

BUDGET WORK SESSION
MAY 7, 2012

The Pender County Board of Commissioners met in Budget Work Session with County Departments on Monday, May 7, 2012 at the Pender County Public Assembly Room, 805 South Walker Street, Burgaw, North Carolina.

Chairman Brown called the Work Session to order at 1:35 p.m. In attendance were: All Board members; County Manager/Clerk to the Board Mickey Duvall; Finance Officer Butch Watson; Deputy Clerk to the Board Glenda Pridgen; other staff and members of the Press and public.

Dr. Duvall gave highlights of the overall budget noting it came in flat from last fiscal year, fund balance is estimated at 28.32%, and the collection rate is 95.5% collection.

The following departments reported:

Health Department

Health Director Carolyn Moser's comments and highlights included: Her concerns are about areas that were cut from the budget she submitted; they are audited by the State and have to follow State regulations; she had requested two Environmental Health positions and Dr. Duvall is recommending one; Health and DSS are requesting an IT person they can split 50-50 and that person would only be used for their departments; they have fewer contract individuals; staff positions can be deceptive because it looks like they are adding position when they are only putting them in the proper programs for State audit; they are asking to reclassify some positions; asked that the \$1,500 cut in postage be reconsidered because postage is not just stamps, it includes Courier, FedEx, etc., and they try to assign true costs; and training was cut and most of the training is mandatory. With respect to salaries, Mr. Brown said when the pay study was done, the Health Department was not included. Dr. Duvall demonstrated the line items and explained his recommendations for cuts came from looking at the Department's actual budgets from the previous year, seeing what had been spent to-date, and projecting how much would be needed for the rest of this fiscal year. Ms. Moser said some of the other cuts include operating expenses such as phones, computer equipment, contractors, and gas. Dr. Duvall explained what they were trying to do was bring more revenues into the General Fund, and amendments can be made during the year as needed and other funds moved around within the department. Ms. Moser explained some of the money is State money and they can't pay for some items out of other programs – some programs require those funds only be spent for that purpose. After hearing Ms. Moser's explanations, Dr. Duvall said he will work to add back some of the cuts. Ms. Moser commended Dr. Duvall and Mr. Watson for demonstrating the budget line item by line item for easier understanding. Dr. Duvall noted that on Page 43, \$150,000 is not showing for School Nurses, but it is included in the budget. Ms. Moser noted that accreditation every four years is mandated by the State and job descriptions are required. Mr. Tate asked how often job descriptions are required and Human Resources Director Amber Parker said it has to be done before employee performance evaluations. Board members discussed other items and asked questions. Accounting Specialist Donna Ramos and PHN Director I Shirley Steele attended with Ms. Moser and assisted in explaining items and answering questions.

DSS

Dr. Shiver explained the request for additional staff follows: Excess growth in caseloads since 2008; loss of ARRA Stimulus funds; NC FAST and document imaging; transfer of all guardianships to DSS; worker caseload increase since 2009; unemployment increase clients at DSS; and new methods of administering

Day Care Program, Medicaid Transportation Program, and Guardianship Program. Dr. Shiver distributed information and explained statistics on DSS caseloads for various programs, cases per worker, caseload % increase, and looking back/forecasting. Dr. Shiver said she is requesting one reclassification from Clerk III to Clerk IV to be able to scan records for NC Fast, and contracted services include NC Fast, Child Support Building, Attorneys, etc. With respect to the food stamp statistics, Ms. Parker asked if the jump in food stamps includes the one-time increase for the hurricane and Dr. Shiver responded "yes." Dr. Duvall demonstrated the line item numbers and said some of the largest growth comes from NC Fast. Dr. Shiver said Pender County is the fastest growing County in NC for food stamp cases, and they will have to have all records scanned to meet NC Fast deadlines. Mr. Brown asked how many additional staff Dr. Shiver is requesting and Dr. Shiver said she requested five positions, but Dr. Duvall agreed to one. Dr. Duvall noted the position Dr. Shiver will split with the Health Department. Mr. Ward asked if she has a fraud investigator and what happens if someone commits fraud. Dr. Shiver said they do have a fraud investigator, and if someone is suspected of fraud, DSS goes to visit them or they come to DSS. She said if they pay it back willingly, no charges are filed. Mr. Ward asked how many cases of fraud investigation we have now and Dr. Shiver said she will get the numbers. Mr. Ward asked about drug testing for applicants and there ensued a discussion of drug testing. Dr. Shiver reiterated that Pender is the fastest growing county with food stamps. Mr. Brown asked why we are the fastest growing county for food stamps when we are not the fastest growing county. Dr. Shiver said some factors are people are losing their jobs, industries are closing and people run out of unemployment benefits. Mr. Tate asked with reference to a fraudulent person, is that public information and can their name be given. Dr. Shiver responded "no." There was discussion of people knowingly committing fraud. Mr. Tate asked if someone knowingly commits fraud or tests positive for drugs, can their children be turned down for assistance. Dr. Shiver said that is why they have the QSAP Program they refer them to, and they don't punish the children. Accounting Specialist Jackie Jordan-McLeod also attended with Dr. Shiver to assist in explaining and answering questions.

