

**HERTFORD COUNTY BOARD OF COMMISSIONERS  
REGULAR MEETING  
COMMISSIONER'S CHAMBERS/MULTI-PURPOSE ROOM – JUDICIAL CENTER**

**Monday, May 15, 2023 – 7:00 PM**

**Present:** Com. Andre` M. Lassiter, Sr., Chairman, Com. William F. Mitchell, Jr., Vice-Chair, Com. Leroy Douglas, and Com. John D. Horton

**Absent:** Com. Ronald J. Gatling,

**Also Present with the Board:** Mr. David B. Cotton, County Manager, Dr. Renee Tyler, Clerk to the Board, Attorney Charles L Revelle, III, County Attorney  
Attorney Maria Jones, Revelle & Lee

The following employees attended the meeting: HR Director Kimberly Turner, Finance Director Leslie Edwards, Economic Development Director, Kelly Bowers, Public Information Officer KaWania Parker, Office of Aging Director Diedre, Evans, Sheriff Dexter Hayes,

Chairman Andre` M. Lassiter, Sr. called the meeting to order and Pastor Sandy Outlaw, Pastor New Vision Ministries, Murfreesboro provided the Invocation.

**CONSENT AGENDA**

On a motion by Vice-Chairman William F. Mitchell, Jr. and a second by Com. Leroy Douglas, the Board approved the Consent Agenda as follows:

- Approval of May 1, 2023 Minutes

- Approval of April 2023 Taxpayer Releases

#### RELEASES FOR MONTH ENDING

April 2023

	NAME	LEVY YEAR	VALUE RELEASED	TAX RELEASED
<b>AHOSKIE TOWNSHIP</b>				
<b>Bill#0000037428-2022-2022</b> Trailer was listed twice, also on abstract #35852	Tann, Jerome E.	2022	2,000	G01-\$16.80 HCLLP-\$1.68
<b>MURFREESBORO TOWNSHIP</b>				
<b>WINTON TOWNSHIP</b>				
<b>MANEY'S NECK TOWNSHIP</b>				
<b>ST. JOHN TOWNSHIP</b>				
<b>HARRELLSVILLE TOWNSHIP</b>				


TOTAL VALUE APPROVED THIS REPORT (2022 LEVY)	\$2,000.00
TOTAL TAX RELEASED THIS REPORT (2022 LEVY)	\$ 18.48
TOTAL VALUE APPROVED THIS REPORT (PRIOR LEVY)	\$ 0
TOTAL TAX RELEASED THIS REPORT (PRIOR LEVY)	\$ 0
TOTAL TAX RELEASED THIS REPORT (W01 COLL/RECYCLE SITE 2022)	\$
TOTAL TAX RELEASED THIS REPORT (W02 LANDFILL OPERATON 2022)	\$
TOTAL TAX RELEASED THIS REPORT (W01 COLL/RECYCLE SITE 2021)	\$0
TOTAL TAX RELEASED THIS REPORT (W02 LANDFILL OPERATION 2021)	\$0

Respectfully submitted,

*Tammy H. Eason*

Tammy H. Eason, Tax Collector

- Approval of March and April 2023 NCVTS Refunds: Jill Azumah Awuni, Quamiesha Rashale Perry, and Kemesha Marquita Winborne




North Carolina Vehicle Tax System

NCVTS Pending Refund report

Report Date 4/6/2023

Payee Name	Primary Owner	Secondary	Address 1	Address 3	Refund Type	Bill #	Status	Transaction #	Refund Description	Refund Reason	Create Date	Auth	Tax Jurisdiction	Levy Type	Change	Interest Change	Total Change
AWUNI, JILL AZUMAH	AWUNI, JILL AZUMAH		802 E HIGH ST	MURFREESBORO, NC 27855	Proration	0054 3934 80	PENDING	272985192	Refund Generated due to proration on Bill #0054393480-2021-2021-0000-00	Vehicle Sold	03/08/2023		G01	Tax	(\$69.19)	(\$3.48)	(\$72.65)
													C04	Tax	(\$64.36)	(\$2.71)	(\$57.07)
													C04	Vehicle	\$0.00	\$0.00	\$0.00
															Refund		\$129.72



North Carolina Vehicle Tax System

NCVTS Pending Refund report

Report Date 5/1/2023

Pay ee Name	Primary Owner	Secondary Owner	Address 1	Address 3	Refund Type	Bill #	Status	Transaction #	Refund Description	Refund Reason	Create Date	Tax Jurisdic	Levy Type	Change	Interest Change	Total Change
PERRY, QUAMIESHA RASHALE	PERRY, QUAMIESHA RASHALE	PERRY, BREND A ANN	900 DR MARTIN LUTHER	AHOSKIE, NC 27910	Proration	0068845962	PENDING	277359774	Refund Generated due to proration on Bill #0068845962-2022-2022-0000-00	Vehicle Sold	04/28/2023	G01	Tax	(\$68.44)	\$0.00	(\$68.44)
												C01	Tax	(\$65.99)	\$0.00	(\$65.99)
												C01	Vehicle Fee	\$0.00	\$0.00	\$0.00
															Refund	\$134.43
WINBORN E, KEMESHA MARQUITT	WINBORNE, KEMESHA MARQUITT		6123 NEUSE WOOD DR	RALEIGH, NC 27616	Proration	0068593831	PENDING	184657248	Refund Generated due to proration on Bill #0068593831-2022-2022-0000-00	Vehicle Totalled	04/25/2023	G01	Tax	(\$112.51)	\$0.00	(\$112.51)
												F01	Tax	(\$5.35)	\$0.00	(\$5.35)
															Refund	\$117.86

## **PRESENTATION OF THE MARCH 2023 FINANCIAL REPORT**

Mrs. Leslie Edwards, Finance Director presented the March 2023 Financial Report as follows: Comparative statement of General Fund Revenues, expenses, delinquent taxes, enterprise fund revenues and expenditures (Rural Water, Tunis Sewer district and Sanitation (Solid Waste) funds, operating cash and investment balances, outstanding long-term debt, operating cash and investment policies, and the Hertford County Public School and Roanoke Chowan Community College Capital Outlay requests as attached.

