

**AGENDA  
CRAVEN COUNTY BOARD OF COMMISSIONERS  
REGULAR SESSION  
MONDAY, JUNE 20, 2016  
8:30 A.M.**

CALL TO ORDER

ROLL CALL

INVOCATION

PLEDGE OF ALLEGIANCE

APPROVE AGENDA

1. CONSENT AGENDA
  - A. Minutes of June 1, 2016 Reconvened Session and June 6, 2016 Regular Session
  - B. Tax Releases and Refunds
  - C. Budget Amendments
2. CONSIDERATION OF FY 2016-17 BUDGET ORDINANCE FOR ADOPTION: Jack Veit, County Manager, and Craig Warren, Finance Director
3. LITTLE SWIFT CREEK STREAM DEBRIS REMOVAL/BEAVER MANAGEMENT PROJECT AND SWIFT CREEK/HARLOWE CANAL MAINTENANCE PROJECTS: Patrick Baker, Natural Resource Conservationist

DEPARTMENTAL MATTERS

4. PLANNING – REQUEST TO CLOSE-OUT HAZARD MITIGATION PROGRAM PROJECT FUNDS 283 AND 284: Don Baumgardner, Planning Director
5. SHERIFF – BUDGET AMENDMENT: Capt. Jesse Pittman, Administrative Captain
6. FINANCE – BUDGET AMENDMENTS: Craig Warren, Finance Director
7. APPOINTMENTS
8. COUNTY ATTORNEY'S REPORT: Jim Hicks
9. COUNTY MANAGER'S REPORT: Jack Veit
10. COMMISSIONERS' REPORTS

**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 JUNE 20, 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 Sampson and the Pledge of Allegiance, Commissioner Sampson moved to approve the agenda, as presented, seconded by Commissioner McCabe and unanimously carried.

**CONSENT AGENDA**

*Minutes of June 1, 2016 Reconvened Session and June 6, 2016 Regular Session*

Commissioner Mark moved to approve the minutes of June 1, 2016 reconvened session and June 6, 2016 regular session, seconded by Commissioner Sampson and unanimously carried in a roll call vote.

*Tax Releases and Refunds*

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

*Credits*

<b>TAXPAYER NAME</b>	<b>TICKET#</b>	<b>AMOUNT</b>
BINGHAM, PAUL D & MINDY K MILITARY EXEMP	2015-0090922	\$107.72
BROKENBOROUGH, KEVIN CHRISTOPH DID NOT OWN 1/1/2013	2013-0090178	\$106.13
BROKENBOROUGH, KEVIN CHRISTOPH DID NOT OWN 1/1/2012	2012-0006828	\$115.52
BROKENBOROUGH, KEVIN CHRISTOPH DID NOT OWN 1/1/2011	2011-0006804	\$127.96
DIXON, JOHN & SHERRY DID NOT OWN 1/1/2015	2015-0015256	\$57.03
DIXON, JOHN & SHERRY DID NOT OWN 1/1/2014	2014-0091301	\$62.49

DIXON, JOHN & SHERRY DID NOT OWN 1/1/2013	2013-0090489	\$70.77
ELECON LLC INOCRRRECT SITUS S/B 8T-TO REBILL	2016-0090102	\$46.79
GONZALEZ, CHRISTOPHER FRANK MILITARY EXEMPTION	2015-0022276	\$5.69
HART, JERRY O DID NOT OWN 1/1/2014	2014-0092282	\$235.61
HART, JERRY O DID NOT OWN 1/1/2015	2015-0025301	\$213.56
IPOCK, STEVE G & SHIRLEY D DID NOT OWN 1/1/2015	2015-0029086	\$41.17
KEADLE, TILLMAN BERRY & FRANKI BOAT NOT TAXABLE TO CRAVEN COUNTY	2014-0090536	\$51.46
KEADLE, TILLMAN BERRY & FRANKI BOAT NOT TAXABLE TO CRAVEN COUNTY	2015-0031507	\$47.38
MORRIS, JOYCE DID NOT OWN 1/1/2009	2009-0091523	\$503.36
MORRIS, JOYCE DID NOT OWN 1/1/2010	2010-0038182	\$68.09
MORRIS, JOYCE DID NOT OWN 1/1/2011	2011-0090967	\$67.37
MORRIS, JOYCE DID NOT OWN 1/1/2012	2012-0090976	\$135.22
MORRIS, JOYCE DID NOT OWN 1/1/2013	2013-0095062	\$125.39
MORRIS, JOYCE DID NOT OWN 1/1/2014	2014-0092773	\$116.27
SWINDELL, CHARLES H JR ET AL DWELLING VACAN T SINCE 10-2010	2015-0055755	\$37.80
TAYLOR, DEVAL RODRICUS DID NOT OWN 1/1/2015	2015-0056158	\$57.31
TAYLOR, DEVAL RODRICUS DID NOT OWN 1/1/2015	2015-0090295	\$457.84
VINES, JAMES E HRS & VINES, HU FORECLOSURE – LIEN EXTINGUISHED	2010-0053181	\$129.16
VINES, JAMES E HRS & VINES, HU FORECLOSURE – LIEN EXTINGUISHED	2013-0056668	\$296.34
VINES, JAMES E HRS & VINES, HU FORECLOSURE – LIEN EXTINGUISHED	2014-0058027	\$8.50
VINES, JAMES E HRS & VINES, HU FORECLOSURE – LIEN EXTINGUISHED	2015-0059394	\$536.05

27 – CREDIT MEMO (S) \$3,827.98

**Refunds**

GREEN, KAREN D DWELLING VACANT SINCE 2012	2014-0022783	\$37.53
MORRIS, JOYCE DID NOT OWN 1/1/2011	2011-0090967	\$54.59
MORRIS, JOYCE DID NOT OWN 1/1/2016	2015-0091285	\$101.32
SWINDELL, CHARLES H JR ET AL DWELLING VACANT SINCE 10-2010	2012-0055531	\$38.34
SWINDELL, CHARLES H JR ET AL DWELLING VACANT SINCE 10-2010	2013-0053248	\$42.39
DWINDELL, CHARLES H JR ET AL DWELLING VACANT SINCE 10-2010	2014-0054379	\$40.23
SWINDELL, CHARLES HENRY SR & DWELLING VACANT SINCE 10-2010	2011-0055535	\$48.60

7 – REFUND (S) \$363.00

**Budget Amendments**

Commissioner Mark moved to approve the following budget amendments, seconded by Commissioner Sampson and unanimously carried in a roll call vote.

**Inspections**

REVENUES	AMOUNT	EXPENDITURES	AMOUNT
101-2401-355-09-00 Homeowner Recovery Fee	\$730.00	101-2401-410-45-04 Homeowner Fee to State	\$1,140.00
101-2401-355-01-00 Electrical Inspection Fee	\$410.00		
<b>TOTAL</b>	<b>\$1,140.00</b>	<b>TOTAL</b>	<b>\$1,140.00</b>

**Justification:** The amount collected for Homeowner Recover Inspections fees is greater than amount originally budgeted. Of the fees collected, 90% is remitted to NC Licensing Board for general contractors. Additional funds must be budgeted to cover this expenditure.

**7100 – Veterans Services**

REVENUES	AMOUNT	EXPENDITURES	AMOUNT
101-0000-399-01-00 Fund Balance Current Year	\$4,000.00	101-7100-450-10-02 Fulltime Salary	\$4,000.00
<b>TOTAL</b>	<b>\$4,000.00</b>	<b>TOTAL</b>	<b>\$4,000.00</b>

**Justification:** Veterans Service Director of over 30 years retired this fiscal year. Vacation payout was made and a new director is in place. Need additional funds to cover salary through fiscal year.