Sheriff's Office/Jail

Dr. Duvall demonstrated the line items with the numbers the Sheriff Carson Smith requested, and what he is recommending. Sheriff Smith's comments and highlights included: He could have asked for seventeen new positions but he only asked for one, and it is one he absolutely has to have because of the population increase in the Rocky Point area; Dr. Duvall recommended the position; explained the deputies and the areas they work in; discussion of Bailiffs in Court; security issues; paying comp time and holiday pay for shift workers; telephone costs; and other various costs. With respect to security, Clerk of Court Bob Kilroy explained: He doesn't have a problem with the current bailiffs; his concern is security in the lobby; and he and the ladies want to see the presence of a deputy in the lobby Monday through Friday, from 8:00 a.m. to 5:00 p.m. With respect to telephones, Mr. Tate asked if we can get a better rate if we consolidate with the Schools. Sheriff Smith explained most of the telephone costs come from wireless modems and cell phones. Bruce Sandy, the Sheriff Department IT Director, helped answer some questions and explained the State contract and E-Procurement. It was the consensus of the Board that they really need to work on security in the Courthouse lobby. There then ensued discussion of personnel for screening both the main Courthouse and the Judicial Annex. It was the consensus of the Board to provide a deputy for at least the main Courthouse this year and Mr. Kilroy agreed. It was noted that the other position Sheriff Smith requested is for a detective. Dr. Duvall asked for the official job description for security in the Courthouse and Sheriff Smith said it will be a deputy. Mr. Brown and Mr. Williams asked about the Highway 17 issue and traffic control there. Sheriff Smith said they do all they can to make it safe, but some of the complaints are embellished. Mr. Tate said he is glad to hear Sheriff Smith say that. Mr. Brown asked when we are going to give our Sheriff a raise, and said if you look at surrounding counties, it is embarrassing. Mr. Rivenbark asked how we compare with surrounding

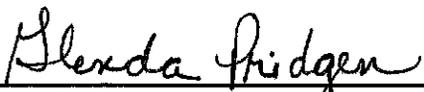
counties. Ms. Parker distributed information and explained the salaries of Pender County and surrounding counties, and the average is around \$82,000. Sheriff Smith explained there was a formula a previous Board and administration came up with for paying the sheriff. Mr. Tate said he is in agreement to give the Sheriff a raise, we promised to give him a raise when he took over a whole new department; taking over Animal Control increased his department tremendously; Animal Control is doing a wonderful job; and a raise for the Sheriff is justifiable. Sheriff Smith said based on the formula, his salary would be \$86,000. Ms. Parker noted when the Springsted Study was done, it overrode the formula. Mr. Tate said the Springsted Study was a "waste of money." Sheriff Smith explained how the formula came about and explained the formula itself. Dr. Duvall said he recommended \$82,000 based on Ms. Parker's study. Sheriff Smith said the Board needs to take a look at the formula for future elections. Mr. Brown said he doesn't have a problem with the \$86,000 and Mr. Williams agreed. Dr. Duvall demonstrated and explained the numbers in the line items for the Jail, Animal Control and 911 Funds. Sheriff Smith explained the positions, salaries and other costs. Sheriff Smith explained drug seizure funds are taken straight out of seizure funds, and nothing changed concerning the School Resource Officers.

Clerk of Court

Mr. Kilroy's comments and highlights included: His office is the best Clerk of Court's office in the State; everything comes out of court facility fees, but there is never any accounting of court facility fees; gave a history of Courthouse funding; history and update on repairs and renovations; problems include sidewalks, security and the roof; these things need to be taken care of because the Courthouse is the "Face of Pender County and the Face of Burgaw"; the Courthouse needs fixing up and painting inside and out- the money is there; wants court facility funds to go into a separate line item account; commends the Pender County Maintenance Department for their work; there is no reason to keep court facility funds in savings; and the Courthouse is a revenue center. Mr. Williams asked "you are not implying you treat court facility funds like a true enterprise fund"? Mr. Kilroy responded "no." Mr. Kilroy explained the various courts they hold and again stressed the need for the Sheriff's presence downstairs. He explained they gave \$334,000 to the Schools last year; it is a mandate for them to give to the Schools each year. Discussion ensued concerning the fact that the Court System gives mandatory funding to the Schools, and several members said they were not aware of this. Board members reiterated they need to look into security for the Courthouse.

The Budget Work Session recessed at 3:30 p.m. The next Work Session is scheduled for May 21, 2012 at 1:00 p.m., before the Board's regular meeting.

