

Minutes  
 Regular Meeting  
 Hertford County Board of Commissioners  
 County Commissioners' Meeting Room  
 Monday, May 19, 2014  
 7:00 P.M.

Present: William F. Mitchell, Jr., Ronald J. Gatling, Johnnie R. Farmer, Curtis A. Freeman, Sr., and Howard J. Hunter, III

Absent: None

Also Present with the Board: Loria D. Williams, County Manager; M. Ray Wiggins, Assistant County Manager; Charles L. Revelle, III, County Attorney; and Shelia W. Matthews, Clerk to the Board

Chairman William F. Mitchell, Jr., called the meeting to order.

The invocation for the meeting was provided by Commissioner Johnnie R. Farmer.

**BUDGET AMENDMENTS**

On a motion by Freeman and a second by Gatling, the Board voted unanimously to approve the following FY 2013-2014 Hertford County Budget Ordinance Amendment #7 as presented by Robbin Stephenson, Finance Director:

AMENDMENT TO THE HERTFORD COUNTY BUDGET ORDINANCE  
 2013-2014  
 AMENDMENT 7

BE IT ORDAINED by the Governing Board of the County of Hertford, North Carolina, that the following amendment be made to the annual budget ordinance for the fiscal year ending June 30, 2014:

**Section 1** to amend the General Fund by functions, the appropriations are to be changed as follows:

**General Government**

Department	Account Number	Account Description	Comment	Amount Increase	Amount Decrease

<b>Total</b>				-	-
<b>Public Safety</b>				.	
Department	Account Number	Account Description	Comment	Amount Increase	Amount Decrease
Sheriff Dept.	10-4180-551003	Capital Outlay- Vehicle	To set up installment loan to purchase vehicles	26,624	
	10-4180-5352-00	Maintain/Repair Veh.	Insurance proceeds to cover expenditures	7,911	
<b>Total</b>				34,535	-
<b>Econ/Phy Dev.</b>					
Department	Account Number	Account Description	Comment	Amount Increase	Amount Decrease
<b>Total</b>					
<b>Human Services</b>					
Department	Account Number	Account Description	Comment	Amount Increase	Amount Decrease
Department of Social Svs	10-4440-5691-01	Daycare	Funding Allocation by DHHS	67,773	
	10-4440-5691-04	Smart Start	Funding Allocation by DHHS	43,887	
<b>Total</b>				111,660	
<b>Culture/Recreation</b>					
Department	Account Number	Account Description	Comment	Amount Increase	Amount Decrease
<b>Total</b>					

<b>Other</b>					
Department	Account Number	Account Description	Comment	Amount Increase	Amount Decrease
EnvivaReimburse'm't	40-4630-5690-41	Enviva Reimbursement	Additional funding for Enviva	270,000	
<b>Total Expenditures</b>					\$ 416,195.00

**Section 2** to amend the General Fund by functions, the revenues are to be changed as follows:

Department	Account Number	Account Description	Comment	Amount Increase	Amount Decrease
Taxes					
Local Sales Taxes					
Other Tax/Licenses					
Unrestricted Gov't					
Restricted Gov't	10-0063-4189-00	Daycare	Funding Allocationby DHHS	67,773	
Restricted Gov't	10-0063-4183-00	Smart Start	Funding Allocationby DHHS	43,887	
Restricted Gov't					
Permits & Fees					
Sales and Services					
Investments					
Miscellaneous Rev.	10-0100-4155-00	Misc. Rev. -Insurance	Insurance funds to cover exp.	7,911	
Miscellaneous Rev.	40-0113-4194-00	NC Grant-Commerce One		270,000	
Proceeds From Debt	10-0105-0000-00	Proceeds From Debt	Loan to purchase Sheriff cars	26,624	
Fund Bal. Approp.					
<b>Total Revenues</b>					\$ 416,195.00

This will result in a net increase /decrease of **\$416,195.** in the expenditures of the General Fund. To provide the additional revenue for these expenditures, the revenues will increase /decrease by the same amount of **\$416,195.** These additional revenues have already been received.

