

**AGENDA  
CRAVEN COUNTY BOARD OF COMMISSIONERS  
REGULAR SESSION  
MONDAY, MAY 16, 2016  
8:30 A.M.**

CALL TO ORDER

ROLL CALL

INVOCATION

PLEDGE OF ALLEGIANCE

APPROVE AGENDA

1. CONSENT AGENDA
  - A. Minutes
  - B. Tax Releases and Refunds
  - C. Subdivisions for Approval
2. SPOT 4.0 PRESENTATION: Patrick Flannagan, RPO; Mauritzia Chapman, MPO

DEPARTMENTAL MATTERS

3. HEALTH - BUDGET AMENDMENT: Ray Silverthorne, Environmental Health Director
4. PLANNING: Don Baumgardner, Planning Director
  - A. Recommended Subdivision Ordinance Changes
  - B. Cherry Point Regional Joint Land Use Study Update
5. EMERGENCY SERVICES: Stanley Kite, Emergency Services Director; Jim Hicks, County Attorney
6. FY – 2017 BUDGET PRESENTATION: Jack Veit, County Manager
7. APPOINTMENTS
8. COUNTY ATTORNEY'S REPORT: Jim Hicks

9. COUNTY MANAGER'S REPORT: Jack Veit

10. COMMISSIONERS' REPORTS

RECESS TO RECONVENE IN WORK SESSION

**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 16, 2016. THE MEETING CONVENED AT 8:30 A.M.**

**MEMBERS PRESENT:**

- Chairman George S. Liner
- Vice Chairman Johnnie Sampson, Jr.
- Commissioner Scott C. Dacey
- Commissioner Jason R. Jones
- Commissioner Thomas F. Mark
- Commissioner Theron L. McCabe
- Commissioner Steve Tyson

**STAFF PRESENT:**

- Jack B. Veit III, County Manager
- Gene Hodges, Assistant County Manager
- Craig Warren, Finance Director
- Amber Parker, Human Resources Director
- Gwendolyn M. Bryan, Clerk to the Board
- Jim Hicks, County Attorney

Following an invocation by Commissioner Liner and the Pledge of Allegiance, Commissioner Mark moved to table a scheduled Environmental Health budget amendment and replace it with a request for application for a FQHC satellite center, seconded by Commissioner Jones and unanimously carried. Commissioner Mark moved to approve the agenda, as amended, seconded by Commissioner McCabe and unanimously carried.

**CONSENT AGENDA**

*Minutes*

Commissioner Sampson moved to approve the minutes of May 2, 2016, as presented, seconded by Commissioner McCabe and unanimously carried in a roll call vote.

*Tax Releases and Refunds*

Commissioner Sampson moved to approve the following tax releases and refunds, as presented, seconded by Commissioner McCabe and unanimously carried in a roll call vote.

There were ten releases for Samuel & Robinette McCotter that were inadvertently keyed in the system to be submitted at the last Board meeting on May 2, 2016 after the list for that meeting was sent to be included in the agenda. As a result, the releases were posted on the accounts receivable but were not approved by the Board.

Commissioner Sampson moved to approve the ten releases totaling \$438.22, seconded by Commissioner McCabe and unanimously carried in a roll call vote.

*Credits*

<b>TAXPAYER NAME</b>	<b>TICKET#</b>	<b>AMOUNT</b>
ANDERSON, CHARLES EDWIN BOAT NOT TAXABLE TO CRAVEN COUNTY	2015-0001158	\$26.67
ANDREWS, GREGORY A BOAT NOT TAXABLE TO CRAVEN COUNTY	2015-0001386	\$11.10
ARD, ROBERT CHARLES BOAT NOT TAXABLE TO CRAVEN COUNTY	2015-0001553	\$690.91

ASHCRAFT, KENNETH ALAN NOT TAXABLE TO CRAVEN COUNTY	2015-0001829	\$35.72
BOSWELL, DAVID F DOUBLE BILLED – SEE ACCT 699776	2015-00909606	\$106.82
JONES, ROGER JR BOAT NOT TAXABLE TO CRAVEN COUNTY	2015-0090084	\$1,273.09
NASH, GEORGE ALLEN JR DID NOT OWN 1/1/2015	2015-0041994	\$16.53
NASH, GEORGE ALLEN JR DID NOT OWN 1/1/2013	2013-0040194	\$17.62
	8 – CREDIT MEMO (S)	\$2,178.46

