

Windsor, North Carolina
June 6, 2016
Regular Meeting

The Bertie County Board of Commissioners met for their regularly scheduled meeting inside the Commissioners Room located at 106 Dundee Street, Windsor, NC. The following members were present or absent:

Present: Ronald "Ron" Wesson, District I
Tammy A. Lee, District III
John Trent, District IV
Ernestine (Byrd) Bazemore, District V

Absent: Stewart White, District II

Staff Present: County Manager Scott Sauer
Clerk to the Board Sarah S. Tinkham
County Attorney Lloyd Smith
Finance Officer William Roberson
Emergency Services Director Mitch Cooper
EMS Division Chief Crystal Freeman
Compliance Enforcement Officer Stephanie Wiggins
Sheriff John Holley
Communications Director JW Stalls
Medical Director Mike Lowry

Leslie Beachboard of the Bertie Ledger-Advance, and Gene Motley of the Roanoke-News Herald was present from the media.

CALL TO ORDER

Chairman Trent called the meeting to order and thanked those present for their attendance.

INVOCATION/PLEDGE OF ALLEGIANCE

Commissioner Lee led the Invocation and Pledge of Allegiance.

PUBLIC COMMENTS

At this time, concerns were raised by citizens of Aulander regarding a recent emergency call at 506 W. Main Street in Aulander.

Two citizens identified themselves as Wanda Moore and Franklin “Bonnie” Jones.

Citizens in the audience were given the opportunity to express the information they received from witnesses of the events.

Commissioner Wesson stated on behalf of the Board that condolences were with the family and friends of the victim. He also responded to questions, and Chairman Trent requested that Emergency Services Director, Mitch Cooper, and Medical Director, Dr. Mike Lowry, respond to other concerns, as well as to provide clarification of State EMS protocols.

Dr. Lowry briefly summarized the series of events as laid out in a formal report from the medics on duty for the call, and Mr. Cooper also responded to questions about protocol of responding to safe vs. unsafe scenes.

Mr. Cooper asked if citizens present tonight were actual witnesses to the events in question. None of the citizens claimed to be present during the specific events, and were using information given to them from alleged witnesses of the event.

Mr. Jones stated that a conversation with the actual witnesses should have already been completed before tonight’s meeting.

Mr. Cooper stated that an initial attempt had been made to meet with witnesses of the event through a conversation with Mr. Jones himself, but that a second attempt would be made if contact information for each witness was shared with the County to ensure a proper and thorough investigation.

On another matter, a citizens presented his concerns on behalf of his wife about “false advertising” of a property he won in the County surplus auction on Saturday, June 4. The tract is located in Aulander and he claims the house was not accurately photographed online, and he requested that his bid be rejected.

APPOINTMENTS

Presentation of the proposed FY2016-2017 budget plan by County Manager, Scott Sauer

County Manager Sauer presented the proposed FY2016-2017 budget plan as outlined in an email to all Commissioners sent according to statutory requirements on June 1, 2016.

The budget message and line by line detail for the proposed FY2016-2017 reads as follows:

June 1, 2016

Chairman Trent
Vice Chairman Bazemore
Commissioner Lee
Commissioner Wesson
Commissioner White

To the Board of Commissioners and the citizens and taxpayers of Bertie County:

As required by the NC Local Government Budget and Fiscal Control Act, submitted for your review is the proposed budget plan for FY 2016-2017.

Accompanying this budget message is a balanced statement of projected revenues and estimated expenditures for the General Fund which totals \$22,286,578 which is an increase of 4.19 percent over the adopted budget for the current year.

This budget plan attempts to meet the stated goals of the governing body, and provides flexibility for the discussion and changes that may be warranted based on the Board's upcoming deliberations. First and foremost, this proposed budget does not contain a tax rate increase and the recommended appropriation of fund balance reserves is more than \$100,000 less than the adopted budget ordinance for the current year. The estimated tax base for FY 2016-2017 is \$1.3 billion assessed value and the net yield for each cent on the tax rate is \$125,858.

The Board of Commissioners has made a significant investment in the County's human capital—its employees. Last year the Board took significant steps toward establishing an improved working wage for staff beginning with the lowest job classifications across all departments. The Board of Commissioners approved a supplemental 401(k) retirement contribution of 2% for all non-law enforcement personnel who receive a 5% supplemental 401(k) contribution as required by NC General Statutes. The Board of Commissioners also established an employee assistance programs for employees and their families, and established a flexible spending account for out of pocket medical expenses with a \$200 contribution for each employee.

The proposed budget for FY 2016-2017 continues this effort, and funding is included to increase the contribution for 401(k) supplemental retirement to 2.5% beginning July 1, 2016 and continues the provision of a \$200 contribution per employee for the flexible spending account to assist with the cost of meeting deductibles and prescription copayments.