After a brief discussion between Mrs. Edwards, County Manager David Cotton and the Commissioners, on a motion by Vice-Chair Mitchell and a second by Com. Douglas, the Board approved the March 2023 Financial Report.

## **REQUEST CONSIDERATION OF COMMISSIONERS' SCHOLARSHIP RECOMMENDATIONS**

On a motion by Com. Douglas and a second by Com. John Horton, the Board approved the six students for the Commissioners' Scholarship as follows: Ameer Hayes, Amarion Watford, Lemontez Boone, Melanie Breyona Weston, Nadia Evans, and Austin James Chadwick as presented by Manager Cotton.

## **PUBLIC COMMENT**

Public comments were made as follows: Ahoskie Mayor, Waylen White thanked the Board for all they do in the County and invited them to attend the Hertford County United June 8<sup>th</sup> Stop the Violence Summit at 6 PM at Golden Skillet. He explained this summit is formed in partnership to bring solutions throughout Hertford County for violence prevention.

Chairman Lassiter and the Commissioners thanked Mayor White for his leadership in Ahoskie.

Ms. Sandra Branch Stewart commented regarding financial assistance for upgrades to the Bryantville Community Park, Inc. in Como. She explained to the Board the importance of providing a safe place for kids and their parents, emphasized the lack of financial support for the Como community and the community needs the help of the Board of Commissioners and asked the Commissioners to take the time to ride by the park to witness this themselves.

Chairman Lassiter shared with Ms. Stewart that there were only a few things the Board could do. He asked her to contact Clerk Tyler to schedule a time to come out and visit with her and walk through and find a process for a grant or something to assist the Como Community.

**PRESENTATION OF THE HERTFORD COUNTY JUVENILE CRIME PREVENTION COUNCIL EXECUTIVE SUMMARY AND REQUEST FOR APPROVAL OF 2023-2024 JCPC CERTIFICATION PLAN**

Ms. Hope Eley, JCPC Chairperson, presented the Hertford County Juvenile Crime Prevention Council Executive Summary sharing with the Board the minor changes in the program to include the addition of teen court and young lives matter to address youth, the loss of one program and no subject providers for youth in the program.

On a motion by Com. Douglas and a second by Com. Horton, the Board approved the FY-2023-2024 JCPC Certification Plan local match of \$22,812.00 as presented by Ms. Hope Eley, JCPC Chairperson.

During the further discussion between Ms. Eley and members of the Board, Chairman Lassiter advised Ms. Eley to meet with Manager Cotton to discuss the JCPC partnership with the County and the possible use of opioid monies to further aid in the successful operation of the program.

**CONSIDERATION OF EXTENSION OF DEADLINES FOR ASP RIVERSEDGE CONTRACT**

On a motion by Com. Horton and a second by Vice-Chairman Mitchell, the Board approved to amend the May 15, 2023 contract with ASP Riversedge as follows: 1) the Due Diligence Period in Section 1(j) is changed from 5:00 pm on Thursday, May 18, 2023 to 5:00 PM on Wednesday, July 19, 2023; 2) The Settlement Date in Section 1(1) is changed from Wednesday, June 7, 2023, to Wednesday, August 9, 2023 as presented by Attorney Revelle.

**PRESENTATION OF THE 2023-2024 DRAFT BUDGET MESSAGE, BUDGET ORDINANCE AND CAPITAL IMPROVEMENT PLAN**

County Manager David B. Cotton presented the FY 2023-2024 Draft Budget Message, Budget Ordinance and Capital Improvement Plan to the Board prepared in accordance with NCGS § 159.7 the NC Local Government Budget and Fiscal Control Act sharing that all funds Within the budget are balanced and recommended the following: General Fund \$28,809,619; Proprietary Fund Solid Waste \$1,764,817; Proprietary Fund Norther Rural Water District – \$512,020; Proprietary Fund Southern Rural Water District - \$1,190,600; Proprietary Fund Tunis Wastewater District - \$31,100; other Governmental Funds - \$1,388,716; Fiduciary Fund – Representative Payee Fund – Department of Social Services Trust Fund \$25,000; Fiduciary Fund – Cooperative Extension Trust - \$19,480; Total (inclusive of all, net of transfers) Funds \$33,741,352; and a tax rate of 84.0 ¢ per \$100 in valuation is proposed for FY 2023-2024.

The full budget message is as follows:





## **COUNTY OF HERTFORD BUDGET MESSAGE FISCAL YEAR 2023 – 2024**

The Honorable André Lassiter, Chairman &  
Hertford County Board of Commissioners:

### **Introduction**

I am pleased to submit to you the County of Hertford, North Carolina proposed budget for Fiscal Year 2023 – 2024. The budget was prepared in accordance with North Carolina General Statute § 159.7, the North Carolina Local Government Budget and Fiscal Control Act. All Funds within the budget are balanced, and all revenues and expenditures are identified for Fiscal Year 2023 – 2024. Ultimately, this year's budget document presents the revenues and expenditures by function and purpose.

The budget is designed to function as a work plan in guiding departmental operations to incorporate and accomplish the goals and objectives established by the Board of County Commissioners.

