

1 **THE BOARD OF COMMISSIONERS OF THE COUNTY OF CRAVEN MET IN**  
2 **REGULAR SESSION IN THE COMMISSIONERS' ROOM OF THE CRAVEN**  
3 **COUNTY ADMINISTRATION BUILDING, 406 CRAVEN STREET, NEW BERN,**  
4 **NORTH CAROLINA, ON MONDAY, MAY 20, 2013. THE MEETING CONVENED AT**  
5 **8:30 A.M.**

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7 **MEMBERS PRESENT:**

8 Chairman Scott C. Dacey  
9 Vice Chairman Thomas F. Mark  
10 Commissioner Lee Kyle Allen  
11 Commissioner Theron L. McCabe  
12 Commissioner Johnnie Sampson, Jr.  
13 Commissioner Jefferey S. Taylor  
14 Commissioner Steve Tyson

15  
16 **STAFF PRESENT:**

17 Jack B. Veit III, County Manager  
18 Gene Hodges, Assistant County Manager – Operations/Facilities  
19 Richard F. Hemphill, Assistant County Manager – Finance/Administration  
20 Gwendolyn M. Bryan, Clerk to the Board  
21 Amber Parker, Human Resources Director  
22 Jim Hicks, County Attorney  
23 Aaron Arnette, County Attorney Associate

24  
25 Following an invocation by Commissioner Dacey and the Pledge of Allegiance, Commissioner  
26 Mark moved to approve the agenda, seconded by Commissioner McCabe and unanimously  
27 carried. The minutes of May 6, 2013 regular session were accepted without correction by  
28 motion of Commissioner Mark with a second by Commissioner McCabe.

29  
30 **COMMUNITY CHILD PROTECTION TEAM ANNUAL REPORT**

31  
32 Terry Brubaker, Program Manager, Child & Family Services Division, Craven County DSS,  
33 reported that the team met quarterly to review neglected cases and identify gaps in services to  
34 children. The following challenges were identified:

- 35
- 36 • Substance abuse and domestic violence resources are not readily available in Craven  
37 County.
  - 38 • Families often do not have resources to pay for mental health/substance abuse services  
39 and insurance does not cover them.
  - 40 • When children enter foster care, parents often lose their insurance and therefore cannot  
41 access services.
  - 42 • Case Management services are not available for most mental health clients and they are  
43 often not able to access the programs without assistance.
- 44

45 **NURSING HOME ADVISORY COMMITTEE ANNUAL REPORT**

46  
47 Mr. Alvia Hearren, Chairman, accompanied by Sheila Lewis, Ombudsman, presented the annual  
48 report. He reported that there are five facilities in Craven County, with 481 beds. The most  
49 frequent issues encountered by the Committee during their visits deal with staffing, missing  
50 items and food. He stated that there is also a heavy personnel turnover. The former Britthaven  
51 facilities have been renamed individually. The Committee is still in need of an additional  
52 two-three members and would like a Commissioner to serve ex officio.

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54 **ADULT CARE HOME ADVISORY COMMITTEE ANNUAL REPORT**

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56 Activities of the Adult Care Home Advisory Committee for the year were presented by Sheila  
57 Lewis, accompanied by Committee Chair, Loraine Mark. They reported that the Committee  
58 currently has five members, but is lacking a secretary. The membership capacity is 11. There  
59 are currently nine homes; three are adult care facilities for memory care. There may be a  
60 shortfall in the future as baby boomers age.

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**DEPARTMENTAL MATTERS: TAX RELEASES AND REFUNDS**

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Craven County Tax Administrator, Ronnie Antry, presented the following routine requests for tax releases and refunds. Commissioner Mark moved for their approval, seconded by Commissioner McCabe and unanimously carried in a roll call vote.

