

**BUDGET WORK SESSION  
MAY 19, 2014**

The Pender County Board of Commissioners met in Budget Work Session with County Departments on Monday, May 19, 2014 at the Pender County Public Assembly Room, 805 South Walker Street, Burgaw, North Carolina.

Chairman Williams called the Work Session to order at 1:00 p.m.

In attendance were: Board Chairman David Williams; Vice Chairman Fred McCoy; and Commissioners George Brown, Jimmy Tate, and Chester Ward; County Manager/Clerk to the Board Mickey Duvall; Finance Officer/Assistant County Manager Butch Watson; Human Resources Director Denise Mulhollen; Deputy Clerk to the Board Glenda Pridgen; other staff and members of the Press and public.

Dr. Duvall presented each department's budget on a screen and explained each line item. Each Department explained their various requests and discussed their various programs and divisions. The Board held discussion and asked questions after each department's presentation.

The following departments reported:

**Planning & Community Development** – Director Kyle Breuer and Administrative Assistant Ann Coombs. Mr. Breuer explained: \$30,000 is for a match for an MPO Grant for the Collector Street Plan; the supplies line item increase is due to 2% credit card company fees; the Code Enforcement Officer will become certified to help the Inspectors; the Department is doing all they can to not have to hire additional staff; when the new software comes on, departments will be working together for one-stop shopping; having the new software will help contractors; they will reduce contracted services by holding off a year on Historic Preservation. With respect to the credit card company fees, the question was asked if the department can charge customers a user fee. Mr. Breuer said it would have to be county-wide and not just the Planning Department. It was suggested that staff look into county-wide user fees for credit card payments. With respect to hiring additional staff, Dr. Duvall said with all the growth, they may need to hire someone mid-year, and he is putting funds into Contingency for this. Mr. Brown asked if Planning and Inspection fees had gone up and Mr. Breuer responded no, but they will look at this when the new software comes on. There was discussion concerning Historic Preservation and Mr. Breuer clarified that it will still be active but no funds expended. There was discussion and questions concerning turnover and hiring in the department. Mr. Tate asked if new hires come in with their credentials because he doesn't want the County to become a training ground. Mr. Breuer explained different positions and how they promote within, such as Planner I, Planner II, Senior Planner, etc. Mr. Tate asked what are contracted services and Mr. Breuer responded items such as Coeco printing and this year, the Street Collector Plan. Dr. Duvall said he consistently gets calls commending Mr. Breuer. Mr. Watson said Mr. Nordt of RC Creations spoke at a Rotary Club meeting and he commended the Planning Department, Utilities and the BOCC, saying Pender County is an easy county to work with.

**Parks & Recreation** – Dr. Duvall explained: The previous County Manager had combined Parks & Recreation with Grounds Division, but he broke it out; he gave the Grounds Division to Public Buildings; and he budgeted \$200,000 in Contingency for Hampstead Kiwanis Park and the parks on the west side. Other discussion included: Possible ball fields at prison property; parks on Trask property; Dixie Youth; 65 acres at Trask School; different complexes for different sports, such as baseball complex, soccer complex, etc.; access to Heide Trask property; Schools/Parks concept; and multipurpose gyms.

**Parks: Grounds Division** – Dr. Duvall explained this budget is fairly identical to last year’s, and he is recommending moving a part-time Groundsworker to full-time. Mr. Brown asked if the new Annex will affect this budget and Mr. Mack responded “no.” Other discussion included: Fixing the fence near Subway; room for drivers’ license office at the Annex; need for a DMV Office; Burgaw drivers’ license office to move; possible two rooms in Annex for Probation Office; three offices at Annex already dedicated for Juvenile Justice; block building behind the main building.

