

COLUMBUS COUNTY BOARD OF COMMISSIONERS
FINAL BUDGET WORKSHOP

June 25, 2008

6:30 P.M.

The Honorable Columbus County Commissioners met on the above stated date and at the above stated time in the Dempsey B. Herring Courthouse Annex Building, located at 112 West Smith Street, Whiteville, North Carolina, for the purpose of holding a Final Budget Workshop, which was resumed from the June 09, 2008 Budget Workshop.

COMMISSIONERS PRESENT:

James E. Prevatte **Chairman**
 Bill Memory, **Vice Chairman**
 Amon E. McKenzie
 Sammie Jacobs
 Lynwood Norris
 Ricky Bullard
 Ronald Gore

APPOINTEES PRESENT:

William S. Clark, **County Manager**
 Steven W. Fowler, **County Attorney**
 June B. Hall, **Clerk to Board**
 Bobbie Faircloth, **Deputy Finance Officer**

RESUMED BUDGET WORKSHOP CALLED to ORDER:

At 6:30 P.M., Chairman Prevatte called the June 25, 2008 Final Budget Workshop to order, which was resumed from June 09, 2008, and stated the following:

1. The purpose of this Final Budget Workshop is to make recommendations to William S. Clark, County Manager, and Bobbie Faircloth, Deputy Finance Officer, of the changes to be made to the Proposed 2008 - 2009 Columbus County Operating Budget, which is scheduled for adoption on June 30, 2008;
2. Workshop meetings (or work sessions) normally differ from regular Board meetings in two (2) respects. First, the meeting is to inform the Board and permit discussion - no final action is taken, and second - the procedures are less formal than at a regular meeting. But such meetings are part of the decision-making process; deliberations are going on. Therefore, they constitute "official meetings"; **and**
3. I would like to refer you to Page 20 of our Rules of Procedure Manual on the following: "A member must be recognized by the Chairperson in order to address the Board. The Chairperson shall have those powers specified in the Board's Rules of Procedure related to discussion of times and materials on the Agenda for the Workshop, and specifically on the following:
 - A. To establish time restraints for discussion;
 - B. To determine whether a speaker has gone beyond reasonable standards of courtesy in his/her remarks and to entertain and rule on objections from other members on this ground;
 - C. To entertain or refer to the County Attorney questions of parliamentary law or procedure;
 - D. To call a brief recess when needed; **and**
 - E. To adjourn in an emergency;
4. This is the procedure we need to follow in order to accomplish our goal; **and**
5. We will rotate from Board member to Board member until all comments and recommendations have been made.

RECOMMENDATIONS by BOARD MEMBERS:

1. **Commissioner McKenzie:** stated the following:
 - A. I would like to thank the department heads for their kindness and willingness to accept the Budget cuts that have been made, and not voicing complaints;
 - B. The Health Department, the Department of Aging, and the Department of Social Services operate under certain State guidelines that must be followed;
 - C. The following is my proposal for the changes to the Proposed 2008 - 2009 Columbus County Operating Budget:
 - a. School Systems \$300,000

b.	Sheriff's Department	\$160,000
c.	Literacy Council	\$2,500
d.	Chadbourn Recreation	\$14,000 (Approximate)
e.	Vietnam Veterans	\$10,000
f.	Contingency Fund	<u>\$200,000</u>
	TOTAL:	\$686,500