***Refunds***

BOSWELL, DAVID F DOUBLE BILLED – SEE ACCT 69976	2013-0005669	\$92.90
BOSWELL, DAVID F DOUBLE BILLED – SEE ACCT 69976	2014-0005785	\$106.53
	2 – REFUND (S)	\$199.43

*Subdivisions for Approval*

The Planning Board met on April 28, 2016 and recommended the following subdivisions for approval. Commissioner Sampson moved for their approval, as recommended, seconded by Commissioner McCabe and unanimously carried.

Jesse Braxton – Final: The property, owned by Jesse Braxton, and surveyed by Gaskins Land Surveying, P.A., is located within Twp. 1 on Bay Bush Road and River Road. The subdivision contains 5 lots on 14.23 acres and is proposed to be served by County water and individual septic systems.

Benjamin R. Pitts and Eric W. Pitts – Final: The property, owned by William Jeffery Pitts, and surveyed by Atlantic Surveying, P.A., is located within Twp. 3 off of Daugherty Road. The subdivision contains 2 lots on 7.14 acres and is proposed to be served by County water and individual septic systems.

Brenda Ballard – Final: The property, owned by Karen Fulcher, and surveyed by Brad Suit, P.A., is located within Twp. 2 on Branch Canal Road. The subdivision contains one lot on 0.70 acres and is proposed to be served by existing water and an existing individual septic system.

**SPOT 4.0 PRESENTATION**

RPO Representative, Patrick Flanagan, presented the NCDOT Prioritization Process. He stated that four projects in Craven County got funded (three are different aspects of the same project – Interchanges: James City Airport Road; Williams Road, Bridge to Grantham Road), plus Taberna Way. Regional Impact Points are due by July, which will boost project points. The MPO and RPO will collaborate and agree on pooling of local impact points. He solicited feedback on which projects are desirable for priority advancement.

**DEPARTMENTAL MATTERS – HEALTH: APPLICATION FOR SATELLITE FQHC (FEDERALLY QUALIFIED HEALTH CENTER), HAVELOCK AREA**

Health Director, Scott Harrelson, requested authorization to apply for section 330 funding, yearly NAP (New Access Point) funding of \$650,000 for a two provider satellite site in Havelock where

there is a high need population. This would provide a sliding fee scale clinic like the one in New Bern for the population at the southern end of the county. Funding notifications are to come out January 2, 2017 or shortly thereafter, and it would be necessary to begin seeing patients within 120 days of notification of funding.

This would be treated as a satellite location of the current public entity FQHC and would operate as an extension of the current FQHC under the existing FQHC Board and existing structure, with one new position initially. The Havelock WIC (Women, Infants and Children) program, currently aboard MCAS Cherry Point, would be co-located at this new proposed site.

Commissioner Sampson moved to proceed with the federal grant application at a cost of \$22,500 and to approve a budget amendment from Fund Balance. There will be another opportunity at the point of accepting the grant to consider endorsing the project.

### **DEPARTMENTAL MATTERS: PLANNING**

#### *Recommended Subdivision Ordinance Changes*

At the May 2<sup>nd</sup> Board of Commissioner's meeting, a public hearing was held to receive public comment regarding the proposed changes to the Craven County Subdivision Ordinance. The Board requested that staff bring this item back at the May 16 Board meeting for consideration of adoption.

Commission Tyson referenced page 24 regarding Letter of Credit as to its purpose. Jason Ferderick responded that it is a provision for unfinished work, such as road completions, drainage, and other infrastructure.

Commissioner Mark moved to adopt the ordinance changes, as recommended, seconded by Commissioner McCabe and unanimously carried.

