

Special Meeting
Monday, January 5, 2015
Chowan County Public Safety Center
305 West Freemason St.
Edenton, NC
5:00pm

Minutes

Present Chairman Jeff Smith Commissioners Keith Nixon, Alex Kehayes, Ellis Lawrence, John Mitchener, Emmett Winborne and Greg Bonner.

Staff present County Manager Kevin Howard and Board Clerk Susanne Stallings.

Also present representing SAGA were Bob Howsare and Fred Vollat.

Chairman Smith called the special meeting to order.

Commissioner Nixon moved to go into closed session in accordance with NCGS 143-318 (11) (a) (5), contract negotiations. Chairman Smith asked for all in favor, the motion passed unanimously (7-0).

The minutes of the closed session are sealed.

Commissioner Nixon moved to come out of closed session, Chairman Smith asked for all in favor, the motion passed unanimously (7-0).

Commissioner Mitchener moved to extend the option to purchase until January 31, 2015 the contract being between Chowan County and Preservation North Carolina for the purchase of the Hotel Hinton by SAGA Corp., with a closing deadline of February 28, 2015. Chairman Smith asked for all in favor, the motion passed unanimously (7-0).

Adjourn

Being no further business, Commissioner Kehayes moved to adjourn the meeting. Chairman Smith asked for all in favor, the motion passed unanimously (7-0).

Regular Meeting
Monday, January 5, 2015
Chowan County Public Safety Center
305 West Freemason St.
Edenton, NC
6:00pm

Minutes

Present Chairman Jeff Smith Commissioners Keith Nixon, Alex Kehayes, Ellis Lawrence, John Mitchener, Emmett Winborne and Greg Bonner.

Staff present County Manager Kevin Howard, Finance Officer Willie Carawan and Board Clerk Susanne Stallings.

Regular Meeting

Chairman Smith called the regular meeting to order and led all in attendance in the pledge of allegiance. Commissioner Nixon then offered the invocation.

Approval of Agenda

Commissioner Mitchener moved to approve the agenda. Chairman Smith asked for all in favor, the motion passed unanimously (7-0).

Public Comment

Chairman Smith opened the floor to public comment in accordance with NCGS 153A-52.1.

There was none.

Consent Agenda

Chairman Smith then presented the consent agenda.

a. Minutes

Attached are the minutes of the December 1, 2014 meeting for the Board's review and consideration.

Commissioner Mitchener requested that the December minutes be amended to reflect the names of the employees who were recognized for years of service and if feasible to amend previous years minutes.

Ms. Stallings noted a correction to the December minutes.

Commissioner Kehayes moved to approve the minutes with corrections. Chairman Smith asked for all in favor, the motion passed unanimously (7-0).

b. Budget Amendments

BA1415-015

Account Code	Description	Old	+ or (-)	New
LOTTERY:				
49-3591-234-00	Lottery Proceeds	(28,945.96)	(89,179.00)	(118,124.96)
49-5913-015-01	JAHHS Windows	-	41,789.00	41,789.00
49-5913-015-02	Walker & Oak - Repl. Carpet & Tile	-	27,390.00	27,390.00
49-5913-015-03	Holmes Walker Oak -Ext. Lighting	-	20,000.00	20,000.00
		Balanced:	(28,945.96)	(28,945.96)
Justification:				
<i>Budgeting DPI Approved Lottery Projects for FY'15</i>				

BA1415-016

Account Code	Description	Old	+ or (-)	New
ADMINISTRATION				
11-4110-192-00	Professional Services	-	300.00	300.00
11-4120-440-00	Contracted Services	-	4,737.50	4,737.50
11-4910-370-00	Advertising - Planning	500.00	561.50	1,061.50
11-6132-199-00	Grant Refund - JCPC	-	85.00	85.00
11-8200-185-00	Unemployment	5,000.00	3,702.84	8,702.84
11-8200-186-00	Worker's Comp	87,050.00	551.00	87,601.00
11-8300-696-00	Institute of Government	1,642.00	54.00	1,696.00
11-9900-999-00	Contingency	25,000.00	(9,991.84)	15,008.16
ELECTIONS				
11-4170-126-00	Salaries & Wages - PT Prct	21,840.00	(6,366.44)	15,473.56
11-4170-122-00	Salaries & Wages - Parttime	-	6,366.44	6,366.44
INFORMATION TECH				
11-4210-121-00	Salaries & Wages - Regular	62,784.00	(434.72)	62,349.28
11-4210-126-00	Salaries & Wages - Parttime	-	434.72	434.72
EMERGENCY MGMT				
11-3433-391-00	LEPC - Haz. Mat. Planning Grant	-	(10,000.00)	(10,000.00)
11-4330-610-00	LEPC - Haz. Mat. Planning Grant	-	10,000.00	10,000.00
RE-EVALUATION				
25-3990-990-00	Fund Balance Appropriation	-	(18,622.49)	(18,622.49)
25-4140-695-00	Contr Svcs - Pearson	41,065.00	18,622.49	59,687.49
		Balanced:	244,881.00	244,881.00
Justification:				

Admin:	<i>Actuarial Contract & Actual expenditures were greater than Budget Estimates,</i>
Elections /IT:	<i>Line items not budgeted</i>
EM:	<i>LEPC Grant Award</i>
Re-Val:	<i>Invoice in transit</i>

BA1415-017

Account Code	Description	Old	+ or (-)	New
62-3471-530-00	Scrap Tire Grant	(28,799.48)	(4,745.06)	(33,544.54)
62-3471-531-00	White Goods Grant	(1,115.47)	(9,162.54)	(10,278.01)
62-4710-694-00	Scrap Tire Grant	28,799.48	4,745.06	33,544.54
62-4710-695-00	White Goods Grant	1,115.47	9,162.54	10,278.01
Balanced:		-	-	-
Justification:				
<i>Budgeting SCRAP TIRE and WHITE GOODS grants for Solid Waste Fund</i>				