Respectfully Submitted,



Glenda Pridgen, Deputy Clerk to the Board

Reviewed By:



Mickey Duvall, Clerk to the Board/Amber Parker, Human Resources Director

PENDER COUNTY BOARD OF COMMISSIONERS MEETING AGENDA
MAY 7, 2012 – 4:00 P.M.
PENDER COUNTY PUBLIC ASSEMBLY ROOM, 805 S. WALKER ST., BURGAW, NC

CALL TO ORDER, INVOCATION, PLEDGE OF ALLEGIANCE

The Pender County Board of Commissioners met in regular session on Monday, May 7, 2012 at the Public Assembly Room, 805 S. Walker St., Burgaw, NC 28425.

MEMBERS PRESENT: Chairman George Brown, presiding; Vice Chairman Jimmy Tate; and Commissioners F.D. Rivenbark, Chester Ward, and David Williams.

MEMBERS ABSENT: None.

OTHERS PRESENT: Dr. Mickey Duvall, County Manager and Clerk to the Board; Trey Thurman, County Attorney; Glenda Pridgen, Deputy Clerk to the Board; other staff and members of the Press and public.

CALL TO ORDER

Chairman Brown called the meeting to order at 4:15 p.m. and thanked and welcomed all.

INVOCATION

Commissioner Tate offered the Invocation.

PLEDGE OF ALLEGIANCE

Commissioner Williams led the Pledge of Allegiance.

ADDENDUM

Mr. Brown said he was notified of an additional item for the agenda. Dr. Duvall explained the item is a follow-up to a previous action taken by the Board over a month ago concerning refinancing the School Bonds, and this resolution is mandatory to authorize that action. Mr. Brown said we have to have a good reason to add an item to the agenda. Bond Attorney Bob Jessup said we need it done today in order to stay on the existing timetable with the Local Government Commission (LGC). Mr. Jessup explained: This resolution has to be adopted before the bonds are sold by the LGC; the sale is scheduled before the next regularly scheduled Board meeting; we had to wait until we had information from the LGC to prepare the resolution; by him and Dr. Duvall being new working with each other there was a misunderstanding on the timeline for the Board of Commissioner's meetings; and he now better understands the Board's meeting timeline. Mr. Rivenbark made a motion to add the item, Mr. Tate seconded the motion and it was unanimously approved. Mr. Brown said the vote is unanimous so we can add the resolution to the agenda. It will be added at the end of the listed resolutions.

PUBLIC INFORMATION

1. Dr. Reta Shiver, DSS Director: Recognition of Child Support Enforcement Staff.

Dr. Shiver commended Child Support staff for making the Pender County Child Support Program among the top 10 counties in the State that have the greatest improvement in the following areas: 1) Pender DSS Child Support Program ranks 7th in the State for completing Reviews & Adjustments

during a 12- month period; 2) Pender is 8th in the State for Expedited Processing of cases during a 6-month period; and 3) Pender is 5th in the State for Expedited Processing of cases during a 12-month period. Staff recognized was: Rebecca Creech; Theresa Kosterman; Monica Murray; Kathleen Wooten; Sherese Austin, Supervisor; and Patricia Walker, Income Maintenance Administrator. Mr. Brown said anytime our employees do an outstanding job, we appreciate it. Board members and the audience applauded the staff.

2. Recognition of Burgaw Fireman of the Year Ben Head.

Burgaw Fire Chief Bill George introduced Mr. Head, noting he was honored as Burgaw Fireman of the Year at the Burgaw Fire Department's Banquet held on February 25, 2012. Mr. George said Mr. Head is a dedicated, knowledgeable, fine young man who goes above and beyond the call of duty, and is an unpaid volunteer with the Department. Board members and the audience applauded Mr. Head.

3. George Edwards, Executive Director of the Historic Wilmington Foundation: Presentation of Proclamation for National Preservation Month: May, 2012; & Resolution by the Pender County Board of Commissioners to Adopt the Proclamation.

Mr. Edwards said this is his third year to be in Pender County for this proclamation. He distributed flyers to Board members, noting National Preservation Month's theme this year is "Discover America's Hidden Gems." Mr. Edwards listed the Pender County projects included in the flyer: Russian Orthodox Church in St. Helena, Rosendale School in Currie and Penderlea Homestead Museum in Penderlea. Mr. Brown read the proclamation. Mr. Rivenbark made a motion to approve the proclamation, Mr. Tate seconded the motion and it was unanimously approved.

4. Tom Thompson, Chairman, NC 20: Presentation on NC Sea Level Rise Issues.

Mr. Thompson said he is Executive Director of NC 20, but he will be retiring from that organization June 30, 2012. Mr. Thompson's comments included: NC 20 is a non-profit organization whose concern is economic development of a unique nature; there is a lot of money leaking out of Eastern North Carolina and their primary goal is to stop the dollars from leaving; the first issue they fought was the absurdly high rates homeowners who live on the coast have to pay for homeowners' insurance; the issue now is the Coastal Resources Commission (CRC) was attempting to impose a 39" sea level rise planning mandate on all NC 20 counties; the CRC mandate would add 39" sea level to flood area properties; this would affect property values and building of roads; NC 20 counties recently won a substantial victory over the CRC; Pender County is not currently a member of NC 20; and all the 20 coastal counties need to be members. Mr. Thompson distributed information and explained graphs included in the information. Board members thanked Mr. Thompson for his presentation.