### **Recommendation**

The recommended County of Hertford Fiscal Year 2023 – 2024 Budget, which comports with the guidance of the Commissioners, is as follows: General Fund – \$28,809,619; Proprietary Fund Solid Waste – \$1,764,817; Proprietary Fund Northern Rural Water District – \$512,020; Proprietary Fund Southern Rural Water District – \$1,190,600; Proprietary Fund Tunis Wastewater District – \$31,100; Other Governmental Funds – \$1,388,716;

Fiduciary Fund – Representative Payee Fund – Department of Social Services Trust Fund – \$25,000; Fiduciary Fund – Cooperative Extension Trust – \$19,480; Total (inclusive of all, net of transfers) Funds – \$33,741,352. A tax rate of 84.0¢ per \$100 in valuation is proposed for Fiscal Year 2023 – 2024.

### **The Process**

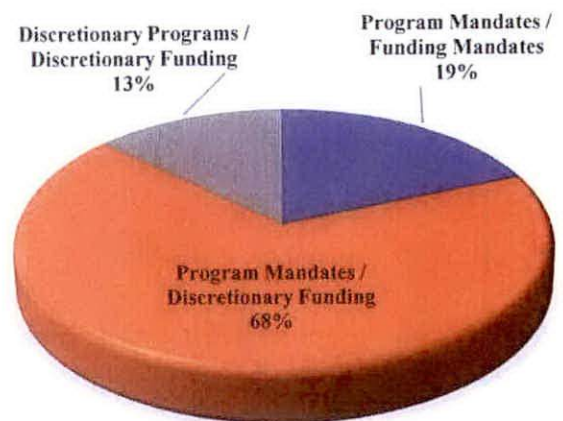
The annual budget document is one of the most important planning tools in local government as the organization strives to provide services commensurate with expectations and demonstrate accountability to the taxpayers. The process of developing, implementing, monitoring and planning is essentially a year-round effort. However, formally the County began in February 2023 with a goal setting retreat with the Board of County Commissioners. The Commissioners provided guidance and sage advice for the formulation of the Fiscal Year 2023 – 2024 budget document. The Commissioners' goals, which staff utilized for developing the budget plan are as follows:

- I. Maintain core service delivery with the lowest possible tax burden to the citizens and businesses of Hertford County

- II. Remain competitive in the region to retain and recruit a highly skilled and qualified workforce
- III. Implement the strategies and recommendations identified in the economic development program analysis
- IV. Advocate Hertford County's strengths and economic tier status as a means to continue to invest in existing businesses and industries as well as actively recruit new businesses and industries
- V. Leverage technology to continue to increase transparency and disseminate timely as well as meaningful information to our community
- VI. Continue to fund the recreational scholarships and sponsorships
- VII. Continue to fund the academic scholarship program
- VIII. Continue the summer internship program for local high school and college students
- IX. Continue seeking grant opportunities

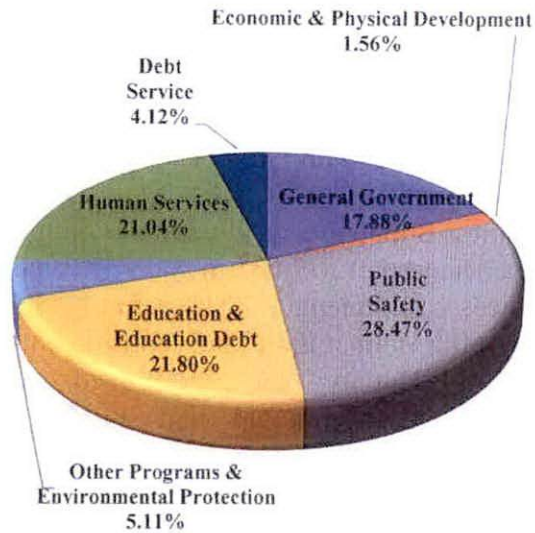
## Macro Overview

In North Carolina, there are fundamental requirements and obligations inherent for all one hundred (100) counties. Ultimately, a balanced budget must be adopted and all debt service(s) must be funded each year. Additionally, counties must appropriately and adequately fund all mandates. There are two broad categories of mandates: 1) Program Mandate / Funding Mandate, 2) Program Mandate / Discretionary Funding. The chart (below) depicts the funding mandates placed on Hertford County. As you will note, only thirteen (13%) percent is categorized as Discretionary Program / Discretionary Funding.



In the broadest of financial terms, Hertford County categorizes expenditures at the functional level. As with previous fiscal years, Public Education, Public Safety and Human Services continue to be the three (3) largest expenditure functions within the budget. The chart (next page) depicts expenditures by function across the organization. The preceding illustration conveys the significance and magnitude of mandates placed on North Carolina counties. Approximately, eighty-seven (87%) percent of Hertford County's general fund budget is directly linked to mandates. Additionally, the charts demonstrate the Board of County Commissioners' commitment to Public Education, Human Services and Public Safety. Although many of the programs within these three (3) functions are mandated by the State and Federal governments, it is important to note that the Commissioners' guidance and decisions communicate a message of funding to meet the service level expectations and demands of the community. The funding commitments contained within the Fiscal Year 2023 – 2024 budget document meet and/or exceed the funding mandates associated with the program mandates.





In terms of meeting the funding commitments prioritized by the Board of County Commissioners as well as the funding mandates established by the State of North Carolina and the United States government, Hertford County must balance fiscal prudence, taxpayer stewardship and conservative financial projections with adequately funding the portfolio of service to meet the needs and expectations of our community.

Local governments in North Carolina have limited options relative to generating revenue. The ad valorem tax levied on real and personal property is the single largest source of revenue for most local jurisdictions. As well, it is the only significant revenue generating source, which a Board of County Commissioners may set the revenue collection amount by means of the tax rate.