#### *Cherry Point Regional Joint Land Use Study Update*

At the April 18<sup>th</sup> Board of Commissioners meeting, Steve Player from the Wooten Company, gave a presentation on the updates to the Cherry Point Regional Joint Land Use Study. As part of the process, Mr. Player requested that each County within the study endorse the updates. The study has since been finalized by Carteret County, which is the lead County for the updates.

Commissioner Dacey moved to endorse the Cherry Point Regional Joint Use Study updates, seconded by Commissioner McCabe and unanimously carried.

### **DEPARTMENTAL MATTERS: EMERGENCY SERVICES**

The Town of Bridgeton adopted a resolution requesting that its municipal limits be added to the Tri-Community Protection District, beginning July 1, 2016. The County would levy and collect Tri-Community Fire Protection District taxes within the Town.

Commissioner Mark moved to table this matter until the County Manager's Report and Finance Director, Craig Warren, has an opportunity to review Bridgeton's current rate.

### **FY 2017 BUDGET PRESENTATION**

County Manager, Jack Veit, presented the proposed budget for FY 2016-2017 with the following summary.

Mr. Chairman and Members of the Board of Commissioners:

I respectfully submit for your consideration the recommended fiscal year 2017 budget for Craven County. The proposed budget is balanced and it is recommended that the ad valorem tax rate for the fiscal year 2017 be set at 53.94 cents per \$100 of valuation. This increase is the result of several factors including the County's 2016 revaluation and increased fiscal needs, particularly from Craven County School System and the Department of Social Services.

The recommended general fund budget is \$104,089,529 and does not include a fund balance appropriation. Local governments are strongly encouraged to maintain sufficient fund balances for emergencies and budget shortfalls caused by economic conditions. As such, the County continues to budget and operate in a fiscally responsible manner that has provided a fund balance sufficient to cover any unforeseen occurrences and remains in line with that of our peer counties statewide. Craven County's available fund balance was 25.99% of expenditures at June 30, 2015, while other counties with over 100,000 in population had fund balances averaging 25.87% and all one hundred counties averaging 27.49%.

The County has made great efforts in educating the public of the process undertaken to complete the 2016 revaluation of all real property in Craven County. For the first time in many decades, the 2016 revaluation resulted in a general decrease in taxable values by \$1.0 billion or 10.10% over the current fiscal year's value of \$9.9 billion. This equated to an estimated taxable valuation of \$8.9 billion used to determine the revenue-neutral tax rate of 52.94 cents per \$100 of valuation. North Carolina General Statute (G.S. 159-11) defines the revenue-neutral tax rate as, "the rate that is estimated to produce tax revenues for the next fiscal year equal to the revenues that would have been produced for the next fiscal year by the current tax rate if no reappraisal had occurred". The new valuation and revenue-neutral rate served as the beginning basis in building fiscal 2017's budget.

Revenues for the first ten months of the current fiscal year are \$1.3 million ahead of last year for the same time period, while expenditures are also approximately \$1.3 million more than last year. The increase in revenue is mostly due to the State catching up on past Medicaid cost settlements of \$728,000 in our Health Department and \$587,000 thousand in new grant funding for the FQHC primary health clinic. Additionally, sales tax collections have been running 3.9% higher than the same time last year which presents a favorable outlook going into next fiscal year.

Expenditures and transfers are higher for the first ten months of fiscal 2016 over the prior year mostly due to both additional funding budgeted for education, and several capital projects including the recently completed expansion of the Health Department's primary health clinic and the County's new all-inclusive playground at Creekside Park. The County finished fiscal 2015 in a strong financial position adding approximately \$500,000 to fund balance. Higher than projected revenues and the County's conservative approach to spending provided the ability to transfer \$2.3 million into the Capital Reserve Fund last fiscal year.

The capital reserve serves as an important part of the County's financial position and provides for future needs while preventing tax increases and borrowing cost to fund these capital items. At this time, it is too early to say if that will be the case in the current fiscal year.

