

THE BOARD OF COMMISSIONERS OF THE COUNTY OF CRAVEN MET IN REGULAR SESSION IN THE COMMISSIONERS' ROOM OF THE CRAVEN COUNTY ADMINISTRATION BUILDING, 406 CRAVEN STREET, NEW BERN, NORTH CAROLINA, ON MONDAY, MAY 19, 2008. THE MEETING CONVENED AT 8:30 A.M.

MEMBERS PRESENT:

- Chairman Jason R. Jones
- Vice Chairman Theron McCabe
- Commissioner Lee Kyle Allen
- Commissioner Perry L. Morris
- Commissioner Johnnie Sampson, Jr.
- Commissioner M. Renée Sisk

MEMBERS ABSENT:

- Commissioner Steve Tyson

STAFF PRESENT:

- Harold Blizzard, County Manager
- Ray H. Moser, Assistant County Manager
- Richard F. Hemphill, County Finance Officer
- Gwendolyn M. Bryan, Clerk to the Board
- Jim Hicks, County Attorney

Following an invocation by Commissioner Sampson and the Pledge of Allegiance, Commissioner Sisk moved to approve the minutes of May 5, 2008 regular session, seconded by Commissioner McCabe and unanimously carried.

CONSENT AGENDA

Tax Releases

Craven County Tax Administrator, Ronnie Antry, submitted the following tax releases for the Board's approval. Commissioner Morris moved for their approval, as requested, seconded by Commissioner Sampson and unanimously carried in a roll call vote.

Credits

TAXPAYER NAME	TICKET #	AMOUNT
BARROW, JOHN SCOTT & JOY DID NOT OWN 01/01/2007	2007-0002987	\$136.13
BRYAN, MICHAEL JOEYDEE SR DID NOT OWN 01/01/2007	2007-0007080	\$11.24
HILL, EARLE MRS REBILLING SCE	2008-0090064	\$12.00
KORNEGAY, JANIE L DOUBLE BILLED ON ACCT #36505	2008-0090071	\$401.80
LENIG, JACKIE DID NOT OWN 01/01/1999	1999-0028653	\$70.40
LENIG, JACKIE DID NOT OWN 01/01/1998	1998-0093356	\$74.83
OTTINGER, FREDERICK W & COLLEE CORRECTING APPRAISAL ERROR	2008-0090074	\$4.14

STOKES, JAMES M III DID NOT OWN 01/01/2007	2007-0052282	\$47.57
STOKES, JAMES M III DID NOT OWN 01/01/2006	2006-0050656	\$50.29
STOKES, JAMES M III DID NOT OWN 01/01/2005	2005-0049933	\$55.94
STOKES, JAMES M III DID NOT OWN 01/01/2004	2004-0048509	\$58.10
STOKES, JAMES M III DID NOT OWN 01/01/2003	2003-0047976	\$62.23
	12 – CREDIT MEMO (S)	\$984.67

Budget Amendments

Craven County Finance Officer, Rick Hemphill, submitted the following budget amendments for the Board’s approval. Commissioner Morris moved for their approval, seconded by Commissioner Sampson and unanimously carried in a roll call vote.

Rescue Squads

101-2831-357-56-00 \$30,000.00 Twp 7 Rescue	101-2831-410-33-10 90%	\$27,000.00
	101-2801-410-40-03 Collection	\$3,000.00
TOTAL \$30,000.00	TOTAL	\$30,000.00

Justification: Twp #7 rescue calls are exceeding amount budgeted.

Health/Cancer Control

101-6602-349-54-00 \$12,735 Cancer Control-State	101-6602-440-40-00 Contractual Services	\$12,735
TOTAL \$12,735	TOTAL	\$12,735

Justification: Additional state funding has become available for screening breast and cervical cancer patients. The funding will be used to pay for mammograms and cervical biopsies.