There are no new full time positions added to the budget as proposed for FY 2016-2017, and the only additional part-time position is for the senior nutrition site in Kelford.

During the current fiscal year, the Board engaged a consulting firm to review the County's job classification and compensation for all positions within the organization. This study and its recommendations will be presented during the budget work session as determined by the Board. Implementation of these recommendations in the next fiscal year, or phased in over a period of years will represent a significant investment in the County's human resources and extend our ability to recruit and retain qualified staff. I would recommend strongly that the Board consider placing priority on two areas where the County has struggled with position turnover during the past several years—law enforcement and social services. To assist the Board with identifying funds to cover the cost of this implementation process, projected sales tax receipts have been held flat with no increase for FY 2016-2017. Notable in this discussion will be the anticipated expansion of sales tax and the revised distribution formula approved by the NC General Assembly to be effective beginning next fiscal year. Impact for Bertie County has ranged from an increase of \$500,000 per year to figures much higher. The Board has the flexibility to proceed cautiously, to examine the sales tax receipts in the first quarter or first half of the year, and place priority on salary adjustments that may warrant immediate attention as needed.

School current expense funding is recommended at \$3,003,000 and is above the State's minimum requirement of \$2,674,812 which maintains the County's eligibility for low wealth supplemental funding and other critical State revenues.

School capital outlay funding is recommended at \$375,000.

In order to avoid a tax increase for FY 2016-2017 there remain several program requests which are not recommended for funding in the proposed budget. In recognition of the difficult decisions and discussions that will take place, the Finance Officer has identified unallocated funds totaling \$125,394 which have been placed in the contingency line item for the General Fund are available for appropriation by the Board of Commissioners, or for use in reducing the tax rate by one cent.

During the past couple of years, the governing body closing examined the County's ability to provide health insurance coverage for existing staff and qualifying retirees. In January of 2016, the Board took action approving the County's participation in the NC State Health Insurance program, a decision that greatly reduced annual premiums and lowered deductible limits. Future obligations for existing staff and the accompanying retiree health insurance remain a long term unfunded liability. Premium costs for the County's existing retirees are budgeted at \$350,000 for next fiscal year.

The proposed budget for FY 2016-2017 includes utilization of the County's savings generated by its participation in the state health plan to establish a financing plan for the long term post-employment health care costs for retirees. This accrued unfunded liability has grown significantly in recent years as indicated by the County's audited financial statements :

FY 2012	\$2,386,998
FY 2013	\$2,963,144
FY 2014	\$3,385,713
FY 2015	\$3,849,010

One of the Board’s top financial priorities for 2016 is to adopt a strategy to address this long term liability, and the proposed FY 2016-2017 includes a funding strategy based on depositing \$100 per month per authorized position in an irrevocable trust fund account, with these monies permanently restricted for post-employment health insurance costs for retirees. Funding is included in the Special Appropriations category, identified as “OPEB Trust” for this purpose in the amount of \$242,400 for FY 2016-2017.

Additionally, the proposed budget plan outlines a strategy to curtail future post-employment benefit costs related to retiree health insurance. At present, the County’s benefit plan provides 100% percent of the premium cost for retiree health insurance for an employee retiring with 20 years continuous service, or 25 years non-continuous service to the County regardless of age. Coverage continues until the employee/retiree becomes Medicare eligible, at which time the County converts coverage to a Medicare Supplement policy. Likewise the County pays 50% of the cost of health insurance premiums for an employee who is at least 55 years of age and retiring with 15 years of continuous service under the current personnel resolution.

In an effort to mitigate the growing burden for retiree health insurance costs facing current and future taxpayers, several adjustments to the County’s personnel resolution are outlined below:

- 1) New hires—after July 1, 2016 no retiree health insurance coverage is offered.
- 2) Current employees with at least 10 years of service as of July 1, 2016 will maintain full (100%) health insurance coverage at 20 years of continuous service or 25 years of non-continuous service regardless of age.
- 3) Employees with at least 5 years of service, but less than 10 years as of July 1, 2016 will be eligible for retiree health insurance as follows:
 - 100% coverage of health insurance premium with 30 years of service to the County.
 - 75% coverage of health insurance premium with 25 years of service to the County.
 - 50% coverage of health insurance premium with 20 years of service to the County.
- 4) Current employees with less than 5 years of service as of July 1, 2016 will be eligible for retiree health insurance as follows:
 - 75% coverage of health insurance premium with 30 years of service to the County.
 - 50% coverage of health insurance premium with 25 years of service to the County.

- 5) Service time credit with the County will be calculated based on actual service time and any sick leave time that is on balance with the County at the time of retirement, which is consistent with current County policy.