## CONSIDERATION OF FY 2016-17 BUDGET ORDINANCE

Jack Veit, County Manager, presented the Budget Ordinance for FY 2016-17, and summarized the highlights. The most significant change to the budget originally presented is in the operational expense line for Craven County Schools. The tax rate reflects the revenue neutral rate plus one penny, and the budget includes an appropriation from Fund Balance, in the amount of \$79,872. Additionally, a School Capital Fund has been established. Commissioner Dacey moved to adopt the Budget Ordinance, as follows. The motion was seconded by Commissioner Tyson.

### SECTION I

The following amounts are appropriated for expenditure in the General Fund for the Fiscal Year beginning July 1, 2016 and ending June 30, 2017.

Commissioners	\$ 593,553
Special Appropriations	\$ 286,536
Administration	\$ 717,611
Human Resources	\$ 401,331
Information Technology	\$ 1,439,815
GIS Mapping	\$ 337,206
Finance	\$ 876,065
Non Departmental	\$ 852,500
Pass Through	\$ 297,688
Elections	\$ 439,811
Tax Assessor	\$ 1,032,300
Tax Collector	\$ 731,516
Register of Deeds	\$ 779,879
Public Buildings	\$ 3,718,301
Court Facilities	\$ 810,472
Maintenance	\$ 721,045
Central Maintenance Garage	\$ 371,377
Sheriff	\$ 5,994,278
Jail	\$ 4,183,955
Fire Marshall/ Emergency Management	\$ 385,059
Communications	\$ 700,501
Inspections	\$ 575,739
Medical Examiner	\$ 95,000
Rescue Squads	\$ 3,068,255
Solid Waste	\$ 3,774,725
Planning	\$ 605,698
Soil Conservation	\$ 251,034

### SECTION I (Continued)

Cooperative Extension	\$ 245,286
Economic Development	\$ 507,003
Health	\$ 10,083,040

Mental Health	\$ 278,827
Transportation – CARTS	\$ 1,783,567
Veterans Services	\$ 223,834
Social Services	\$ 22,107,817
Recreation	\$ 1,079,372
Libraries	\$ 1,363,916
Convention Center	\$ 1,369,619
Craven County Schools	
Current Expense	\$ 21,319,958
Current Expense – Fines & Forfeitures	\$ 75,000
Current Expense - Payment in Lieu of Taxes	\$ 50,000
Capital Outlay	\$ 850,000
Technology	\$ 465,000
Transfer to Debt Service Fund	\$ 3,895,201
Transfer to School Capital Fund	\$ 250,000
Craven Community College	
Current Expense	\$ 3,482,948
Capital Outlay	\$ 500,000
Debt Service Principal	\$ 178,400
Debt Service Interest	\$ 19,364
<b>TOTAL</b>	<b>\$ 104,169,402</b>

## SECTION II

It is estimated the following revenues will be available in the General Fund for the Fiscal Year beginning July 1, 2016 and ending June 30, 2017.

Current Year's Property Taxes	\$ 43,448,886
Prior Year's Property Taxes	406,000
Vehicle Property Taxes	4,173,661
Prior Year's Vehicle Property Taxes	5,500
Late Listing Penalty	75,000
Annual Fee (Solid Waste/Recycling)	1,571,712
In Lieu of Taxes	205,000
Penalty and Interest	289,300
Interest - Investments	110,200
Miscellaneous Revenue	261,916

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Donations/Contributions	54,889
Beer & Wine State	212,000
One Cent Sales Tax – Article 39	5,785,732
One Half Cent Sales Tax – Article 40	5,012,389

**SECTION II (Continued)**

One Half Cent Sales Tax – Article 42	3,987,662
Alcoholic Beverage Control	879,000
Grants – Other	23,000
State Revenues	16,193,809
State Grants	1,314,935
Court Fees	313,000
Sheriff Fees	180,000
First Party Payment for Services	157,415
Third Party Payment for Services	341,750
Fees for Services	5,424,645
Sales	140,000
Transfers In From Other Funds	2,920,117
Inter-Departmental	532,402
Inter-Governmental	1,468,777
Medicaid	3,927,162
Medicare	1,316,403
Medicaid Maximization	757,365
Federal Revenue	2,596,022
Carryover of Unspent Grant Revenue	3,881
Fund Balance Appropriated	79,872
<b>Total</b>	<b>\$ 104,169,402</b>

**SECTION III**

The following amount is appropriated to the Seized Property – Sheriff’s Department Fund for the Fiscal Year beginning July 1, 2016 and ending June 30, 2017.

Operating Expense	\$ 39,086
<b>Total</b>	<b>\$ 39,086</b>

It is estimated the following revenue will be available in the Seized Property – Sheriff’s Department Fund for the Fiscal Year beginning July 1, 2016 and ending June 30, 2017.

Interest	\$ 20
Substance Abuse Tax – State	20,000
Fund Balance Appropriated	19,066
<b>Total</b>	<b>\$ 39,086</b>

#### SECTION IV

The following amount is appropriated for the Emergency Telephone System for its operation during the Fiscal Year beginning July 1, 2016 and ending June 30, 2017.

Emergency Telephone System Expense	\$ 331,281
<b>Total</b>	<b>\$ 331,281</b>

It is estimated the following revenues will be available in the Emergency Telephone System during the Fiscal Year beginning July 1, 2016 and ending June 30, 2017.

Telephone Subscriber Distribution	\$ 256,254
Interest	1,000
Fund Balance Appropriated	74,027
<b>Total</b>	<b>\$ 331,281</b>

#### SECTION V

The following amounts are appropriated for the Rhems Fire Department Fund for its operation during the Fiscal Year beginning July 1, 2016 and ending June 30, 2017.

Workers Compensation	\$ 2,535
Insurance	1,042
Payment to District	209,268
Payment to West of New Bern FD	26,016
Capital Reserve	1,844
<b>Total</b>	<b>\$ 240,705</b>

It is estimated the following revenues will be available in the Rhems Fire Department Fund during the Fiscal Year beginning July 1, 2016 and ending June 30, 2017.

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District Ad Valorem Taxes	\$ 189,044
(Rate of .0457; Valuation of \$ 417,000,000)	
Sales Tax	51,661
<b>Total</b>	<b>\$ 240,705</b>

Revenue-Neutral Tax Rate

The general reappraisal of real property for Craven County will occur once every four years with the 2016 general reappraisal being the last performed on a six year cycle. State law requires that units of local government, including fire districts, publish a revenue-neutral tax rate in the budget immediately following the completion of the general reappraisal of real property. The purpose of the revenue-neutral tax rate is to provide citizens with comparative information.

The FY 2016-2017 operating budget follows the general reappraisal of real property for Craven County. The revenue neutral tax rate, as defined by G.S. 159-11(e), is the rate that is estimated to produce revenue for the next fiscal year equal to the revenue for the current fiscal year if no reappraisal had occurred. The rate is then adjusted by a growth factor equal to the average annual percentage increase in the tax base due to improvements since the last general reappraisal.

The reappraisal produced a tax base of \$ 417,000,000 for Rhems Fire District. The tax levy for FY 2015-2016 is \$ 180,636, and the growth factor since the last general reappraisal is 2.80 percent. Using the formula mandated by state law, the revenue-neutral tax rate is 4.57 cents. The proposed tax property tax rate for FY 2016-2017 is 4.57 cents, which represents an increase from the property tax rate of 3.89 cents for FY 2015-2016.

**SECTION VI**

The following amounts are appropriated for the Township No. 1 Fire Department Fund for its operation during the Fiscal Year beginning July 1, 2016 and ending June 30, 2017.

Workers Compensation	\$ 4,225
Insurance	832
Payment to District	198,632
Payment to Little Swift Creek Fire Department	12,970
Capital Reserve	4,978
<b>Total</b>	<b>\$ 221,628</b>

It is estimated the following revenues will be available in the Township No. 1 Fire Department Fund during the Fiscal Year beginning July 1, 2016 and ending June 30, 2017.