*Credits*

<b>TAXPAYER NAME</b>	<b>TICKET #</b>	<b>AMOUNT</b>
AMERICAN CAR CARE CENTER NOT IN BUSINESS 1/1/2012	2012-0090376	\$54.29
ANGE, MICHAEL ANDERSON DID NOT OWN 1/1/2012	2012-0001417	\$14.33
GARDNER, ALEXANDER B SR FORECLOSURE – LIEN EXTINGUISHED	2003-0018219	\$206.29
GARDNER, ALEXANDER B SR FORECLOSURE – LIEN EXTINGUISHED	2004-0018546	\$196.33
GARDNER, ALEXANDER B SR FORECLOSURE – LIEN EXTINGUISHED	2005-0019312	\$198.58
GARDNER, ALEXANDER B SR FORECLOSURE – LIEN EXTINGUISHED	2006-0019456	\$187.88
GARDNER, ALEXANDER B SR FORECLOSURE – LIEN EXTINGUISHED	2007-0020009	\$183.20
GARDNER, ALEXANDER B SR FORECLOSURE – LIEN EXTINGUISHED	2008-0020476	\$172.16
GARDNER, ALEXANDER B SR FORECLOSURE – LIEN EXTINGUISHED	2009-0020541	\$161.12
GARDNER, ALEXANDER B SR FORECLOSURE – LIEN EXTINGUISHED	2010-0018772	\$152.92
GARDNER, ALEXANDER B SR FORECLOSURE – LIEN EXTINGUISHED	2011-0020744	\$141.76
GARDNER, ALEXANDER B SR FORECLOSURE – LIEN EXTINGUISHED	2012-0020577	\$130.09
HINER DEVELOPMENT LLC APPRAISAL ERROR CORRECTION	2012-0027085	\$22.21
HUDSON, GERALD J DOUBLE LISTED – SAME ACCT 62003	2012-0091575	\$2,800.85
JONES, CHARLES L & ORA B FORECLOSURE – LIEN EXTINGUISHED	2006-0028943	\$42.42
JONES, CHARLES L & ORA B FORECLOSURE – LIEN EXTINGUISHED	2007-0029739	\$40.02
JONES, CHARLES L & ORA B FORECLOSURE – LIEN EXTINGUISHED	2008-0030250	\$37.62

124	JONES, CHARLES L & ORA B	2009-0030294	\$35.22
125	FORECLOSURE – LIEN EXTINGUISHED		
126			
127	JONES, CHARLES L & ORA B	2010-0027604	\$36.03
128	FORECLOSURE – LIEN EXTINGUISHED		
129			
130	JONES, CHARLES L & ORA B	2011-0030594	\$33.39
131	FORECLOSURE – LIEN EXTINGUISHED		
132			
133	JONES, CHARLES L & ORA B	2012-0030493	\$30.60
134	FORECLOSURE – LIEN EXTINGUISHED		
135			
136		21 – CREDIT MEMO (S)	\$4,877.31
137			
138	<b>Refunds</b>		
139			
140	KARAM, JOHN MARK & WENDY P	2012-0031339	\$40.28
141	INTEREST CHARGED IN ERROR		
142			
143	PEREZ, LETICIA M	2011-0091228	\$130.02
144	DOUBLE BILLED – SEE ACCT 81989		
145			
146	PEREZ, LETICIA M	2012-0091015	\$129.25
147	DOUBLE LISTED – SEE ACCT 81989		
148			
149		3 – REFUND (S)	\$299.55
150			

**DEPARTMENTAL MATTERS: FINANCE BUDGET AMENDMENT**

Rick Hemphill, Assistant County Manager for Finance/Administration, presented the following budget amendment for the Board’s approval. Commissioner Taylor moved for its approval, seconded by Commissioner McCabe and unanimously carried in a roll call vote.

**Register of Deeds**

159	101-1001-357-60-00	\$80,000.00	101-1001-400-45-02	\$80,000.00
160	Excise Fees		State Excise	
161				
162	TOTAL	\$80,000.00	TOTAL	\$80,000.00
163				

**Justification:** ROD has collected more excise fees than anticipated. Because 48% of collection must be sent to the NC Dept of Revenue, the expenditure has also exceeded its original budget. Need to budget additional revenue to cover the additional payments to the state.

**DEPARTMENTAL MATTERS: PLANNING**

*Request to Adopt Grant Budget Amendment and Ordinance CDBG FY 12 Scattered Site Grant*

The Planning Department requested that the Board adopt the Project Ordinance, Financial Management Resolution and Budget Amendment for the CDBG FY 12 Scattered Site Grant.

This grant will be used to construct and rehabilitate three (3) structures in Craven County. Chairman Dacey clarified that the applicants will be required to participate in the cost to rehabilitate or to construct their new home and previously specified criteria will be applied. Commissioner Sampson moved to approve the following budget amendment, Financial Management Resolution and Project Ordinance, seconded by Commissioner McCabe and carried with six (6) “ayes”, there being one (1) “nay” from Commissioner Tyson.

185	<b>Planning</b>			
186				
187	279-0000-377-02-00	\$225,000.00	279-4067-430-76-22	\$205,000.00
188	Grant CDBG		Rehab dwelling	
189			279-4067-430-76-70	\$ 20,000.00
190			Administration	
191				
192	TOTAL	\$225,000.00	TOTAL	\$225,000.00

194 **Justification:** Budget amendment needed to accept and expend grant fund awarded under  
 195 CDBG FY 12 Scattered Housing Project CDBG#: 12-C-2413.

