

THE BOARD OF COMMISSIONERS OF CRAVEN COUNTY RECONVENED ITS RECESSED SESSION OF JUNE 7, 2021 ON WEDNESDAY, JUNE 9, 2021 AT 3:30 PM. IN THE COMMISSIONERS' ROOM OF THE CRAVEN COUNTY ADMINISTRATION BUILDING, 406 CRAVEN STREET, NEW BERN, NC. THE PURPOSE OF THE MEETING WAS TO CONDUCT A BUDGET WORK SESSION.

MEMBERS PRESENT

Chairman Jason Jones
Vice Chairman Denny Bucher
Commissioner George Liner
Commissioner Thomas Mark
Commissioner Theron McCabe
Commissioner E.T. Mitchell
Commissioner Beatrice Smith

STAFF PRESENT:

County Manager Jack Veit
Assistant County Manager Gene Hodges
Finance Director Craig Warren
Budget Analyst Sarah Williams
Human Resources Director Amber Parker
Clerk to the Board Nan Holton

Chairman Jones reconvened the meeting of June 7th at 3:30 pm on June 9, 2021. He indicated the purpose of the meeting was a budget work session and cited Commissioner Mark's concern over the proposed FY21-22 Budget.

Commissioner Mark highlighted Craven County Schools' budget of \$24,147,991 and the fact that they have over \$6 million in their fund balance. He indicated this has been a point of contention for some time. He offered two options for the Board to consider:

- A. Reduce the Craven County Schools' budget by \$3 million and have them take that sum out of their fund balance to balance their budget; or
- B. Fund their entire request, but do not come back during the rest of the fiscal year asking for more without utilizing their own reserves first.

The Board engaged in discussion over the amount of the BOE fund balance, the ramifications of reducing the schools' budget and potential lawsuit, the School Board of Education lack of providing a consolidation plan to-date, and their utilization of fund balance in a fiduciary manner. Chairman Jones provided some history as to why skepticism exists.

County Manager Veit reviewed their budget request and the mechanisms in place that prevent the Board of Commissioners from overseeing how the Board of Education spends the funds.

The Board was in consensus to fund the Craven County Schools budget, as presented, but will look unfavorably upon any further requests made during the upcoming fiscal year. Mr. Veit and Chairman Jones will meet with BOE leadership to make the expectation known not to come before the County requesting more funds without them utilizing their fund balance and providing a consolidation plan first.

Commissioner Mark expressed his displeasure with making Special Appropriations to non-profits that have not submitted a formal request nor provided documentation of their budget and audit.

Commissioners discussed the need for non-profits to conduct fund raising on their own, to provide a beneficial service to the County and holding a work session later in the year to review these organizations and their other funding sources.

Commissioner Mitchell made the motion to only pay out Special Appropriations to organizations who had met all the formal requirements of completing an application and submitting a budget and an audit, therefore removing the \$25,000 budgeted to Coastal Women' Shelter who had not provided a packet. Commissioner Liner seconded her motion and it was approved in a 7-0 roll call vote.

Finance Director Craig Warren reported that removing the \$25,000 adjusts the fund balance appropriation down to \$420,680.

Chairman Jones stated there were other items to be revisited on the “be back” list later in the year and he introduced a new topic for the Board’s consideration. His concern is the amount of money given to all of the EMS units and ensuring accountability. He reported that approximately \$30,000 is spent annually for audits and that there had been over three fraud incidences in the past six years. Mr. Jones promoted the idea of hiring an in-house Auditor position to ensure that policies are being followed and the spending is taking place within the parameters of the guidelines. He requested the Board revisit this option at their mid-year work session.

Mr. Veit reported he received a call from Sheriff Hughes earlier in the day, informing him that the deadline for ordering new Dodge Chargers is June 16, 2021, which is prior to approving the budget. He indicated this has no financial impact on the budget, but he just needs consent from the Board that is okay for the Sheriff to go ahead and place his order to ensure delivery later this year. The Board was in consensus.

County Clerk Holton reviewed the next meeting is June 21st at 8:30 am, which will be followed with a tour of the newly renovated Double Tree Hotel, a ribbon cutting and lunch at the County Parks and Recreation building in Creekside Park, followed by visits to several Emergency Watershed Protection (EWP) sites with Planning Department staff.

Commissioner Mark motioned to adjourn the meeting at 4:23 pm; followed by a second from Commissioner Mitchell and approved unanimously.

Chairman Jason R. Jones
Craven County Board of Commissioners

Nan Holton
Clerk to the Board