District Ad Valorem Taxes	\$ 173,451
(Rate of .0269; Valuation of 650,000,000)	
Sales Tax	48,177
<b>Total</b>	<b>\$ 221,628</b>

Revenue-Neutral Tax Rate

The general reappraisal of real property for Craven County will occur once every four years with the 2016 general reappraisal being the last performed on a six year cycle. State law requires that units of local government, including fire districts, publish a revenue-neutral tax rate in the budget immediately following the completion of the general reappraisal of real property. The purpose of the revenue-neutral tax rate is to provide citizens with comparative information.

The FY 2016-2017 operating budget follows the general reappraisal of real property for Craven County. The revenue neutral tax rate, as defined by G.S. 159-11(e), is the rate that is estimated to produce revenue for the next fiscal year equal to the revenue for the current fiscal year if no reappraisal had occurred. The rate is then adjusted by a growth factor equal to the average annual percentage increase in the tax base due to improvements since the last general reappraisal.

The reappraisal produced a tax base of \$ 650,000,000 for Township No. 1 Fire District. The tax levy for FY 2015-2016 is \$ 170,430, and the growth factor since the last general reappraisal is 0.95 percent. Using the formula mandated by state law, the revenue-neutral tax rate is 2.69 cents. The proposed tax property tax rate for FY 2016-2017 is 2.69 cents, which represents an increase from the property tax rate of 2.50 cents for FY 2015-2016.

**SECTION VII**

The following amounts are appropriated for the Tri-Community Fire Department Fund for its operation during the Fiscal Year beginning July 1, 2016 and ending June 30, 2017.

Workers Compensation	\$ 4,745
Insurance	832
Payment to District	410,000
Transfer from Sandy Point	7,380
Capital Reserve	48,437
<b>Total</b>	<b>\$ 471,394</b>

It is estimated the following revenues will be available in the Tri-Community Fire Department Fund during the Fiscal Year beginning July 1, 2016 and ending June 30, 2017.

District Ad Valorem Taxes	\$ 361,616
(Rate of .0658; Valuation of \$554,000,000)	
Sales Tax	102,398
Sandy Point Appropriation	7,380
<b>Total</b>	<b>\$ 471,394</b>

Revenue-Neutral Tax Rate

The general reappraisal of real property for Craven County will occur once every four years with the 2016 general reappraisal being the last performed on a six year cycle. State law requires that units of local government, including fire districts, publish a revenue-neutral tax rate in the budget immediately following the completion of the general reappraisal of real property. The purpose of the revenue-neutral tax rate is to provide citizens with comparative information.

The FY 2016-2017 operating budget follows the general reappraisal of real property for Craven County. The revenue neutral tax rate, as defined by G.S. 159-11(e), is the rate that is estimated to produce revenue for the next fiscal year equal to the revenue for the current fiscal year if no reappraisal had occurred. The rate is then adjusted by a growth factor equal to the average annual percentage increase in the tax base due to improvements since the last general reappraisal.

The reappraisal produced a tax base of \$ 554,000,000 for Tri-Community Fire District. The tax levy for FY 2015-2016 is \$ 351,456, and the growth factor since the last general reappraisal is 0.20 percent. Using the formula mandated by state law, the revenue-neutral tax rate is 6.58 cents. The proposed tax property tax rate for FY 2016-2017 is 6.58 cents, which represents an increase from the property tax rate of 5.27 cents for FY 2015-2016.

**SECTION VIII**

The following amounts are appropriated for the Little Swift Creek Fire Department Fund for its operation during the Fiscal Year beginning July 1, 2016 and ending June 30, 2017.

Workers Compensation	\$ 3,055
Insurance	832
Payment to District	142,418
From Twp #1 Vanceboro	12,970
Capital Reserve	1,072
<b>Total</b>	<b>\$ 160,347</b>

It is estimated the following revenues will be available in the Little Swift Creek Fire Department Fund during the Fiscal Year beginning July 1, 2016 and ending June 30, 2017.

District Ad Valorem Taxes	\$ 120,131
(Rate of .0700; Valuation of \$173,000,000)	
Sales Tax	27,246
From Township #1 Vanceboro	12,970
<b>Total</b>	<b>\$ 160,347</b>

#### Revenue-Neutral Tax Rate

The general reappraisal of real property for Craven County will occur once every four years with the 2016 general reappraisal being the last performed on a six year cycle. State law requires that units of local government, including fire districts, publish a revenue-neutral tax rate in the budget immediately following the completion of the general reappraisal of real property. The purpose of the revenue-neutral tax rate is to provide citizens with comparative information.

The FY 2016-2017 operating budget follows the general reappraisal of real property for Craven County. The revenue neutral tax rate, as defined by G.S. 159-11(e), is the rate that is estimated to produce revenue for the next fiscal year equal to the revenue for the current fiscal year if no reappraisal had occurred.

The rate is then adjusted by a growth factor equal to the average annual percentage increase in the tax base due to improvements since the last general reappraisal.

The reappraisal produced a tax base of \$ 173,000,000 for Little Swift Creek Fire District. The tax levy for FY 2015-2016 is \$ 97,634, and the growth factor since the last general reappraisal is 1.98 percent. Using the formula mandated by state law, the revenue-neutral tax rate is 6.04 cents. The proposed tax property tax rate for FY 2016-2017 is 7.00 cents, which represents an increase from the property tax rate of 5.49 cents for FY 2015-2016.

### SECTION IX

The following amounts are appropriated for the Township No. 3 Fire Department Fund for its operation during the Fiscal Year beginning July 1, 2016 and ending June 30, 2017.

Workers Compensation - Cove City	\$ 4,160
Insurance - Cove City	866
Payment to Cove City	73,986
Cove City Payment from Township #9	3,000
Worker's Compensation – Dover	1,950
Insurance – Dover	662
Payment to Dover	67,104

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Workers Compensation - Fort Barnwell	2,405
Insurance - Fort Barnwell	498
Payment to Fort Barnwell	80,756
<b>Total</b>	<b>\$ 235,387</b>

It is estimated the following revenues will be available in the Township No. 3 Fire Department Fund during the Fiscal Year beginning July 1, 2016 and ending June 30, 2017.

District Ad Valorem Taxes	\$ 183,634
(Rate of .0861; Valuation of \$215,000,000)	
Sales Tax	48,753
Payment from Township #9 to Cove City	3,000
<b>Total</b>	<b>\$ 235,387</b>

Revenue-Neutral Tax Rate

The general reappraisal of real property for Craven County will occur once every four years with the 2016 general reappraisal being the last performed on a six year cycle. State law requires that units of local government, including fire districts, publish a revenue-neutral tax rate in the budget immediately following the completion of the general reappraisal of real property. The purpose of the revenue-neutral tax rate is to provide citizens with comparative information.

The FY 2016-2017 operating budget follows the general reappraisal of real property for Craven County. The revenue neutral tax rate, as defined by G.S. 159-11(e), is the rate that is estimated to produce revenue for the next fiscal year equal to the revenue for the current fiscal year if no reappraisal had occurred. The rate is then adjusted by a growth factor equal to the average annual percentage increase in the tax base due to improvements since the last general reappraisal.

The reappraisal produced a tax base of \$ 215,000,000 for Township No. 3 Fire District. The tax levy for FY 2015-2016 is \$ 172,060, and the growth factor since the last general reappraisal is 2.04 percent. Using the formula mandated by state law, the revenue-neutral tax rate is 8.61 cents. The proposed tax property tax rate for FY 2016-2017 is 8.61cents, which represents an increase from the property tax rate of 7.74 cents for FY 2015-2016.