196  
 197 **Ordinance:**

198  
 199 **CDBG FY 12 Scattered Sites**  
 200 **Fund 279**

201  
 202 This ordinance is hereby approved in the following amounts for expenditures of the CDBG FY  
 203 12 Scattered Sites.

204  
 205 Expenditures:

206				
207	Rehabilitation		\$ 205,000.00	
208	Administration		\$ 20,000.00	
209				
210	TOTAL		\$ 225,000.00	

211 The following revenues are hereby estimated for the CDBG FY 12 Scattered Sites.

212  
 213 Revenues:

214				
215	CDBG Grant		\$ 225,000.00	
216				
217	TOTAL		\$ 225,000.00	

218  
 219 This ordinance is hereby approved this 20<sup>th</sup> day of May, 2013.

220  
 221 **Craven County FY2012 Community Development Block Grant (CDBG)**  
 222 **Scattered Site (SS) Housing Program**

223  
 224 **Project Ordinance**

225  
 226 Be it ordained by Craven County, North Carolina, that pursuant to Section 13.2 of Chapter 159  
 227 of the General Statutes of North Carolina, the following grant project ordinance is hereby  
 228 adopted:

229  
 230  
 231 Section 1. The project authorized is the FY2012 Community Development Block Grant  
 232 Scattered Site Housing Program (CDBG-SS) described in the work statement contained in the  
 233 grant agreement (#12-C-2413) between Craven County and the North Carolina Department of  
 234 Commerce. This project is more familiarly known as the Craven County CDBG-SS Project.

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 236  
 237 Section 2. The Craven County staff is hereby directed to proceed with the grant project within  
 238 the terms of the grant document(s), the rules and regulations of the Department of Commerce,  
 239 and the budget contained herein.

240  
 241  
 242 Section 3. The following revenues and resources are anticipated to be available to complete the  
 243 project activities:

C-1: SS Project

CDBG Grant	\$225,000
Total Project Resources	\$225,000

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Section 4. The following amounts are appropriated for the project activities:

C-1: SS Project

<del>Project Budget</del>	<del>\$225,000</del>
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Section 5. The Grant Finance Officer is hereby directed to maintain within the Grant Project Fund sufficient specific detailed accounting records to provide the accounting to the North Carolina Department of Commerce required by the grant agreement(s) and federal and state regulations.

Section 6. Funds may be advanced from the General Funds for the purpose of making payments as due. Reimbursement requests should be made to the North Carolina Department of Commerce in an orderly and timely manner.

Section 7. The Grant Finance Officer is directed to report quarterly on the financial status of each project element in Section 4 and on the total grant revenues received or claimed.

Section 8. The Grant Finance Officer is directed to include a detailed analysis of past and future costs and revenues on this grant project in every budget submission made to this council.

Section 9. Copies of this grant project ordinance shall be made available to the Grant Finance Officer for direction in carrying out this project.

**Craven County FY2012 Community Development Block Grant (CDBG)  
Scattered Site Housing (SS) Program**

**Financial Management Resolution**

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WHEREAS, Craven County has received a Scattered Site Housing (SS) Program Grant in the amount of \$225,000, and has committed other revenues to the program; and

WHEREAS, the North Carolina Administrative Code regulations require that Craven County designate a Grant Finance Officer and a depository for CDBG funds;

NOW, THEREFORE, Craven County hereby resolves the following:

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- (1) Richard F. Hemphill, Finance Officer, will serve as Grant Finance Officer, and will be responsible for financial management of the program according to the requirements of the North Carolina Administrative Code and North Carolina General Statute requirements.
- (2) First Citizens Bank, in New Bern, NC, is hereby designated as the official depository for revenues budgeted for the FY2012 CDBG-SS Program.

Resolved this 20<sup>th</sup> day of May, 2013.

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296 *Request to Adopt Grant Budget Amendment and Ordinance-CDBG FY 12 Small Business &*  
 297 *Entrepreneurial (SBEA) Assistant Program Grant*

298  
 299 The Planning Department requested that the Board adopt a Project Ordinance, Financial  
 300 Management Resolution and Budget Amendment for the CDBG FY 12 Small Business &  
 301 Entrepreneurial (SBEA) Assistance Grant Program.