**Public Buildings/Vehicle Maintenance** – Utilities Director Michael Mack and Administrative Officer Pat Simmons. Discussion included: **Public Buildings**-Mr. Mack said he was asking for two extra positions in this division. Dr. Duvall said he was holding the line, he didn’t feel the need for two extras at this time, and he felt there was more need in the Grounds Division. Mr. Mack’ comments: This is an Internal Service position; the current staff is working hard every hour; there are twenty-eight facilities total; one employee basically stays at the Jail; and these are old buildings in constant need of repairs. Mr. Tate asked if two new positions will decrease the need for contracted services. Mr. Mack said it won’t decrease the need, but it will help the workload and help them keep up. He said the Department handles servicing minor repairs but they outsource major repairs, and we could take some out of contracted services to fund the positions. Other discussion included: Insurance for contracted workers; list of contractors and what they do; basically, most of the contracted services remain the same as last year; the buildings on the east side; one of the positions requested is custodial; County Maintenance does all maintenance on the current leased Annex; could possibly start with part-time for Annex; Preventative Maintenance; and advertise for part-time person with skill set.

**Mosquito Control**-Discussion included: \$10,000 increase due to buying pesticide; salary increase a little bit; the “Skeeter Defeater” team.

**Vehicle Maintenance**-Dr. Duvall explained: Purchasing vehicles under the Vehicle Lease/Installment Purchase Agreement has caused maintenance costs to decrease; most of the vehicles are for the Sheriff’s Department; we now get “more bang for the buck”; we still make routine repairs in-house; most major parts are under warranty; the average vehicle costs from \$22,000 to \$24,000; at the end of 36 months, the County owns the vehicle; we can buy more vehicles under this plan; the payments are stretched out; we don’t have to pay up front; and when vehicle is no longer usable, the old equipment can be put on new vehicles.

**Register of Deeds** – Register of Deeds Sharon Willoughby. Dr. Duvall said the only increase is in the AE&P fund. Ms. Willoughby’s comments included: AE&P funds are set aside just for the Register of Deeds Office; the funds are used for preserving and enhancement of the office; because of the economy, Ms. Prevatte had spent the funds to pay for other things; the fund is now depleted; General Statutes require 10% of fees collected be set aside for this fund; books need to be repaired; deeds for building and construction are picking up; they stopped making books in 2009; and if construction continues to increase, they may need additional help. Mr. Tate said he offers Ms. Willoughby 125% support, and said Ms. Prevatte did an outstanding job before Ms. Willoughby.

**Clerk of Court** – Clerk of Court Robert Kilroy. Dr. Duvall said the Clerk of Court’s budget remains flat. Mr. Kilroy’s comments included: The Administrative Office of the Courts is not our friend; a lot of staff are bailing out of the Court System; there are two public Law Libraries; and future projects include window cleaning, pressure washing, landscaping and sidewalk repairs. Mr. Kilroy said Attorney Harold Pollock has offered the Court exclusive use of the parking lot in back of the Presbyterian Church for Judges, DA’s and courthouse staff to park in twenty spaces. It would cost \$16,000 to put in a security fence. Mr. Kilroy said he told Mr. Pollock he would do it only by lease.

**ITS** – Director Erik Harvey. Discussion included: Major issue in budget is because of software; ten years worth of catch up; spending a whole lot more with leasing companies, but it is necessary; a ten-year plan; working nights, week-ends; reality of the workload; expenditures from other departments; 3-5% increase in contracts; telephone line item due to events, such as hurricanes; redundant systems for Sheriff's Office; Analog back-up line; main areas where there are increases; positions; Earl Moore's position now IT Operations Manager; other positions needed; GIS Website; need to make some investments in technology; reclassify Help Desk position. Mr. Harvey explained each new position he is asking for. Dr. Duvall said he didn't recommend additional positions because of all the software IT is getting this year (driving the IT budget up around half a million dollars over last year's budget). He said he would support at least two positions next year if substantial need can be shown. Manager Duvall also emphasized that the IT Department was at their maximum employee number when compared to other counties of similar size and explained that NCDPI currently recommends schools furnish one school IT staff person for 1,200 computers (Pender County Government currently has a total of only around 400 computers). There was discussion of Mr. Moore's position and Mr. Harvey said it is extremely critical. Mr. Harvey said they had been behind with positions for a long time.