**SECTION X**

The following amounts are appropriated for the Township No. 5 Fire Department Fund for its operation during the Fiscal Year beginning July 1, 2016 and ending June 30, 2017.

Workers Compensation	\$ 2,665
Insurance	1,042
Payment from Township #6 Fire Department	2,766
Payment to District	316,502
Capital Reserve	311
<b>Total</b>	<b>\$ 323,286</b>

It is estimated the following revenues will be available in the Township No. 5 Fire Department Fund during the Fiscal Year beginning July 1, 2016 and ending June 30, 2017.

District Ad Valorem Taxes	\$ 250,689
(Rate of .0653; Valuation of \$387,000,000)	

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Sales Tax	69,831
Payment from Township #6 Fire Department	2,766
<b>Total</b>	<b>\$ 323,286</b>

Revenue-Neutral Tax Rate

The general reappraisal of real property for Craven County will occur once every four years with the 2016 general reappraisal being the last performed on a six year cycle. State law requires that units of local government, including fire districts, publish a revenue-neutral tax rate in the budget immediately following the completion of the general reappraisal of real property. The purpose of the revenue-neutral tax rate is to provide citizens with comparative information.

The FY 2016-2017 operating budget follows the general reappraisal of real property for Craven County. The revenue neutral tax rate, as defined by G.S. 159-11(e), is the rate that is estimated to produce revenue for the next fiscal year equal to the revenue for the current fiscal year if no reappraisal had occurred. The rate is then adjusted by a growth factor equal to the average annual percentage increase in the tax base due to improvements since the last general reappraisal.

The reappraisal produced a tax base of \$ 387,000,000 for Township No. 5 Fire District. The tax levy for FY 2015-2016 is \$ 240,400, and the growth factor since the last general reappraisal is 1.47 percent. Using the formula mandated by state law, the revenue-neutral tax rate is 6.53 cents. The proposed tax property tax rate for FY 2016-2017 is 6.53 cents, which represents an increase from the property tax rate of 5.53 cents for FY 2015-2016.

**SECTION XI**

The following amounts are appropriated for the Township No. 6 Fire Department Fund for its operation during the Fiscal Year beginning July 1, 2016 and ending June 30, 2017.

Workers Compensation	\$ 3,900
Insurance	1,042
Payment to Township #5 Fire District	2,766
Payment to District	275,417
<b>Total</b>	<b>\$ 283,125</b>

It is estimated the following revenues will be available in the Township No. 6 Fire Department Fund during the Fiscal Year beginning July 1, 2016 and ending June 30, 2017.

District Ad Valorem Taxes	\$ 222,061
(Rate of .0586; Valuation of \$382,000,000)	
Sales Tax	61,064
<b>Total</b>	<b>\$ 283,125</b>

Revenue-Neutral Tax Rate

The general reappraisal of real property for Craven County will occur once every four years with the 2016 general reappraisal being the last performed on a six year cycle. State law requires that units of local government, including fire districts, publish a revenue-neutral tax rate in the budget immediately following the completion of the general reappraisal of real property. The purpose of the revenue-neutral tax rate is to provide citizens with comparative information.

The FY 2016-2017 operating budget follows the general reappraisal of real property for Craven County. The revenue neutral tax rate, as defined by G.S. 159-11(e), is the rate that is estimated to produce revenue for the next fiscal year equal to the revenue for the current fiscal year if no reappraisal had occurred. The rate is then adjusted by a growth factor equal to the average annual percentage increase in the tax base due to improvements since the last general reappraisal.

The reappraisal produced a tax base of \$ 382,000,000 for Township No. 6 Fire District. The tax levy for FY 2015-2016 is \$ 215,779, and the growth factor since the last general reappraisal is 1.03 percent.

Using the formula mandated by state law, the revenue-neutral tax rate is 5.86 cents. The proposed tax property tax rate for FY 2016-2017 is 5.86 cents, which represents an increase from the property tax rate of 5.20 cents for FY 2015-2016.

**SECTION XII**

The following amounts are appropriated for the Township No. 7 Fire Department Fund for its operation during the Fiscal Year beginning July 1, 2016 and ending June 30, 2017.

Workers Compensation	\$ 6,695
Insurance	1,107
Payment to District	357,000
<b>Total</b>	<b>\$ 364,802</b>

It is estimated the following revenues will be available in the Township No. 7 Fire Department Fund during the Fiscal Year beginning July 1, 2016 and ending June 30, 2017.

District Ad Valorem Taxes	\$ 282,839
(Rate of .0216; Valuation of \$1,320,000,000)	
Sales Tax	78,859
Fund Balance Appropriated	3,104
<b>Total</b>	<b>\$ 364,802</b>

Revenue-Neutral Tax Rate

The general reappraisal of real property for Craven County will occur once every four years with the 2016 general reappraisal being the last performed on a six year cycle.

State law requires that units of local government, including fire districts, publish a revenue-neutral tax rate in the budget immediately following the completion of the general reappraisal of real property. The purpose of the revenue-neutral tax rate is to provide citizens with comparative information.

The FY 2016-2017 operating budget follows the general reappraisal of real property for Craven County. The revenue neutral tax rate, as defined by G.S. 159-11(e), is the rate that is estimated to produce revenue for the next fiscal year equal to the revenue for the current fiscal year if no reappraisal had occurred. The rate is then adjusted by a growth factor equal to the average annual percentage increase in the tax base due to improvements since the last general reappraisal.

The reappraisal produced a tax base of \$ 1,320,000 for Township No. 7 Fire District. The tax levy for FY 2015-2016 is \$ 275,010, and the growth factor since the last general reappraisal is 1.29 percent. Using the formula mandated by state law, the revenue-neutral tax rate is 2.16 cents. The proposed tax property tax rate for FY 2016-2017 is 2.16 cents, which represents an increase from the property tax rate of 1.90 cents for FY 2015-2016.

**SECTION XIII**

The following amounts are appropriated for the West of New Bern Fire Department Fund for its operation during the Fiscal Year beginning July 1, 2016 and ending June 30, 2017.

Workers Compensation	\$ 3,900
Insurance	832
Payment to District	349,319
Payment to District from West of New Bern II (Rhems FD)	26,016
<b>Total</b>	<b>\$ 380,067</b>

It is estimated the following revenues will be available in the West of New Bern Fire Department Fund during the Fiscal Year beginning July 1, 2016 and ending June 30, 2017.

District Ad Valorem Taxes	\$ 275,389
(Rate of .0391; Valuation of \$710,000,000)	
Sales Tax	78,662
Payment from West of New Bern II (Rhems FD)	26,016
<b>Total</b>	<b>\$ 380,067</b>

Revenue-Neutral Tax Rate

The general reappraisal of real property for Craven County will occur once every four years with the 2016 general reappraisal being the last performed on a six year cycle. State law requires that units of local government, including fire districts, publish a revenue-neutral tax rate in the budget immediately following the completion of the general reappraisal of real property. The purpose of the revenue-neutral tax rate is to provide citizens with comparative information.

The FY 2016-2017 operating budget follows the general reappraisal of real property for Craven County. The revenue neutral tax rate, as defined by G.S. 159-11(e), is the rate that is estimated to produce revenue for the next fiscal year equal to the revenue for the current fiscal year if no reappraisal had occurred. The rate is then adjusted by a growth factor equal to the average annual percentage increase in the tax base due to improvements since the last general reappraisal.

The reappraisal produced a tax base of \$ 710,000,000 for West of New Bern Fire District. The tax levy for FY 2015-2016 is \$ 272,401, and the growth factor since the last general reappraisal is - 0.77 percent. Using the formula mandated by state law, the revenue-neutral tax rate is 3.91 cents. The proposed tax property tax rate for FY 2016-2017 is 3.91 cents, which represents an increase from the property tax rate of 3.49 cents for FY 2015-2016.