Total revenues and expenditures each amount to \$104,089,529 in the recommended budget and are virtually the same as the current fiscal year's budget through the end of April. Total property tax revenues are estimated to increase by 3.8% over the 2016 budgeted amount and contain less than 1% growth in the tax base included as part of the 2016 valuation. Total sales tax revenues are projected to increase by 4% over the amount budgeted for 2016 and does not take into account any of the recently enacted legislation that expanded sales tax on services as the benefit to Craven County is unknown at this time.

Transfers to the General Fund from the Capital Reserve Fund are up approximately \$59,000 from the current budget. Capital outlay and major repair projects were closely examined and only as a result of the Capital Reserve Fund, most were able to be funded. Overall capital outlay costs are down approximately \$1.3 million compared to the current budget. Of note, included in this year's budget are funds allocated for the implementation of a back-up 911 answering location. This project is being mandated by the North Carolina State 911 Board and will be done in partnership with the City of New Bern, which will provide for its need as well. Two additional capital projects to be noted also include the continued expansion of the Animal Shelter and the relocation of the Hickman Hill convenience site. Both of these projects are budgeted for in the capital improvement plan and are planned to be completed in fiscal year 2017 entirely with capital reserves.

This budget includes no new fees or fee increases. For the second time in three years there is no increase proposed to building inspection fees.

While building inspections by number are still relatively flat and have not recovered to pre-recession levels, some large scale commercial and industrial projects have provided enhanced revenues. Social services revenues are down approximately \$250,000 mostly due to federal reductions in TANF funding while social services expenditures are up \$400,000 over the current budget due to federally mandated changes passed down to North Carolina Counties in the way benefit eligibility determinations are processed.

Total salaries are \$1,161,000 higher than the original budget of 2016. The recommended budget includes a two percent across the board increase for employees that accounts for the small increase in inflation while maintaining the competitiveness of the County in the current labor market. For fiscal year 2017, there are a total of eleven new full time positions and twelve part time positions in the recommended budget for the general and water fund. Over the past several years the administration of two of major social service programs, Food and Nutrition Services, and Medicaid, have had significant negative impacts on County budgets. First being with State's roll out of the problematic NC FAST system and most recently with the Affordable Care Act, both of which have slowed and increased caseloads creating enormous backlogs of eligibility determinations at County social service departments across the State and nationally as well. Craven County along with many other Counties in response added additional contracted labor to meet these increase demands.

In February, County social service departments were notified of a ruling passed down by the United States Department of Agriculture (USDA) and the Centers for Medicare and Medicaid Services (CMS) that beginning July 2016, only merit based employees of social service departments can perform the eligibly determination functions that have previously been supplemented with contracted labor. As a result of this ruling and to remain in compliance, the budget recommends adding six new full time and twelve part time Income Maintenance Caseworkers. In addition to the new positions at social services, the general fund budget also recommends adding one additional Veteran Services Officer, one additional Maintenance Technician, and one reclassification of a part time Telecommunicator to full time. In the water fund, there are two Water Plant Operators being requested of which one of them will be partially funded for half the fiscal year as the new water treatment plant is not expected to come online until the fall of 2016.

Total benefit costs are budgeted to be \$140,000 higher than the current budget due to a recommended two and a half percent increase in health and dental premiums needed to fund the County's self-insured plan. So far this year the County's claims have been running slightly below last year's levels.

This budgeted increase is less than the current fiscal year's by \$241,000 and takes a proactive instead of reactive approach to providing additional stability to the plans premiums reducing the need for higher increases in future budgets. This increase makes it the lowest in three years and will apply to both the County and employee premiums.

The budget includes a \$1,000,000 increase in current expense and retains technology at \$713,000 for Craven County Schools. This additional funding provides for lost revenues in operating and continues the local investment in the technical needs of our County's school system. Capital outlay is recommended at \$1,100,000 and will provide for virtually all of the requested capital needs. Additional funding for the school system in fiscal 2017's budget represents a net increase of \$953,000 or 4.35% over the current fiscal year. The budget funds the Craven Community College requested current expense at \$3,482,948 which is the same as the current year. Capital outlay for the college continues to be retained at \$500,000 as agreed to previously with half of that amount coming from the Capital Reserve.