5. Jimmy Holland, Chairman, Pender County Board of Health: Discussion Concerning the Board of Health.

Mr. Holland said he is speaking on behalf of the Board of Health; there have been some misconceptions that the Board of Health has hidden agenda items; they are on the same page as the Board of Commissioners trying to make Pender County a better place; and it was never their intention to screen any Board of Health applicants. Mr. Holland said some of the things the Board of Health is working on includes: improving staff morale; improving communication between the Health Director and Environmental Health staff; no contract employees; updated medical records and security; new Medical Director; reorganized billing practices and trained employees in new practices; updated equipment; new Environmental Health software; addressed outstanding Environmental Health complaints; held meeting with local contractors regarding Environmental Health; and continuing to improve overall Health Department. Mr. Brown asked where the Health Department stands now in the

years since Mr. Holland has been on the Board and Mr. Holland said the Health Department is now moving in the right direction.

PUBLIC COMMENT

Eric Litvak, a developer from Hampstead, spoke concerning the problems he has getting septic permit from Environmental Health. He said he always found Harry Lewis, Clay Creswell and the ladies very helpful, but the department is now bottlenecked and not moving forward. Mr. Litvak asked the Board to consider the resolution on the agenda requesting two positions in the department to be unfrozen.

Patricia Thornton of Currie spoke concerning she applied for a position on the Board of Health and her application never made it to the Board of Commissioners. Ms. Thornton gave her credentials and job history saying she has a job and she was not fired from the Health Department. Her comments included: She was not applying to be on the Health Board to cause trouble; she applied after reading the January 17th minutes where Mr. Brown said we need someone from the western side of the County; she called Ms. Pridgen and Ms. Pridgen said the Board of Health denied her application and it wouldn't be going to the Board of Commissioners; she called Ms. Moser and Ms. Moser told her the Health Board didn't want to appoint a former employee and then sent her a letter saying she wasn't appointed; she called Mr. Holland and Mr. Holland told her she wasn't appointed because she worked during a time of turmoil with Dr. Griffith. Ms. Thornton said some potential conflicts-of-interest could be perceived with others serving on the Board of Health: Mr. Holland served on the Board during Dr. Griffith's tenure; Board Member Jan Dawson who serves on the Health Board also serves on the Burgaw's Town Board; Ms. Dawson's daughter-in-law works for the Health Department; and Board Member Kim Collins used to work for the Health Department.

Michael Blackburn, a builder and developer from Currie, spoke concerning the Environmental Health Department. Mr. Blackburn's comments included: There is a large bottleneck getting septic permits in Pender County; he would love to utilize what staff we have now; his business cannot operate the way things are going now; he is paying extra money because of problems in Environmental Health; past employees have served him well; it took him 11 weeks to get one septic permit; and he was put in a position that he had to turn out a house in less than a month to avoid a breach of contract. Mr. Blackburn also mentioned that he had a problem with getting water meters-he paid \$3,300 to get water and when it was time, he was told the County was out of meters. He said it makes no sense that a county with a Utilities Department runs out of meters. Mr. Tate commented he is concerned about the meters. Dr. Duvall said this is the first he has heard of it.

Brian Martin, a septic installer of Currie, said his main concern is contractors having problems getting septic permits, because if the contractor can't get the permits, he can't install the system. He said it affects the tax base in the County and other businesses in the area.

Barbara Nelson of Scotts Hill spoke concerning the proposed substation in Scotts Hill. She said she appreciates the work going into trying to build the station, but New Hanover County announced their ISO rate will change to 4 on July 1 and her insurance premiums will go down by \$800. She said if the substation is built, her premiums will go up by \$400.

John Calderone of Hampstead spoke concerning Environmental Health Department issues. Mr. Calderone's comments included: He got approved for an Internet Café in January and it is still not open because of Environmental Health; today they are writing up the 3rd permit; Environmental Health is at fault for the delay; landlords don't feel comfortable working with Environmental Health staff; none of the previous businesses at this location had these problems; he has spent month upon month

trying to open us a small business; and he has been paying rent every month with the business not being able to operate

CONSENT AGENDA

Mr. Brown presented the five items on the Consent Agenda and asked for any discussion or questions. Mr. Tate said he has questions concerning Item No. 8. Mr. Williams made a motion to approve the remainder of the consent agenda, Mr. Rivenbark seconded the motion and the remainder of the Consent Agenda was unanimously approved as follows:

6. Approval of Minutes: Fire Department Meetings & Regular and Closed Session of April 16, 2012; & Fire Department Meetings April 17, 2012.
7. Resolution Approving Tax Releases and Refunds as Listed Herein.
9. Resolution Authorizing Submission of Grant Applications to the NC Rural Center for Building Reuse and Infrastructure Program Grants; and Authorizing a Contract with Hartigan Management Enterprises, Inc. for Preparation and Administration of the Grants.
10. Resolution Authorizing Consideration of: 1) Award a Purchase Order to Turner Business Appraisers, Inc. in the Amount of \$27,600.35; 2) Appropriate Fund Balance Account 10-399000 to Contracted Services, Account 450-404500 in the amount of \$27,600.35.