**SECTION XIV**

The following amounts are appropriated for the Township No. 9 Fire Department Fund for its operation during the Fiscal Year beginning July 1, 2016 and ending June 30, 2017.

Workers Compensation	\$ 4,225
Insurance	662
Payment to District	193,649
Payment to Cove City	3,000
<b>Total</b>	<b>\$ 201,536</b>

It is estimated the following revenues will be available in the Township No. 9 Fire Department Fund during the Fiscal Year beginning July 1, 2016 and ending June 30, 2017.

District Ad Valorem Taxes	\$ 159,107
(Rate of .0746; Valuation of \$215,000,000)	
Sales Tax	42,429
<b>Total</b>	<b>\$ 201,536</b>

Revenue-Neutral Tax Rate

The general reappraisal of real property for Craven County will occur once every four years with the 2016 general reappraisal being the last performed on a six year cycle. State law requires that units of local government, including fire districts, publish a revenue-neutral tax rate in the budget immediately following the completion of the general reappraisal of real property. The purpose of the revenue-neutral tax rate is to provide citizens with comparative information.

The FY 2016-2017 operating budget follows the general reappraisal of real property for Craven County. The revenue neutral tax rate, as defined by G.S. 159-11(e), is the rate that is estimated to produce revenue for the next fiscal year equal to the revenue for the current fiscal year if no reappraisal had occurred. The rate is then adjusted by a growth factor equal to the average annual percentage increase in the tax base due to improvements since the last general reappraisal.

The reappraisal produced a tax base of \$ 215,000,000 for Township No. 9 Fire District. The tax levy for FY 2015-2016 is \$ 154,978, and the growth factor since the last general reappraisal is 0.81 percent. Using the formula mandated by state law, the revenue-neutral tax rate is 7.46 cents. The proposed tax property tax rate for FY 2016-2017 is 7.46 cents, which represents an increase from the property tax rate of 6.82 cents for FY 2015-2016.

**SECTION XV**

The following amounts are appropriated for the Sandy Point Service District for its operation during the Fiscal Year beginning July 1, 2016 and ending June 30, 2017.

Transfer to Tri Community	\$ 7,384
Capital Reserve	1,496
<b>Total</b>	<b>\$ 8,880</b>

It is estimated the following revenues will be available in the Sandy Point Service District during the Fiscal Year beginning July 1, 2016 and ending June 30, 2017.

District Ad Valorem Taxes	\$ 6,866
(Rate of .0672; Valuation of \$10,300,000)	
Sales Tax	2,014
<b>Total</b>	<b>\$ 8,880</b>

Revenue-Neutral Tax Rate

The general reappraisal of real property for Craven County will occur once every four years with the 2016 general reappraisal being the last performed on a six year cycle. State law requires that units of local government, including fire districts, publish a revenue-neutral tax rate in the budget immediately following the completion of the general reappraisal of real property. The purpose of the revenue-neutral tax rate is to provide citizens with comparative information.

The FY 2016-2017 operating budget follows the general reappraisal of real property for Craven County. The revenue neutral tax rate, as defined by G.S. 159-11(e), is the rate that is estimated to produce revenue for the next fiscal year equal to the revenue for the current fiscal year if no reappraisal had occurred. The rate is then adjusted by a growth factor equal to the average annual percentage increase in the tax base due to improvements since the last general reappraisal.

The reappraisal produced a tax base of \$ 10,300,000 for Sandy Point Service District. The tax levy for FY 2015-2016 is \$ 6,925, and the growth factor since the last general reappraisal is – 1.91 percent. Using the formula mandated by state law, the revenue-neutral tax rate is 6.72 cents. The proposed tax property tax rate for FY 2016-2017 is 6.72 cents, which represents an increase from the property tax rate of 5.27 cents for FY 2015-2016.

**SECTION XVI**

The following amount is appropriated for the Schools Debt Service for its operation during the Fiscal Year beginning July 1, 2016 and ending June 30, 2017.

Debt Service Expenses	\$5,056,500
<b>Total</b>	<b>\$5,056,500</b>

It is estimated the following revenues will be available in the Schools Debt Service Fund for the Fiscal Year beginning July 1, 2016 and ending June 30, 2017.

Interest	\$ 500
Sales Tax	3,895,201
Lottery Proceeds	1,000,000
Fund Balance Appropriated	160,799
<b>Total</b>	<b>\$ 5,056,500</b>

### SECTION XVII

The following amount is appropriated for the Capital Reserve Fund for its operation during the Fiscal Year beginning July 1, 2016 and ending June 30, 2017.

Transfers to General Fund	\$ 1,665,042
<b>Total</b>	<b>\$ 1,665,042</b>

It is estimated the following revenues will be available in the Capital Reserve Fund for the Fiscal Year beginning July 1, 2016 and ending June 30, 2017.

Transfers from General Fund	\$ 13,033
Fund Balance Appropriated	1,652,009
<b>Total</b>	<b>\$ 1,665,042</b>

### SECTION XVIII

The following amount is appropriated for the School Capital Fund for its operation during the Fiscal Year beginning July 1, 2016 and ending June 30, 2017.

School Capital Outlay – Category I Projects	\$ 250,000
1. Vanceboro Farm Roof \$250,000	
<b>Total</b>	<b>\$ 250,000</b>

It is estimated the following revenue will be available in the School Capital Fund during the Fiscal Year beginning July 1, 2016 and ending June 30, 2017.

Transfer from General Fund	\$ 250,000
<b>Total</b>	<b>\$ 250,000</b>

### SECTION XIX

The following amount is appropriated for the Craven County Water Fund for its operation during the Fiscal Year beginning July 1, 2016 and ending June 30, 2017.

Water Operations Expense	\$ 3,998,750
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<b>Total</b>	<b>\$ 3,998,750</b>
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It is estimated the following revenues will be available in the Craven County Water Fund during the Fiscal Year beginning July 1, 2016 and ending June 30, 2017.

Penalty and Interest	\$ 93,000
Interest on Investments	20,000
Fees	167,750
Water Sales	3,700,000
Rents	18,000
<b>Total</b>	<b>\$ 3,998,750</b>

#### SECTION XX

The following amount is appropriated for expenditures in the Northwest Craven Water and Sewer – Debt Service Fund for the Fiscal Year beginning July 1, 2016 and ending June 30, 2017.

Debt Service	\$ 102,492
<b>Total</b>	<b>\$ 102,492</b>

It is estimated the following revenue will be available in the Northwest Craven Water and Sewer – Debt Service Fund for the Fiscal Year beginning July 1, 2016 and ending June 30, 2017.

Transfers in From Water Operating Fund	\$ 102,492
<b>Total</b>	<b>\$ 102,492</b>

#### SECTION XXI

The following amount is appropriated to the Health Benefits Fund for the Fiscal Year beginning July 1, 2016 and ending June 30, 2017.

Health and Dental Benefits	\$ 5,020,000
Workers Compensation	\$ 255,500
Auto Physical Damage	\$ 40,000
<b>Total</b>	<b>\$ 5,315,500</b>

It is estimated the following revenues will be available in the Health Benefits Fund for the Fiscal Year beginning July 1, 2016 and ending June 30, 2017.

Health Benefits:

Interest	\$ 10,000
Employer Contribution – Health	3,750,000

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Employee Contribution - Health	443,500
Employer Contribution - Dental	273,000
Employee Contribution - Dental	133,000
Workers Compensation Fees	500,000
Regular vehicle Expense	40,000
Fund Balance Appropriated	166,000
<b>Total</b>	<b>\$ 5,315,500</b>

**SECTION XXII**

The following amount is appropriated for the Occupancy Tax Trust Fund for its operation during the Fiscal Year beginning July 1, 2016 and ending June 30, 2017.