This budget while difficult to prepare provides balance and fiscal responsibility in an unprecedented instance of loss in total county valuation. It addresses the many needs across the County, especially in our schools, while continuing to maintain the lowest tax rate possible for the Citizens of Craven County. As always, there is still the possibility that the General Assembly may take action which will affect the County budget. The public schools did not ask for funding for any increase in salary, insurance, or retirement in their budget request, however, if the legislature makes any changes to these or any other programs, the Board of Education will look to the County to make up the difference from fund balance.

I wish to commend the department heads, staff and agencies for their cooperation and valuable assistance in this very difficult process. I look forward to working with the Board of Commissioners in finalizing the fiscal year 2017 budget for next year.

The recommended budget shall immediately be available for public inspection in the Manager's office and posted on the County website. I recommend the Board schedule a public hearing at 7:00 PM on June 6, 2016 and conduct budget study sessions as required.

Respectfully submitted,

Jack B. Veit, III, Craven County Manager

Commissioner Sampson moved to schedule a public hearing for June 6 at 7:00 p.m., seconded by Commissioner McCabe and unanimously carried.

### APPOINTMENTS

*Craven Community Child Protection Team: Dawn Gibson*

Commissioner Dacey nominated Trisha Webb for appointment to the Craven Community Child Protection Team to replace Dawn Gibson. There being no additional nominations, Ms. Webb was appointed by acclamation.

*River Bend Board of Adjustment (Extraterritorial Jurisdiction)*

It was the consensus of the Board to defer this appointment.

*Craven Aging Planning Board: Joy Hudson*

It was the consensus of the Board that this appointment be deferred.

*Craven County Health Board: Dr. Eric Wheelis*

Commissioner Jones nominated Dr. Natalie Shelton for appointment to the Craven County Health Board to replace Dr. Eric Wheelis. There being no additional nominations, Dr. Shelton was appointed by acclamation.

*Agricultural Advisory Committee*

It was the consensus of the Board to defer this appointment.

*Upcoming Appointments*

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

#### **June**

- ABC Board
- Social Services Board
- Fire Tax Commissioner
- Juvenile Crime Prevention Council
- Nursing Home Advisory Committee
- Recreation Advisory Board
- Coastal Carolina Airport Authority

### COUNTY ATTORNEY'S REPORT

*Final Acceptance – Offer to Purchase Real Property – 329 Nelson Road, Vanceboro  
(Parcel Number 1-054-8002)*

County Attorney, Jim Hicks, presented an offer received and tentatively approved by the County in the amount of \$3,057.65 for the property located at 329 Nelson Road, Vanceboro,

which was acquired through a tax foreclosure. The total taxes and costs foreclosed were \$3,057.65. The offer was advertised, and there were no upset bids. Commissioner Mark moved to accept the final offer and adopt the following resolution, seconded by Commissioner McCabe and unanimously carried.

**RESOLUTION**

**Tax Parcel Number 1-054-8002, Craven County, North Carolina**

THAT WHEREAS, Craven County has received an offer to purchase a parcel of property owned by the County, identified as Tax Parcel Number 1-054-8002, and being more particularly described herein; and

WHEREAS, the Board of Commissioners is authorized to sell the County's interest in the property pursuant to North Carolina General Statute §160A-269; and

WHEREAS, the offer to purchase was advertised as required by said statute; and

WHEREAS, the final offer to purchase, after the upset bid period, was in the sum of \$3,057.65 by Randall Manning; and

WHEREAS, the Board of Commissioners deems it advisable and in the best interest of the County to sell its interest in the subject property to the successful bidder and to convey its interest in said property by quitclaim deed.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COMMISSIONERS OF CRAVEN COUNTY:

Section 1. That the last and highest bid of Randall Manning in the sum of \$3,057.65 for said parcel identified as Tax Parcel Number 1-054-8002, and being more particularly described herein, be and the same is hereby accepted as to the County's interest in said property, and the Chairman, County Manager and/or Clerk be and they are hereby authorized and directed to execute a quitclaim deed to the purchasers for the County's interest in said property, and to further execute any and all other documents related to the sale of the same..