302  
 303 This grant will provide American Eagle Manufacturing with funding to acquire land and provide  
 304 part of the construction cost for a building to expand their facilities. This grant is providing  
 305 assistance to create ten (10) new jobs. Chairman Dacey stated that he favors utilizing the  
 306 payment for the land to further develop infrastructure at Industrial Park. Commissioner Mark  
 307 moved to adopt the following budget amendment, Financial Management Resolution and Project  
 308 Ordinance.

309  
 310 ***Planning***

311	280-0000-377-02-00	\$250,000.00	280-4081-430-73-05	\$110,000.00
312	Grant CDBG		Land	
313			280-4081-430-76-01	\$113,000.00
314			Construction	
315			280-4081-430-76-71	\$ 5,000.00
316			Planning	
317			280-4081-430-76-70	\$ 22,000.00
318			Administration	
319				
320				
321	TOTAL	\$250,000.00	TOTAL	\$250,000.00

322  
 323 **Justification:** Budget amendment needed to accept and expend grant funds awarded for  
 324 American Eagle Relocation Project CDBG-SBEA #: 12-C-2442.

325  
 326 **Ordinance:**

327  
 328 **American Eagle Manufacturing Relocation Project**  
 329 **Fund 280**

330  
 331 This ordinance is hereby approved in the following amounts for expenditures of the American  
 332 Eagle Manufacturing Relocation Project.

333  
 334 Expenditures:

335				
336	Land Acquisition	\$	110,000.00	
337	Construction of Industrial Bldg.	\$	113,000.00	
338	Planning	\$	5,000.00	
339	Administration	\$	22,000.00	
340				
341	TOTAL	\$	250,000.00	

342  
 343 The following revenues are hereby estimated for the American Eagle Manufacturing Relocation  
 344 Project.

345  
 346 Revenues:

347				
348	CDBG Grant	\$	250,000.00	
349				
350	TOTAL	\$	250,000.00	

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 352 This ordinance is hereby approved this 20<sup>th</sup> day of May, 2013.

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**Craven County FY2012 Community Development Block Grant (CDBG)  
Small Business and Entrepreneurial Assistance (SBEA) Program**

**Project Ordinance**

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Be it ordained by Craven County, North Carolina, that pursuant to Section 13.2 of Chapter 159 of the General Statutes of North Carolina, the following grant project ordinance is hereby adopted:

Section 1. The project authorized is the FY2012 Community Development Block Grant Small Business and Entrepreneurial Assistance Program (CDBG-SBEA) described in the work statement contained in the grant agreement (#12-C-2442) between Craven County and the North Carolina Department of Commerce. This project is more familiarly known as the Craven County CDBG-SBEA Project.

Section 2. The Craven County staff is hereby directed to proceed with the grant project within the terms of the grant document(s), the rules and regulations of the Department of Commerce, and the budget contained herein.

Section 3. The following revenues and resources are anticipated to be available to complete the project activities:

C-1: SBEA Project

CDBG Grant	\$250,000
Total Project Resources	\$250,000

Section 4. The following amounts are appropriated for the project activities:

C-1: SBEA Project

Project Budget	\$250,000

Section 5. The Grant Finance Officer is hereby directed to maintain within the Grant Project Fund sufficient specific detailed accounting records to provide the accounting to the North Carolina Department of Commerce required by the grant agreement(s) and federal and state regulations.

Section 6. Funds may be advanced from the General Funds for the purpose of making payments as due. Reimbursement requests should be made to the North Carolina Department of Commerce in an orderly and timely manner.

Section 7. The Grant Finance Officer is directed to report quarterly on the financial status of each project element in Section 4 and on the total grant revenues received or claimed.

Section 8. The Grant Finance Officer is directed to include a detailed analysis of past and future costs and revenues on this grant project in every budget submission made to this council.

Section 9. Copies of this grant project ordinance shall be made available to the Grant Finance Officer for direction in carrying out this project.



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Adopted this 20<sup>th</sup> day of May, 2013.

**Craven County FY2012 Community Development Block Grant (CDBG)  
Small Business and Entrepreneurial Assistance (SBEA) Program**

**Financial Management Resolution**

WHEREAS, Craven County has received a Small Business and Entrepreneurial Assistance (SBEA) Program Grant in the amount of \$250,000, and has committed other revenues to the program; and

WHEREAS, the North Carolina Administrative Code regulations require that Craven County designate a Grant Finance Officer and a depository for CDBG funds;

NOW, THEREFORE, Craven County hereby resolves the following:

- (1) Richard F. Hemphill, Finance Officer, will serve as Grant Finance Officer, and will be responsible for financial management of the program according to the requirements of the North Carolina Administrative Code and North Carolina General Statute requirements.
- (2) First Citizens Bank, in New Bern, NC, is hereby designated as the official depository for revenues budgeted for the FY2012 CDBG-SBEA Program.