BA1415-018

Account Code	Description	Old	+ or (-)	New
11-3990-990-00	Fund Balance Appropriation	(575,247.64)	(9,855.54)	(585,103.18)
11-9800-980-33	Transfer to Capital Acct	47,916.00	9,855.54	57,771.54
33-3980-980-11	Transfer from General Fund	(47,916.00)	(9,855.54)	(57,771.54)
33-4192-015-10	Courthouse - Archaeological	-	9,855.54	9,855.54
Balanced:		(575,247.64)	-	(575,247.64)
Justification:				
<i>Budgeting Piedmont Grant received in prior year but expended in current year</i>				

BA1415-019

Account Code	Description	Old	+ or (-)	New
ANIMAL CONTROL				
11-3493-890-00	Insurance Proceeds	-	(8,472.83)	(8,472.83)
11-4380-550-00	Capital Outlay - Vehicles	-	8,472.83	8,472.83
		Balanced:	-	-
Justification:				
<i>Budgeting Insurance Proceeds</i>				

BA1415-020

Account Code	Description	Old	+ or (-)	New
HOTEL HINTON				
33-3493-890-00	Insurance Proceeds	-	(517,365.00)	(517,365.00)
33-8110-580-01	Hotel Hinton - Insurance	-	502,850.00	502,850.00
NORTH CHOWAN COMMUNITY CENTER				
33-3493-890-00	Insurance Proceeds	(517,365.00)	(8,840.00)	(526,205.00)
33-8110-580-02	Northern Rec - Insurance	-	8,840.00	8,840.00
33-3990-990-00	Fund Balance Appropriation	(48,660.00)	(172,993.18)	(221,653.18)
33-8110-580-02	Northern Rec - Insurance	8,840.00	187,508.18	196,348.18
SENIOR CENTER				
33-3493-890-00	Insurance Proceeds	(526,205.00)	(13,050.71)	(539,255.71)
33-3990-990-00	Fund Balance Appropriation	(221,653.18)	(1,000.00)	(222,653.18)
33-4192-015-30	Senior Center - Insurance	-	14,050.71	14,050.71
DF WALKER CIRCUIT PANEL				
33-3493-890-00	Insurance Proceeds	(539,255.71)	(29,081.00)	(568,336.71)
33-8110-580-03	DF Walker - Insurance	-	29,081.00	29,081.00
		Balanced:	(1,844,298.89)	-
Justification:				
<i>Budgeting Insurance Proceeds</i>				

BA1415-021

Account Code	Description	Old	+ or (-)	New	
SENIOR CENTER - Contents					
11-3493-890-00	Insurance Proceeds	(8,472.83)	(12,522.31)	(20,995.14)	
11-4268-510-00	Capital Outlay - Equipment	-	5,995.00	5,995.00	
11-4268-299-00	Departmental Supplies	5,600.00	5,904.41	11,504.41	
11-4268-126-00	Salaries & Wages - PT	45,864.00	622.90	46,486.90	
		Balanced:	42,991.17	-	42,991.17
Justification:					
<i>Budgeting Insurance Proceeds</i>					

BA1415-022

Account Code	Description	Old	+ or (-)	New	
TAX Department					
11-4140-121-00	Salaries & Wages - Regular	179,136.00	(6,200.00)	172,936.00	
11-4140-192-00	Professional Services	1,000.00	6,200.00	7,200.00	
		Balanced:	180,136.00	-	180,136.00
Justification:					
<i>Budgeting costs associated with annual New Construction discoveries</i>					

BA1415-023

Account Code	Description	Old	+ or (-)	New	
COA Capital Outlay Carryover					
11-3990-990-00	Fund Balance Appropriation	(585,103.18)	(207,847.00)	(792,950.18)	
11-5923-635-00	COA Reserve - Capital Projects	-	207,847.00	207,847.00	
		Balanced:	(585,103.18)	-	(585,103.18)
Justification:					
<i>Bring forward The College of the Albemarle's FY'13 (\$9,390.00) & FY'14 (\$198,457.00) Capital Projects Carryover</i>					

Also included are Management Budget Amendments 1415-005 and 1415-006 as FYI only.

Mr. Carawan provided information on each budget amendment. He asked for any questions from the Board.

Commissioner Winborne asked for clarification on 1415-020 to provide the status.

Mr. Howard stated that repairs at DF Walker have begun, a few punch list items remain at the Community Center and work at the Senior Center is going to be done in two parts.

Commissioner Winborne asked what the current fund balance was.

Mr. Carawan stated the fund balance will be \$792,950.18 if the budget amendment is approved.

Commissioner Nixon asked for clarification on the lottery monies spent and asked if the windows at the High School had been repaired.

Mr. Howard stated he thought the window project was put on hold by the school and stated that projects that are eligible for lottery monies would be funded with lottery monies.

Mr. Carawan noted the monies had not all been pulled down.

Commissioner Nixon asked about BA 1415-025, if Pearson's price came in as quoted.

Mr. Carawan stated yes.

Commissioner Nixon asked why BA1415-021 used part time wages.

Mr. Carawan stated this was due to the leak and part time help was utilized to re-generate a report that was damaged by the water leak.

Commissioner Nixon asked why there was an overage on BA1415-022.

Mr. Carawan stated there was a vacancy that was funded through lapsed salary.

Commissioner Nixon stated he has not seen a capital list for BA1415-023, he asked if there is still a cap on spending for projects exceeding \$5,000.

Mr. Howard stated yes, and COA is aware of this Board policy.

Commissioner Winborne asked if there is an expected increase of the insurance premiums because of the insurance claims.

Mr. Howard stated the increase for this year was minimal and all claims have been filed.

Commissioner Winborne stated he hoped all pipes are drained before the cold weather moves in the coming week.

Commissioner Bonner moved to approve all of the budget amendments as presented. Chairman Smith asked for all in favor, the motion passed unanimously (7-0).

c. Tax Collector Report

Attached is the Tax Collections report through November 30, 2014.

(No action required)

d. Economic Improvement Council, annual Community Services Block Grant Program

The Board will acknowledge receipt of the 2014 Grant Application from EIC. There are no matching County funds, the applicant is required to notify the County Board of Commissioners of their intent to apply for these funds annually. A copy of the full grant application is in the Clerk's office.