DSS 7221

101-7221-349-27-00 \$9,000.00 HCCBG in Home	101-7221-450-40-00 Contractual Services	\$19,000.00
101-7221-349-22-0 \$10,000.00 Serv. Staff & Ovhd		
TOTAL \$19,000.00	TOTAL	\$19,000.00

Justification: Additional funds awarded for the Home and Community Care Block Grant from the Division of Aging, to be used for in Home Level III (match already budgeted in expenditure) Also, \$10,000 in additional Family Caregiver Funds given from Division of Aging (no County match required).

DSS 7231 TANF

101-7231-349-23-00	\$3,000.00	101-7231-450-39-35	\$3,000.00
TANF Staff & Overhead		TANF Domestic Viol	
TOTAL	\$3,000.00	TOTAL	\$3,000.00

Justification: Additional funding received for TANF Domestic Violence program. Funds are 100% Federal, no County match.

DSS 7291 Mandated

101-7291-349-10-00	\$40,000.00	101-7291-450-39-26	\$40,000.00
Day Care Combined		Child Day Care	
TOTAL	\$40,000.00	TOTAL	\$40,000.00

Justification: Additional funds allocated by Division of Child Development for Regular Day Care Subsidy. There is no County match.

Agricultural Lease for County Owned Property in Cove City

The Board considered a lease agreement with Ward McCoy on a FEMA Buyout property adjacent to the new Cove City recreational facility. The lease is for \$60 per acre on 14 acres, totaling \$840 per year for the entire tract, to be planted with soybeans. The term of the lease is May 19, 2008 to December 31, 2008. Commissioner Morris moved to approve the proposed lease agreement, seconded by Commissioner Sampson and unanimously carried in a roll call vote.

Subdivisions for Approval

Craven County Planning Director, Don Bumgardner, submitted the following subdivisions for the Board’s approval. Commissioner Morris moved for their approval, seconded by Commissioner Sampson and unanimously carried in a roll call vote.

Swift Creek Landing – Final: The property, owned by Partners and Community Development and surveyed by Kendall Gaskins, is located within Twp. 1 off of Hwy 17N. The subdivision contains 38 lots on 156 acres and is proposed to be served by community water and individual septic systems.

Helen T. Norris Division – Final: The property, owned by Helen T. Norris and surveyed by Atlantic Surveying, is located within Twp. 1 off of SR 1458 (Honolulu Road). The subdivision contains 3 lots on 4.041 acres and is proposed to be served by community water and individual septic systems.

Release for Take a Kid Fishing Foundation

Craven County Department of Social Services requested that the Chairman execute a release to facilitate participation in the “Take a Kid Fishing” program, as previously done as a routine matter. Commissioner Morris moved to authorize the Chairman to execute the release, seconded by Commissioner Sampson and unanimously carried in a roll call vote.

Health Fee Adjustments

The Board of Health recommended that the following adjustments to fees in Child Health and Family Planning be approved. It is required that charges be equal to or greater than the rates paid by Medicaid and Medicare in order to receive full reimbursements for services. Commissioner Morris moved to approve the following fee adjustments, as recommended, seconded by Commissioner Sampson and unanimously carried in a roll call vote.

Fee Increase Recommended:

<u>Procedure Code/Description</u>	<u>Medicaid Rate</u>	<u>Proposed Rate</u>
<u>Child Health/Laboratory</u>		
87220/Tissue Exam by KOH slide for skin samples	\$5.96	\$6.00
<u>Child Health</u>		
CME/Complete Medical Exam		\$225.00
<u>Family Planning</u>		
S4993/Oral Contraceptive	\$3.35 per pack	\$4.00 per pack

It was requested that the above increases be effective retroactively to April 1, 2008.

Reason for Additions:

New services being offered

<u>Procedure Code/Description</u>	<u>Current Rate</u>	<u>Medicaid Rate</u>	<u>Proposed Rate</u>
<u>Home Health</u>			
Physical Speech & Occupational Therapy	\$125.00/visit	\$130.00/visit	\$130.00/visit
Skilled Nursing	\$120.00/visit	\$125.00/visit	\$125.00/visit

It was requested that the above increases be effective July 1, 2008.