Resolved this 20<sup>th</sup> day of May, 2013.

*Selection of Consultant for SBEA Program Grant*

Request for proposals were sent out the end of April and only one proposal was received from Holland Consulting Planners. A second request for proposals was sent out, with no results. The County will request from the Division of Community Assistance to enter into a sole source contract with Holland Consulting Planners. The amount available to administer the grant is \$22,000. Commissioner McCabe moved to enter into a contract with Holland Consulting Planners, seconded by Commissioner Sampson and unanimously carried.

*Pamlico Sound Regional Mitigation Plan Grant*

Commissioner Sampson moved to adopt the budget ordinance, amendment and authorize the Chairman to sign the Mitigation Plan Grant, which will provide the counties of Craven, Carteret, Pamlico, Beaufort and Hyde funding to update their Hazard Mitigation Plan. Craven County is the lead county on this project. The only additional cost associated with being the lead agency is processing the grant through the Finance Department.

**Planning**

281-0000-348-89-00	\$80,000.00	281-4002-430-15-10	\$80,000.00
Grant Dept Public Safety		Administration	
TOTAL	\$80,000.00	TOTAL	\$80,000.00

**Justification:** Budget amendment needed to accept and expend grant funds awarded from NC Dept. of Public Safety, Emergency Management, for the Pamlico Sound Regional Hazard Mitigation Plan HMGP 1969-006.

**Pamlico Sound Regional Hazard Mitigation Plan  
HMGP 1969-006  
Fund 281**

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475 This ordinance is hereby approved in the following amounts for expenditures under the Pamlico  
476 Sound Regional Hazard Mitigation Plan.

477  
478 Expenditures:

479 Administration	\$ 80,000.00
481	
482 TOTAL	\$ 80,000.00

483  
484 The following revenues are hereby estimated for the Pamlico Sound Regional Hazard Mitigation  
485 Plan.

486  
487 Revenues:

488 Grant-NC Dept of Public Safety	\$ 80,000.00
490	
491 TOTAL	\$ 80,000.00

492  
493 This ordinance is hereby approved this 20<sup>th</sup> day of May, 2013.

494  
495 *Request to Set Public Hearing for Private Road Naming*

496  
497 The Planning Department requested to set a public hearing for June 3, 2013 to hear comments  
498 regarding the request to name a private drive for the reason of emergency response. The private  
499 drive is located in Township 5 off of Adams Creek Road. All property owners have signed the  
500 petition. Commissioner Taylor moved to set a public hearing for June 3, 2013 at 7:00 p.m., as  
501 requested, seconded by Commissioner McCabe and unanimously carried.

502  
503 **APPOINTMENTS**

504  
505 *Pending Appointments*

506  
507 *Juvenile Crime Prevention Council*

508  
509 Chairman Dacey moved to appoint Michelle Jerome to replace Mark Barnhill as Juvenile  
510 Defense Attorney on the Juvenile Crime Prevention Council and to waive the one meeting  
511 waiting requirement. Commissioner Mark seconded the motion, which carried unanimously.

512  
513 *New Bern Board of Adjustment, Extraterritorial Representative*

514  
515 At the Board’s last meeting, the City of New Bern submitted the name of John “Pop” Murrell for  
516 nomination to the New Bern Board of Adjustment as an Extraterritorial Representative.  
517 Commissioner Mark moved to appoint Mr. Murrell and to waive the one meeting waiting  
518 requirement, seconded by Chairman Dacey and unanimously carried.

519  
520 *Down East RPO*

521  
522 The appointment of an elected member from remaining municipalities not participating in the  
523 New Bern MPO (Cove City, Dover or Havelock) as alternate was deferred at the Board’s last  
524 meeting. Mayor Wetherington of Dover stated that he will find someone to fill this appointment.

525  
526 It was the consensus of the Board to defer appointments to the following boards and committees:

- 527  
528
- 529 • Fire Tax Commission
  - 530 • Firemen’s Relief Fund Board of Trustees
  - 531 • Nursing Home Advisory Committee
  - Zoning Board of Adjustment

532

533 *Current Appointments*

534

535 *Planning Board*

536

537 Commissioner Mark moved to appoint Michael Scoggins to replace Willie Perry, who has  
538 resigned, on the Planning Board and to waive the one meeting waiting requirement.