8. Resolution Authorizing FY 11-12 Budget Amendment to Accept Emergency Management Performance Grant Funds: \$35, 000.00.

Mr. Tate asked about the grant being based on performance and Mr. Collins verified that it is a Performance Grant. Mr. Tate asked if there is anything else Emergency Management can do to get more from the grant funds and if they are doing everything possible to maximize the grant. Mr. Collins said based on the number of personnel we have in Emergency Management, we are doing everything we can to maximize the grant. Mr. Tate said he wants Mr. Collins and staff to review funding criteria and to do everything they can to maximize the grant. In response to other questions, Mr. Collins said this fund is a carry-over from FY 10-11, as the money was not encumbered during the fiscal year. Mr. Tate then made a motion to approve the resolution, Mr. Williams seconded the motion and it was unanimously approved.

RESOLUTIONS

11. Resolution Requesting Consideration to Unfreeze Two Environmental Health Positions.

Mr. Brown asked Health Director Carolyn Moser to visit all the above cases and bring the history back to the Board. Ms. Moser said the way the department is operating, she still needs two additional positions. She said with reference to Mr. Blackburn's permit, a state consultant was called in to look at the soils and they couldn't get Mr. Blackburn the permit until the state released it. Environmental Health Supervisor Doug McVey added Mr. Blackburn's case is a revision and his permit was not denied. Mr. McVey said with respect to Mr. Calderone's case, there are drain lines under the parking lot. Mr. Tate's comments included: He is all for giving the positions if it is going to bring Environmental Health up to speed; he would never speak in public calling employees incompetent; these employees have been here for years; can't we use the people who were initially doing the inspections and train them to bring them up to speed; is there any way we can utilize the current employees for on-site; and he doesn't think we should just move employees-we need to fix the problem. Mr. McVey said the employees are doing fine jobs where they are now. Mr. Ward said he agrees with Mr. Tate and said at one time, he was told that the problem was cutting corners, and now he is hearing something different. Mr. Thurman reminded the Board that they don't control personnel in the Health Department. Ms. Moser said they are also bringing food and lodging up to speed. Mr. Ward asked if they get the two additional employees, will it be enough and Ms. Moser responded "yes,

for right now.” Mr. Ward asked if we could contract with another county to help us out and Ms. Moser said they could but anyone from outside the County has to be trained and certified to work in the County, and that would take just as long as hiring people. Ms. Moser had included in the agenda packet information comparing calendar year 2010 and calendar year 2011 work statistics, which had been requested by Mr. Tate at a previous meeting. Mr. Williams said it is time to move on and made a motion to approve the resolution. The motion died for lack of a second. Mr. Brown noted as Chairman, he cannot second a motion.

12. Request for approval of the 2012 Revision of the Management Plan for Country Court Apartments.

Housing Director Judith Herring explained that pursuant to its agreements with USDA/RD, Pender County is required to maintain a Management Plan for Country Court Apartments, which is supposed to be reviewed and revised, if necessary, every three years. The 2012 plan includes three changes: The plan implements an application fee of \$20 to cover the costs of criminal and credit background checks for prospective adult residents; it incorporates an updated charge list for damages; and it raises the Security Deposit requirement from \$250 to \$300. Mr. Tate made a motion to approve the resolution, Mr. Rivenbark seconded the motion and it was unanimously approved.

13. Resolution Authorizing a Contract with Holland Consulting Planners in an Amount Not-to-Exceed, \$17,500, for the Performance of a Housing Needs Assessment Survey for Pender County.

Ms. Herring explained the County is seeking information regarding the need for Work Force Housing, Senior Housing, Low-income Housing and other critical housing needs; the information is needed to assist the Housing Department, Planning Department and other interested parties as they develop plans for growth and infrastructure development in the County; and it will also assist outside parties who are interested in developing housing in the County by focusing attention on the areas of greatest need. Mr. Williams made a motion to approve the resolution, Mr. Tate seconded the motion and it was unanimously approved.

14. Resolution Approving Pender County’s Equal Employment and Procurement Policy; Language Access Plan; and the Low Economic Benefit Plan for the CDBG NC Tomorrow Grant Funds.

Ms. Herring explained the County has received \$50,000 in CDBG grant funds for the NC Tomorrow program; the Board previously voted to allow the County to act as host for this program, which will be administered by Cape Fear Council of Governments; and the County is required to update the policies on file with the North Carolina Department of Commerce as part of the compliance for this grant. Mr. Williams made a motion to approve the resolution, Mr. Tate seconded the motion and it was unanimously approved.