The sales and use tax collected for most goods and services is the second largest revenue source for North Carolina counties. However, there are a multitude of restrictions on specific sales tax articles and local governments have minimal discretion with respect to the disbursement formula and only

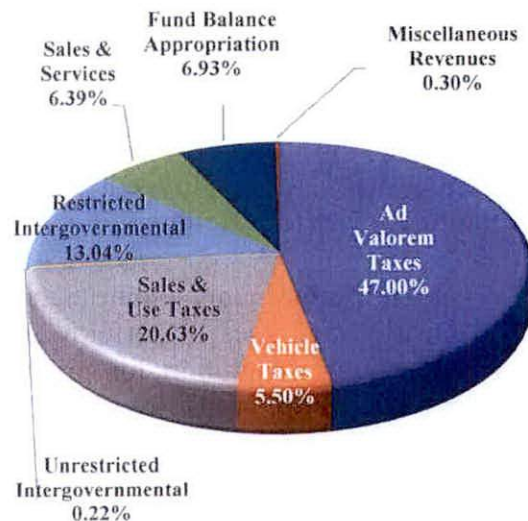
a single one-time adjustment to the collection percentage.

The third largest source of revenue for counties is a collection of restricted use intergovernmental revenues. These restricted revenues are primarily linked to social services, health and senior services.

All other revenue sources combined represent approximately one-eighth (1/8) of Hertford County's general fund revenues.

It is of paramount importance that Hertford County demonstrates value in the services provided to the citizens. In order to achieve this goal, Hertford County is constantly improving our transparency and illustrating the nexus between the tax rate and meeting/exceeding the needs and expectations of the community.

Hertford County's general fund revenue portfolio is represented in the following chart.





## Micro Overview

During the development of the Fiscal Year 2023 – 2024 budget document, we utilized a decision-making matrix, which consisted of a multitude of data points beyond the financial and budgetary variables identified as part of the standard budget development process. The basis of the matrix framework is fundamentally built upon the Commissioners' goals, objectives and guidance. Additional variables included in the matrix were statutory mandates, resources (training, technology, vehicles, facilities), stewardship, operational sustainability, client/customer service level expectation, replacement plans (public safety fleet, general government fleet and information technology infrastructure) and pandemic financial implications.

In order to illustrate the implementation and incorporation of the decision-making matrix, the following subsections are submitted for your review and consideration.

**Public Education** – The importance of funding the community's educational institutions is evidenced by the Board of County Commissioners' goals and guidance. The Commissioners appreciate and recognize the essential need for quality educational opportunities in Hertford County.

The Hertford County Public School (HCPS) District continues to perform as a leading educational institution for primary schools in North Carolina. However, HCPS has realized a decrease of over twenty-two (22%) percent in the average daily membership since 2013. The student enrollment projections for Fiscal Year 2023 – 2024 illustrate a further loss in the total number of students in the district. As a point of reference, the North Carolina Department

of Public Instruction (NCDPI) eliminated funding for eleven (11) teachers and two (2) counselors in Fiscal Year 2022 – 2023. Further, in Fiscal Year 2023 – 2024, NCDPI will eliminate funding for one (1) principal, a decrease of \$179,800 in Low Wealth Counties Supplemental Funding allotment and a decrease of \$77,635 in At Risk Student Services allotment. Therefore, after thoughtful deliberation and consideration, Hertford County has developed and implemented a rational and sustainable funding proposal. The Hertford County Board of Commissioners utilized the following funding formula for the Base Funding Allocation: Average Daily Membership (2,355)<sup>A</sup> x Per Pupil Appropriation (\$1,621.62) = \$3,927,063. The Commissioners are fully fund the three (3%) percent local supplemental appropriation for Classified Staff by adding \$125,000 to the Base Funding Allocation resulting in a total Fiscal Year 2023 – 2024 funding appropriation of \$4,052,063 for HCPS. The stipulation for the additional \$125,000 is that the funds may only be utilized for the benefit of the Classified Staff's three (3%) percent local supplemental appropriation. Therefore, the Fiscal Year 2023 – 2024 budget proposes to adjust the current expenses (operating contribution) by \$238,755 to align with the declining student enrollment. Further, the Fiscal Year 2023 – 2024 budget proposal comports to appropriate \$920,000 for annual capital needs as well as \$577,700 in debt service for the new Ahoskie Elementary School. Lastly, the combined total including operating (current expense), annual capital and debt service represents a local commitment of approximately \$5.55 million, which represents approximately nineteen (19%) percent of Hertford County's Fiscal Year 2023 – 2024 General Fund budget.



Roanoke Chowan Community College is a tremendous asset for our community. The community college serves as the keystone for the development and advancement of vocational trades, continuing education and economic development. In recognition of this vital role, the funding recommendation for Roanoke Chowan Community College is to increase the Fiscal Year 2023 – 2024 current expenses (operational funding) amount by \$5,000. The Board of Commissioners recognize the crucial role of the President and as such, the Board will continue to fund the Local Supplement. Lastly, it is recommended that an appropriation of \$150,000 be designated for the annual capital outlay needs of the Community College.

**Public Safety** – The Commissioners placed a high priority on adequately funding all functions within the public safety portfolio. The following funding recommendations for the Sheriff's Office, Animal Services, Fire Services and Emergency Medical Services are respectfully submitted for your review and consideration.