**Tax Assessor** – Tax Assessor Tony Masiero. Due to time constraints, the Tax Assessor's time was deferred to June 2.

**Tax Collections** – Tax Collector Barbara Murray. Due to time constraints, the Tax Collector's time was deferred to June 2.

**Pender County School Board** – Schools Superintendent Dr. Terri Cobb; Finance Officer Betsy Chestnutt; Board of Education Chairman Karen Rouse; Board Members Ken Lanier and Tom Roper; and principals, teachers and other staff. Dr. Cobb distributed handouts, delivered a PowerPoint presentation and explained each topic in the presentation. The presentation was entitled "Pender County Schools Current State of the System and 2014-15 Local Budget Request." The presentation included: Challenges-Revised Curriculum, Recruiting/Retaining a Highly Qualified Staff, Population Growth/Shifts; Performance 2012-2013; NC Population Grows to More than 9.8 Million; Average Daily Membership; Local Funding and Student Enrollment; Financial Challenges-Recruitment and Retention of Personnel, Personnel Needs Due to Growth, Facility Needs, Major Equipment Replacements; Retention – Where do they go; Local Teacher Supplements – Recruitment among the Districts; Support Staff Supplements; Capital Outlay-Funds School Repairs and Life Cycle Projects, Funds Technology Purchases, Vehicles (Buses); Lottery Funds-Lottery Funding is Partially Embedded in the State Budget, Additional Lottery Funds are Sent to the County Manager for Bond Debt; 2014-15 Needs Going Forward; and Total Local Budget Request 2014/15. The "Needs Going Forward" category included: Recruitment & Retention-Increase Teacher Supplements, Increase Teacher Assistant Supplements, Increase Supplement for Athletic Coaching Staff, Begin Providing Supplements to Other Classified Staff; Personnel Needs Due to growth-Add Four Maintenance Personnel, Add Two Technology Technicians; Support for the Classroom Teacher-Add Two Nurses, Add Two Assistant Principals; Classroom Space-Four Mobile Classrooms; Life Cycle-Chiller Repairs NTE & HTHS; Extending and Supporting Learning-Replacement of Activity Buses. The Total Local Budget Request is \$14,852,190 in Current Expense and \$1,557,000 in Capital Improvement, for a total of \$16,409,190. The entire presentation is on file with the permanent records in the Clerk to the Board's Office. Principals, teachers and other staff spoke on each category of "Needs Going Forward."

Other remarks included:

Dr. Cobb-Pender County Schools are competing with New Hanover; Brunswick and Onslow Counties; they don't see any of the lottery funds; and the Board of Education wanted to make sure that Schools' staff makes their needs known to the BOCC.

David Williams-When all other counties were cutting Schools, Pender County wasn't; it is a fact that we are losing school personnel to other counties, but we are also losing deputies and from other departments; he knows that the Schools don't expect the BOCC to provide this big supplement.

George Brown-Some schools are shrinking; they previously talked about combining some schools; where does that stand? Would they still need additional staff if they combine some schools? Wouldn't it be more convenient? Dr. Cobb spoke concerning growth in the County and how it would affect combining schools. Mr. Roper spoke about the capacity of the buildings if schools were combined.

Mr. Williams-Didn't do tax increase for previous board; these are reoccurring expenses; BOCC told County Manager we want to see a budget first pass with no tax increase; how will a new bond play out.

Karen Rouse-They will hold community meetings to seek input.

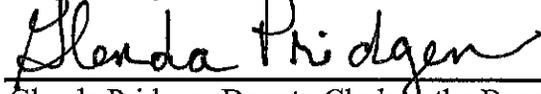
Mr. Williams clarified that the BOCC does not approve line items for the Schools, the BOCC approves the total School Budget and the Schools decide what to do with it.

Mr. Tate said this is all informational, but where is the actual budget request. Dr. Cobb said it is Page 36 in the handout. Mr. Tate asked where text books are addressed and Mr. Roper responded text books are the State's responsibility. Mr. Tate asked what is "instructional support" and Dr. Cobb responded instructional supplies, positions, etc. Ms. Chestnutt said it includes media and Guidance Counselors. Mr. Tate asked if any instructional support funds are used to pay consultants and Ms. Chestnutt said instructional support may include consultants.