## **TAX**

On a motion by Hunter and a second by Freeman, the Board voted unanimously to approve the following vehicle tax refunds as presented by Gay Sumner, Tax Collector:

Donnie R. Deloatch           (\$103.70)

516 Big Mary Road

Winton, NC 27986

(Taxpayer paid vehicle bill, sold the vehicle, and surrendered the tag with 5 months remaining on the tag)

Ricky Lorenzo Brooks       (\$239.31)

Post Office Box 1255

Ahoskie, NC 27910

(Taxpayer paid vehicle bills 1307-445435, 1305-441047, and 1308-447554 before garnishment payment was received from the Department of State Treasurer)

## **AGING**

On a motion by Freeman and a second by Gatling, the Board voted unanimously to approve the H&CCBG Funding Plan for FY 2014-2015 as presented by Linda Blackburn, Aging Director.

## **SOCIAL SERVICES/CONTRACTS**

Mrs. Brenda Brown, Interim Social Services Director, presented the FY 2014-2015 DSS Contracts for Board approval. There are ten contracts up for renewal with two having rate increases (CPTA and Revelle& Lee).

On a motion by Gatling and a second by Hunter, the Board voted unanimously to approve the FY 2014-2015 DSS Contracts as presented.

## **PERSONNEL/POLICIES**

A Draft Voluntary Shared Leave Policy Amendment was presented to the Board by Mr. M. Ray Wiggins, Assistant County Manager. The amendment returns any unused leave to donors. Mr. Wiggins reviewed a Mock Donor Tracking System which showed the chronological order of time being donated and time being used (first donated-first used).

On a motion by Freeman and a second by Hunter, the Board voted unanimously to approve the following amended Voluntary Shared Leave Policy as presented.

## **Voluntary Shared Leave Policy**

### **1. Purpose**

The purpose of voluntary shared leave is to provide economic relief for employees who are likely to suffer financial hardship because of a prolonged absence or frequent short-term absences caused by a serious medical condition.

### **2. Eligibility**

Only permanent employees who have exhausted all accumulated paid leave (sick leave and annual leave, if applicable) and compensatory time are eligible to receive donated leave.

The County Manager shall approve or deny all requests for receipt of donated leave.

### **3. Application for Voluntary Shared Leave**

An employee who, due to a serious medical condition of self or his/her immediate family, faces prolonged or frequent absences from work may apply to their Department Head for donated leave. Application may also be made by a third person acting on the employees' behalf if the employee is unable to make application. The application will be reviewed and forwarded by the Department Head to the County Manager. The County Manager will then decide whether to approve or deny the application. If approved, then the application will be forwarded to the Human Resources Office for processing.

Immediate family as defined for receipt for Voluntary Shared Leave includes only the employee's

1. Spouse
2. Children
3. Parents
4. Dependents living in the employee's household. Also included are the step relationships for children and parents.

An employee may make application for shared leave at such time as medical evidence is available to support the need for leave beyond the employee's available accumulated leave.

The following items must be included in the application:

- A doctor's statement, and
- An authorization for release of medical information signed by the person who is suffering the medical condition (or parent or guardian of a minor). This release may also be signed by any legally authorized party.

The applicant's need for voluntary shared leave hours will be made known through system-wide communications by the Human Resources Director. Only general information will be supplied about the applicant's condition. A Leave Donation Form must be submitted to the Human Resources Director to enter the employee donor information into the shared leave tracking system before forwarding the Form to the Finance Office to adjust the leave balance

#### **4. Donation of Leave**

- (a) To be eligible to donate vacation leave, the employee who donates leave must have more than ten (10) days of accrued leave. In no event shall a leave transfer result in the donor employee reducing his/her vacation leave balance to less than ten (10) days.
- (b) To be eligible to donate sick leave, the employee who donates leave must have more than thirty (30) days of accrued leave. In no event shall a leave transfer result in the donor employee reducing his/her sick leave balance to less than thirty (30) days.
- (c) Transfer of leave will be in increments of one day of leave. All donations of leave are strictly voluntary. Solicitation is not permitted.
- (d) All leave donations must be to a designated employee approved by the County Manager for receipt of donated leave and may not be made to a pool or bank.
- (e) All donations must be in writing and must be signed by the donating employee. The employee receiving the leave must be named and the amount of leave donated must be specified.
- (f) For the purposes of Voluntary Shared Leave, all leave donated will be credited to the recipient's sick leave account.
- (g) The donating employee may not receive compensation in any form for the donating of leave. Acceptance of remuneration for donated leave will result in dismissal.
- (h) Leave sharing shall only be considered for extreme hardship or catastrophic situations.
- (i) An employee may not file a grievance or an employee appeal if their request to receive leave or donate leave is denied. The County Manager will render a final decision based upon the merits and circumstances of each request.
- (j) The employee receiving donated time will be given information on the amount of time donated, but will not receive information such as the names of donating employees. Leave time will be donated to the employee anonymously.
- (k) The employee must be in a leave earning position.
- (l) Leave sharing shall not be available to employees who are receiving Worker's Compensation.
- (m) The employee must need and request a minimum of 80 hours of voluntary shared leave hours.