Section 2. That a copy of said quitclaim deed is attached hereto and incorporated herein by reference, and the original deed shall be delivered to said purchaser once the same has been executed on behalf of the County, upon payment of the purchase price.

Section 3. That the subject property is more particularly described as follows:

All that certain lot or parcel of land lying and being situate in Number One (1) Township, Craven County, North Carolina, and being more particularly described as follows:

All of that certain property more fully described in Deed Book 3417 at Page 106 in the Craven County Registry. This property is also commonly referred to by its tax parcel identification number which is 1-054-8002.

ADOPTED THIS 16<sup>th</sup> DAY OF MAY, 2016.

*Final Acceptance – Offer to Purchase Real Property – 109 Great Inagua Court  
(Parcel Number 2-061-079)*

Mr. Hicks presented and offer previously received and tentatively approved by the County in the amount of \$25.00 for the property located at 109 Great Inagua Court, which was acquired through a tax foreclosure. The total taxes and costs foreclosed were \$1,579.56 in 2003. Mr. Hicks stated that this vacant lot is not suitable for development of any kind, and is subject to annual POA assessments. The offer was advertised and there were no upset bids. Commissioner Mark moved to approve the final sale and adopt the following resolution, seconded by Commissioner McCabe and unanimously carried.

**RESOLUTION**

**Tax Parcel Number 2-061-079, Craven County, North Carolina**

THAT WHEREAS, Craven County has received an offer to purchase a parcel of property owned by the County, identified as Tax Parcel Number 2-061-079, and being more particularly described herein; and

WHEREAS, the Board of Commissioners is authorized to sell the County's interest in the property pursuant to North Carolina General Statute §160A-269; and

WHEREAS, the offer to purchase was advertised as required by said statute; and

WHEREAS, the final offer to purchase, after the upset bid period, was in the sum of \$25.00 by Fairfield Harbour Property Owners' Association, Inc.; and

WHEREAS, the Board of Commissioners deems it advisable and in the best interest of the County to sell its interest in the subject property to the successful bidder and to convey its interest in said property by quitclaim deed.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COMMISSIONERS OF CRAVEN COUNTY:

Section 1. That the last and highest bid of Fairfield Harbour Property Owners' Association, Inc. in the sum of \$25.00 for said parcel identified as Tax Parcel Number 2-061-079, and being more particularly described herein, be and the same is hereby accepted as to the County's interest in said property, and the Chairman, County Manager and/or Clerk be and they are hereby authorized and directed to execute a quitclaim deed to the purchasers for the County's interest in said property, and to further execute any and all other documents related to the sale of the same..

Section 2. That a copy of said quitclaim deed is attached hereto and incorporated herein by reference, and the original deed shall be delivered to said purchaser once the same has been executed on behalf of the County, upon payment of the purchase price.

Section 3. That the subject property is more particularly described as follows:

All that certain lot or parcel of land lying and being situate in Number Two (2) Township, Craven County, North Carolina, and being more particularly described as follows:

All of that certain property more fully described in Deed Book 2104 at Page 726 in the Craven County Registry. This property is also commonly referred to by its tax parcel identification number which is 2-061-079.

ADOPTED THIS 16<sup>th</sup> DAY OF MAY, 2016.

### COUNTY MANAGER'S REPORT

County Manager, Jack Veit, introduced Jeff Futrell, new Veterans Services Director.

He recognized Tax Administrator, Ronnie Antry, and asked him to display a plaque that he received for Tax Collector of the Year.

Information concerning expansion of the Public Defender Office was presented for discussion. Mr. Veit stated that the Sheriff and Judges support the concept.

The Board was asked to review, discuss and decide if Craven County wishes to move forward and write a letter of support. Commissioner Dacey stated that attorneys will review the concept on May 20 to weigh in. He stated that the window of opportunity to get this to the General Assembly is diminishing.

Commissioner Tyson stated that he has talked with attorneys and judges who are in support.

Commissioner Jones stated that the Board should consider the Bar Association decision while meeting in Friday work session.

Finance Director, Craig Warren, presorted on findings regarding the Bridgeton Fire Tax Rate. He stated that \$56 M equals Bridgeton's valuation: The revenue neutral rate would equal \$36 M to the good.