The Clerk will forward the acknowledgement to EIC.

e. 2015 Commissioner Committee Appointments

The Board will review and approve the 2015 Commissioner Committee Appointments

Chairman Smith noted that there is some discussion regarding the appointment to the Airport Commission. He noted the appointment for this Board will remain the same as FY 2014 unless otherwise noted.

Commissioner Mitchener moved to approve the committee appointments. Chairman Smith asked for all in favor, the motion passed unanimously (7-0).

2015 Commissioner Committee Appointments

Chairman Jeff Smith presents the following Committee appointments for the year 2015

Town/County	Chairman/Vice Chairman
Legislative Liaison	Chairman
TDA	Nixon
Destination Downtown	Mitchener
DSS	Kehayes
Mental Health Board	Kehayes
Solid Waste Authority	Nixon
Landfill Board (PCG)	Winborne , Nixon
Health Dept. Board	Nixon
Hospital Local Directors Council	Mitchener
Recreation Adv. Board	Bonner
Albemarle Commission Bd of Dir	Nixon
Albemarle Commission RPO	Smith
Albemarle Commission RPO Alt	_____
Northeast Workforce Dev. Board	Lawrence
Airport	Lawrence
Bd of Education liaison	Chairman, Vice Chairman
COA Board	Lawrence
Sr. Center Advisory Board	Mitchener
Three Rivers Healthy Carolinians	Mitchener

Voluntary Ag District	Smith
Animal Shelter Advisory Bd.	Winborne
ARC&D Board	Smith
JCPC Council	Bonner
LEPC	Bonner
Edenton Chowan Partnership (ECP)	Smith, Nixon, Bonner
Recreation Initiative Study Comm	Bonner, Nixon, Smith

f. NCACC Legislative Goals Voting Delegate

Commissioner Mitchener moved to appoint Commissioner Alex Kehayes as the voting delegate for the NCACC Legislative Goals Conference. Chairman Smith asked for all in favor, the motion passed unanimously (7-0).

Farmland Protection Plan Opportunity

Grace Lawrence with Mt. Olive Business Center provided the Board with information on a proposed Chowan County Farmland Protection Plan Opportunity. A copy of the PowerPoint is in the meeting file labeled January 5, 2015.

Commissioner Winborne asked if Cooperative Extension is in support of the proposed plan.

Extension Director Katy Shook stated yes.

Chairman Smith asked for clarification on what is in the plan.

Ms. Lawrence stated the plan is non-binding with no restrictions.

Commissioner Winborne recommended that the Voluntary Ag District (VAD) Board discuss the plan in more detail and requested that the VAD Board report their recommendations to the Board of Commissioners.

Public Hearing – Fire Insurance Coverage, Southern Chowan County

Chairman Smith noted the Board will hold a public hearing to receive public comment regarding a proposal to locate a fire substation in the southern portion of Chowan County to expand the fire insurance coverage to residents. He stated a committee assigned by the Board of Commissioners has prepared a report of its findings and copy of that report is available to the public online or in the office of the Clerk to the Board.

He asked the Board for any discussion before going into the public hearing.

Commissioner Winborne asked the Board what their hopes were for the outcome of the public hearing.

Chairman Smith stated this would be up to the Board.

Commissioner Mitchener asked if copies of the report were made available to the public.

Ms. Stallings noted that in the public hearing notice information was shared on how to review the report online or in the office of the Clerk to the Board.

Commissioner Nixon moved to open the floor to the public hearing. Chairman Smith asked for all in favor, the motion passed unanimously (7-0).

Tom Credle, 137 Osprey Drive spoke to the Board providing the following comments, the fire department roster includes aging members, membership is decreasing, training requirements are increasing, liability costs and equipment costs are increasing, and an increased population of the County wants fire coverage expanded. He stated that the County should implement long term research to address the needs of the County, review the budget for such a project and make fact based decisions. He stated that if the Board was interested he would be willing to provide input on expansion of fire services and utilize his background in Emergency Planning and Emergency Management.

Marvin Strzyzewski 937 Soundside Road stated he endorsed the proposed substation in the southern portion of the County and added that he would like to be involved in the planning of the substation.

John Dunn, 642 Poplar Neck Rd. stated that the increased response time, and reduction in homeowners insurance rates would be beneficial to many residents in the area. He stated his support of the proposed substation.

Fred Powers, 122 Horniblow Point Rd. stated that as a business owner in the proposed area, this substation would be greatly appreciated. He stated that this would also provide additional protection for events and businesses in the affected area by greatly reducing response time.

Chairman Smith called for any further public comment, there was none.

Commissioner Nixon moved to close the public hearing. Chairman Smith asked for all in favor, the motion passed unanimously (7-0).

Chairman Smith requested that Edenton Fire Chief Craig Forlines speak regarding the comments regarding response time.

Chief Forlines stated that response time is expected to change very little. He stated that volunteers in the area may get to the truck at the substation faster but the impact on response time would be very minimal. He stated his is because volunteers would drive their personal vehicle to the fire station and then drive the fire truck from the station to the call location. He noted that in Town, the paid personnel would dispatch immediately from town and most of the time will beat the volunteer to the call. He stated one of the greatest impacts of a substation would be the potential reduction for homeowner's insurance premiums by increasing the current 5 mile fire insurance district.

The Board discussed the use of the truck that remains at the substation.

Chief Forlines stated the truck would have to respond to every call. He stated that truck must respond because it is the primary fire station for that area.

The Board discussed response times.

Chief Forlines stated that typical timing from the moment the call is dispatched to Drummonds Point is 16-18 minutes.

Commissioner Winborne stated that many people have inquired if response time would be better with the substation. He thanked the fire chief for his comments. He stated he felt this substation would only benefit insurance premiums.

Commissioner Winborne asked for clarification on the requirements of the law for providing fire service.

Chief Forlines stated that the law does not require a County to provide fire service in North Carolina.

Commissioner Winborne stated he felt the County and the Town of Edenton currently provide exceptional fire coverage to the residents of the County. He asked the Board if they felt the Board of Commissioners is responsible for reducing homeowner insurance rates.