The funding recommendation for the Sheriff's Office includes the following:

- funding the public safety vehicle replacement plan utilizing the Enterprise lease program
- funding to continue the replacement of body armor
- establishing a Gang Investigative Unit (2 new fulltime positions) utilizing funding received through the North Carolina General Assembly. In order to sustain the positions, it is incumbent upon the Sheriff's Office to secure outside funding for future years
- capital funding to upgrade/replace the portable radios offset with grant dollars

- continued funding for training and certifications

The Animal Services funding recommendations are as follows:

- funding to pave the driveway and parking at the Animal Shelter
- funding to provide two (2) part-time staff to augment the fulltime staff's workload
- continued funding for training and certifications

The Fire Service funding recommendations are as follows:

- continued funding for the per call allocations remitted to each participating Fire Department

The Emergency Medical Service funding recommendations are as follows:

- continued funding and efforts to achieve and maintain Paramedic level services
- continued funding and efforts to fully implement the goals and objectives of the staffing plan
- continued funding for training and certifications

The funding recommendations comprising the primary functions within public safety represents staff's effort to fulfill the directives and guidance offered by the Commissioners.

**Human Services** – The Board is committed to funding the critical social and health services for the residents most in need in our community. In response to the State of North Carolina through the Department of Health & Human Services accepting the terms and conditions associated with Medicaid expansion, the Board of Commissioners have approved adding five (5) new Income Maintenance Caseworkers. The program

expansion will now include all individuals between the ages of 19 to 64. The eligibility criteria will include income without the requirement of a qualifying disability. As a result of the program expansion, it is anticipated that Hertford County Social Services will encounter approximately 1,800 new clients each year.

**Economic Development** – The Board of County Commissioners have identified addressing the need for a coordinated and comprehensive economic development strategy as a top priority. The Commissioners' guidance, action and funding demonstrate the wisdom and vision necessary to ensure the long-term financial viability of Hertford County through retaining, recruiting and diversifying our business and industrial portfolio. Examples of the Commissioners' commitment to Hertford County's future include: 1) implementing the strategies of the comprehensive economic development program analysis & 2) funding the economic development office.

The measures described in the previous paragraph as well as the funding recommendation illustrate a continued commitment towards addressing the long-term economic opportunities and needs in our community and greater region.

**Fiscal Responsibility & Sound Budgetary Practices** – Hertford County has a vetted track-record for financial oversight and management, which demonstrates prudent stewardship of the citizens' money. The Fiscal Year 2023 – 2024 planning document is an example of sound budgetary practices and fiscal responsibility. As a planning tool, it has allowed the County to maintain a strong financial position while meeting the service demands and expectations of the community. In an effort to further bolster the County's

long-term financial viability, staff has submitted the first ever Annual Comprehensive Financial Report (ACFR). In contrast to a standard annual financial report, an ACFR presents a wider variety of important information intended to assist the reader to properly understand the basic statements. As mentioned previously, the recommended tax rate for Fiscal Year 2023 – 2024 is 84.0¢ per \$100 in valuation. As proposed, the Fiscal Year 2023 – 2024 tax rate represents a zero (0%) percent adjustment as compared with Fiscal Year(s) 2021 – 2022 & 2022 – 2023.

Hertford County along with all North Carolina local governments adheres to and strives to meet the Governmental Accounting Standards Board (GASB) guidance and generally accepted accounting principles. From time to time, GASB issues new/revised guidance. As of July 1<sup>st</sup>, 2022, Hertford County will need to comply with Statement 84, which has the intended goal of improving financial reporting by properly identifying all of a government's fiduciary activities, determining the type of fiduciary fund used to report each fiduciary activity and presenting the financial statements of fiduciary funds appropriately. Hertford County has two such fiduciary funds meeting the reporting standards contained in GASB Statement 84. The Representative Payee Fund through the Department of Social Services Trust Fund in the amount of \$25,000 and the Cooperative Extension Trust in the amount of \$19,480.

**Staff & Citizen / Client / Customer Focus** – Hertford County is a service provider with an expansive portfolio of services and programs. As such, it is incumbent upon the organization to provide the staff with the appropriate resources, training and tools. In turn, this investment will position the County



to meet the service level expectations and demands of our clients and customers.

The Board of County Commissioners' acumen and sage guidance demonstrates a commitment to transparency and responsiveness worthy of emulation. The importance placed on client/customer service by the Commissioners is evidenced by their funding priorities.

Hertford County Government has within its ranks hard-working, loyal, innovative and talented employees. These individuals are the center of gravity for this organization. Based upon the extraordinary efforts made by staff during the response to the pandemic, general economic indicators, regional market conditions and our need to remain competitive, I am recommending the continued implementation of a strategic adjustment the Phase II employees. Lastly, I am recommending a three (3.0%) percent market adjustment for all staff (not included in the Phase II strategic adjustment) based on the current Consumer Price Index and Commissioners' guidance.

I have attempted to provide an equitable and balanced recommendation, which preserves a competitive compensation and benefits package while demonstrating value and validity to the taxpayers and general citizenry.

### **Point of Comparison**

The Fiscal Year 2023 – 2024 budget process has presented unique challenges with respect to previous fiscal years. The challenges include: double digit inflation, supply chain delays and disruptions, lingering effects of the “great resignation” leading to a historically smaller qualified workforce, shifting service mandates and expectations from the federal government

and state government to local government as well as many others.

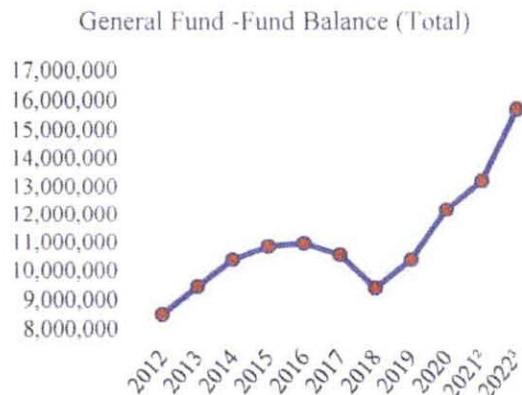
The revenue projections (inclusive of Fund Balance appropriation) for Fiscal Year 2023 – 2024 are approximately \$981,481 more than Fiscal Year 2022 – 2023. The increase is primarily attributable to Restricted Intergovernmental Revenues and Miscellaneous Revenues. There were several single purpose grants and a significant fixed asset purge in the third quarter of Fiscal Year 2022 – 2023. In addition, the tax valuation as well as the sales tax revenues continue to return positive and reliable gains year over year.