- D. Take the \$686,500 from Fund Balance.
2. **Commissioner Gore:** stated the following:
- A. I am very supportive of giving additional funds to our school systems, because they need it badly;
 - B. I agree with giving the Sheriff's Department additional funds for fuel costs, but no additional employees;
 - C. I think we should take the lead from the County Manager on whatever cuts in the budget he recommends to balance the budget with no tax increase;
 - D. I am totally against taking any funds out of the Fund Balance;
 - E. Eliminate the \$300,000 telephone system from Department of Social Services; **and**
 - F. The County Manager prepare a revised Budget for the Board to review.
3. **Vice Chairman Memory:** stated the following:
- A. I would like to commend Mr. Clark for a job well done in preparing the Budget;
 - B. I am very much in favor of giving additional funds to the schools in the amount of \$75,000 in proportionate increments as follows:
 - \$.28 Whiteville City Schools
 - \$.72 Columbus County Schools
 - Remainder Southeastern Community College;
 - C. Sheriff's Department - add four (4) Detention Officers;
 - D. American Legion - \$2,500;
 - E. Add Literacy Council to Special Appropriations;
 - F. Keep property tax rate at \$.815; **and**
 - G. Health Department - add additional position.

Mr. Clark stated that Kimberly Smith, Health Director, has raised the contribution from the Health Department to the General Fund to \$250,000 to allow for the additional position she is requesting.

4. **Commissioner Bullard:** stated the following:
- A. I would like to commend Mr. Clark for a job well done in preparing the Budget;
 - B. Eliminate the \$36,000 in Water District II and III for fluoride, and this could mean a one cent (\$.01) cent reduction in the special tax that is being charged in these districts;
 - C. Eliminate the following line items from Special Appropriations:
 - Sickle Cell \$1200
 - Veterans Moving Wall \$2,500
 - DSS Telephone System \$250,000
 - Animal Control Gas Chamber \$30,000
 - D. Sheriff's Department - give the cost of fuel, but no additional positions, and check into the \$75,000 for overtime;
 - E. Give additional funds to school systems and Southeastern Community College;
 - F. Support Chadborn Recreation for the one-half (½) position;
 - G. Elections - no additional position;
 - I. Rope Team - pull out;
 - J. Health Department - give additional position that has been requested;
 - K. Add time clocks in certain departments; **and**
 - L. I have a problem with the employees that are working thirty-seven and one-half (37 ½) hours and getting paid for forty (40) hours.
5. **Commissioner Norris:** stated the following:
- A. I would like to thank Mr. Clark and Bobbie Faircloth for the fine job they have done on the Budget, it is one of the best arranged Budgets I had ever worked with;
 - B. I do support additional funds being given to the school systems in Columbus County; **and**
 - C. I am undecided, at this point, about the Sheriff's Department, and will let you know

later in this meeting.

6. **Sammie Jacobs:** stated the following:
 - A. This is the sixteenth (16th) Budget I have worked on, and with every one of the budgets, we have always had more requests than funds available;
 - B. I do think the school systems need additional funds;
 - C. I would like to thank Mr. Clark and the staff for the fine Budget they have prepared;
 - D. I believe we can reach a compromise with the Sheriff's Department;
 - E. It is important to keep funds in the Contingency Fund;
 - F. Literacy Council - include in Budget and give amount requested; **and**
 - G. I do support the Chadbourn Recreation one-half (½) position for \$14,150.

7. **Chairman Prevatte:** stated the following:
 - A. I would like to thank Mr. Clark and the staff for the fine Budget they have prepared and presented to the Board;
 - B. I support the County Manager in his recommendations to the Board on the Budget;
 - C. Water Districts II and III - eliminate the \$36,000 for fluoride;
 - D. There are still some questions on the Special Foster Care and Child Adoptions, at \$20,000 each;
(Bobbie Faircloth stated this was grant monies that kept rolling over from year to year.)
 - E. Animal Control (gas chamber) - I have questions on whether we should do this since it will be outdated in 2012);
 - F. I support no increases in the Sheriff's Department except fuel, and additional fuel for all other departments;
 - G. Elections - no additional position;
 - H. Health Department - add additional position;
 - I. Literacy Council - do not include, they did not follow protocol;
 - J. School Systems: \$250,000 to be divided as follows:

-Columbus County Schools	\$150,000
-Whiteville City Schools	\$75,000
-Southeastern Community College	\$50,000
 - K. Support Chadbourn Recreation (½ Position);
 - L. Rope Rescue - \$15,000 - wait on this;
 - M. DSS telephone system - \$250,000 - postpone for one (1) year;
 - N. I would like to congratulate Mr. Clark for a balanced Budget;
 - O. \$175,000 Needs to stay in the Contingency Fund;
 - P. I support no funds to be used out of the Fund Balance; **and**
 - Q. We need to keep in mind the additional position at the Health Department will be a recurring expense next year and every year thereafter.