539 Commissioner Taylor seconded the motion, which carried unanimously

540

541 *Craven County ABC Board*

542

543 Commissioner Allen nominated Barbara Whitman for appointment to replace Chip Hughes, who  
544 resigned. Commissioner Tyson nominated Carol Dail Crayton for appointment; Chairman Dacey  
545 nominated Tony Wilson Lee for appointment. In a roll call vote Mr. Lee received three (3) votes  
546 from Commissioners Dacey, Mark and Taylor. Ms. Whitman received three votes from  
547 Commissioners Allen, McCabe and Sampson and Ms. Crayton received one (1) vote from  
548 Commissioner Tyson. In a run-off vote Mr. Lee received four (4) votes from Commissioners  
549 Dacey, Mark, Taylor and Tyson, with Ms. Whitman receiving three (3) votes from  
550 Commissioners Allen, McCabe and Sampson.

551

552 It was the consensus of the Board to defer the following upcoming appointments to boards and  
553 committees:

554

- 555 • Craven Community College Board of Trustees
- 556 • Eastern Carolina Council of Governments
- 557 • Social Services Board
- 558 • Eastern Carolina Workforce Development Board
- 559 • Regional Aging Advisory Committee
- 560 • Recreation and Parks Advisory Board

561

562 *Coastal Carolina Airport Authority*

563

564 The Board was apprised of the upcoming expiring terms of Harold Blott and Bill Nauman on the  
565 Coastal Carolina Airport Authority. Commissioner Mark moved to make the appointments  
566 immediately, seconded by Commissioner Taylor. Chairman Dacey moved to reappoint Mr. Blott  
567 and Mr. Nauman and to waive the one meeting waiting requirement, seconded by Commissioner  
568 Mark.

569

570 The Board was apprised of the following upcoming appointments to boards and committees:

571

572 **July**

573

- 574 • ABC Board
- 575 • River Bend Board of Adjustment

576

577 **August**

578

- 579 • Clean Sweep Committee

580

581 **COUNTY ATTORNEY'S REPORT**

582

583 *Offer to Purchase Real Property – Near Intersection of Main Street and Maul Swamp Road,*  
584 *Vanceboro (#1-044-262)*

585

586 County Attorney, Jim Hicks, advised the Board that the County has received an offer from Hicks  
587 Propane, Inc. in the amount of \$2,000.00 for the property near the intersection of Main Street and  
588 Maul Swamp Road, Vanceboro, which was acquired through a tax foreclosure in 2005. The total  
589 taxes and costs that were foreclosed on were \$1,647.84. The current tax value is \$13,500.00(the  
590 property is unimproved).

591

592 Commissioner Mark moved to accept the offer, seconded by Commissioner McCabe and  
593 unanimously carried. The property will be advertised for upset bids in accordance with General  
594 Statutes. Once no further upset bids are timely received, the County may accept or reject the  
595 final offer

596  
597 *Offer to Purchase Real Property – 128 Little Lake Circle, New Bern (#8-223-1-031)*  
598

599 Mr. Hicks reported that the County has received an offer from Timmery Bryant in the amount of  
600 \$1,900.00 for the property located at 128 Little Lake Circle, New Bern, which was acquired  
601 through a tax foreclosure in 2003. The total taxes and costs that were foreclosed on were  
602 \$1,872.99. The current tax value is \$2,160.00 (the property is unimproved).

603  
604 Commissioner Mark moved to accept the offer, seconded by Commissioner McCabe and  
605 unanimously carried. The property will be advertised for upset bids in accordance with General  
606 Statutes. Once no further upset bids are timely received, the County may accept or reject the  
607 final offer.

608  
609 *Interlocal Tax Collection Agreement with the City of New Bern*  
610

611 Commissioner Mark moved to approve the Interlocal Tax Collection Agreement with the City of  
612 New Bern, seconded by Commissioner Taylor and unanimously carried.

#### 613 **PRESENTATION OF RECOMMENDED FY 2014 COUNTY BUDGET**

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616 County Manager, Jack Veit, presented the following proposed budget for FY 2013-2014:

617  
618 Mr. Chairman and Members of the Board of Commissioners:

619  
620 I respectfully submit for your consideration the recommended fiscal year 2014 budget for Craven  
621 County. The proposed budget is balanced and it is recommended that the ad valorem tax rate for  
622 the fiscal year 2014 remain the same as the current year at 47 cents per \$100 of valuation. The  
623 recommended general fund budget is \$97,909,025 and includes a fund balance appropriation of  
624 \$160,374 to balance the budget. Craven County's available fund balance was 25.40% of  
625 expenditures at June 30, 2012 while other counties with over 100,000 in population had fund  
626 balances averaging 24.73% and all counties averaged 25.31%.