PUBLIC HEARING ON FY 08 CDBG APPLICATION

Chip Bartlett introduced the application for the FY 08 Community Development Block Grant (CDBG). He stated that the purpose of the public hearing was to obtain views of the public concerning the priorities outlined in the grant application. The areas that are the focus of the application are Bridge Street area of Bridgeton and some areas in James City. At 8:35 a.m. Commissioner Sisk moved to go into public hearing, as advertised. There were no speakers from the public and at 8:36 a.m. Commissioner Allen moved to close the public hearing, seconded by Commissioner Sampson and unanimously carried. Commissioner Sampson moved to approve the FY 08 CDBG application, seconded by Commissioner McCabe and unanimously carried.

PUBLIC HEARING ON FY 06 SCATTERED SITE CLOSE OUT

Mr. Bartlett stated that a public hearing is required for closeout of the previous grant. The grant total was \$400,000 and he indicated that all monies had been expended. At 8:39 a.m. Commissioner Morris moved to go into public hearing, as requested, seconded by Commissioner McCabe and unanimously carried. There were no speakers from the public and at 8:40 a.m. Commissioner Sampson moved to close the public hearing, seconded by Commissioner McCabe and unanimously carried.

**PRESENTATION OF DEPARTMENT OF TRANSPORTATION 2009
SECONDARY ROAD PROGRAM**

Neil Lassiter, Division Engineer, presented the DOT's secondary road program for the upcoming year, as follows:

<u>SR No.</u>	<u>Local Name</u>	<u>Length</u>	<u>From</u>	<u>To</u>	<u>Proposed Imp.</u>	<u>Estimated Cost</u>
1275	Cobbtown Road	290	SR 1262	NC 55	Grade, Drain, Stabilize & Pave	\$920,000.00
1641	Old Washington Road	0.40	US 17	BS US 17	BY Grade, Drain, Stabilize & Pave	\$65,000.00
1401	Spring Garden Road	3.47	SR 1423	NC 55	Widen from 18" to 22"	\$54,000.00
1440	Streets Ferry Road	0.50			Widen and Improve	\$200,000.00
1004	Brices Creek Road	2.60	Brice Ck	SR 1171	Widen to 28' and Improve	\$311,000.00
	Maintenance Functions-Stabilization, Pipe Replacement & Paved Road Improvements					\$260,000.00
	Retained for Road Additions, Overdrafts, Countywide Surveys & Contingencies					\$390,000.00

Commissioner Sampson moved to approve the secondary roads program, as presented, seconded by Commissioner Morris and unanimously carried. During discussion, the Board expressed several concerns and raised several questions with the Department of Transportation that were present, including District Engineer, Reed Smith and John

Rouse, Maintenance Engineer. Commissioner Sisk expressed continued concerns about the intersection at River Bend and Highway 17 at the service station. Mr. Lassiter indicated that an improvement to that intersection has been identified; however, there is no funding available for it at this time. Commissioner Morris inquired about the widening of NC Hwy. 118. Mr. Lassiter responded that the road has been sealed and that the widening and resurfacing are planned and scheduled. Commissioner Sampson indicated concern about the intersection of Queen Street and First Street in New Bern. Mr. Lassiter indicated that area has been studied by the department; however, he could not recall the outcome, and indicated that he would respond with an answer after researching it. Commissioner Morris inquired about the department’s position relative to a secondary roads resolution that was adopted by the Board in April and has been adopted by several other counties across the state, opposing pending legislation. Mr. Lassiter responded that the objective of the proposed legislation was to sunset the trust fund for paving low traffic secondary roads and using those funds for modernization of roads already paved. Commissioner Jones inquired about the improvements to Spring Garden Road and Mr. Lassiter stated that the department expects to contract for the work on that road within twelve months of July 1, 2008. He also stated that the roads, such as Hwy. 55 W, that were part of the NC Moving Ahead Project, are a high priority but there are no funds available to complete them at this time. There was discussion concerning the maintenance to Gethsemane Church Road and flooding that is occurring on Perrytown Road. Mr. Lassiter indicated that rock could be applied to Gethsemane Church Rd. to help the maintenance effort. The new District Engineer will continue to work with staff and the developer of the subdivision adjacent to the Perrytown Road flooding area for a drainage solution.