Commissioner Kehayes stated yes. He stated that the Board works hard to keep tax rates low. He stated that currently the fire budget is in need of a fire tax increase to balance the budget as it is. He stated that a decrease in homeowner's insurance rates would provide residents with significant savings. He stated he wished the County was able to staff the proposed substation full time also.

Commissioner Mitchener stated that this discussion was brought to the Board a few years ago by a resident who lived within a mile of the five mile district. He stated the Board expanded the 5 mile district at that time to six miles which benefitted many County residents. He stated that he estimates approximately 400 residences would benefit from the expansion of the fire insurance district with an approximate savings of \$200 per home. He stated that he felt these savings could be dollars spent in Chowan County and could create jobs for business savings.

Commissioner Lawrence stated he did not object to helping residents however he did not see the increase in population. He stated he hoped this substation would increase the population by attracting residents to the County.

Commissioner Bonner stated that he felt this service was needed. He stated that all County residents would be paying for this operation and added that he felt the Board should look at all areas of the County that are not covered in the current 6 mile fire insurance district.

Commissioner Nixon stated that the County has worked to correct its finances over the past several years. He stated that the Town was able to receive a truck that was donated and that has been the reason this discussion has moved faster. He stated the expansion of the fire district from 5 miles to 6 miles has cost the fire fund. He stated that his concern was with the adoption of the current fire tax and the distribution of the tax between Centerhill Crossroads Fire Department and Belvidere Chappell Hill Fire Department. He stated he spoke with leadership in Jackson County NC and their squad is volunteer. He noted that the county is investigating a way to have the fire departments in Jackson County taxed by district. He noted that Center Hill Crossroads Fire Department does a lot of its own fund raising to support its building and operations. He stated he was in favor of doing something for the residents of the County but felt the County should look at a building it currently owns as a potential location rather than constructing a new building or purchasing land. He stated he felt the Board needed to consider the potential expenses of opening a new substation.

Chief Forlines commented on the fire districts currently in Jackson County. He stated they are funded through fire protection districts where Chowan County is set up as Fire Service districts. He stated a County is allowed to only have one type of district (fire protection or fire service) but not both. He noted that the current fire service district is currently ahead and would have to be voted out by the County residents.

Chief Forlines and Commissioner Nixon discussed a building currently owned by Chowan County located on Soundside Road. Chief Forlines explained that this building was reviewed by the Committee and was noted that it would reduce the number of homes impacted by a substation because the fire insurance 5 mile district is based on road miles. Chief Forlines explained the process for realigning districts later and noted most of the time these maps can take up to two years to receive State approval.

Commissioner Nixon stated that building permits have decreased in recent years in the County.

Commissioner Mitchener noted the report states that a 2007 fire station study states that a total of 7 fire stations are needed to provide 100% fire insurance coverage to the County.

Chief Forlines stated that even with 7 stations, there would be a few areas of the County that would not be covered in the 5 mile insurance district.

Commissioner Lawrence stated he would like more information on the cost of this proposed project.

Chief Forlines stated that the costs vary based on the type of fire station that is built.

Chairman Smith stated he felt the Board should first decide if this is a project it wants to pursue, and then determine the costs.

Commissioner Kehayes stated he felt the Board should move forward with the construction of a fire substation and look for the property.

Commissioner Winborne asked for clarification on the trucks purchased by the County for the Edenton Fire Department.

Chief Forlines stated the County recently deeded all the fire trucks to the Town of Edenton.

Commissioner Winborne stated that estimates for a fire substation have been as high as \$250,000. He discussed the revenues generated by 1 cent of the current fire tax and he discussed estimated costs per home owner for any increase in the current fire tax. He noted that not only would the fire tax have to be increased now to balance the current budget, it would have to be increased to construct and maintain a fire substation. He stated he felt it would be difficult to justify an increase in the fire tax to his constituents.

Chief Forlines stated that residents of the southern portion of the County have paid the fire tax and those monies have also benefitted Center Hill Crossroads Fire Department operations.

Commissioner Winborne stated that often in his career he has seen community leaders take the lead on projects when there is a need in the community. He stated he felt it would take a community to support the project.

Commissioner Nixon stated that the initial fire tax was established in 1953. He stated his concern was the source of the funding. He stated that when the Board is asked to take on a project he looks for community support. He stated he personally has heard from very few residents in the community wanting a fire substation. He stated he felt the Board and residents should take the lead in addressing the coastal homeowner's insurance rates that were increased for Chowan County over the past few years. He stated he felt this concern should be taken to leaders in Raleigh. He stated he felt there was still a lot of information that he needed to study before he could make a decision.

Chief Forlines noted the increase in the contribution to Center Hill Crossroads Fire Department was the cost of replacing the roof.

Chairman Smith stated he felt it was important to note that Center Hill also raised \$30,000 in fundraisers to help pay for that roof replacement.

Commissioner Mitchener stated that if the County was able to locate \$300,000 for a shortfall in EMS last fiscal year, it should be able to find the monies for this substation.

Commissioner Kehayes moved to direct the Manager, in consultation with the Edenton Fire Department Chief to find a property to locate a fire substation and report their findings back to the Board to begin discussions for construction of a fire substation that meets the minimal State requirements.

Chairman Smith asked for discussion from the Board on the motion.

Commissioner Winborne stated he felt the Board should consider the future in construction of a building and added he felt it would not be forward thinking to construct a minimal building.

Commissioner Kehayes stated he felt some of the Board members were concerned with costs, which was why he recommended the building meet the minimum standards.

Commissioner Nixon stated he needed numbers to make a decision like this and that he did not want to put the County in debt without that information. He stated he was in support of the substation but needed more time to make his decision. He stated he could not vote in favor of the motion at that time.

Chairman Smith stated he understood the concern of Commissioner Nixon but added that unless staff is authorized to go out and seek land, the Board is not able to determine costs.