It was the consensus of all that the BOCC and the School Board would hold another joint meeting.

The Budget Work Session recessed at 4:25 p.m. and the Board went into its regular meeting at 4:36 p.m. The next Work Session is scheduled for June 2, 2014 at 1:00 p.m.

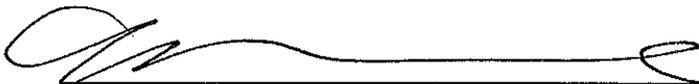
Respectfully Submitted,



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Glenda Pridgen, Deputy Clerk to the Board

Reviewed By:



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Mickey Duvall, Clerk to the Board/Ann Coombs, Administrative Assistant

**MONDAY, MAY 19, 2014**

The Pender County Board of Commissioners met in regular session on Monday, May 19, 2014 at the Public Assembly Room, 805 S. Walker St., Burgaw, NC 28425.

**MEMBERS PRESENT:** Chairman David Williams, presiding; Vice Chairman Fred McCoy; and Commissioners George Brown, Jimmy Tate and Chester Ward.

**MEMBERS ABSENT:** None.

**OTHERS PRESENT:** Mickey Duvall, County Manager/Clerk to the Board; Trey Thurman, County Attorney; Butch Watson, Finance Officer/Assistant County Manager; Glenda Pridgen, Deputy Clerk to the Board; other staff and members of the Press and public.

**CALL TO ORDER**

Chairman Williams called the meeting to order at 4:36 p.m. and thanked and welcomed all. Mr. Williams explained the meeting is late getting started due to the Budget Work Session held prior to this meeting.

**INVOCATION**

Commissioner Tate offered the Invocation.

**PLEDGE OF ALLEGIANCE**

Commissioner Ward led the Pledge of Allegiance.

**PUBLIC INFORMATION**

**Ms. Moser's item was presented first.**

**2. Health & Human Services Director Carolyn Moser: Annual Communicable Disease Report.**

Ms. Moser explained: The Health Department is required each year to present the Communicable Disease Report; the major diseases reported were STD's, Pertussis, Salmonella, TB and other Food Borne diseases; Isolation cases included one HIV, two TB cases and one Hepatitis B; the report was presented and accepted last week by the Advisory Board of Health; and it was still required to be presented to the Official Board of Health.

**1. Tax Attorneys Scott Sherman & Chip Rodgers: Report on Tax Collections.**

Mr. Sherman explained he and Mr. Rodgers are a partnership which was hired by the Pender County Board of Commissioners last July to collect delinquent taxes. Mr. Sherman said they are here today to report on what they have done so far, and what they see for the future. Mr. Sherman distributed handouts, which were explained by Mr. Rodgers. Mr. Rodgers explained: S&R total remittances for the first ten months were \$350,278.50; new files are opened month-by-month; 910 files were opened since last July; these cases hadn't had any work on them previously; the more files they open, the more they collect; initially, they send a demand letter to the vast majority of delinquencies; they have collected \$17,617.69 in total legal fees for the first ten months; reports are given to the Tax Office twice a month; \$70,519.95 was collected the second half of April;

\$131,980.15 was the total collected for April; the County advanced \$12,720 for filing fees; and \$7,935 is outstanding.

### **PUBLIC COMMENT**

No one wished to speak under Public Comment.

### **CONSENT AGENDA**

Mr. Williams presented the five items on the Consent Agenda and asked for any discussion or questions. There being none, Mr. Brown made a motion to approve the Consent Agenda, Mr. Ward seconded the motion and the Consent Agenda was unanimously approved as follows:

3. Approval of Minutes: Budget Work Session with County Departments; Regular & Closed Session: May 5, 2014.
- 4a. Resolution Authorizing Budget Amendment to Approve Increase in Health Department Revenues and Expenditures for Fiscal Year 2013-2014: Family Planning: \$2,678.
- 4b. Resolution Authorizing Approval of the Health Department Bad Debt Write-off for Fiscal Year 2012-2013: \$10,194.10.
- 4c. Resolution Authorizing Approval of Purchase Order to PSS World Medical for the Purchase and Installation of Nurses' Station Cabinets: \$23,000.
- 4d. Resolution Authorizing Approval of Increase in Purchase Order for Dental Contracted Services: \$50,000.