REDESIGNATION OF OLD US HIGHWAY 70

Planning Director, Don Baumgardner, explained that approximately 51 petition signatures had been presented that were determined to be property owners along Old Hwy 70 West. He indicated that approximately 163 are needed, representing 75% of property owners along Old US Hwy 70 for a road name change to be supported in accordance with Craven County’s Addressing Ordinance. He stated that the number would increase if the proposed alternate span increased in length in order to loop the alternate 70 route back into US 70 at the Glenburnie Road junction. The Chairman recognized Mr. Ralph Potter to speak. Mr. Potter stated that secondary road 1005 is the only area that is under consideration in the petition, which terminates at Beamons Fork. He further stated that bringing the alternate route all the way to Glenburnie Road in New Bern was never a consideration of the citizens who supported the petition. Mr. Potter asserted that the Clarks Road junction with US Hwy. 70 is the intended reconnection point. Mr. Lassiter indicated that the Department of Transportation must evaluate Clarks Road for its eligibility for designation as a primary road, which would be necessary in order to have it become a segment of this alternate route. Commissioner Allen moved to defer consideration of the request to support redesignation of Old Hwy. 70 as Hwy. 70 Alternate. Commissioner Sampson seconded the motion, which carried unanimously.

JCPC FUNDING RECOMMENDATIONS

Mr. Bob Keeter, Chairman, Funding and Review Committee, presented the recommended JCPC funding allocation as follows:

Needed Programs	Program	Current Funding	Request 08-09	Recommendation
Restitution/Comm Serv.	Juvenile Res. Program	\$46,000.00	\$51,911.00	\$49,000.00
Structured Day Reporting	Area Day Reporting Cent	\$90,000.00	\$102,750.00	\$90,000.00
Interpersonal Skill Building	Resolve	\$56,000.00	\$60,075.00	\$57,000.00
Home Based Counseling	Rebound/6 months Emergency Respite/12 mts	\$48,500.00	\$63,627.00	\$42,500.00 \$2,000.00

Parent/Family Skill Bld.

Teen Court Services	Teen Court	\$12,500.00	\$12,500.0	\$12,500.00
Temporary Shelter Services				
Psychological Assessment And Follow-up	Psychological Services	\$5,000.00	\$7,500.00	\$5,000.00
	JCPC	\$3,193.00		\$3,193.00
TOTALS		\$261,193.00	\$298,363.00	\$261,193.00

Commissioner Sampson moved to accept the funding recommendations, seconded by Commissioner Morris and unanimously carried.

SENIOR MEALS RECOMMENDATION

Alfreda Stout, Assistant Social Services Director, presented the recommendation for a caterer to provide congregate and home delivered meals for senior services. The two bids that were received were as follows:

J & S Catering of Bayboro	Cost per meal: \$4.17 + .28 tax = \$4.45
Golden Corral (current caterer)	Cost per meal: \$4.25 + .29 tax = \$4.54

The department evaluated both bids and recommended acceptance of the J & S Catering bid. Commissioner Morris moved to approve acceptance of the J & S Catering bid in the amount of \$4.45 per meal, seconded by Commissioner Sisk and unanimously carried. It was noted that J & S Catering had previously served as caterer, and that problems experienced during their contract period have been resolved.

UPDATE ON FEMA SEVERE REPETITIVE LOSS PILOT PROGRAM

Planning Director, Don Baumgardner, reported that subsequent to the Board’s action on April 21 to approve participation in the FEMA Severe Repetitive Loss Pilot Program, the properties identified in the County were further evaluated. He stated that two of the three potentially eligible property owners were not interested in pursuing the program. The third potential property was proven, upon further review, to be ineligible. He explained that FEMA has devised a benefit cost analysis formula to determine the value of elevating structures through this program relating to the cost of FEMA to continue paying for losses. This was the formula that was applied to the one home which resulted in the determination of ineligibility.

APPOINTMENTS

DSS

The Board considered the expiring term of Dorothea White. Commissioner Allen nominated Ms. White for reappointment and there were no additional nominations, with Ms. White being reappointed by acclamation.