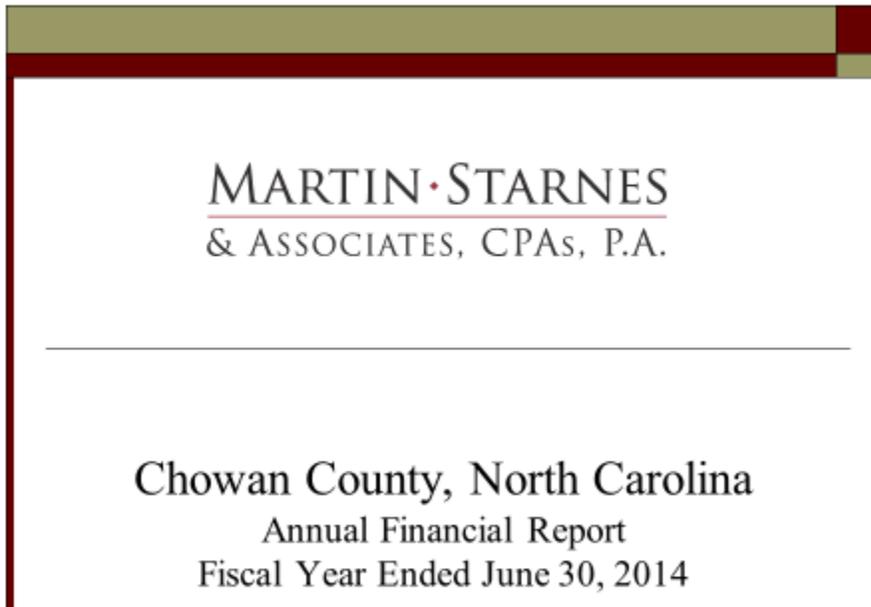
Commissioner Lawrence stated that if the Board is not voting to actually spend the monies but just authorizing the inquiry of land, he was in favor of the motion.

Chairman Smith asked for all in favor, the motion passed (5-2 Winborne, Nixon).

Chairman Smith called for a 10 minute recess, after 10 minutes, he called the meeting back to order.

FY 2013-14 Audit Report

Justin Knight representing, Martin Starnes and Associates presented the FY 2013-14 Independent Audit with financial statements. The following is the PowerPoint presentation provided to the Board.



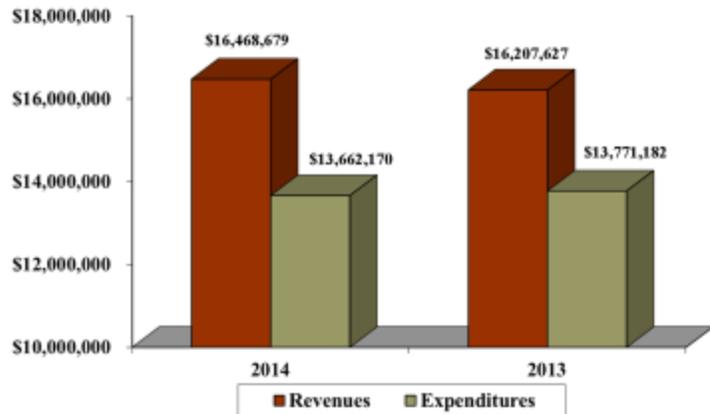


Audit Highlights

- Unmodified opinion

- Cooperative staff

General Fund – Operating Summary



MARTIN STARNES
& ASSOCIATES, CPAs, P.A.

Fund Balance

Available fund balance as defined by the Local Government Commission (LGC) is calculated as follows:

Total Fund Balance

Less: Non spendable (not in cash form, not available)

Less: Stabilization by State Statute (by state law, not available)

Available Fund Balance

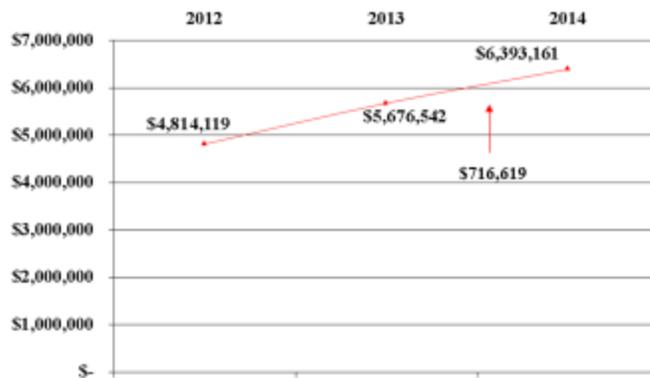
This is the calculation utilized as the basis for comparing you to other units and calculating your fund balance percentages.

Fund Balance Summary for the General Fund

□ General Fund – Operating	\$ 6,393,161
□ Revaluation Fund	\$ 24,783
□ Capital Reserve Fund	\$ 266,429
□ School Capital Reserve Fund	\$ 358,687
□ General Fund Consolidated	\$ 7,043,060

MARTIN-STARNES
& ASSOCIATES, CPAs, P.A.

Total Fund Balance General Fund - Operating



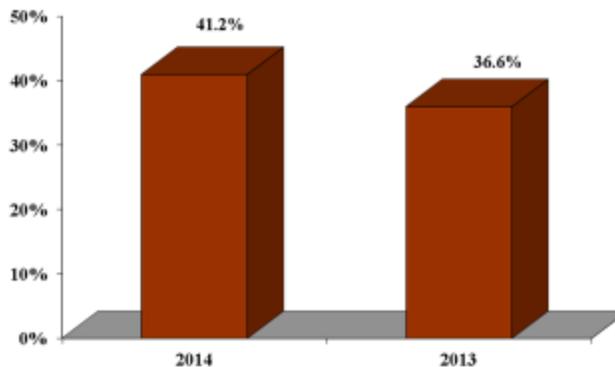
MARTIN-STARNES
& ASSOCIATES, CPAs, P.A.