The expenditure projections for Fiscal Year 2023 – 2024 are approximately \$981,481 over Fiscal Year 2022 – 2023. It is important to note that the proposed budget plan incorporates the guidance from the Board of Commissioners while simultaneously reducing and shifting other expenditures to align with alternative funding sources. The Fiscal Year 2023 – 2024 budget includes the Phase II strategic salary adjustments, cost of living adjustment for all other staff, economic development initiatives, financially supporting the education system, human services and public safety. The increase is further attributable to the addition of five (5) Income Maintenance Caseworkers, capital investment and technology improvements. There were expenditure decreases in the following categories: one time public assistance programs through Social Services, single purpose transportation related expenditures, local funding contributions for Social Services.

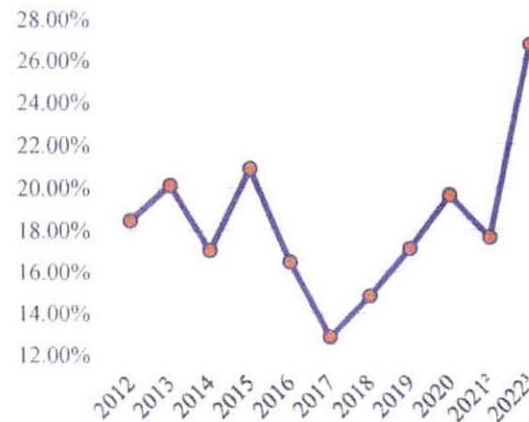
As with previous fiscal years, the financial stability and budgetary solvency for Fiscal Year 2023 – 2024 has been secured through the Board of Commissioners'

deliberate and diligent consideration of the budget plan as well as their wisdom in prioritizing and aligning the finite resources with the competing demands of the County's service portfolio.

The following charts illustrate Hertford County's increased liquidity over the preceding four fiscal years, which is a direct result of the Commissioners' guidance. The Board implemented a fund balance policy to increase the undesignated, unassigned fund balance by two (2%) percent to three (3%) percent each fiscal year until the goal of twenty-four (24%) percent undesignated, unassigned fund balance is attained and maintained within the annual budgeting process. An organization's liquidity is a measure of its ability to maintain operations during periods of time when revenues are not sufficient to meet the expenditure demands. The Commissioners' goal of a twenty-four (24%) percent undesignated, unassigned fund balance equates to approximately three months of operations. The Board's standard exceeds the North Carolina Department of State Treasurer Local Government Commission's recommended minimum fund balance of eight (8%) percent of operating expenditures. The rationale for the undesignated, unassigned fund balance goal is based on the County's budgetary obligations, economic indicators, demographic data, etc.



General Fund -Fund Balance Unassigned  
(as a Percentage of Expenditures)



## Summary

The Fiscal Year 2023 – 2024 budget demonstrates diligence, balance, leadership, sacrifice, prudence, responsiveness to the citizens' expectations and demand for services. Further, with purpose and assiduousness, the Fiscal Year 2023 – 2024 budget illustrates the incorporation of the guidance, goals and objectives identified by the Board of County Commissioners.

The guidance, goals and objectives served as the keystones for the development of the budget plan. Staff meticulously worked to ensure that a rational nexus was made to incorporate all of the goals and guidance identified by the Commissioners.

It has been my privilege to serve as a small part in this team-oriented planning process. I want to express my gratitude to everyone who participated in the Fiscal Year 2023 – 2024 budget process. I want to especially thank my colleagues for their insight, knowledge, commitment and dedication.

The guidance and leadership demonstrated by the Board of County Commissioners set the course in the



formulation of the budget document. Your insight and tireless efforts will ensure that we maintain a high level of service and provide the tools, training and resources necessary for the staff to deliver those services.

Hertford County Government will move forward with the following: 1) improvements in the organization's broad spectrum of services: public safety, senior services, information technology and economic development; 2) substantial investment in education at both the K-12 and community college levels; 3) providing County staff with a competitive compensation and benefits package; and 4) the eventual shift to a performance outcome-based budget system. I look forward to a positive and progressive year with exceptional customer/client service delivery.

Respectfully submitted,

David B. Cotton, ICMA-CM  
County Manager

<sup>A</sup> – North Carolina Department of Public Instruction:  
Student Accounting Data (Source)

<sup>B</sup> – The percentage change associated with the General Fund – Fund Balance is attributable to the Ahoskie Elementary School Project loan proceeds increasing the overall expenditures in 2021

<sup>C</sup> – The percentage change associated with the General Fund – Fund Balance is attributable to the ARPA funds



**HERTFORD COUNTY, NORTH CAROLINA**  
**BUDGET ORDINANCE**  
Fiscal Year 2023 – 2024

**BE IT ORDAINED** by the Board of Commissioners, Hertford County, North Carolina:

**SECTION 1. Appropriations:** The following amounts are hereby appropriated for the operation and maintenance of the County's various departments, for the payment of debt service obligations, and for the capital outlay purchases during the Fiscal Year beginning July 1<sup>st</sup>, 2023 and ending June 30<sup>th</sup>, 2024:

**GENERAL FUND**

**GENERAL GOVERNMENT**

Governing Body	210,760
Refunds	92,500
Administration	771,920
Human Resources/Risk Management	668,977
Finance Office	490,278
Tax Assessor	341,330
Tax Collection	274,579
Board of Elections	196,881
Register of Deeds	253,162
Land Records	251,459
Public Buildings & Maintenance	1,305,125
Court Facilities	92,975
County Attorney	84,000
Central Services – General	21,500
Central Services – Telephone	123,500
Central Services – IT	645,508
<b>TOTAL</b>	<b>5,824,454</b>

**PUBLIC SAFETY**

Sheriff's Department	2,599,669
Detention Center	2,091,120
Emergency Management	320,402
Emergency Medical Services	1,548,150
E911 Central Communications	812,212
Animal Control	153,636
Medical Examiner	16,000
Building Inspection	169,566
Fire Departments	346,542
<b>TOTAL</b>	<b>8,057,297</b>

**ECONOMIC AND PHYSICAL DEVELOPMENT**

Economic Development	148,262
Soil Conservation	130,230
Cooperative Extension	165,712
<b>TOTAL</b>	<b>444,204</b>

**HUMAN SERVICES**

Veterans Service	80,679
STEPS to Health Grant	1,200
Health Department	536,536



Mental Health	86,400
Library	109,000
DJJ & Delinquency Prevention	0
ROAP Program	30,000
Aging Administration	416,994
Aging Public Assistance	43,100
DSS Administration	3,247,889
DSS Public Assistance	949,581
DSS Grants	35,000
DSS Local Funds	462,002
<b>TOTAL</b>	<b>5,998,381</b>

#### EDUCATION

Public Schools -- Current Expense	4,052,063
Roanoke Chowan Community College -- Capital Outlay	150,000
Roanoke Chowan Community College	1,000,035
Fines & Forfeitures	69,500
<b>TOTAL</b>	<b>5,271,598</b>

#### DEBT SERVICE

Courthouse/County Administration	847,069
County Administration Office Building #1	265,097
Ahoskie Elementary School	577,700
<b>TOTAL</b>	<b>1,689,886</b>

#### SPECIAL APPROPRIATIONS

Non-Profit/Community Based Organizations	213,819
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#### TRANSFER TO OTHER FUNDS

Transfer to Fund 21	920,000
<b>TOTAL</b>	<b>1,133,819</b>

#### CONTINGENCY

Contingency	390,000
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<b>TOTAL GENERAL FUND</b>	<b>28,809,619</b>
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#### EMERGENCY TELEPHONE SYSTEM - E911

Emergency Telephone Operations	333,200
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#### ENHANCEMENT & PRESERVATION

Earmarked Funds	17,041
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#### SCHOOL RESERVE FUND

Schools Capital Outlay	920,000
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#### RURAL FIRE DISTRICTS

Woodland Rural Fire Department	4,600
Ahoskie Rural Fire Department	104,750
Union Rural Fire Department	9,125

<b>TOTAL</b>	<b>118,475</b>
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**SOLID WASTE**

Solid Waste Operations	1,674,846
General Fund Cost Allocation	89,971
<b>TOTAL</b>	<b>1,764,817</b>

**NORTHERN RURAL WATER**

Northern Water Operations	266,191
Debt Service	203,161
General Fund Cost Allocation	42,668
<b>TOTAL</b>	<b>512,020</b>

**SOUTHERN RURAL WATER**

Southern Water Operations	793,623
Debt Service	352,529
General Fund Cost Allocation	44,448
<b>TOTAL</b>	<b>1,190,600</b>

**TUNIS SEWER DISTRICT**

Sewer Operations	18,758
Debt Service	12,342
<b>TOTAL</b>	<b>31,100</b>

<b>TOTAL ALL FUNDS</b>	<b>33,741,352</b>
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**SECTION 2. Revenue** It is estimated that the revenues will be available during Fiscal Year 2023-24 to finance the foregoing appropriations:

**GENERAL FUND**

Ad Valorem Taxes	13,404,491
Previous Years Vehicle Taxes	8,400
Current Year Vehicle Taxes	1,883,300
Sales & Use Taxes	6,504,225
Other Taxes & Licenses	70,000
Beer & Wine Tax	57,000
Restricted Intergovernmental – General	219,264
Restricted Intergovernmental – Aging	86,373
Restricted Intergovernmental – Social Services	3,039,490
Permits and Fees	173,900
Sales and Services	1,190,540
Investment Earnings	40,000
Miscellaneous Revenue	15,435
Transfers from Other Funds	217,087
Fund Balance Appropriation	
General Fund Balance	1,885,050
Soil and Water Fund Balance	15,064
<b>TOTAL GENERAL FUND</b>	<b>28,809,619</b>

**EMERGENCY TELEPHONE SYSTEM - E911**

Wireless Fees	74,410
Fund Balance Appropriation	257,840
Investment Earnings	950
<b>TOTAL</b>	<b>333,200</b>

**ENHANCEMENT & PRESERVATION**

Enhancement & Preservation Revenue	17,041
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**SCHOOL RESERVE FUND**

Transfer of Restricted Sales Tax from General Fund	920,000
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**RURAL FIRE DISTRICTS**

Woodland Rural Fire Department - Ad Valorem Taxes	3,750
Woodland Rural Fire Department - Sales Tax	850
Woodland Rural Fire Department - Fund Balance Appropriation	0
Ahoskie Rural Fire Department - Ad Valorem Taxes	86,000
Ahoskie Rural Fire Department - Sales Tax	18,750
Ahoskie Rural Fire Department - Fund Balance Appropriation	0
Union Rural Fire Department - Ad Valorem Taxes	7,675
Union Rural Fire Department- Sales Tax	1,450
Union Rural Fire Department- Fund Balance Appropriation	0
<b>TOTAL</b>	<b>118,475</b>