Airport Board

The Board was advised that the terms of James Creech, Scott Dacey and John Price are due to expire. Commissioner Sampson nominated Mr. Creech, Mr. Dacey and Mr. Price for reappointment. There being no additional nominations, all were reappointed by acclamation.

Craven Community College

Commissioner Sisk nominated Wendy Moeller, whose term is due to expire. There were no additional nominations and Ms. Moeller was reappointed by acclamation.

ABC Board

The Board considered the expiring term of Bill Brinkley. Commissioner Sampson nominated Paul Sarsfield for appointment to this position. Commissioner Sisk nominated Mr. Brinkley. Mr. Sarsfield received four (4) votes from Commissioners Morris, Sampson, McCabe and Jones, with Mr. Brinkley receiving two (2) votes from Commissioners Allen and Sisk. Commissioner Morris nominated current ABC Board member, Billy Whitford to serve as the new Chairman to replace Mr. Brinkley as Chairman. The Board's consensus was to designate Mr. Whitford as Chairman, after confirmation of the Commissioners' authority to do so.

Workforce Development Board

The terms of Kimsey Welch and Tom Taylor were due to expire. Commissioner Sisk nominated both Mr. Welch and Mr. Taylor for reappointment. There being no additional nominations, they were reappointed by acclamation.

Havelock Board of Adjustment

At a previous meeting, Commissioner Allen nominated Mr. Tom McCarthy for appointment as the extraterritorial jurisdiction member to the Havelock Board of Adjustment and Ms. Cathy Ziegler as alternate. The appointments were deferred pending further review. Commissioner Allen indicated reaffirmation of his previous nominations and there being no additional nominations, Mr. McCarthy and Ms. Ziegler were reappointed by acclamation.

Coastal Resources Commission

The Board was advised of an opportunity to present nominees to the Governor for appointment to the Coastal Resources Commission. Commissioner McCabe moved to defer consideration of nominations until the Board's work session, seconded by Commissioner Morris and unanimously carried.

Promise Place

The Board received recommendations for the appointment of Mr. Pernell Hicks, Ms. Clarine Acasio and Ms. Carolyn Wynn. Commissioner Sisk nominated Ms. Wynn, Ms. Acasio and Mr. Hicks for appointment, as recommended. There being no additional nominees for these vacancies, they were appointed by acclamation.

At 10:10 a.m. the Board recessed to convene the meeting of the Water Board by motion of Commissioner Sampson, seconded by Commissioner McCabe.

The regular session reconvened at 10:13 a.m.

COUNTY MANAGER'S REPORT*West Craven Park*

County Manager, Harold Blizzard, reported on his findings as a result of the Board's directive on May 5 to research the impact of hunting adjacent to West Craven Park. He reported that there were seven members of the hunt club that hunt on Weyerhaeuser property adjacent to West Craven Park. There is no hunting with dogs but only using deer stands. The closest deer stand is 500 feet from the property line, which includes within that 500 feet, 100-200 feet of hardwood buffer and a large ditch. He stated that Wildlife Resources Commission had been contacted concerning possible regulations for hunting adjacent to recreation areas; however, there are none. County Attorney, Jim Hicks, indicated that the state takes preemptive authority over hunting and to establish any kind of guidelines would require a local bill. Commissioner Sisk indicated her interest in pursuing local legislation that would limit hunting in the area of the park. The other Commissioners indicated their agreement that the hunting that does occur in the adjacent woods does not pose a threat to people utilizing the park.

Recommendation from Information Technology Department

Mr. Blizzard presented a recommendation from the Information Technology Department that the domain name of Craven County be changed from co.craven.nc.us to cravencountync.gov. He stated that at the time the current domain was set up, this was the standard among local government agencies; however, the standard has changed and he has requested that the Board approve the change so that Craven County can maintain the standard. The transition will be made over several months, to become effective in August.

Regional Library Board Meeting

Mr. Blizzard asked that the Board consider a date to meet with the Regional Library Board. The date of May 20 that had been proposed by the Library Board is not available for all Commissioners. He asked that the Board consider this in setting budget work session dates.