Transfer to General Fund	\$ 795,698
City of Havelock	97,000
<b>Total</b>	<b>\$ 892,698</b>

It is estimated the following revenue will be available in the Occupancy Tax Trust Fund during the Fiscal Year beginning July 1, 2016 and ending June 30, 2017.

Tourism Development Authority Occupancy Tax	\$ 892,698
<b>Total</b>	<b>\$ 892,698</b>

**SECTION XXIII**

There is levied a tax rate of \$ 0.5394 per \$100.00 valuation of property listed as of January 1, 2016, for the purpose of raising revenues listed as current year's property tax in Section II of this Ordinance.

The rate of tax is based on an estimated valuation of property for the purpose of taxation of \$8,900,000,000 and an estimated collection rate of 99.20% real property and motor vehicles.

Revenue-Neutral Tax Rate

The general reappraisal of real property for Craven County will occur once every four years with the 2016 general reappraisal being the last performed on a six year cycle. State law requires that units of local government, including fire districts, publish a revenue-neutral tax rate in the budget immediately following the completion of the general reappraisal of real property. The purpose of the revenue-neutral tax rate is to provide citizens with comparative information.

The FY 2016-2017 operating budget follows the general reappraisal of real property for Craven County. The revenue neutral tax rate, as defined by G.S. 159-11(e), is the rate that is estimated to produce revenue for the next fiscal year equal to the revenue for the current fiscal year if no reappraisal had occurred. The rate is then adjusted by a growth factor equal to the average annual percentage increase in the tax base due to improvements since the last general reappraisal.

The reappraisal produced a tax base of \$ 8,900,000,000 for Craven County. The tax levy for FY 2015-2016 is \$ 45,727,110 and the growth factor since the last general reappraisal is 0.85 percent. Using the formula mandated by state law, the revenue-neutral tax rate is 52.94 cents. The proposed tax property tax rate for FY 2016-2017 is 53.94 cents, which represents an increase from the property tax rate of 46.75 cents for FY 2015-2016.

#### SECTION XXIV

The Budget Officer is authorized to make line item transfers within each department.

The Budget Officer is authorized to transfer between departments within the same fund amounts not to exceed \$20,000.00.

The Budget Officer is authorized to loan dollars between funds for the purpose of maintaining a constant cash flow, provided that such funds are repaid in the scope of this Fiscal Year.

The Budget Officer is authorized to freeze any new/vacant positions until such time as the necessity and imperativeness can be ascertained and assuredness of available fiscal funding can be better determined.

The Budget Officer is further authorized to decide the time any capital improvements or capital outlay items in the budget may be processed.

#### SECTION XXV

Copies of this Budget Ordinance shall be furnished to the Finance Officer for direction in carrying out the duties of that office.

This Ordinance is hereby adopted this 20th day of June, 2016.

During discussion Commissioner Dacey made the following statement:

While now having served on the Craven County Board of Commissioners for over five years I have consistently worked hard to promote fiscal restraint, limited government, and transparency within our process of governing. During this period I have had to learn to balance those goals with the restraints that are placed upon counties as we fulfill our mandated responsibility to deliver state and federal programs to those who reside within our county. Schools, public safety, courts, social services, and public health activities are all programs where county government has very little autonomy in either establishing standards or controlling expenditures, but which demand the overwhelming percentage of the peoples' money.

The taxpayers in Craven County rightly focus on the amount of money their government is demanding they pay to support the programs carried out by local government. During this current fiscal year (2016) real estate owners in Craven County ponied up \$42,472,215. As proposed under this budget, those same taxpayers would be asked to generate \$43,448,886 in property tax revenue, an increase of \$976,671 or 2.3 percent. While some will attempt to have the public believe that the county's revaluation process is increasing taxes, this is a red-herring intended to create controversy within our community. The North Carolina General Statutes require that counties establish a revenue neutral rate, which is exactly what the county has done. The additional revenues will be generated by imposing a one-cent increase on top of the newly equalized tax rate versus the rates from last year, again resulting in a 2.3 percent increase in overall revenue being generated from real estate property taxes.

The next question is why are my taxes increasing? Additional revenues are needed to address three high expense items. First, we expect the state will be giving state employees a cost of living adjustment and the county needs to respond similarly for its employees. Second, the implementation of Obamacare is forcing Craven County to hire additional staff to support the review of Medicaid related applications. Third, this board of commissioners is working with Craven County Schools to meet their budget needs and in so doing we will be bringing our per pupil spending in line with state averages.

Some might suggest that a better alternative to increasing taxes would be to cut the size of government - a concept with which I am in full agreement. So, in considering the budget developed by the county manager for the upcoming fiscal year, this board spent a considerable amount of time in open session reviewing the requests that came in from every department and the recommendations made by the county's staff. While I am mindful of those who would suggest that the county board engage in a budget process which asks county departments to justify anew each expenditure and revenue source annually, a process known as zero-based budgeting, that is not the role of a county board of commissioners. Rather, it is the role of the county manager to develop a recommended budget for the consideration of the board of commissioners. It is our role to then work with the county manager, and when necessary,

directly with the departments, to make certain the spending priorities recommended by the county manager are consistent with the needs and values of our community as a whole.

In presenting the Board of Commissioners with the proposed budget for fiscal year 2017, the County Manager spent months reviewing, from the ground up, the budgets for some 36 departments. When all the dust settled, 13 of the 36 departments saw a decrease in funds being proposed, yielding \$888,000 in cuts from the budget approved for 2016. Such an achievement would not have been possible had the County Manager simply engaged in traditional incremental budgeting.

Again, after days of review as a board and additional time spent researching the spending being proposed, there is painfully little over which the county board has any control. Certainly, we have increased discretionary spending in some areas. For example, we have increased spending in the area of veterans services, but in fairness to those that have fought to keep our country free, Craven County has long needed to do a better job in making certain our veterans are well served.

And while it would be my preference that Craven County Schools spend more of their resources to address basic learning skills, the fact is state law prohibits County government from exercising prescriptive control over school budgets. With that said, I am pleased that the Board of Commissioners has agreed to adopt my proposal to address certain lapses in the accountability over funds used for certain capital outlay projects, including funds for new real estate and construction and renovation of buildings over \$100,000. It is my hope that with the direct involvement of the County over these high-dollar contracts a greater number of priority capital issues will be addressed throughout the year.

For all of the reasons outlined above, I was pleased to vote in favor of the budget for the coming fiscal year and will be pleased to defend our actions to the public.

Commissioner Tyson stated that, research shows that according to the latest data by the Department of Revenue, Craven County is the 12<sup>th</sup> lowest tax rate among 100 counties. Most of the lowest rates are on the coast or in the mountains, with high property values, seasonal residency and less demand on resources. He stated that Craven County will never be the lowest. All surrounding counties had higher rates. Craven County was rated below state expenditure per pupil average. This budget will bring the County up to the average; however, he expressed the opinion that average is not an acceptable standard for Craven County. Further research shows that the new tax rate does not affect all property owners the same. Several people who spoke against the tax rate including a former Craven County Commissioner on Old Cherry Point Road, whose estimated tax will be \$467 less, a representative of Coastal Carolina Taxpayers Association, whose estimated tax will be \$125 less, and a precinct official, whose estimated tax will increase by \$20.

Commissioner Jones refuted the statement that we are a retiree community. We still have a responsibility to provide a great education for the children who reside here.

Commissioner Mark stated that the tax rate was \$.61 in 2010. This has been the worst economic climate both locally and nationally in a long time. During that period, the rate was reduced to \$.4675, when property values were stronger.

Commissioner Sampson stated that he does not want to pay higher taxes either; however, one of the biggest drains on tax dollars which has not been mentioned is the jail system. There are direct jail costs as well as costs for care of families of incarcerated persons. Resources are needed for education, to spend money on front end of a person's development rather than back end, which causes the loss of productive, taxpaying citizens.