COMMENTS / DISCUSSION by BOARD MEMBERS:

1. **Commissioner McKenzie:** asked the following questions -
 - A. Why is the DSS telephone system so expensive?

Mr. Clark replied stating that Stuart Carroll, Purchasing Director, had received some quotes with one (1) quote being \$65,000, and the State would reimburse the County for one-half (½) of this amount.

- B. -It was stated that the Literacy Council did not follow protocol, please explain.

The standard procedure for requesting a Special Appropriation is to fill out the necessary form, and the Literacy Council did not do this.

2. **Vice Chairman Memory:** stated the following:
 - A. If the one-quarter (1/4 ¢) cent sales tax is passed in November, I think it should be earmarked for education or capital funding; **and**
 - B. Chadbourn Recreation (½ position) - I am not for this due to the fact that if we do this for Chadbourn, every town and municipality in Columbus County will be asking for this next year.

3. **Commissioner Jacobs:** stated the following:
 - A. I think we should negotiate with the Sheriff on his request; **and**
 - B. I am firm on education receiving additional funds.

4. **Commissioner Norris:** stated the following:
 - A. I support the Chadbourn Recreation (1/2 position);
 - B. I strongly support education; **and**
 - C. I support part of the Sheriff's request.

5. **Chairman Prevatte:** stated the following:
 - A. We can't give the requested additional funds to the Sheriff and additional funds to education; **and**
 - B. We need to decide which way we are going.

6. **Commissioner McKenzie:** stated the following:
 - A. We need to help the Sheriff's Department; **and**
 - B. I defend Chadbourn Recreation (1/2 position).

7. **Commissioner Gore:** stated the following:
 - A. We have a mandate from a high level of supremacy that we must do something about the Columbus County Courthouse;
 - B. We all need to cut wherever we can, at all places in the Budget; **and**
 - C. I strongly recommend that we do not use any of the Fund Balance.

8. **Vice Chairman Memory:** stated the following:
 - A. If this Board supports the one-half (1/2) position for Chadbourn Recreation, then all the other towns and municipalities within Columbus County, that is not presently receiving funds, will follow pursuit; **and**
 - B. I recommend that we do not go to the Fund Balance to help the Sheriff.

9. **Commissioner Bullard:** stated the following:
 - A. I think we should build the Fund Balance up; **and**
 - B. Start saving funds for our school systems.

10. **Commissioner Norris:** asked the following:
 - A. What amount is our Fund Balance at this time?

Bobbie Faircloth replied stating the Fund Balance is at \$14 million, but the Fund Balance is divided into two (2) parts, the Reserved Fund Balance and the Unreserved Fund Balance. The Unreserved Fund Balance is the only one you can use, and if I remember correctly, the audit states the balance is at 6.97%, and the Local Government Commission strongly recommends 8%.
 - B. I think we should allow the County Manager to do his job and recommend to the Board as to where he thinks we should cut, and be willing to accept his recommendations.

11. **Commissioner Jacobs:** stated the following:
 - A. We must spend enough funds for the necessary protection for our citizens; **and**
 - B. Recreation is important to our citizens and for those who visit Columbus County.

12. **Chairman Prevatte:** stated the following:
 - A. Our spendable Fund Balance is too low to use;
 - B. The County Manager did not recommend an increase in the staff for the Sheriff's Department;
 - C. I need to know which way this Board wants to go, because I am hearing two (2) different directions being suggested; **and**
 - D. The two (2) dominant things I am hearing is to give the Budget back to Mr. Clark for him to do the suggested revisions, and to keep the \$175,000 Contingency Fund.