15. Resolution Authorizing Purchase Order to Replace Deputy Fire Marshal’s Vehicle: \$28,951.

Mr. Collins explained the current Deputy Fire Marshal’s vehicle is a 2005 Ford F-250 with 162,000 miles on it; the vehicle has a lengthy repair record and it costs more to operate than it’s worth; this year’s FY 12 EMPG grant of \$35,261.29 will be used to purchase the vehicle; funds for this expenditure are budgeted in Emergency Management – Other Equipment budget; the purchase will be made to Bobby Murray Chevrolet in the amount of \$27,685 for a 2012 Chevrolet 2500 Crew Cab 4x4 Pickup Truck; and the purchase is under State contract. Mr. Ward asked about the current vehicle and Mr. Collins said it is running but is too expensive to operate. Mr. Ward asked if it will be put in surplus and Mr. Collins responded it could be put in surplus, or it could be transferred to another

department. Mr. Williams made a motion to approve the resolution, Mr. Rivenbark seconded the motion and it was unanimously approved.

16. Resolution Approving Name Change for Northern New Hanover Fire Insurance District.

Mr. Collins explained: Pender County has contracted with Ogden Fire Department since 1999 to provide fire protection services to the Scotts Hill area; the Ogden Fire Insurance District was created for insurance rating purposes at that time; the Ogden Fire Department has since merged with New Hanover County Fire & Rescue, an agency of New Hanover County Government; the Pender County Board of Commissioners approved changing the funding contract from Ogden Fire Department to New Hanover County on March 16, 2009; due to a recent ISO inspection and District name change, there is a need to rename and approve the Northern New Hanover Fire Insurance District Map; this name change of the district will not change or alter districts or response protocols that have been developed by the responding fire departments to the Scotts Hill area; and no funding levels will be affected. After discussion and questions by Board members, Mr. Rivenbark made a motion to approve the resolution, Mr. Williams seconded the motion and it was unanimously approved.

17. Resolution Approving Loan Refinancing for the Rocky Point Volunteer Fire Department.

Mr. Collins introduced Chief Josh "Moss" Joy. Mr. Joy explained the Fire Department sold an older truck and is in the process of financing another one in the amount of \$150,000 through First Citizens Bank, who is requiring approval of the Board of Commissioners. Mr. Collins added that with this purchase, the department will still remain below the 25% debt limit. Mr. Tate made a motion to approve the resolution, Mr. Williams seconded the motion and it was unanimously approved.

18. Resolution Approving Loan Refinancing for the Hampstead Volunteer Fire Department.

Chief Lynn Lanier explained: Several years ago the Hampstead VFD was approached about building a substation in the Scotts Hill area; they searched, found property to build it on and purchased the property; and they are now at the stage where they are ready to start construction. Treasurer Robert Reid explained: They will finance the construction loan with First Citizens Bank; the construction loan will be in the amount of \$1,000,000 and will exceed the 25% debt limit; and after the building is finished, they will roll the loan into a full mortgage loan with terms of 15 years and payments of \$82,000 a year. Mr. Reid distributed and explained previously estimated costs from 2009-2010 to the actual May 2012 costs for property, engineering, construction, sprinkler; operating costs; and financing. Board members expressed concern that they had been receiving calls and e-mails from citizens in the area questioning the need for a substation and what additional benefits a substation would provide. At issue are the ISO ratings and the fact that New Hanover County announced its ISO rating would drop this summer, saving some Scotts Hill residents money. Mr. Brown said he is not trying to delay this issue, but the folks in the area have an option and he thinks those folks have a right to some input. Mr. Williams said a lot of misinformation is floating around about fire insurance costs; he wants more definitive information before making a decision; he is torn about this; he wants to see some insurance figures in black and white; and it is not all about money, it is about safety as well. Mr. Ward said he favors a community meeting in Scotts Hill before making a decision on the substation and he wants the Fire Marshal to attend. Mr. Collins said if the substation is built, more people will benefit. He said the low ISO from New Hanover County will not cover all of the Scotts Hill community, but a substation would cover the entire fire district. Mr. Collins added all the departments need a substation, not just Scotts Hill. Bob Simon of the Fire Commission said if it is decided we need to continue with New Hanover County, the people in Scotts Hill will still have no voting rights. Reverend Jimmy Suggs, a long-time resident of Scotts Hill, expressed his appreciation to Hampstead Fire Department. His comments included: the new ISO ratings will benefit most of the residents in the area; fire protection and fire service are what is most important; financially, will we be better off

with New Hanover; we need to look in the future and take care of the immediate now; and is now the right time to build the substation. There was more discussion including: holding a public meeting-when and where; fire tax rates; ISO rates; meeting place; and legally advertising a meeting. The Board agreed to take their regular May 21st meeting to Scotts Hill Baptist Church, to include a public meeting to inform citizens. Mr. Ward said he would like a map showing the affected areas. Reverend Suggs was instructed to contact the County Manager to work out the specifics. Mr. Rivenbark made a motion to table the resolution to the June 4th meeting, Mr. Williams seconded the motion and it was unanimously approved.