Commissioner McCabe stated that he agrees with all that has been said.

The motion to adopt the Budget Ordinance carried unanimously in a roll call vote.

**LITTLE SWIFT CREEK STREAM DEBRIS REMOVAL/BEAVER  
MANAGEMENT PROJECT AND SWIFT CREEK/HARLOWE CANAL  
MAINTENANCE PROJECTS**

Patrick Baker, Natural Resource Conservationist, presented bids for the stream debris removal project, which was voted on by the Board of Commissioners on August 3, 2015, as follows:

Contractor	Little Swift Creek Actual Bid (Tabulated)	Swift Creek Actual Bid (Tabulated)	Harlowe Canal Actual Bid (Tabulated)	Notes
Carroway Land Const.	\$247,050.00	\$139,875.00	\$13,075.00	Bid total \$410,000.00
Southern Disaster Recovery	\$211,295.00	\$91,792.00	\$2,850.00	Bid total \$305,957.00
David Lanye Clearing & Snagging	\$106,989.00	\$100,650.00	\$6,200.00	Bid total \$213,839.00
J and J Environmental LLC	\$68,449.00	\$24,448.00	\$100.00	Bid total \$92,997.00
Hess Construction LLC	\$64,405.00	\$44,413.00	\$3,500.00	Bid total \$112,318.00

He stated that the project is included in the FY 2016-17 Budget at \$100,000. The total amount of the project is projected at \$96,697, which is \$3,303 below budget.

Additionally the following bid results were presented for beaver management.

Licensed Private Trapper	Quote	Notes
Claude Taylor Wildlife Services	\$3,000.00	
J and J Environmental LLC	\$4,900.00	
Warren Pitts	N/A	Unable to commit to project of this size at this time
Allen Umstead	N/A	Unable to commit to project of this size at this time

Commissioner Mark moved to award the Little Swift Creek Stream Debris Removal project and the Swift Creek/Harlowe Canal maintenance projects contract to J & J Environmental, LLC, as recommended by staff, in the amount of \$92,997 and to award the beaver management contract for Little Swift Creek, as recommended, to Claude Taylor in the amount of \$3,700, which will include required liability insurance. Commissioner McCabe seconded the motion, which carried unanimously.

**DEPARTMENTAL MATTERS: PLANNING – REQUEST TO CLOSE-OUT HAZARD MITIGATION PROGRAM PROJECT FUNDS 283 AND 284**

Don Baumgardner, Planning Director, presented the final reports for funds 283 and 284 that have been submitted, approved and reimbursements have been received from the State. The program activities associated with funds 283 and 284 resulted in the elevation of four (4) residential structures and the acquisition of two (2) residential structures.

Commissioner Dacey asked about the status of properties after the improvements and if they will generate more revenue.

Mr. Baumgardner responded that they could result in a higher value, as they are in much better condition. Additionally, the potential for displacement, which results in lapses of tax revenue, is diminished.

Commissioner Mark moved to adopt the following budget amendments and ordinance updates to close out funds 283 and 284, seconded by Commissioner McCabe and unanimously carried in a roll call vote.

**Planning**

REVENUES	AMOUNT	EXPENDITURES	AMOUNT
283-0000-348-89-01 NCDPSEM State Grant	\$( 349.00)	283-4061-430-76-38 Elevation	\$(1,392.00)
283-0000-377-38-00 FEMA Grant	\$(1,043.00)		
TOTAL	\$(1,392.00)	TOTAL	\$(1,392.00)

**Justification:** Budget amendment needed to close out Hazard Mitigation Grant Program (HMGP) Project 4019-0028.

Hazard Mitigation Grant Program (HMGP)  
Project 4019-0028  
Fund 283  
Closed

This ordinance is hereby approved for the following expenditure amounts of the Hazard Mitigation Project 4019-0028.

Expenditures:

Elevation	\$	529,828.00
TOTAL	\$	529,828.00

The following revenues were received for the Hazard Mitigation Project 4019-0028.

Revenues:

NCDPS/Emergency Management Grant	\$	132,456.00
FEMA Grant	\$	397,372.00
TOTAL	\$	529,828.00

This ordinance is hereby approved this 20<sup>th</sup> day of June, 2016.

**Planning**

REVENUES	AMOUNT	EXPENDITURES	AMOUNT
284-0000-348-89-01 NCDPSEM State Grant	\$( 39,894.00)	284-4061-430-76-39 Acquisition	\$(159,577.00)
284-0000-377-38-00 FEMA Grant	\$(119.683.00)		
TOTAL	\$(159,577.00)	TOTAL	\$(159,577.00)

**Justification:** Budget amendment needed to close out Hazard Mitigation Grant Program (HMGP) Project 4019-0027.

Hazard Mitigation Grant Program (HMGP)  
Project 4019-0027  
Fund 284  
Closed

This ordinance is hereby approved for the following expenditure amounts of the Hazard Mitigation Project 4019-0027.

Expenditures:

Acquisition	\$	423,483.00
TOTAL	\$	423,483.00

The following revenues were received for the Hazard Mitigation Project 4019-0027.

Revenues

NCDPS/Emergency Management Grant	\$	105,871.00
FEMA Grant	\$	317,612.00
TOTAL	\$	423,483.00

This ordinance is hereby approved this 20<sup>th</sup> day of June, 2016.

**DEPARTMENTAL MATTERS: SHERIFF – BUDGET AMENDMENT**

Captain Jesse Pittman, Administrative Captain, presented the following budget amendment to cover shortages in inmate medical expenses through the end of the current fiscal year. The shortage is directly related to the hospitalization of two inmates with terminal illnesses

He explained that one inmate, since this time, has been released and the other is still being housed. Invoices for first inmate have exceeded \$22,000 and additional invoices for the second inmate are expected by the end of the month.

This will leave approximately \$200,000 in collected revenue that was projected at \$160,000.

Commissioner Dacey inquired if the County can bill the home counties of the housed inmates. Captain Pittman responded that there are agreements in place to do so.

Commissioner McCabe moved to approve the budget amendment, as presented, seconded by Commissioner Sampson and unanimously carried in a roll call vote.

***Jail***

<b>REVENUES</b>	<b>AMOUNT</b>	<b>EXPENDITURES</b>	<b>AMOUNT</b>
101-2008-357-66-00 Inmate Welfare	\$25,000.00	101-2008-410-32-08 Medical Supplies	\$50,000.00
101-2008-369-40-00 Misdemeanant House	\$25,000.00		
<b>TOTAL</b>	<b>\$50,000.00</b>	<b>TOTAL</b>	<b>\$50,000.00</b>

**Justification:** Higher prison population has increased expenditures in the jail. The higher inmate population has also resulted in a corresponding increase in revenue. Need to budget the additional revenue to cover expenditures for the remainder of the fiscal year.

**DEPARTMENTAL MATTERS: FINANCE – BUDGET AMENDMENTS**

Craig Warren, Finance Director, presented the following budget amendments for the Board’s approval.

***Health Benefits***

<b>REVENUES</b>	<b>AMOUNT</b>	<b>EXPENDITURES</b>	<b>AMOUNT</b>
512-0000-399-01-00 Fund Balance Current	\$200,000.00	512-0321-400-40-81 Health Claims	\$200,000.00
<b>TOTAL</b>	<b>\$200,000.00</b>	<b>TOTAL</b>	<b>\$200,000.00</b>

**Justification:** Need to budget additional funds to cover health insurance claims through the remainder of the fiscal year ’16.

Mr. Warren stated that health claims are running 4% less than the same time last year.

Commissioner Sampson moved to approve the budget amendment, as requested, seconded by Commissioner McCabe and unanimously carried in a roll call vote.

