMMENDED BUDGET**

JUNE 23, 2014

The budget has been prepared in accordance with the North Carolina Local Government Budget and Fiscal Control Act and NC General Statute §153-A-82. The recommended budget was balanced on May 16, 2014. It was presented to the Board of Commissioners on May 27, 2014 and included revenues and expenditures that totaled \$13,384,536. A public hearing on the recommended budget was held on June 9, 2014.

The adjusted recommended budget includes revenues and expenditures that total \$13,513,853 and is presented to the Board of Commissioner for final adoption. The adjusted recommended budget includes changes that were made during work sessions with the Board of Commissioners on June 5, 6 and 16, 2014. The adjusted recommended budget also includes changes that have been made since the budget work sessions. This recommended budget includes the following adjustments:

➤ <u>Recommended Revenue Budget:</u> May 27, 2014	\$13,384,536
▪ Revenue Adjustments:	
○ Town of Plymouth Tax Collections	(\$ 40,000)
○ Wine and Beer Tax	\$ 396
○ Sales Tax - One-Half Cent (Art. 42)	\$ 57,000
○ DSS-Admin. Reimbursement	(\$ 64,050)
○ Appropriated Fund Balance	<u>\$175,971</u>
▪ Total Revenue Adjustments	\$ 129,317

➤ Adjusted Recommended Revenue Budget: June 23, 2014 \$13,513,853

➤ Recommended Expenditure Budget: May 27, 2014 \$13,384,536

▪ Expenditure Adjustments:		
○ Governing Board	(\$ 13,203)	
○ Manager's Office	\$ 9,414	
○ Finance	(\$ 6,801)	
○ Tax Office	(\$ 3,500)	
○ Professional Services	(\$ 15,000)	
○ Board of Elections	(\$ 624)	
○ Register of Deeds	(\$ 1,000)	
○ Information Technology	(\$ 5,669)	
○ Facilities Services	(\$ 26,840)	
○ Sheriff	(\$ 11,250)	
○ Detention Center	(\$ 53,813)	
○ Planning and Safety	(\$ 21,600)	
○ Fire Protection	\$ 5,199	
○ GIS	(\$ 5,500)	
○ Economic Development	(\$ 9,400)	
○ Senior Citizens Center	(\$ 1,157)	
○ SS Administration	(\$ 65,644)	
○ SS Economic Support	(\$ 5,940)	
○ SS Transportation	(\$ 11,140)	
○ Education Contribution	\$ 78,000	
○ Cooperative Extension	(\$ 5,000)	
○ Parks and Recreation	\$ 5,800	
○ Projects and Contributions	<u>\$293,985</u>	
▪ Total Expenditure Adjustments		\$ 129,317

➤ Adjusted Recommended Expenditure Budget: June 23, 2014 \$13,513,853

Mr. Rhodes also noted that he and Frank Milazi met with Dr. Joe Davis, WCS Superintendent and David Noell, WCS Finance Officer regarding a Memorandum of Understanding between the Board of Education and the Board of Commissioners for trying to obtain funds for WCS for capital improvements for the schools.

Commissioner Sexton made a motion to adopt the 2014 – 2015 recommended budget ordinance presented for \$13,513,853. Commissioner Manning seconded.

Commissioner Sexton asked about the DSS reimbursement. Mr. Rhodes said that he and Mr. Milazi went through the DSS budget and made some additional cuts and if reductions are made on the county side then there also has to be a reduction on the fed/state side as well.

Commissioner Manning made a general statement concerning the budget. He felt that none of the Commissioners are completely satisfied with the budget. The County has serious

things facing it in the years ahead regarding maintenance on County buildings. The schools have issues also relating to their budget. We understand the schools needs and are trying to work with the Board of Education to help them. Commissioner Manning said he will vote for this budget even though he is not satisfied with it. He said the County needs to move forward in a positive way.

Commissioner Sexton said this has been one of the toughest budgets he's seen. There are a lot of issues facing the County. He knows the schools have issues and the Board of Education may need to look at long range planning regarding those issues. Washington County has five old schools. The School Board needs to look down the road—they may need to consolidate to three schools. Having only three schools could be cost effective with regards to utilities. There is a need to build more efficient schools. Commissioner Sexton said he feels that problems were dumped on the Board of Commissioners that should be handled by the Board of Education. Commissioner Sexton said he knows how Dr. Davis feels about issues with the schools, but needs to hear from the Board of Education. Others schools across the state are cutting back. It costs a lot to educate the kids in Washington County. Washington County needs to tighten our belt on EMS. We've got one of the best EMS programs around and it needs to stay at paramedic level. The Commissioners are willing to work with everyone. Commissioner Sexton said he will support the budget.

Vice-Chair Phelps said that the last couple of months have been challenging and difficult decisions had to be made. Vice-Chair Phelps thanked the County staff especially the Finance Office for all of their work on this year's budget. Washington County is no longer one of only seven counties in the entire state of North Carolina that does not provide any teacher supplement. We began this budget cycle with seven counties who didn't provide teacher supplements and at the end of this budget, there are only six. Vice-Chair Phelps encouraged the citizens to continue to come out and support the Commissioners.

The motion carried unanimously.

With no further business to discuss, Commissioner Manning made a motion to recess the meeting to Monday, June 30, 2014 at 7:00 am in the Commissioners' Room. Commissioner Sexton seconded, motion carried unanimously.

D. Cole Phelps
Vice-Chair

Julie J. Bennett, CMC, NCCCC
Clerk to the Board