**SOLID WASTE**

User Fees	1,555,500
Restricted Intergovernmental Income	208,892
Investment Earnings	425
Fund Balance Appropriation	0
<b>TOTAL</b>	<b>1,764,817</b>

**NORTHERN RURAL WATER**

User Fees	510,000
Investment Earnings	2,000
Fund Balance Appropriation	0
<b>TOTAL</b>	<b>512,020</b>

**SOUTHERN RURAL WATER**

User Fees	1,184,900
Investment Earnings	5,700
Fund Balance Appropriation	0
<b>TOTAL</b>	<b>1,190,600</b>

**TUNIS SEWER DISTRICT**

User Fees	30,500
Investment Earnings	600
Fund Balance Appropriation	0
<b>TOTAL</b>	<b>31,100</b>

<b>GRAND TOTAL - ALL FUNDS - REVENUE</b>	<b>33,741,352</b>
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**SECTION 3.** Hereby levied is a tax, at the rate of 0.84¢ (eighty-four cents) per one hundred dollars (\$100) valuation of property as of January 1, 2023, for the purpose of providing the revenue listed as "ad valorem taxes" in the General Fund in Section 2 of this Ordinance. The total estimated value will be \$1,727,702,681 to be taxed at a rate per one hundred dollars (\$100) of value. Real and personal property is projected to be collected at a rate of 96.39% and motor vehicles at a rate of 95.78%.

**SECTION 4.** There is hereby levied on the property tax bill for the fiscal year 2023-2024, a Solid Waste Assessment of \$250.00.



**SECTION 5.** There is hereby levied a special tax of five cents (0.05¢) for the purpose of raising revenue for Fire Prevention in the Woodland Fire Service District and four cents (0.04¢) special tax for the purpose of raising revenue for Fire Prevention in the Ahoskie Rural and Union Fire Service Districts. The rate is based on one hundred (\$100) valuation of taxable property as listed January 1, 2023, in the respective Districts.

**SECTION 6.** The Hertford County Fiscal Year 2023 – 2024 Schedule of Fees and Fines is incorporated herewith and effective July 1, 2023, through June 30, 2024.

**SECTION 7.** The County Manager is hereby authorized to accept grant funding, which has been previously approved for application by the Board of Commissioners, including any local match involved with said grant funding. The County Manager is authorized to execute any resulting grant documents. Also, the County Manager is authorized to enter into contracts for purchases of apparatus, supplies, materials, or equipment as described in N.C.G.S. § 143-129(a) up to the limits stated therein for informal bidding, which are within budgeted appropriations. The County Manager is authorized to enter into routine service contracts in the normal course of County operations within budgeted appropriations. Change Orders for capital project contracts previously approved by the Board of Commissioners may be approved by the County Manager up to the informal bidding limits referred to above, provided that sufficient funding is available. All contracts authorized by this Ordinance are approved for signature by the Chairman of the Board of County Commissioners, the County Manager, and/or the Clerk to the Board of Commissioners as appropriate; other department directors, including elected officials, do not have contract authorization authority. All contracts must include a pre-audit certification signed by the Finance Officer as described in N.C.G.S. § 159 -28(a).

**SECTION 8.** The County Manager, as Budget Officer, is hereby authorized to transfer appropriations contained herein and to enforce policy under the following circumstances:

- a. May transfer amounts between line item expenditures within a department without limitation. These changes should not result in increases in recurring obligations such as salaries.
- b. For purchases of \$500 and above, each department head is directly responsible for determining that no County funds are obligated without first securing a purchase order from the Finance Officer.
- c. The Board of Commissioners shall be responsible for allocating funds from contingency.
- d. No salary increase shall be awarded beyond those set forth in this budget document without Commissioners' approval.
- e. Transfers between functions/funds require approval of the Board of Commissioners.
- f. No grant agreement may be requested or entered into without the prior approval of the Board of Commissioners. Copies of such grants shall be furnished to the County Manager for review prior to submission to the Board of Commissioners.

**SECTION 9.** Copies of this Ordinance shall be furnished to the Budget Officer, Finance Officer, Tax Assessor and Tax Collector for direction in carrying out their duties.

This budget is prepared and adopted on a functional basis and need not be amended unless expenditures exceed functional appropriations.

Adopted this the 21<sup>st</sup> day of June 2022.

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Ronald J. Gatling, Chairman  
Hertford County Board of Commissioners

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Renee Fleetwood, CMC Clerk to the Board

Chairman Lassiter and the Board thanked Manager Cotton and those who assisted him in the process for the thorough FY 2023-2024 Budget presentation.

### **COUNTY MANAGER'S REPORT**

Manager Cotton shared upcoming events to include the County Memorial Day Holiday on Monday, May 29, 2023, technology and audio-visual upgrades for conference rooms and Commissioners' Chambers will be completed before the June 5<sup>th</sup> Board meeting and announced that the budget work session after the June 5<sup>th</sup> Regular Board Meeting.

### **BOARD CHAIR'S/CLERK'S REPORT**

Board Clerk, Renee Tyler, reported the upcoming events to be attended by members of the Board for May to include Mental Health Awareness, senior award nights with HCPS, events for June, as well as events for June.

### **COMMISSIONERS' COMMENTS**

Chairman Lassiter and the Commissioners thanked everyone present for attending the meeting and encouraged participation with the Hertford County United violence prevention event

### **CLOSED SESSION**

On a motion by Vice-Chair Mitchell and a second by Com. Douglas, the Board approved to move to Closed Session as allowed under NCGS § 143-318.11(a)(3) to consult with the County Attorney.

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

On a motion by Com. Douglas and second by Com. Horton, the Board approved to return to Regular Session.

### **ADJOURN MEETING**

On a motion by Vice-Chairman Mitchell and a second by Com. Douglas the Board adjourned the meeting.