### **RESOLUTIONS**

There were no regular resolutions.

### **APPOINTMENTS**

5. **Resolution Authorizing Approval of Appointment to the Pender County Nursing/Adult Care Homes Advisory Board.**

Ms. Pridgen explained Ms. Hazel Wells has served on this Board for many years, her current term has expired, and she wishes to be re-appointed. Mr. Tate said Ms. Wells is an outstanding citizen. Mr. Tate made a motion to approve the re-appointment of Hazel Wells to serve a three-year term on the Nursing/Adult Care Homes Advisory Board, with term to expire June 30, 2017. Mr. Brown seconded the motion and it was unanimously approved.

### **ITEMS FROM THE COUNTY ATTORNEY**

Mr. Thurman said he has items for Closed Session.

### **ITEMS FROM THE COUNTY MANAGER**

Dr. Duvall said at the next meeting, the Board will need to appoint Mr. Tate or Mr. Ward as a Voting Delegate for the 2014 NACo Annual Conference in New Orleans (since both had signed up to attend). Mr. Tate said he may have a conflict during the time of the NACo Conference.

### **ITEMS FROM THE COUNTY COMMISSIONERS**

Mr. Brown said he would like to see a discussion of Board appointments and possible re-appointments on the next agenda. Mr. Brown instructed staff to find out from Southeastern Economic Development Commission if there is a requirement to have a Commissioner on their board, or if they can appoint a Commissioner Designee. He said he currently serves on that board, but it is extremely difficult for him to make their meetings. Mr. Brown said he and other staff met with Rocky Point Fire Department and they are finally getting on track. He said he expressed to the

Department that he was very upset they didn't come to the Budget Work Session, was concerned that they had not opened the Sub-Station, but they worked through all of it. Mr. Brown said he attended a Board of Equalization and Review meeting with a resident that was paying higher taxes because the area he lives in is zoned commercial. He said there are cases of people living in houses forty or fifty years, many of them elderly, and when commercial property surrounds the home, their property is also taxed as commercial property, resulting in higher tax bills. Mr. Brown asked staff to evaluate the tax filing appeal process for long-time residents who have been surrounded by commercial development. Mr. Brown commented: His heart goes out to these folks; he would like to see us go to a current use basis for residents who have been in their homes for more than thirty years; we need to look at what other counties are doing; and he is not suggesting a change in zoning code, but we should at least look at options.

Mr. Ward said he would like to congratulate Mr. Williams on his win in the Primary. He said he will continue his tenure until December. Mr. Williams said Mr. Ward called him that night to congratulate him and they both were very cordial.

Mr. McCoy spoke concerning Veterans and said the Veterans Service Office is in need a larger work space with windows. Mr. Brown asked if the Veterans Office is going in the same office as Tourism. Dr. Duvall said there is the possibility of moving the Veterans Office to an unused portion of the Agriculture Building.

#### **CLOSED SESSION**

At 5:05 p.m. Mr. Brown made a motion to enter into Closed Session pursuant to NCGS 143-318.11: 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. Tate seconded the motion and it was unanimously approved. The Board entered into Closed Session at 5:10 p.m. At 5:48 p.m., Mr. Ward made a motion to come out of Closed Session. Mr. Brown seconded the motion and it was unanimously approved. There were no announcements made upon exiting the Closed Session.