Fund Balance Position General Fund - Consolidated

□ Total Fund Balance	\$ 7,043,060
□ Non spendable	- 21,750
□ Stabilization by State Statute	<u>- 1,018,419</u>
□ Available Fund Balance	\$ 6,002,891
□ Available Fund Balance 2013	\$ 5,107,715
□ Increase in Available FB	\$ 895,176

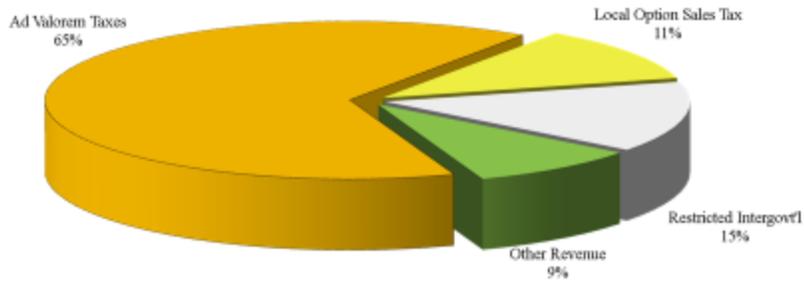
MARTIN-STARNES
& ASSOCIATES, CPAs, P.A.

Available Fund Balance as a Percent of Expenditures General Fund - Consolidated



MARTIN-STARNES
& ASSOCIATES, CPAs, P.A.

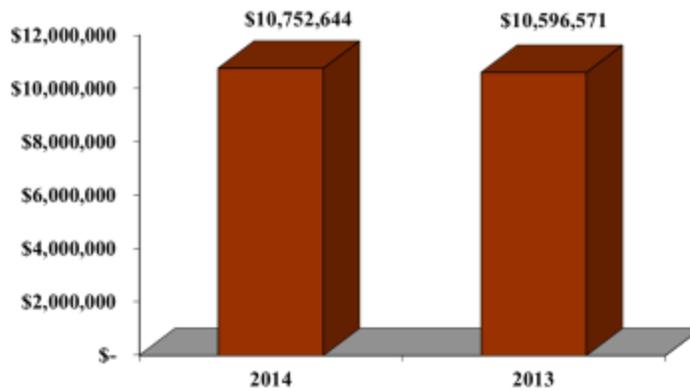
Top 3 Revenues: General Fund - Operating



Top 3 Comprise \$15,009,171 (91%) of Revenues

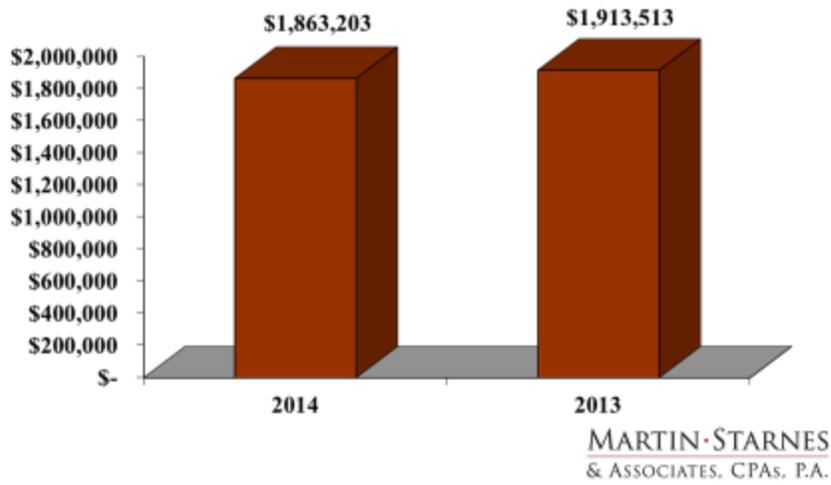
**MARTIN STARNES
& ASSOCIATES, CPAs, P.A.**

Property Tax

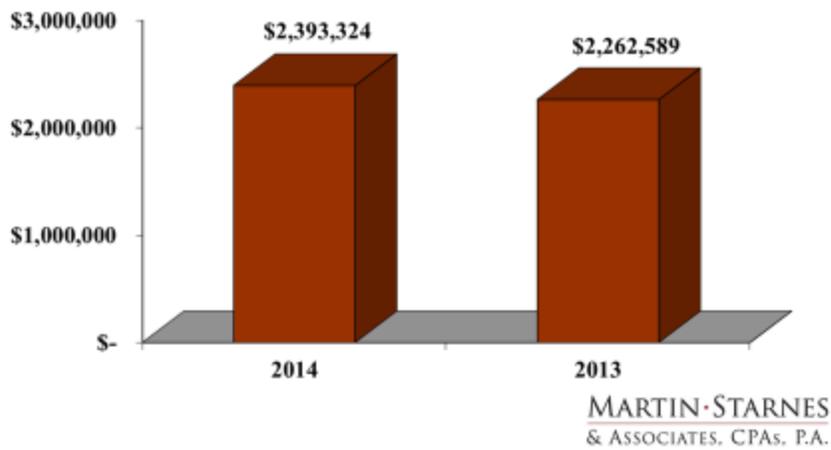


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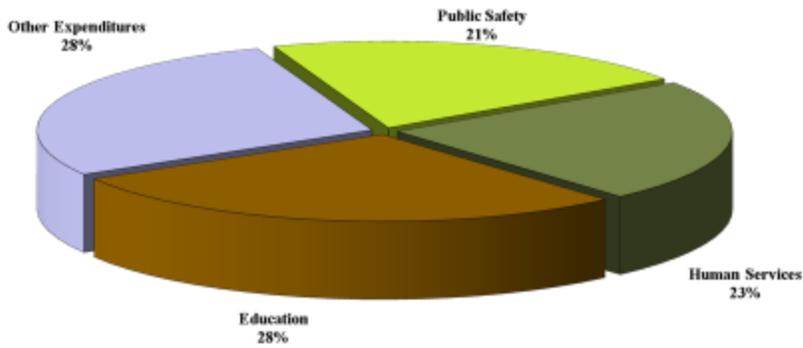
Sales Tax



