

THE BOARD OF COMMISSIONERS OF THE COUNTY OF CRAVEN RECONVENED ITS RECESSED SESSION OF MAY 20, 2013 ON MAY 20, 2013 AT 11:00 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 Scott C. Dacey
Vice Chairman Thomas F. Mark
Commissioner Lee Kyle Allen
Commissioner Theron L. McCabe
Commissioner Johnnie Sampson, Jr.
Commissioner Jefferey S. Taylor
Commissioner Steve Tyson

STAFF PRESENT:

Jack B. Veit III, County Manager
Gene Hodges, Assistant County Manager – Operations/Facilities
Richard F. Hemphill, Assistant County Manager – Finance/Administration
Gwendolyn M. Bryan, Clerk to the Board
Amber Parker, Human Resources Director

Chairman Dacey recited the following principles that were presented to staff for guidance in preparing the budget:

- Promote common sense job creation and Economic Development efforts
- Incentivize savings
- Reduce regulatory burdens
- Utilize technology

Assistant County Manager for Finance/Administration, Rick Hemphill, stated that ¼ cent on the ad valorem rate equals \$296,500, and one cent equals \$1M in revenue. He reviewed recommended budget lines with significant changes. One significant change was in the Risk Pool. During discussion he stated the following reasons for the hefty increase in the payment to the Risk Pool:

1. Payment was erroneously under-rated last year
2. Loss of discount
3. Significant liability due to loss of life
4. Hurricane damage to properties

Mitigation for Future

Mike Kelly, NCACC Risk Pool, submitted a quote with a 2% storm deductible. He suggested the option of keeping the premium the same with a \$1,000 deductible. However, it was subsequently found that a \$10,000 deductible would bring the premium down by \$55,000. This is what Mr. Hemphill recommended.

Mr. Hemphill advised the Board that on the revenue side, ¼ cent on the ad valorem rate will provide \$296,500, while 1 cent equals \$1M.

Items Deferred for Later Consideration

- Commissioners' Memberships
- Highway 17 – Request/Recommendation – Consensus to fund at \$25,000

Deferred

- ACT – Discussion regarding justification; concerns expressed that paid consultant for ACT will be the same as the Highway 17 Executive. The Board asked that Mayor Jimmy Sanders come talk to the Board about ACT.

- NCABCO
- Finance – Bank charges: Mr. Hemphill was asked to do an informal comparison

Chairman Dacey suggested drafting a letter outlining FEMA reimbursement issues and send to Senator Hagan. It may help in getting a close-out audit.

Finance – Fire Department Audits

County Manager, Jack Veit, stated that Township #7 has reimbursed the County for all unauthorized funeral expenses that were noted in last year's audit. There are currently four recommended fire and rescue departments for this year's audit:

- Ft. Barnwell Fire
- Ft. Barnwell Rescue
- Cove City Fire
- Cove City Rescue

Deferred

- Commissioner Taylor suggested that the County do a cost analysis for the early voting period for cost per number of early voters.
- Staff was requested to check on return for cost for the \$50,000 Tax Management Association (Audit).
- Video Arraignment
- Economic Development deferred until after meeting of Strategic Planning Work Group on Wednesday.
- Sheriff's vehicle requests to be detailed

Commissioner Tyson moved to set a public hearing for FY 14 Budget to be held on June 3, 2013 at 7:00 p.m., seconded by Commissioner Taylor and unanimously carried.

At 5:35 p.m. the Board recessed to reconvene at 8:30 a.m. on May 21, 2013.

Chairman Scott C. Dacey
Craven County Board of Commissioners

Gwendolyn M. Bryan
Clerk to the Board