6. **Public Hearing and Resolution Requesting Approval of a Special Use Permit (SUP) for the Construction and Operation of a Telecommunication Facility, Located at 997 Hoover Road, Hampstead.**

The Public Hearing opened at 7:00 p.m. Mr. Thurman swore in the witnesses. Planner Ed McCarthy explained the Summary, including Land Use Proposed, Telecommunication Tower definition, Property Record Number and Location, Zoning District of Property; Project Description; and Evaluation, including Public Notifications, Basis for Granting SUP, Unified Development Ordinance Compliance, 2010 Comprehensive Land Use Plan Compliance, Existing Land Use in Area, Site Access Conditions, Conditions to Consider in Issuing the Special Use Permit for this Project. In response to question, Planning Director Kyle Breuer explained about the reduction in front setback request and the fall zone reduction request. Sheriff Carson Smith explained: This tower request is in conjunction with the VIPER system, which covers the County's entire emergency services; they are trying to work through problems in the Southeast area of the County; funding came from the State to build the tower; the property is already owned by the Pender County Schools; four schools will benefit from the tower; it will be located on South Topsail Campus; commercial entities can't co-locate on the tower; it won't interfere with any future plans the Schools might have; the Sheriff's Office has obtained permission from the owners of adjacent undeveloped property to pursue a fall easement in the affected area. Adjacent property owner Jack McAllister said he can look out and see the woods now, they don't want to look at a concrete building and tall tower, and asked if the Sheriff can't co-locate on the tower behind this property. Sheriff Smith said that tower won't handle their equipment. Mr. McAllister said the reduction in the setback is what concerns him and asked where the cut is. Mr. Thurman said there is not a clean cut to the tower. Following more discussion, the Public Hearing closed at 7:20 p.m. Mr. Brown made a motion to approve the Special Use Permit request, with the condition that they limit commercial co-location on it. Mr. Ward seconded the motion and it was unanimously approved.

7. **Public Hearing and Resolution Requesting Approval of a Special Use Permit (SUP) for the Operation of a Hair Salon (Personal Care Services), Located at 36 Old Savannah Road, Burgaw.**

The Public Hearing opened at 7:20 p.m. Mr. Thurman swore in the witnesses. Planner Ed McCarthy explained the Summary, including Land Use Proposed, Property Record Number and Location, Zoning District of Property; Project Description; and Evaluation, including Public Notifications, Basis for Granting SUP, Unified Development Ordinance Compliance, 2010 Comprehensive Land Use Plan Compliance, Existing Land Use in Area, Conditions to Consider in Issuing the Special Use Permit for this Project. The following neighbors/adjacent property owners spoke against the Special Use Permit:

Ronald Batts-Shouldn't rezone the property; already has three buildings on it.

Carolyn Batts-Would be a business; if something happens, anything could come on the property. It was noted that the SUP is specific to the use and nothing else could go on the property.

Janet Hewlett-Lives next door to the property; her concern is traffic and noise; it is a residential area and she would like to keep it residential.

Larry Hollingsworth-He is opposed; a commercial mobile home was moved in several years ago.

Mr. Brown asked how many buildings you can have on .66 acres and Mr. McCarthy responded you can have one building per 15,000 square feet in the Residential Performance (RP) Zoning District.

Applicant Nikkia Sharpless said she would move one unit out and put another one on there. She said it is only going to be a one-person shop.

Mr. Ward was concerned about driveway access and congestion. Ms. Sharpless said there is a driveway already there and she would add another one if needed.

Mr. Tate verified that all the structures on the lot meet the requirements.

Following more questions and discussion, the Public Hearing closed at 7:35 p.m. Mr. McCoy made a motion to deny the Special Use Permit request, based on the Pender County Unified Development Ordinance Special Use Permit Review Criteria: Section 3.10.3 G2: The requested use will not impair the integrity or character of the surrounding or adjoining districts, nor adversely affect the safety, health, morals, or welfare of the community or of the immediate neighbors of the property; and G8: The proposed use shall not adversely affect surrounding uses and shall be placed on a lot of sufficient size to satisfy the space requirements of said use. Mr. Brown seconded the motion and it was approved by a 3-2 vote, with Mr. McCoy, Mr. Brown and Mr. Williams voting to deny the SUP, and Mr. Tate and Mr. Ward voting against denying it.