**6. Earning Leave While Using Voluntary Shared Leave**

Holidays occurring while the employee is using donated leave will be paid. Annual and sick leave will continue to be earned by the employee when he or she is using donated leave. Available earned leave accrued during this period must be used by the employee prior to continued use of any voluntary shared leave.

**7. Unused Leave**

In the event that the beneficiary should die or is separated from employment prior to exhausting all of the donated leave, the unused balance of the leave will be returned to qualifying employee donor(s). In the event that more leave is donated than is used, the balance will be returned to qualifying employee donor(s).

Qualifying employee donor(s) for return of unused shared leave will be determined by matching the total used shared leave hours with the chronological point in the shared leave tracking system where the same amount of hours is located. Employee donors that fall within the total used shared leave hours will be disqualified from receiving returned unused shared leave.

Only those employee donors whose donated leave hours have not been used as documented in the shared leave tracking system will be eligible to receive returned unused shared leave to their leave accounts from which the leave was taken.

**BUDGET**

Loria D. Williams, County Manager/Budget Officer, presented the FY 2014-2015 Hertford County Budget Message as follows:

**HERTFORD COUNTY ANNUAL BUDGET PRESENTATION  
FISCAL YEAR 2014-2015**

**Loria D. Williams, County Manager**

**BUDGET COMPOSITION**

- **Revenues**
- **Expenditures**
- **Enterprise Funds – Solid Waste, Northern/Southern Water & Tunis Sewer Districts**

- E-911 Fund
- Register of Deeds Enhancement Fund
- Capital Reserve Funds – Schools & County

**BUDGET COST DRIVERS**  
Internal or External....

- Courthouse & County Administration Operations (\$75,000)
- E-911 Consolidation Staffing & Training (\$56,700)
- Expansion of Buildings, Ground & Maintenance Department (\$75,000)
- Intranet Connectivity for Courthouse & County Administration (\$75,000)

**VALUE AND GROWTH FACTORS**  
Property Valuation dictates Tax Rate

**Tax Rate - Formula Driven**

The estimated taxable value for 2014-15 is \$1,517,536,916. Therefore, with a tax rate of .84 cents and a collection rate of 95%, the projected property tax revenue (levy) is \$12,109,945, using the following formula:

$\$1,517,536,916 \times 0.84 \text{ cents} \times .95 \times .01 = \$12,109,845$ . Compared to last year's tax revenue of \$11,967,729 – expansion dollars for this planning year is \$142,215 in comparison to \$249,996 last planning year.

Fiscal Year	Assessed Value	Growth Factor
2009	1,203,330,247	1.46%
2010	1,203,017,301	Loss value
2011	1,225,174,825	2%
2012*	1,389,428,276	13%
2013**	1,468,387,603	6%
2014	1,499,688,308	2%
2015	1,517,536,916	-1%

## REGIONAL COMPARISONS

### Property Valuation & Taxation

	Assessed Value	Tax Rate	Tax Levy	Collection Rate	Uncollected Taxes	FBA%
Bertie	\$1,210,711,027	\$.84	\$9,507,995	97.14%	\$462,673	32.36
Hertford	\$1,499,688,308	\$.84	\$12,638,802	96.22%	\$774,603	33.11
Martin	\$1,886,337,027	\$.72	\$13,305,601	95.09%	\$764,516	14.95
Northampton	\$1,876,815,515	\$.92	\$16,403,368	94.72%	\$1,136,925	9.96%

### Per Capita Spending

	Education	Debt Service	Human Services	General Government	Public Safety	Salary & Wages
Bertie	\$167	\$161	\$247	\$124	\$215	\$216
Hertford	\$220	\$23	\$274	\$144	\$290	\$248
Martin	\$383	\$71	\$270	\$109	\$255	\$217
Northampton	\$172	\$120	\$671	\$163	\$396	\$549

## REVENUE FACTORS

**Ad Valorem Taxes** – This year’s values will generate an additional \$142,215, representing a less than one percent increase compared to last year. Ad valorem taxes makeup 52% of the county’s revenue stream.