Restricted Intergovernmental



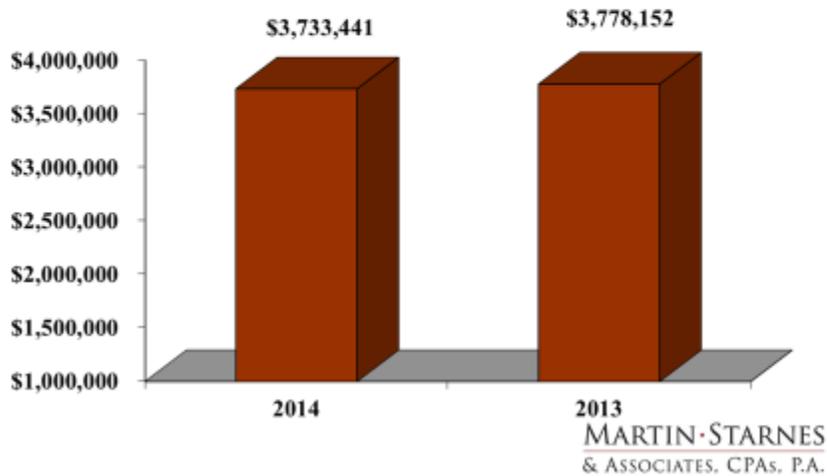
Top 3 Expenditures: General Fund - Operating



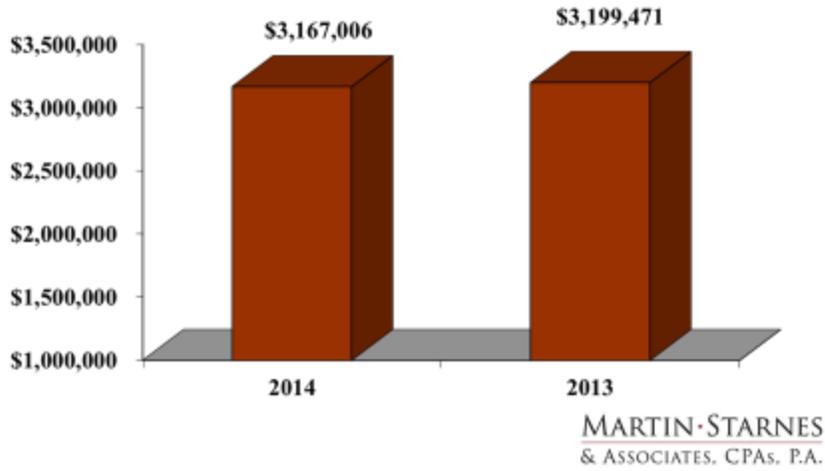
Top 3 Comprise \$9,803,762 (72%) of Expenditures

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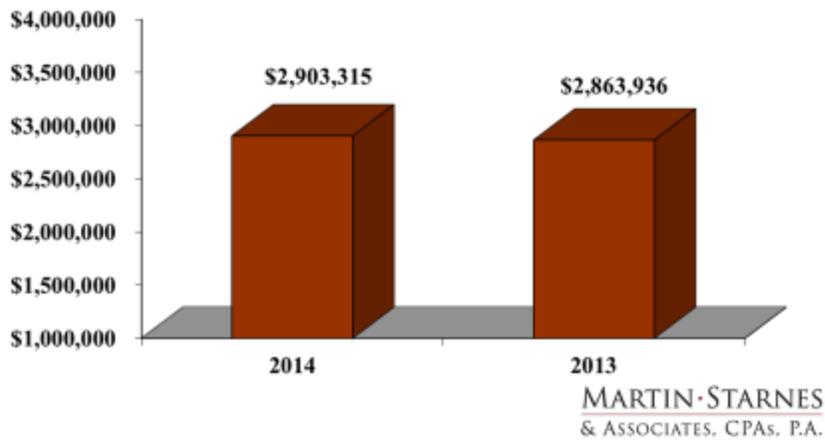
Education Expenditures



Human Services Expenditures



Public Safety Expenditures



Summary of Enterprise Funds

Net Income (Budgetary Basis)

Water	\$	(1,118)
Solid Waste		390
Emergency Medical Services		(2,118)
Water Development		(26,221)

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Enterprise Fund – Water Fund

	<u>2014</u>	<u>2013</u>
Cash	\$ 844,741	\$ 848,512
Unrestricted Net Position	823,690	843,956
Cash flow from operations	155,453	102,521
Debt service requirement	0	0

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Enterprise Fund –Solid Waste Fund

	<u>2014</u>	<u>2013</u>
Cash	\$ 678,717	\$ 654,254
Unrestricted Net Position	703,290	702,900
Cash flow from operations	181,160	336,750
Debt service requirement	0	0

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Enterprise Fund – Emergency Medical Services Fund

	<u>2014</u>	<u>2013</u>
Cash	\$ -0-	\$ -0-
Unrestricted Net Position	(233,999)	(204,986)
Cash flow from operations	(385,388)	(394,178)
Debt service requirement	0	3,251

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Water Development Capital Reserve Fund

	<u>2014</u>	<u>2013</u>
Cash	\$ 579,148	\$ 605,399
Unrestricted Net Position	579,178	605,399
Cash flow from operations	(26,839)	29,950
Debt service requirement	0	0

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Discussion & Questions

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Mr. Knight noted that the audit has not been approved by the LGC but he expects that to be done within the coming days.

Appointments

Chairman Smith noted that the Board will review applications for Board vacancies. He noted the Manager has provided a memo showing how other Counties handle the appointment of Boards.

Mr. Howard stated that some Counties handle the process just as the Board of Commissioners currently handle by accepting applications and making the appointments. He noted some Boards

will provide the applicants with essay questions or establish interview panels comprised of staff or Commissioners to interview the applicants.

Chairman Smith stated he would like to appoint Commissioners and or staff to interview the applicants.

Ms. Stallings noted the Workforce Development Board has requested that appointment to their Board has been pulled at the request of the Workforce Development staff, due to changes at the State level.

Commissioner Mitchener recommended the Board discuss the process for appointment at the next meeting of the Board.

Commissioner Winborne asked if the applications needed to be voted on now.

Commissioner Nixon stated he felt the Board needed to wait to receive more applications for the TDA Board.

Commissioner Bonner stated he felt the Board should proceed with the Planning Board appointment.

Chairman Smith opened the floor for nominations for the Planning Board.

Commissioner Winborne nominated Jerry Wayne Parrish Sr.

Commissioner Nixon nominated Tom McClaren.