2008-2009 Budget Recommendation

Mr. Blizzard presented the recommended budget for the upcoming fiscal year with the following budget message:

Mr. Chairman and Members of the Board of Commissioners

I respectfully submit for your consideration the recommended budget for Craven County for fiscal year 2009. The proposed budget is balanced and requires no property tax increase. The proposed budget includes a \$463,000 appropriation of fund balance. The following summarizes major components of the budget and provides some insight into the development of the budget.

It is recommended that the ad valorem tax rate for fiscal 2009 remain at \$.61 per \$100 of valuation, which is the fourth consecutive year at this rate. When comparing our tax rate to that of other counties, adjustments should be made to account for the differences in the timing of property revaluation from county to county. In order to do this, a sale to assessment ratio is calculated by using the current assessed value of properties that have recently sold compared to their selling price. That is, if a property sold for \$100,000 with an assessed value of \$70,000, the sales to assessment ratio would be 70%. This ratio is then applied to the current tax rate to get the effective tax rate (70% of our current rate of \$.61 would yield an effective rate of \$.427). There are seventy six (76) counties with a higher effective tax rate than Craven County. While this is good for the citizens of our county, it is also indicative of Craven County's ability to manage the growing demand for additional services to an ever increasing population as experienced here and across the State. It will be a challenge to maintain this rate in the future years.

Another reason Craven County has been able to maintain the current tax rate over recent years can be attributed to a prolonged period of consistent and manageable growth in the tax base. The total estimated property valuation for next year is \$7 billion, an increase of \$390 million (or 5.9%) over the estimate for 2008. This equates to \$2.3 million of additional property tax revenue in the fiscal 2009 recommended budget.

Expenditures of the general fund are recommended to decrease by 5.3%, from \$99 million in the current budget to \$93.8 million for fiscal year 2009. One would assume that with the increased property tax revenue available and a decrease in expenditures, this budget would be relatively simple to balance. However, that was not the case, because the decrease in expenditures is largely a result of the current budget including non-recurring expenditures of approximately \$5 million. These include: \$2.3 million for the Community College for prior capital commitments, \$1 million for the commitment to Tryon Palace, \$725,000 for the E-911/law enforcement software, \$590,000 transfer to the capital reserve, a \$112,500 grant from the Commerce Department which passed through the County to one of the industries located here, and rescue squad matching grants of

\$114,000. These one time expenditures were funded by one time revenues such as transfers from the capital reserve, appropriations from fund balance, borrowings, or grants received. Since both the revenue and expenditure are non recurring, there are no savings in the fiscal 2009 budget.

Additionally, at first glance, it would appear there is a \$2.5 million savings in the Medicaid line item in the recommended budget compared to the current budget. This reduction is a result of the Medicaid swap legislation enacted last year by the State. This legislation resulted in the State assuming the County's portion of Medicaid in exchange for a portion of its sales tax revenue. It is projected that the County will lose \$2 million of sales tax revenue in fiscal 2009 which results in a net gain of \$500,000 in the recommended budget.

The increase in property tax revenue plus the projected savings from the Medicaid swap equal approximately \$2.8 million. This amount is offset by projected decreases in other revenues and increases in expenditures. Some of the more significant examples include the following:

- Due to the current slowdown in the real estate market, it is projected we will realize over \$500,000 less revenue in the Register of Deeds Office and the Building Inspections Department.
- Debt service in the recommended budget will increase by \$350,000 because of the new borrowing for the Judicial Center, West Craven Park, and Tryon Palace Education Center.
- The Sheriff's Department budget includes no additional operational costs for the new Judicial Center since it will be fiscal 2010 before the building is occupied. Even so, the Sheriff's Department budget is recommended to increase by over \$225,000 in fiscal 2009, largely due to an increase in salaries including the reclassification of three part time bailiff positions to full time bailiff positions. This is necessary to provide adequate staffing for an ever increasing judicial docket and also security in the courthouse.
- The Department of Social Services budget is recommended to increase by \$730,000, excluding Medicaid. Of this amount, approximately \$300,000 is directly related to payments for Foster Care and a new Social Worker position for Foster Care administration. The amount recommended for Foster Care is less than the amount requested and may require additional funds at a later time. Foster Care costs are rising at an alarming rate in Craven County. In fiscal 2004, the County cost for Foster Care was \$128,000 for direct payments to providers. The amount budgeted for fiscal 2009 is over \$800,000, which is a 525% increase in five years.
- The Community College budget is recommended to increase by \$270,000, or nine percent, for current expense. The recommendation for capital outlay is down by \$150,000. The budget for the past two years included \$150,000 per year for a parking lot. The requested amount for the parking lot has now been funded and the capital outlay amount has been reduced to the amount prior to this commitment.
- The largest increase in the budget is the funding for the public schools which is recommended to increase by over \$925,000 next year. Current expense is recommended to increase from \$16.6 million to \$17.4 million or 5%. The recommended amount includes funds to provide salary increases and other items requested by the Board of Education. In addition, it is recommended to increase teacher supplements from the current \$1,800 per year to \$2,000 per year. While this does not provide the requested six percent of salary supplement, it will equate to more than 6% of a teacher's current salary that has up to 3 years of experience. Capital outlay is recommended to increase from \$850,000 to \$900,000. There is also \$3,927,000 provided in the budget for school debt service, a \$52,000 increase

over the prior year. In total the budget for the public schools will increase to \$22,272,000 in fiscal 2009.

A four percent salary increase for all eligible County employees is recommended. The Consumer Price Index through April 2008 for the South Region shows an increase of 4.2 percent, primarily due to inflation in food, medical care, and transportation costs. A five percent increase in our health and dental insurance employee premiums is necessary to cover the rising cost of medical care.

The proposed budget for fiscal year 2009 is an efficient and effective plan for spending to accomplish the goals of Craven County. I wish to commend department heads and staff for their valuable assistance in this process and I look forward to working with the Board of Commissioners in finalizing the budget for next year. The recommended budget shall be immediately available for public inspection. I recommend the Board schedule a public hearing at 7:00 PM on June 2, 2008 and schedule budget study sessions between now and that time.

Respectfully submitted,

Harold Blizzard, Craven County Manager

May 19, 2008

Following the budget message the Board was asked to set a public hearing for public comment on the budget. Commissioner Morris moved to set a public hearing for 7:00 p.m. on June 2, seconded by Commissioner McCabe and unanimously carried. The Board established work sessions for 9:00 a.m. on Tuesday, May 27, Wednesday, May 28 and Wednesday, June 4.

It was the consensus of the Board to invite the Library Board to a joint meeting on the afternoon of May 27, preferably or the morning of May 28.

COMMISSIONERS' REPORTS

Commissioner Jones reminded the Board of the Memorial Day service at 11:00 a.m. on May 26 and the Hospice breakfast on May 28. He announced that he will be conducting a meeting with Township Three Fire Chiefs and Fire Tax Commissioners at 7:00 p.m. on May 20 to discuss their requested fire tax increases.

Commissioner Sampson announced Concerned Citizens meetings and presentations at 6:00 p.m. on May 19 and 7:00 p.m. on May 20 at Stanley White Center.

At 10:32 a.m. Commissioner Morris moved to go into closed session for a consultation with the County Attorney, subject to NCGS 143-318.11(a) (3) and (7). Commissioner McCabe seconded the motion, which carried unanimously.

At 11:25 a.m. the Board returned to regular session. Commissioner Sisk moved to approve an allocation of \$10,000 from fund balance to the Sheriff's miscellaneous line item, seconded by Commissioner McCabe and unanimously carried in a roll call vote.

Sheriff

REVENUES	AMOUNT	EXPENDITURES	AMOUNT
101-0000-399-01-00 Fund Balance	\$10,000.00	101-2001-410-33-00 Misc	\$10,000.00

Justification: Sheriff buy.

The Board was declared in recess to reconvene at 9:00 a.m. on May 27.

Chairman Jason R. Jones
Craven County Board of Commissioners

Gwendolyn M. Bryan, Clerk to the Board