**Restricted Intergovernmental Funds** – Offsetting federal and state revenues account for 19% of the revenue stream. This year’s budget is relatively flat with a modest increase federal and state funds. The funds are restricted to the Human Services areas of the budget.

**Sales Tax** – Due to slow recovery in the economy, sales tax (prior to down turn accounted for as much as 22% of the revenue stream) make up 14% is projected one percent higher than last fiscal year.

**Fund Balance Appropriated – There is a significant increase in fund balance appropriated due to the allocation of debt proceeds (approximately \$335,000) from the courthouse project fund being paid on debt service for the courthouse and county administration project.**

### **RECOMMENDED BUDGET**

**Reflects a General Fund Budget of \$24,723,822 maintaining the tax rate of \$0.84/100 valuation and representing a less than one-percent increase over last year's adopted budget.**

**Reflects an appropriated fund balance of \$1,665,852 of which is seven percent (7%) of the operational budget. This is figure is significantly higher due to debt proceeds allocated to debt service.**

**One cent is equivalent to \$142,500 in comparison to last planning year's one cent equivalent of \$142,470.**

**Outside agencies (public schools, health department & community college) requested an unprecedented amount of expansion funding to the tune of additional \$802,100 (six cent) in funding. However, this budget funds those agencies at level funding. Department heads requested an additional \$872,791 (six cents) in funding. For the most part, departments were held to level funding as well.**

**This budget includes a 3% across the board COLA adjustment for employees effective January 2015; funds 100% of employee health benefits and longevity.**

### **EXPENDITURE FACTORS**

**General Government – The increase in general government of roughly eight percent (8%) is due to the addition of staff in the county manager's office and expansion of buildings, ground and maintenance to accommodate a net increase of office space of 40,000 square feet and intranet connectivity for the courthouse and county administration buildings.**

**Human Services – The reduction in this function is due to staffing levels being reduced through attrition and the utilization of temporary part time staffing.**

**Education – This reduction in education is due to capital outlay to schools being appropriated on a project by project basis; budget will be amended to reflect allocation when Board approves same.**

Public Safety – Slight increase due to workers’ compensation increase and the E911 Consolidation.

### **UNRESERVED FUND BALANCE**

Fund balance is a measure of the financial resources available in a governmental fund, and is indicative of sound financial condition within a fund (revenues and expenditures are aligned).

Fund balance available for appropriation (unassigned) is currently at \$4,699,461 (33.1%). However, we have capital projects totaling \$210,000 all from fund balance.

The LGC requires a minimum unreserved general fund balance of eight percent. It is further recommended for counties within our population group maintain between fifteen and twenty five percent.

### **GENERAL FUND CONCLUSION**

This recommended budget reflects a less than one percent increase over the current year’s adopted budget.

This budget follows the debt affordability analysis by setting aside the ¼ cents sales tax, as well as an additional 15% of the one cent sales tax in a capital reserve fund for debt payments due to start this fiscal year.

This budget maintains funding to non-profit and community based organizations to previous years; allocations.

### **ENTERPRISE FUNDS**

#### **Self-Sustaining via User Fees**

Hertford County uses enterprise funds to account for its water and solid waste activities and services. User fees are assessed annually and is the sole revenues source for each of these funds.

Current user fees are as follows:

- Solid Waste - \$130/Household
- Northern Water – \$25/2,000
- Southern Water -- \$25/2,000

There are no increases recommended at this time.

#### NORTHERN WATER

	2013-14	2014-15
Revenues	475,700	553,124
Sales & Services	1,000	3,349
Miscellaneous	-0-	-0-
Investment income		
<b>TOTAL REVENUES</b>	<b>\$476,700</b>	<b>\$556,473</b>
Expenditures	88,654	106,360
Salaries	388,046	450,113
Operating Expenses		
<b>TOTAL EXPENDITURES</b>	<b>\$476,700</b>	<b>\$556,473</b>

#### SOUTHERN WATER

	2013-14	2014-15
Revenues	1,010,500	938,898
Sales & Services	26,000	10,000
Miscellaneous	-0-	-0-
Investment income		
<b>TOTAL REVENUES</b>	<b>\$1,036,500</b>	<b>\$948,898</b>
Expenditures	177,917	164,120
Salaries	858,583	784,778
Operating Expenses		
<b>TOTAL EXPENDITURES</b>	<b>\$1,036,500</b>	<b>\$948,898</b>