Commissioner Mitchener nominated Clara Mincey.

Ms. Stallings noted because there were three nominees, one of them would have to receive four votes to be appointed.

Chairman Smith asked for all in favor of the nomination of Jerry Wayne Parrish Sr. the motion failed (3-4 Nixon, Smith, Mitchener, Kehayes).

Chairman Smith asked for all in favor of the nomination of Tom McClaren. The motion failed (2-5 Bonner, Kehayes, Mitchener, Lawrence and Winborne).

Chairman Smith asked for all in favor of the nomination of Clara Mincey. The motion failed (Nixon, Smith, Bonner, Lawrence and Winborne).

The Board agreed to discuss the appointment process at the next meeting.

External Board/Committee Report

Chairman Smith asked the Board members to report on the activities of the external boards to which they have been appointed.

Commissioner Mitchener reported on the activities of the Hospital Directors Council.

Manager's Report

County Manager Kevin Howard updated the Board on the following.

- COA Oil Tank Removal

Mr. Howard stated that Board approved the expenditure of \$11,000 to remove the underground tank at the COA campus. He stated that the soil was found to be contaminated. He stated an additional \$27,532.26 is needed to remediate the contaminated soil. He stated the County did not qualify for State funds. He recommended the COA capital monies for the expense.

Commissioner Nixon asked if there were any additional costs incurred.

Mr. Howard stated that there is no further monitoring needed.

Commissioner Nixon asked if COA was aware of the expense.

Mr. Howard stated yes.

Commissioner Winborne moved to approve the expense to be taken from COA monies. Chairman Smith asked for all in favor, the motion passed unanimously (7-0).

- Hotel Hinton Oil Tank Removal

Mr. Howard stated that the Hotel Hinton has not been registered in the State Tank Removal Program. He stated that he has provided the Board with a copy of the application for the program and an estimate to remove the tank. He stated the cost to enter the program is \$14,633. He stated if the soils are contaminated (this is using an estimate of removing 100 tons of soil estimate). He stated if 600 tons of soil are removed it could cost approximately \$60,937.78. He stated that considering the age and the location of the tank he would strongly recommend entering the State program to reduce the potential expense.

Commissioner Nixon asked if the tank could qualify for Golden Leaf Funds or another grant program.

Mr. Howard stated he could inquire.

Commissioner Nixon stated he would like for ARC&D to look for any potential funds for this.

Mr. Howard stated he would check into other funding sources and bring the request back.

- Library lighting and leak repair

Mr. Howard stated the lighting in the back part of the library needs to have the wiring replaced in them. He stated the ballast is no longer available. He stated he received 3 bids and the low bid was for \$6,649.

Librarian Jennifer Finlay stated that several lights are out in the library and cannot be replaced.

Commissioner Bonner stated he has visited the library and feels the issue needs to be addressed as soon as possible.

Mr. Howard explained the three bids that were received for the replacement of all 66 lights. He stated that the low bid from Jernigan would actually be \$6,500 because the additional cost for the bulbs and installation could be absorbed by the maintenance department.

Commissioner Nixon asked if there was any warranty on the existing lighting. He stated he felt the project could be done in phases.

Commissioner Lawrence stated he did not want to have other problems with the lighting.

Commissioner Nixon stated he was concerned that if the problem has been ongoing, it should have been discussed during the budget process.

Mr. Howard stated that staff tried to work on the lights in house for the past few months.

Commissioner Mitchener moved to approve the request of \$6,500.

Mr. Carawan asked where the monies would be taken from and stated he would recommend contingency.

Commissioner Mitchener requested to amend his motion to state that he recommends acceptance of the low bid from Jernigan, in the amount of \$6,500 and approve an accompanying budget amendment to utilize monies from contingency.

Chairman Smith asked for all in favor, of the amended motion. The motion passed unanimously (7-0).

- Northern Recreation Center mold remediation

Mr. Howard stated he would bring this matter back at a later meeting.

- Land Donation from Habitat for Humanity

Mr. Howard presented an offer from Habitat for Humanity to donate land to the County that is behind the ballfields at Fisher Field.

The Board requested additional information (maps, tax cards etc) and bring back to the next meeting.

- Request from United Methodist Disaster Response

Mr. Howard stated that the United Methodist Disaster Response has requested that the Board consider waiving building permit fees for the homes that are being repaired by the team from the April 2014 tornados.

The Board discussed estimated costs for permits for new construction and trade permits.

Commissioner Nixon stated he appreciated the work of the Methodist Disaster Response team but stated that based on Board policy regarding non-profits, he felt the expense for building permits, should come from private donations to their organization. He stated if the Board did this for one group, they would be expected to do it for all.

Commissioner Bonner stated that these groups are asking for help from the County.

Commissioner Kehayes stated he agreed with the sentiment of Commissioner Nixon. No action was taken on the request.

Timely and Important Matters

Coverage at Centerhill Crossroads Fire Department

EMS Director Colin Ryan stated he would be bringing information to the Board soon regarding the request from the volunteer rescue squad to pick up additional night because of reduced volunteers. He stated it would cost approximately \$9,200 for the rest of the year. He stated he plans to meet with the captain of the volunteer squad and bring a proposal back to the Board.

Delinquent Tax Accounts

Commissioner Nixon stated that he would like to get a report from the Tax office on the accounts that are uncollectable, 5 or more years. He stated he would like information on what is currently being done with these accounts.

Chairman Smith thanked the public in attendance for coming to the meeting.

Closed Session

Commissioner Mitchener moved that the Board go into closed session, in accordance with NCGS 143-318 (11) (a) (5, 6), contract negotiations and personnel. Chairman Smith asked for all in favor, the motion passed unanimously (7-0).

The minutes of the closed session are sealed.

Commissioner Nixon moved to come out of closed session, Chairman Smith asked for all in favor, the motion passed unanimously (7-0).

Adjourn

Being no further business, Commissioner Nixon moved to adjourn the meeting. Chairman Smith asked for all in favor, the motion passed unanimously (7-0).

Jeffery Smith, Chairman

Susanne Stallings, Clerk