627  
628 Revenues for the first ten months of the current year are slightly ahead of last year for the same  
629 time period, while expenditures are approximately \$2.5 million more than the prior year. In  
630 fiscal 2012 the County ended the year adding approximately \$2.3 million to the fund balance. If  
631 the remaining two months of fiscal 2013 are consistent with the first ten months the County  
632 should end up close to break even for the fiscal year.

633  
634 The current assessed value for fiscal 2013 is approximately \$9.75 billion, slightly more than the  
635 \$9.67 billion used in the fiscal 2013 budget. Total property valuation is estimated at \$10.1  
636 billion for fiscal 2014. This amount includes an unusual one-time occurrence as a result of the  
637 change in the method of billing and paying property tax on motor vehicles. The current  
638 collection of property tax was four months later than the registration of a motor vehicle and now  
639 it will be at the same time. This change will result in the County receiving sixteen months of  
640 property tax revenue for motor vehicles in fiscal 2014. The amount of valuation included in the  
641 \$10.1 billion estimate as a result of this change is \$250 million. The estimated amount  
642 (excluding the \$250 million) reflects growth in the County's tax base of \$100 million. Property  
643 tax revenue budgeted for fiscal year 2014 is \$2.0 million more than the current budget, of which  
644 \$1.2 million is due to the one time motor vehicle tax.

645  
646 Because the \$1.2 million is non-recurring revenue it is prudent and fiscally responsible to use it  
647 for non-recurring expenses. The recommended budget transfers this money to the Debt Service  
648 Fund to be used to reduce the amount of the shortage in that fund due to the State taking the  
649 ADM funds and reducing the County's lottery money for school debt. The recommended budget  
650 uses \$400,000 in fiscal 2014 of the \$1.2 million and the recommendation would be to use  
651 \$450,000 in fiscal 2015 and the remainder in 2016. The projected shortages prior to the transfer  
652 of this money are \$841,000 in 2014, \$900,000 in 2015, and \$638,000 in 2016. These shortages

653 assume the State will not restore the lottery funding to counties to the previous amount called for  
654 in the original legislation.  
655

656 Total revenues and expenditures for the recommended budget are \$579,000 less than the current  
657 budget for 2013 (excluding the \$33 million budget amendment for the recent debt refunding).  
658 Excluding the one-time revenue of \$1.2 million of motor vehicle taxes, the recommended  
659 revenues and expenditures are \$1.8 million less than the current budget.  
660

661 Sales tax revenue is budgeted at an amount which is \$373,000 less than the current year budget.  
662 Through eight months the sales tax receipts are \$115,000 less than the current year budget.  
663 There is no way of knowing what impact proposed legislation may have on the future sales tax  
664 revenue of the County. The amount budgeted anticipates a modest impact from the proposed  
665 furloughs at Cherry Point.  
666

667 Funds from the ABC Board are budgeted at \$280,000, \$865,000 less than the current budget due  
668 to the large payment made to the County in the past year after the budget was adopted. It is  
669 possible that the County will receive more from the ABC Board, depending on their financial  
670 position at the end of the year.  
671 .

672 Transfers to the General Fund from the Capital Reserve Fund are down \$112,000 from the  
673 current budget. This difference is due primarily to the transfer during the current year for the  
674 convention center floor project.  
675

676 Home Health revenues are down \$122,000 from the current budget due to a decline in market  
677 share for that service. Hospice revenues are projected to increase.  
678

679 Revenue also is down from the current budget in the amount of \$300,000 of money due from  
680 FEMA for Hurricane Irene costs. These funds have still not been received but are not included  
681 in the recommended budget as it is hoped they will come in this year.  
682

683 Social services revenues are down approximately \$500,000, most of which was anticipated and  
684 resulted in the reduction of staff several months ago. Recently the State informed social services  
685 they could not claim overhead reimbursement for contracted child support enforcement program.  
686 This resulted in a loss of \$105,000 of revenue in the recommended budget.  
687

688 The only increase in fees in the recommended budget is a 5% across the board increase in  
689 building inspection fees to bring the County in line with surrounding governmental entities.  
690

691 On the expenditure side, capital expenditures are budgeted at \$1.8 million which is less than the  
692 current budget of \$2.3 million. The decrease is due to the repair of the convention center floor  
693 and chiller replacement in the current year. Of the total capital expenditures of \$1.8 million, \$1.1  
694 million is funded from transfers from the Capital Reserve Fund. A large portion of this capital  
695 expenditure deals with technology and facility improvements. The recommended budget  
696 includes technology changes to allow online building permit applications and online recording of  
697 documents in the register of deeds office.  
698