**SOLID WASTE**

	2013-14	2014-15
<b>Revenues</b>	<b>900,654</b>	<b>926,7604</b>
<b>Taxes &amp; Licenses</b>	<b>100</b>	<b>-0-</b>
<b>Miscellaneous</b>	<b>300</b>	<b>-0-</b>
<b>Investment income</b>	<b>0</b>	<b>-0-</b>
<b>Fund Balance Appropriated</b>		
<b>TOTAL REVENUES</b>	<b>\$901,054</b>	<b>\$926,760</b>
<b>Expenditures</b>	<b>279,396</b>	<b>355,968</b>
<b>Salaries</b>	<b>621,658</b>	<b>570,792</b>
<b>Operating Expenses</b>	<b>-0-</b>	<b>-0-</b>
<b>Fund Reserve</b>		
<b>TOTAL EXPENDITURES</b>	<b>\$901,054</b>	<b>\$926,760</b>

After the presentation, the Board scheduled a Budget Work Session for Thursday, May 29, 2014, at 1:00 P.M.

**COMMISSIONERS**

On a motion by Hunter and a second by Freeman, the Board voted unanimously to reschedule the Regular Meeting set for Monday, June 2, 2014, at 9:00 A.M. for Monday, June 9, 2014, at 7:00 P.M.

On a motion by Hunter and a second by Freeman, the Board voted unanimously to schedule the Public Hearing for the Proposed FY 2014-2015 Hertford County Budget for Monday, June 9, 2014, at 7:30 P.M.

**PUBLIC COMMENT PERIOD**

Taunya Queen-Melendez, on behalf of Rehoboth Educational Services, addressed the Board during Public Comment Period regarding the play area for the day care facility located at R. L. Vann. Much discussion was held about upgrading this playground equipment and the fact that it must be fenced in according to State regulations. This will be further investigated.

**COUNTY MANAGER'S UPDATE**

- Courthouse Project is moving along – All day meeting is scheduled for May 22<sup>nd</sup> with furniture vendors

- USDA Walk-Thru is scheduled for May 29<sup>th</sup> of the Tunis Sewer Project – Citizens want a community meeting regarding cleaning up and seeding of property. Billing and how-to-connect also needs to be discussed.
- The Board agreed with certain positions in Social Services and Detention Center being unfrozen

### **COMMISSIONERS' COMMENTS**

- Vice-Chairman Gatling distributed and discussed a handout involving recreation. He noted that prices have been reduced since the first two projects. It is a 4 to 5 week process including installation. These prices expire June 20, 2014. It was decided to further discuss during the Budget Work Session.
- Commissioner Hunter reminded the Board of County Assembly Day being held May 28<sup>th</sup>. He shared starting July 1, all misdemeanants will be moved from prisons to jails which will mean overcrowding. May need to consider ankle bracelets (Martin County already does this). Rep. Holloway is trying to pass a bill to restore lottery funds back to schools. Need to call Legislators to support this bill.
- Commissioner Farmer thanked the County Manager for unfreezing some critical positions. The Affordable Care Act, along with the backlog from NC Fast, is putting a burden on Social Services.

At this time, Brenda Brown was commended for her job as Interim Social Services Director.

On a motion by Hunter and a second by Freeman, the Board voted unanimously to recess Regular Session to go into a scheduled Closed Session as allowed under G. S. 143-318.11 (a) (3) to consult with the County Attorney and (6) to discuss personnel matters.

### **CLOSED SESSION**

Minutes of Closed Session are on file in the office of the Clerk to the Board.

### **REGULAR SESSION**

#### **LEASES**

On a motion by Hunter and second by Gatling, the Board voted unanimously to extend the lease with Dr. M. Scott Edwards for the District Attorney/Child Support Office at 418 Everett Street, Ahoskie, N.C., by amending the lease as follows:

- (1) Extend the term from 6/1/14 through 2/28/15 with the County having three successive monthly renewal options thereafter on the same terms;
- (2) Rent increases from \$5,695.83 per month to \$5,995.83 per month;
- (3) Landlord may request rent adjustment if Town of Ahoskie fees exceed \$300 per month;

- (4) Tenant is responsible for indoor lighting except interior foyer, and Landlord is responsible for all exterior lights.

On a motion by Hunter and a second by Gatling, the Board voted unanimously to adjourn the meeting.