APPOINTMENTS

19. Resolution to Consider Approving Appointments to the Pender County Board of Health and the Pender County Planning Board.

Mr. Brown explained the applicant for the Physician position on the Board of Health, Pammela Baker, is not a physician, but is a Family Nurse Practitioner; the Board of Health's by-laws state that if a physician is not available, someone in the field can be appointed until such time that a Physician can be appointed. Mr. Thurman clarified the by-laws state that if a licensed applicant is not available for the position, a member of the general public may be appointed until such time as a licensed professional is found. There was discussion of the other vacancies on the Board of Health requiring licenses (dentist, veterinarian, registered nurse, pharmacist, engineer), and appointing representatives from the same field if a licensed person could not be found. Mr. Rivenbark made a motion to approve the appointment of Pammela Baker to the Board of Health to serve a three-year term representing the Physician position, with term to expire January 31, 2015. Mr. Williams seconded the motion and it was unanimously approved. Mr. Brown said Patricia Davenport had applied for the Public Member position on the Board of Health, and it would be nice to have someone from a minority background appointed. Mr. Tate asked if Mr. Brown meant racially and Mr. Brown responded "yes." Mr. Brown explained: The Health Board has not had a minority on the Board since Ms. Bellamy left; Ms. Bellamy had to leave because of her time limit; he wishes she could come back but she has to wait a year before reapplying; he understands Ms. Davenport is a minority; and Ms. Davenport comes highly recommended. Mr. Tate said he commends Mr. Brown for wanting to see a minority appointed to the Health Board. Mr. Tate said there are two other minority applicants and both have worked with the schools, but he knows Darlene Lewis better than the others. He said Ms. Lewis is married to Thurman Lewis and he doesn't know Thurman that well, but he does know Darlene. Mr. Tate commended Ms. Lewis on her community involvement; said he has always known her for her dedication to helping others in the community; she does an exceptional job with students; she disclosed information that she is related to a Health Department employee and a Magistrate by marriage; and Ms. Lewis would be his recommendation. Mr. Brown asked if Mr. Tate would like to put that recommendation in the form of a motion and Mr. Tate made a motion to approve the appointment of Darlene Lewis to the Board of Health to serve a three-year term representing a Public Member position, with term to expire January 31, 2015. Mr. Ward seconded the motion and it was unanimously approved. Mr. Brown said there are three applications for the Planning Board, including one that came in late from Margaret Gray. Mr. Brown asked how many people we have on the Planning Board that represent real estate or development. Planning Director Kyle Breuer came forward and explained all the positions on the Planning Board, including the current vacancy which was formerly held by Chris Smith. Mr. Williams said of the three applications, he sees one that does not have ties to the development community-Elaine Nalee. He said no offense to McKim & Creed, but Ms. Gray is employed with them and that is a tie to development, and the other applicant is in landscaping, which is directly related to development. Mr. Tate said Sue LoRusso called him and said she spoke with other Board members and the majority of the Board was in agreement to appoint her. Mr. Tate said he gave Ms. LoRusso his word that he would support her. Mr. Williams stated he would not vote her. Mr. Brown said Ms. LoRusso did call

him and said she was interested in applying, but he didn't tell her he would vote for her; he told her anyone has a right to apply and she has a right to submit her application. There was discussion of Mr. Smith and Ms. Nalee's residency in the Burgaw area and it was clarified that the position had been advertised. Mr. Tate said he would vote for whomever Mr. Rivenbark recommends. After more discussion, Mr. Rivenbark made a motion to approve the appointment of Elaine Nalee to the Planning Board to serve the remainder of a three-year term representing the Ag/Environmental position, with term to expire January 31, 2013. Mr. Williams seconded the motion and it was unanimously approved.

ITEMS FROM THE COUNTY MANAGER

Dr. Duvall said everything is moving along with the budget and asked if Board members want to continue budget meetings with departments and going over their line items. Board members agreed the budget turned out good and agreed to continue with the way it is being presented.

ITEMS FROM THE COUNTY ATTORNEY

Mr. Thurman asked if the Board would agree to move the July 9th meeting to July 23rd to allow the Planning Board time to review documents at their July 10th meeting, before they are submitted to the BOCC. He said he is asking for the 23rd instead of the 16th to avoid conflicting with the NACo Annual Conference. It was the consensus of the Board to move the meeting to July 23rd. Mr. Thurman also noted the Property Tax Commission will be considering appeals on May 16th.

The added item was heard next.