13. **Commissioner McKenzie:** asked if there any anticipated funds coming in that is not listed in the Budget?

Bobbie Faircloth replied stating none, except the possible passing of the one-quarter (1/4 ¢) cent sales tax, if this is indeed voted in by the citizens.

Chairman Prevatte stated that it is my understanding there is a bill in the General Assembly, at the present time, that would allow you to earmark the proceeds from the one-quarter (1/4 ¢) cent sales tax, to be specified as school construction. If the one-quarter (1/4 ¢) cent sales tax is passed, we need to pass a Resolution, or make a decision to designate one-half (½) to the Fund Balance, and one-half (½) to be distributed proportionately to the school systems.

14. **Commissioner Jacobs:** stated the following:
 - A. We have \$175,000 in Contingency Funds which we can use; **and**
 - B. I think we should use \$100,000 and leave \$75,000.

15. **Commissioner McKenzie:** stated the following:
 - A. What about all these items that have been recommended here tonight, and how are they going to be handled; **and**
 - B. I think we should discuss these items, one by one, until each item has been resolved.

16. **Commissioner Bullard:** stated it was his opinion that Mr. Clark needs to revise the Budget, with the recommendations that have been made, and bring the Budget back to the Board.

17. **Commissioner Jacobs:** stated that if it takes it, to reduce the Contingency Fund from \$175,000 to \$50,000 to meet the requests for additional funding.

18. **Commissioner Gore:** stated the following:
 - A. I think we should save the Contingency Fund, and don't use any of it;
 - B. This Board to rely on Mr. Clark to make the necessary cuts without using the Contingency Fund.

19. **Chairman Prevatte:** stated the following:
 - A. At the present time, the summation of all the conversations and discussions, I have five (5) Board members who are in favor of giving this Budget back to Mr. Clark to make the necessary cuts, and to leave the Contingency Fund of \$175,000 alone;
 - B. I have two (2) Board members who are in favor of the discussion of each recommendation made, until a decision has been made on each item; **and**
 - C. In summation, we have a five (5) to two (2) consensus for this Budget to be given to Mr. Clark for his recommendations of places to cut, with no tax increase, and to leave the \$175,000 Contingency Fund alone.

20. **Vice Chairman Memory:** stated the following:
 - A. If the Manager takes this Budget and makes the cuts of his choice, some of the Board members are not going to be in agreement, and some are going to be in agreement; **and**
 - B. This Budget may not be adopted on June 30, 2008.

21. **William S. Clark (County Manager):** stated the following:
 - A. For some clarification, what I am hearing from the Board is to take the Budget and make the necessary cuts to allocate additional funds to the school systems in Columbus County, and an increase for fuel for the Sheriff's Department;
 - B. A three (3%) percent increase for the schools will equate to \$230,000;
 - C. A four (4%) percent increase for the schools will equate to \$307,000.
 - D. The Sheriff has requested six (6) additional vehicles; **and**
 - E. The four (4) new Detention Officers for the Sheriff equates to \$140,000, with benefits.

22. **Chairman Prevatte:** stated the following:
 - A. Edward Davis with Soil and Water Conservation has contacted me on the Livingston Creek Project, and has informed me the \$36,000 is now \$42,000, and if approved, must be added to the Budget;
 - B. Marilyn Meares with RC&D has stated the Board needs to adopt a Resolution for the district at the June 30, 2008 Resumed Regular Session Board Meeting, for this to be in place by July 1, 2008 for the Grant money;

- C. Due to a cut in funding, RC&D is now charging a fee for applications.

BUDGET WORKSHOP ADJOURNED:

At 8:05 P.M., Chairman Prevatte stated the June 25, 2008 Final Budget Workshop was adjourned.

APPROVED:

JUNE B. HALL, Clerk to Board

JAMES E. PREVATTE, Chairman