#### **8. Public Hearing on FY 14-15 Submitted County Budget.**

The Public Hearing opened at 7:35 p.m. Dr. Duvall and Mr. Watson presented "Pender County FY 14/15 Budget Highlights" and explained each category. The presentation included: FY 13/14 Budget Summary/FY 14/15 Budget (Projected); FY 13/14 Fund Balance Position/Unchanged in FY 14/15; Undesignated/Unreserved Fund Balance; Undesignated Fund Balance-Percent of Current Year Expenditures; Undesignated Fund Balance (General Fund); FY 14/15 General Fund Revenue Sources; Summary of Revenues General Fund; FY 14-15 Budget General Fund \$1 Property Tax Distribution; FY 14/15 General Fund Revenues; FY 14/15 Property Tax Revenues Estimated 03/2014; FY 14/15 Property Taxes Distribution; Pender County, North Carolina Revenue Sources by Township and Municipality \$1 Property Tax Collected; Tax Rate; Notable Recommended FY 14/15 Required Budget Spending; FY 14/15 Pender County Public Schools; Pender County Environmental Health (PCEH) 4 Month Permit Comparison; PCEH Annual Permit Comparison; Building Permits Issued; Estimated Construction Costs; Fiscal Year Taxable Sales in the County; Enterprise Funded Departments Public Utilities & Solid Waste FY 14/15-Solid Waste, Maple Hill WSD Water, Maple Hill WSD Sewer, Rocky Point/Topsail Water, Rocky Point/Topsail Sewer, Scotts Hill WSD Water, FY 2014/15 WW Treatment Plant, Pender County Water Treatment; Peer Comparatives; Summary of General Fund; FY 14/15 Budget Process & Adoption Calendar; Summary of Cases. The entire presentation is on file with the permanent records in the Clerk to the Board's Office.

The following teachers and parents spoke on behalf of teacher and teacher aides' supplements, and overall support of Pender County Schools: Sara Toothman, Danielle Tocci, Nancy Parra, Sarah Bishton, Lucas Cole and Beth Burns.

Other discussion included:

Mr. Ward asked if there is anything on the Shell Building; Dr. Duvall responded it shouldn't be any problem and he thinks we will get it leased this year because Mr. Satterfield is still showing it.

Mr. McCoy said Pender County's unemployment rate is still high and we shouldn't raise taxes.

Mr. Tate asked if there is going to be any kind of Merit or Cost-of-Living raise for employees this year. Dr. Duvall said we implemented Phase I last year and we decided to hold off right now, mainly to see where the insurance is going. He said we have to factor in fringe benefits and we will look at it again in October. Mr. Tate said he is only one Commissioner, but an investment in our people is an investment in the County. Mr. Williams said he will dovetail on what Mr. Tate said. He said the only other option is to increase the tax rate based on the amount of net growth from last year over this year.

Mr. Ward said if we don't implement a tax increase now, it will hurt us more in the future because we will have to raise the rate much more.

Mr. Brown said the real information we need is concerning the bonds. He said we don't know how much it is going to be. Dr. Duvall provided a chart that gave a summary of bond cases. Bob High of Davenport Consulting said the bottom line is the County is going to need a tax increase to meet capital needs. He said Moody and Standard and Poor's good ratings do help. Discussion ensued concerning the 3 1/2¢ tax. Mr. Brown said the 3 1/2¢ increase was never implemented, the Board never took off the 3¢ from long ago, and it is kind of a wash. He said to accommodate what the Schools are asking for, we would need a tax increase.

It was noted that Brunswick County raised their sales tax this year and discussion ensued concerning raising Pender County's sales to 1/4¢. It was noted it would have to be put on the ballot. Mr. Watson cautioned that just because it is put on the ballot, doesn't mean it will pass.

Mr. Brown said our employees have not had a raise since 2008.

The Public Hearing closed at 8:50 p.m. No formal action was required.

**ADJOURNMENT**

There being no further business, the meeting adjourned at 8:50 p.m.

Respectfully Submitted,

  
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Glenda Pridgen, Deputy Clerk to the Board

Reviewed By:

  
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Mickey Duvall, Clerk to the Board/Ann Coombs, Administrative Assistant