Commissioner Dacey moved to adopt the following resolution, seconded by Commissioner Sampson and unanimously carried.

**CRAVEN COUNTY**

**RESOLUTION  
TRI-COMMUNITY  
FIRE PROTECTION DISTRICT**

WHEREAS, Craven County ("County") has previously established the Tri-Community Fire Protection District ("District") in accordance with G.S. Ch. 69, Art. 3A; and,

WHEREAS, the corporate limits of the Town of Bridgeton ("Town") are adjacent to, but not included in, the District; and,

WHEREAS, the Town is a municipal corporation of the State of North Carolina, and as such currently contracts with the Tri-Community Volunteer Fire District ("Volunteer Fire Department") for fire protection services within the corporate limits of the Town; and,

WHEREAS, the Town and the Volunteer Fire Department desire to terminate their contract for fire protection services in the Town, and, to this end, the Town desires to be added to the District, whereby the County would assume responsibility for providing fire protection services within the Town; and,

WHEREAS, upon inclusion in the District, the County would be authorized to levy and collect fire protection taxes within the Town in accordance with G.S. Ch. 69, Art. 3A; and,

WHEREAS, for the corporate limits of the Town to be included in the District, G.S. Section 69-25.11(5) requires the governing bodies of both the Town and the County to consent to the same by resolution; and,

WHEREAS, by resolution adopted May 10, 2016, the Town has requested that the County include the corporate limits of the Town within the District, a true and accurate copy of said resolution being attached hereto as Attachment "A"; and,

WHEREAS, the County desires to add the corporate limits of the Town to the District.

NOW THEREFORE BE IT RESOLVED by the Craven County Board of Commissioners as follows:

1. That the corporate limits of the Town are hereby added to, and included in, the District, effective July 1, 2016, and, to this end, the County adopts this Resolution pursuant to G.S. Section 69-25.11(5)

2. That the Chairman, County Clerk and all other County officials and employees are authorized to execute any and all documents and take all steps necessary to achieve the purposes of this Resolution.

This Resolution is effective upon its adoption this 16<sup>th</sup> day of May, 2016.

**COMMISSIONERS' REPORTS**

*Commissioner Mark* reported on his attendance at a Bridgeton Town Hall meeting, where the resolution concerning the Fire Tax District was discussed. He announced that the Blueberry Festival will be held in Bridgeton beginning May 25 once confirmed.

*Commissioner Tyson* stated that he spoke with Ken Kirkland, owner of Carolina Colors. He announced that Harris Teeter and Revco will be coming soon. He stated that the Thurman Road intersection is becoming increasingly busy.

*Commissioner Dacey* stated that he is trying to arrange a River Bend Town Hall Meeting for May 20 and stated that details will be posted to his website once it is confirmed.

*Commissioner McCabe* reported that Saturday, May 14, he and Commissioner Liner, along with Mrs. Liner, local youth and members of the high school football team, participated in a trash pick-up.

*Commissioner Sampson* reported on his attendance at the children's play at the Civic Theater on May 14. He stated that there were a good crowd of youth in attendance and stressed the importance of keeping something going with the youth. He also attended a program at the Flame, "Black Girls Rock".

*Chairman Liner* stated that he had 37 volunteers for trash clean-up, including Havelock football booster club, scouts and single marines.

He thanked the Bucher family for including him in graduation weekend activities of Craven Community College. He attended the Havelock Early College graduation on May 13 and the New Bern campus graduation on May 14.

At 10:05 a.m. the Board went into recess until 10:20 a.m.

When the Board reconvened County Manager, Jack Veit, initiated review of the proposed FY 16-17 Budget with preliminary comments concerning his recommendations and an overview of the budget.

He proposed that the Fire Department budgets be reviewed first, and explained several large needs on the horizon for capital expense, such as new financial accounting and tax software.

### **PowerPoint**

Finance Director, Craig Warren, presented a PowerPoint containing a Local Government Commission (LGC) worksheet for establishing a revenue neutral tax rate. He stated that fire departments also have the same forms available and spreadsheets were done for each fire department.