*Schools*

REVENUES	AMOUNT	EXPENDITURES	AMOUNT
101-0000-345-03-00	\$ 75,000.00	101-8500-480-98-01	\$250,000.00
State Tax art 40 ½ cent sch		Schools debt service	
101-0000-345-05-00	\$175,000.00		
St Tax art 42 ½ cent sch			
<b>TOTAL</b>	<b>\$250,000.00</b>	<b>TOTAL</b>	<b>\$250,000.00</b>

**Justification:** Portion of Article 40 and Article 42 sales tax dedicated to school debt service. Anticipate that revenue will be greater than projected/budgeted. Need to budget the additional revenue expected and corresponding transfer to the Debt Service Fund.

Commissioner Sampson moved to approve the budget amendment, as requested, seconded by Commissioner McCabe and unanimously carried in a roll call vote.

*Rescue Squads*

REVENUES	AMOUNT	EXPENDITURES	AMOUNT
101-2827-357-51-00	\$ 2,390.00	101-2827-410-33-10	\$2,151.00
Ft. Barnwell rescue fee		Ft. Barnwell 90% collection	
		101-2801-410-40-03	\$ 239.00
		Collection cost	
101-2828-357-49-00	\$19,000.00	101-2828-410-33-10	\$17,100.00
Bridgeton rescue fee		Bridgeton 90% collection	
		101-2801-410-40-03	\$ 1,900.00
		Collection cost	
101-2829-357-50-00	\$ 6,900.00	101-2829-410-33-10	\$ 6,210.00
Vanceboro rescue fee		Vanceboro 90% collection	
		101-2801-410-40-03	\$ 690.00
		Collection cost	
101-2831-357-56-00	\$ 2,040.00	101-2831-410-33-10	\$ 1,836.00
Twp. #7 rescue fee		Twp. #7 90% collection	
		101-2801-410-40-03	\$ 204.00
		Collection cost	
101-2825-357-53-01	\$ 2,656.00	101-2825-410-41-25	\$ 2,656.00
Jail ambulance transpt		Jail ambulance trasnpt	
<b>TOTAL</b>	<b>\$32,986.00</b>	<b>TOTAL</b>	<b>\$32,986.00</b>

**Justification:** Need to assess/adjust ambulance billing fees. The amount received this fiscal year dictates an increase to budget for fees received and the corresponding 90% to the squads and 10% for collections.

NB/Craven rescue transports inmates to and from hospital and jail. Jail is responsible for these costs. Due to increased transports, amount billed has already exceeded the budget.

Commissioner Mark moved to approve the budget amendment, as requested, seconded by Commissioner Jones and unanimously carried in a roll call vote.

*General/County Reserve*

REVENUES	AMOUNT	EXPENDITURES	AMOUNT
101-0000-399-01-00 Fund balance current year	\$750,000.00	101-0567-400-98-16 Transfer County reserve	\$750,000.00
TOTAL	\$750,000.00	TOTAL	\$750,000.00

**Justification:** Year-end transfer to County reserve.

Commissioner Mark moved to approve the budget amendment, as requested, seconded by Commissioner McCabe and unanimously carried.

**APPOINTMENTS**

*River Bend Board of Adjustment (Extraterritorial Jurisdiction)*

Commissioner Dacey nominated Rick Fisher for appointment to the River Bend Board of Adjustment (Extraterritorial Jurisdiction) Alternate. There being no additional nominations, Mr. Fisher was appointed by acclamation.

*Craven Aging Planning Board: Joy Hudson*

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

*Agricultural Advisory Committee: Jimmy Arthur*

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

*Juvenile Crime Prevention Council: Dawn Gibson, Todd Stuart*

The Board was advised of the expiring terms of Dawn Gibson and Todd Stuart on the Juvenile Crime Prevention Council. Commissioner Sampson nominated Todd Stuart for reappointment. There being no additional nominees, Mr. Stuart was reappointed by acclamation. The appointment to Ms. Gibson’s position was deferred.

*Nursing Home Advisory Committee: Martha Bryant-Watkins*

Commissioner Jones nominated Pamela Johnson for appointment to the Nursing Home Advisory Committee to replace Martha Bryant-Watkins, who has resigned. There being no additional nominations, Ms. Johnson was appointed by acclamation.

*Recreation and Parks Advisory Board: Dickie Fairburn, Cathy Frazier, Abel Sandoval, Bill Taylor*

It was the consensus of the Board to defer these appointments.

*Voting Delegate to the NACo Annual Conference*

Commissioner Jones nominated Commissioner Dacey as the voting delegate for the NACo Annual Conference. There being no additional nominations, Commissioner Dacey was appointed by acclamation.

*Upcoming Appointments*

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

**July**

- Craven Aging Planning Board
- Planning Board
- River Bend Board of Adjustment

**August**

- Clean Sweep Committee
- EMS Advisory Council
- Fire Tax Commissioners

**COUNTY MANAGER'S REPORT**

Mr. Veit announced that things are progressing well on the C1A Board and several initiatives are underway.

The Site Development Committee chaired by Commissioner Tyson is very active and looking at the development of Shell buildings, infrastructure, etc. He reported that the last piece of property on Executive Drive in the Industrial Park is on an unpaved portion of the road. Assistance from the Department of Transportation and Department of Commerce is needed in order to make it more marketable by improved access. The Board's involvement will most likely be needed.

He announced that an Entrepreneur Center report will be presented in July and an open entrepreneurial networking event will be held on June 22 at 5:30 p.m. at the New Bern Chamber of Commerce, sponsored by the C100 Alliance(C1A).

Mr. Veit reported on his attendance at a Highway 17 Committee meeting the previous week in Edenton with Commissioner Mark and Planning Director, Don Baumgardner. He stated that most of the discussion was about Highway 64 and that Highway 17 is still a struggle.

He reported on his attendance at an ACT meeting recently and stated that they are still searching for options for an engineering building in Havelock.

Mr. Veit noted that this was Finance Director, Craig Warren's, first budget and thanked him for doing a great job.

**COMMISSIONERS' REPORTS**

*Commissioner Dacey* thanked the County Manager and staff for the development of the budget. He announced that on June 10 and 11 the NCACC Board met in Ashville. He provided an update on Department of Commerce activities, stating that North Carolina's economy is ninth in the United States and number one in growth at 3.8% and has some of the lowest taxes in the southeast. They are having to focus on 1) workforce development; and 2) access to capital for small and medium sized businesses. They are looking at how to deploy the State's existing resources, such as inventory of unused or under used buildings. A legislative update was also presented. He announced a Town Hall meeting will be held on June 30 from 4:00-5:00 p.m. at River Bend Town Hall.

*Commissioner McCabe* wished belated Father's Day blessings and asked people to pray for the victims of the Orlando shootings and their families. He stated that such a tragedy can happen anywhere and we must be prepared to love and help one another.

*Commissioner Jones* announced that Kay Yates of the Farm Service Agency, will be starting the nominating process for board representatives for Vanceboro, Ft Barnwell July 15 – August 1.

*Commissioner Tyson* stated that another unfunded mandate is unreimbursed medical expenses for inmates. He reported that ACT advises that schools are one of the major issues looked at in Base Realignment and Closing(BRAC) deliberations.

*Commissioner Sampson* announced that he has visited a few long term and nursing homes, and many of the residents are not being well cared for. More attention needs to be focused on the welfare of seniors.

*Chairman Liner* commended staff and stated that this was the first year that revaluation resulted in lost value. He thanked the Board for their engagement in the budget process.

Commissioner Dacey thanked the Chairman for keeping the Board focused.

At 9:40 a.m. Commissioner Tyson moved to adjourn, seconded by Commissioner Sampson and unanimously carried.

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Chairman George S. Liner  
Craven County Board of Commissioners

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Gwendolyn M. Bryan  
Clerk to the Board