ADDENDUM

18a. Resolution Providing for the Issuance of up to \$29,000,000 in County General Obligation Refunding Bonds to Refinance the County's Outstanding General Obligation School Bonds, Series 2005

Finance Director Butch Watson explained this is the second time we have discussed this and this resolution is actually authorizing the issuance of the bonds. Mr. Watson said that the resolution: Formally pledges the County's taxing power to provide for payment on the bonds; approves the proposed form of the bonds themselves; approves the form of the draft official statement for use in offering bonds to investors; states the County's agreement to comply with the relevant provisions of federal tax law; states the County's agreement to comply with federal rules for continuing disclosure to the securities markets; and authorizes County staff to complete the process of issuing the bonds, and approves the steps to that end previously taken. This includes authorizing you to approve the final amount of the bond issue and the final principal payment schedule, to make the final call for redemption of the old bonds, and generally to take all appropriate action to close these bonds and refund the old bonds. Mr. Watson said if we sold the bonds today, we would save \$1.4 million. Mr. Tate said Mr. Watson has been saving the County money ever since he has been here. Mr. Rivenbark made a motion to approve the resolution, Mr. Williams seconded the motion and it was unanimously approved. Mr. Brown said he appreciates Mr. Jessup's patience.

ITEMS FROM THE COUNTY COMMISSIONERS

Mr. Tate said he is going to graduation Friday morning at his Alma Mater, UNCW, and invited other Commissioners to attend.

Mr. Ward thanked Dr. Duvall and Mr. Watson for doing a budget presentation for his district.

Mr. Williams distributed information with estimated costs for construction of a potential new baseball/softball field at Hampstead Kiwanis Park. He said basically, he is stepping up to the plate and asking the Board for a commitment to contribute from the undesignated fund balance for this cause since the community is willing to volunteer services and a citizen is willing to contribute financially. He said if the project costs \$90,000, the citizen is willing to give \$30,000. Mr. Tate asked if that means the County won't have to contribute anything and Mr. Williams said the County's contribution would be approximately one-half of the project. Mr. Williams said he will come to the Board at the first meeting in June with something on the agenda. Mr. Tate said he is all for parks; he is going to try to find someone on the western side of the County to come up with something for his district; they are already working on two projects – Currie Park and the Willard School; he knows the park is in Mr. Brown's district, but he is not territorial and is for anything on the western side of the County; and his dilemma is he has already told folks the Board is not funding any non-profit agencies this year, but when they hear about Hampstead Kiwanis Park, they are going to want funding too. Mr. Tate commended Annette Wilson of the County Finance Department and her husband for all the volunteer work they provide at Willard School. There was discussion of projects that give good return on investments.

Mr. Tate asked if Board members are comfortable with him serving as Commissioner on the Council on Community Affairs because he wants to move forward with this committee. Board members agreed it is a good idea for Mr. Tate to serve as Commissioner on the committee.

CLOSED SESSION

At 7:30 p.m., Mr. Rivenbark made a motion to enter into closed session, pursuant to NCGS 143-318.11: 2) to prevent the disclosure of information that is of an honorary degree, scholarship, prize, or similar award; 3) to consult with an attorney employed or retained by the public body in order to preserve the attorney-client privilege between the attorney and the public body, which privilege is hereby acknowledged. General policy matters may not be discussed in a closed session and nothing herein shall be construed to permit a public body to close a meeting that otherwise would be open merely because an attorney employed or retained by the public body is a participant. The public body may consider and give instructions to an attorney concerning the handling or settlement of a claim, judicial action, mediation, arbitration, or administrative procedure. If the public body has approved or considered a settlement, other than a malpractice settlement by or on behalf of a hospital, in closed session, the terms of that settlement shall be reported to the public body and entered into its minutes as soon as possible within a reasonable time after the settlement is concluded; 4) to discuss matters relating to the location or expansion of industries or other businesses in the area served by the public body, including agreement on a tentative list of economic development incentives that may be offered by the public body in negotiations. The action approving the signing of an economic development contract or commitment, or the action authorizing the payment of economic development expenditures, shall be taken in an open session; and 5) to establish, or to instruct the public body's staff or negotiating agents concerning the position to be taken by or on behalf of the public body in negotiating (i) the price and other material terms of a contract or proposed contract for the acquisition of real property by purchase, option, exchange, or lease; or (ii) the Amount of compensation and other material terms of an employment contract or proposed employment contract. Mr. Williams seconded the motion and it was unanimously approved. At 8:20 p.m. Mr. Williams made a motion to come out of closed session, Mr. Rivenbark seconded the motion and it was unanimously approved. There were no announcements made upon exiting the closed session.

ADJOURNMENT

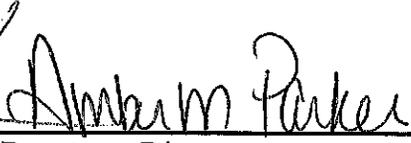
There being no further business, the meeting adjourned at 8:20 p.m.

Respectfully Submitted,



Glenda Pridgen, Deputy Clerk to the Board

Reviewed By:



Dr. Mickey Duvall, Clerk to the Board/Amber Parker, Human Resources Director