

THE BOARD OF COMMISSIONERS OF THE COUNTY OF CRAVEN RECONVENED ITS REGULAR SESSION MEETING OF MAY 19, 2003 ON MAY 21, 2003 AT 9:00 A.M. IN THE COMMISSIONERS' ROOM OF THE CRAVEN COUNTY ADMINISTRATION BUILDING, 406 CRAVEN STREET, NEW BERN, NORTH CAROLINA. THE PURPOSE OF THE MEETING WAS TO CONDUCT A BUDGET WORK SESSION.

MEMBERS PRESENT:

- Chairman Johnnie Sampon, Jr.
- Vice Chairman Lee Kyle Allen
- Commissioner George Brown
- Commissioner Perry Morris
- Commissioner M. Renée Sisk
- Commissioner Leon C. Staton

MEMBERS ABSENT:

- Commissioner Bill Harper

STAFF PRESENT:

- Harold Blizzard, County Manager
- George B. Sawyer, Assistant County Manager
- Richard F. Hemphill, County Finance Officer
- Ray H. Moser, Human Resources Director
- Gwendolyn M. Bryan, Clerk to the Board
- James R. Sugg, County Attorney

FINANCIAL OVERVIEW

County Finance Officer, Rick Hemphill, provided the Board with an overview of the County's financial position in comparison to its financial position the same time last year. He stated that the County is in better position, comparatively, there being \$2.5 million dollars projected revenue in excess of expense, without taking into account the extra half cent sales tax, which is likely to produce an additional \$1.5 million. By comparison, the County's excess over expenditures at this time last year was \$480,000. He explained that the tax value was estimated at approximately 2.4% lower than actual and that Medicaid payments have been realized at approximately \$1 million lower than projected. Both of these factors contributed to the County's current financial position. As of June 2nd, he projected \$11.2 million available in fund balance, which represents 17.4%. He advised the Board that adding \$1.5 million would increase fund balance to \$12.7 million or 18.75%. There was discussion of funding the capital needs of the County, which have been deferred for several years. Mr. Hemphill recommended that the Board consider a budget amendment to transfer \$2 million into a capital reserve, which would leave \$1.5 million available for an addition to fund balance. Commissioner Allen moved to adopt the following budget amendment, as recommended, seconded by Commissioner Brown and unanimously carried in a roll call vote.

DSS/Transfers

JOURNAL ENTRY

TRANSFER FROM	AMOUNT	TRANSFER TO	AMOUNT
101-0567-400-98-16	\$2,000,000.00	101-0000-101-00-00	\$2,000,000.00
Transfer to Reserve		Cash	
371-0000-101-00-00	\$2,000,000.00	371-0000-366-01-00	\$2,000,000.00
Cash		Transfer from Gen Fund	

Article 44 ½ cent sales tax to reserve

Budget Amendment

REVENUES	AMOUNT	EXPENDITURES	AMOUNT
101-0000-345-06-00 Article 44 ½ cent	\$1,300,000.00	101-7291-450-39-03 Medicaid	\$(700,000.00)
		101-567-400-98-16 Transfer to Reserve	\$2,000,000.00
TOTAL	\$1,300,000.00	TOTAL	\$1,300,000.00

Justification: Budget Article 44 ½ cent sales tax and unneeded Medicaid expense to be transferred to Capital Reserve.

Commissioner Sisk proposed that the Board consider an increase in the monthly stipend for Commissioners. She stated that there had not been an increase in the stipend since 1997. Human Resources Director, Ray Moser, provided a comparison of Craven County’s benefits to Commissioners against those of other counties in North Carolina. He stated that Craven County is the 29th largest county in population, the Commissioners’ total compensation ranks 24th in the state, with a ranking of 56th for stipend and 6th for travel expense. He stated that Craven County’s travel policy is very competitive; however, the Commissioners may wish to review the stipend. There was an analysis of the impact on the budget of increasing the Commissioners’ stipend, with two objections noted from Commissioners Morris and Brown.

GENERAL FUND

The Board discussed general fund expenditures in the proposed budget, reviewing the budget by department beginning with the Human Resources Department through the Tax Assessor’s Department with the following highlights.

- *Human Resources* – discussion of the addition of a Safety Director position
- *Information Technology* – phone system upgrades and equipment upgrades
- *Finance Department* – establishment of vehicular insurance pool for self-funding physical damage premiums. Commissioner Morris inquired about the coverage of physical injury to staff if caused by a faulty vehicle. Mr. Hemphill agreed to check and provide an answer
- *Elections* – Request for increase in fees to board members. It was the consensus of the Board to do further research of this request and return for discussion.
- *Tax Assessor* – Request for reclassification of positions.

At 11:00 a.m. the Board recessed by motion of Commissioner Brown, seconded by Commissioner Sisk to reconvene on Wednesday, May 28, 2003 at 9:00 a.m.

Chairman Johnnie Sampson, Jr.
Craven County Board of Commissioners

Gwendolyn M. Bryan, Clerk