699 Total salaries are up \$270,000 over the current budget but are actually \$40,000 lower than the  
700 original budget of 2013. This is due, primarily, to the reduction in force at the Department of  
701 Social Services. Of the \$270,000 increase, \$140,000 is due to a required accounting accrual of  
702 one additional work day in the year. The recommended budget includes a one percent increase  
703 for all eligible employees and also two new positions. One of the new positions is an additional  
704 appraiser in the tax department as they prepare for the 2016 revaluation.  
705 The other is an accounting technician in the health department whose primary responsibility will  
706 be the filing of Medicare and insurance claims.  
707

708 Total benefit costs increased by \$320,000 over the current budget due to several items. First, the  
709 State is requiring local governments to pay into the unemployment compensation pool which  
710 increased cost by \$132,000. For the first time in five years, there is a five percent increase in  
711 health and dental premiums in the budget which resulted in \$167,000 of additional costs.  
712 Adjustments are being made to the plan to contain costs such as raising prescription co-pays and  
713 restricting the coverage of certain drugs.  
714

715 The renewal from the county commissioner risk pool for the County's property and liability  
716 insurance is up 17% this year due to an increase in their reinsurance costs for coastal counties  
717 and the loss of discounts previously received by the County. The pool is charged 27 cents per  
718 \$100 of value for coastal counties and 8 cents for mountain counties by the reinsurer.

719  
720 The budget includes a \$225,000 increase in current expense for the public schools which will  
721 provide for an additional position in their IT area and provide a \$100 increase in teacher  
722 supplement. The recommendation is to provide the community college with their requested  
723 current expense, which is the same as the current year, and an additional \$125,000 of funding for  
724 the community college for capital expense. There are many capital projects at the college which  
725 need attention. Funding for the libraries is up \$66,000, most of which is due to the replacement  
726 of the chiller at the New Bern library.

727  
728 The recommended budget is once again one of maintenance. All programs and departments  
729 were closely reviewed for items which could be eliminated or reduced. No programs or services  
730 are expanded in this budget.

731  
732 There is still the possibility that the General Assembly may take action which will affect the  
733 County budget. The public schools did not ask for funding for any increase in salary, insurance,  
734 or retirement. If the legislature approves any of those the Board of Education will look to the  
735 County to make up the difference. Other items being discussed could have financial impacts to  
736 local governments.

737  
738 I wish to commend the department heads, staff and agencies for their cooperation and valuable  
739 assistance in this very difficult process. I look forward to working with the Board of  
740 Commissioners in finalizing this budget for next year. The recommended budget shall  
741 immediately be available for public inspection in the Manager's office and posted on the County  
742 website. I recommend the Board schedule a public hearing at 7:00 PM on June 3, 2013 and  
743 conduct budget study sessions between now and that time.

744  
745 Respectfully submitted,  
746  
747 Jack Veit  
748 Craven County Manager  
749 May 20, 2013

750  
751 **COMMISSIONERS' REPORTS**

752  
753 *Commissioner Sampson* commented on rising gas prices.

754  
755 *Commissioner Allen* announced his attendance at a salute to veterans at the Havelock Tourist  
756 Center and an Open House at the Havelock Senior Center.

757  
758 *Commissioner Taylor* commented on extensive water damage in the amount of \$5,000 to the  
759 Cove City Library, which is a County owned building. He moved to expend \$5,000, not to  
760 exceed \$6,500 for repairs to the Cove City Library, seconded by Commissioner Allen and  
761 unanimously carried in a roll call vote.

762  
763 The Chairman allowed Mayor John Wetherington of Dover, who was in attendance, to speak.

764  
765 Mayor Wetherington asked that the Board make the following considerations during budget  
766 deliberations.

- 767  
768
  - Dover wants a library and has identified a building that is in need of help.
  - Dover is in need of recreation for senior citizens.

769  
770  
771 *Commissioner Mark* announced that Fairfield Harbour has been identified by signage on  
772 Highway 55.

773  
774 *Chairman Dacey* suggested checking Leadership Craven for volunteers to fill vacancies on  
775 boards and committees.

776

777 At 10:30 a.m. the Board was declared in recess until 11:00 a.m. to conduct a budget work  
778 session.

779

780

781

782 \_\_\_\_\_  
Chairman Scott C. Dacey

783 Craven County Board of Commissioners

784

785

786

787 \_\_\_\_\_  
Gwendolyn M. Bryan

788 Clerk to the Board