Comparisons with “like” counties by population, by budget and by region were reviewed.

### **Fire Departments**

The Board reached the following consensus on the budgets of the fire districts.

1. West New Bern II (Rhems) – Consensus; as recommended
2. West New Bern – Revenue neutral recommended - \$5,000 less than request, but \$228,000 in Fund Balance – Commissioner Dacey will talk to Fire Chief
3. Vanceboro – Revenue neutral recommended – consensus
4. Tri-Community – recommended at revenue neutral – consensus
5. Little Swift Creek - 1¢ above revenue neutral recommended – consensus
6. Twp. 3 – Requests flat revenue neutral rate recommended – consensus
7. Twp. 5 – Revenue neutral rate recommended; healthy Fund Balance on their books – consensus
8. Twp. 6 – Revenue neutral rate recommended – consensus
9. Twp. 7 – Revenue neutral rate recommended – request included paid driver; not recommended. Consensus: Add Fund Balance appropriation (County’s books) to appropriation to bring to \$357,000
10. Twp. 9 – Revenue neutral rate recommended – consensus
11. Sandy Pont – consensus

At 12:00 p.m. the Board went into recess.

At 12:25 p.m. the Board reconvened.

### **Review of Monthly Summary Report**

At April 1 – 30, 2016, revenue was at 83%, which is ahead of last year to date. Expenditures were at 77% with \$657,511 in Fund Balance having been appropriated during the year.

### **Departmental Comparisons from FY 16 – 17 Recommended Review**

Mr. Veit stated that he would like to have the Veterans Services Director go to Havelock for a couple of days. Chairman Liner would like to have him on the agenda for monthly separation briefings aboard MCAS Cherry Point.

### ***DSS***

Mr. Veit stated that he would like to invite Social Services Director, Kent Flowers and Deputy Director, Alfreda Stout, to a work session to discuss the DSS Budget.

**Schools**

The schools have requested an increase of \$1.5M; \$1M is recommended. Commissioner Dacey has fashioned an outline for a plan to deal with the capital fund, based on a Carteret County model. Commissioner Tyson's concern regarding per pupil expenditures was addressed with Mr. Veit presenting the following comparison:

\$1,568 – State per pupil average  
 \$1,438 – Craven 2015 average  
 \$1,537 – Craven 2016 recommended

City of New Bern proposed a fee increase of 4% - 5% in the fuel contract; 30% ownership and pump maintenance; and asked for a five year term.

This will take the cost to \$1.79 per gallon. Other options include:

1. Use fuel cards which provide rebates
2. Consideration of the County having its own pumps, which are expensive up front.

**Review of General Fund Revenue**

A 4% growth in sales tax revenue is anticipated. Craven County stands to lose in the distribution under Article 40 if legislation goes through realigning distribution factors.

***Special Appropriations***

Structured Day Reporting: An apparent decline in referrals from the schools down from 250-125 from 2013-2016 was questioned.

Commissioner Dacey stated that under Craven County's Re-entry program proposal HBI could conduct home construction training in jail. Work could be done with Neuse River Development Corporation (NRDC) to identify homes that are owned by the City and/or County through foreclosures.

Potential partners would be Jail, Craven Community College, HBI, NRDC, and Oxford House.

***General Fund: 0201 – 1003 – Administration – Register of Deeds***

Commissioner Dacey inquired if the Convention Center charges for wi-fi services. He suggested that Mary McGee, Convention Center Director, survey industry practices.

There was discussion of retiree insurance: to establish a trust fund or to maintain on the County books. Liability potential is studied every two years.

Nothing has been budgeted for Fire Department Audits. Have gone through one cycle of department audits has been completed. There was discussion whether or not it would be beneficial to adopt written best practices across the board. Staff was directed to reach out to RSM to see if they have examples done for other units.

At 3:20 p.m. the Board went into recess until 8:30 a.m. on May 19.

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Chairman George S. Liner  
 Craven County Board of Commissioners

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Gwendolyn M. Bryan, Clerk to the Board