Again, the strategy outlined above is recommended, and is subject to change based on review and consideration by the Board of Commissioners. At a minimum, these five strategies will bring to focus, the pertinent issues contributing to the future financial liability for the County.

At present, the County has 209 authorized full time positions. The adoption of the FY 2015-2016 budget added 8 new positions, and the start-up of the County's paramedic and non-emergency transport programs have added 46 new staff positions since the program's inception in December 2013. Projecting forward, the County's staffing and future obligations for post-employment benefits (retiree health insurance) will require the governing body to be proactive in its financial planning to meet these liabilities, which are presently unfunded.

Other priorities funded in this proposed budget included full year implementation of the core staffing plan for the Cooperative Extension office as previously approved by the Board, in cooperation with NC State University. There is continued support for the Board's community based recreation efforts utilizing resources allocated through the Recreation Department and the YMCA to serve joint programming and services throughout the County. As these efforts continue to grow, it is recommended that a joint memorandum of understanding be developed to clearly identify roles and responsibilities for the community based recreation programming.

Continued emphasis on preventive maintenance and upkeep for various County facilities is reflected in the Public Buildings budget with a recommended amount of \$255,851 for capital improvements. Several items have been deferred including parking lot paving at various locations, which reduced the requested capital figure of \$339,301 for next fiscal year. In addition, \$50,000 is earmarked in the Animal Control budget for improvements to the animal shelter including weatherization and temperature control in an effort to meet state regulatory standards set by the NC Department of Agriculture. Also, the County recently formalized its relationship with the Blue Jay Recreation community association with a long term facility lease, and in addition to seeking grants for Blue Jay park improvements, the proposed FY 2016-2017 budget includes \$83,450 for the first phase of upgrades at the facility.

Funding for the Bertie County Regional Water system totals \$2,821,400 and reflects the combined funding for all four (4) water districts and the recent increased customer base with the addition of the South Windsor, Lewiston-Woodville and Roxobel systems. The Board has also successfully sought capital financing for three major projects which have been approved with a total of \$1,574,000 in grant funding and \$4,234,900 in long term financing, of which \$2,517,850 is zero interest. During the budget work sessions, the Water Superintendent and I want to address potential usage rate changes for non-residential customers. Additionally, beginning July 1, 2016 the water department personnel will begin billing for sewer customers served by the Town of Windsor who were previously part of the South Windsor. The Town of Windsor has agreed to reimburse the County a 2% collection fee which is also paid by the Towns of Lewiston-Woodville, Askewville and Colerain. Having a single point of contact for billing will eliminate confusion and save time for customers.

I am indebted to the department heads and agency directors who have been very diligent in preparation of funding requests, and to Mr. William Roberson the County's Finance Director, for his careful review and assistance in developing this budget proposal.

Respectfully,
Scott Sauer
County Manager

GENERAL FUND	
Governing Body	\$ 221,083
Administration	\$ 242,845
HR & Risk Management	\$ 79,603
Finance	\$ 255,950
Tax	\$ 590,208
Legal	\$ 135,000
Court Facilities	\$ 89,872
Elections	\$ 143,884
Register of Deeds	\$ 302,108
Public Buildings & Grounds	\$ 892,113
Data Center	\$ 235,816
Sheriff	\$ 2,452,637
Communications	\$ 430,867
Emergency Management	\$ 407,654
Emergency Medical Service	\$ 2,495,425
Non-Emergency Transport	\$ 620,012
Planning/Building Inspections	\$ 314,314
Medical Examiner	\$ 6,000
Animal Control	\$ 174,160
Solid Waste	\$ 472,308
Economic Development	\$ 166,275
Cooperative Extension	\$ 277,779
Soil Conservation	\$ 80,946
Health	\$ 98,000
Veterans Service Office	\$ 27,132
Council on Aging/Nutrition	\$ 492,310
Parks & Recreation	\$ 290,173
Transfers-Social Services	\$ 1,249,130
Transfers-Revaluation	\$ 60,000
Transfers-Debt-QZAB	\$ 212,181
Transfers-Debt-Middle School	\$ 457,470
Transfers-Debt-DSS	\$ 251,548
Transfers-Debt-QZAB-Bertie High	\$ 109,461
Transfers-Debt-Health	\$ 71,925
Transfers-Debt-Hospital	\$ 826,651
Transfers-Debt-Bertie High School (2012 A/B)	\$ 1,189,236
Transfers-Capital School Reserve	\$ 210,000
Appropriations-Other Agencies	\$ 5,729,108
Contingency	\$ 125,394
GENERAL FUND APPROPRIATIONS	\$ 22,486,578
SOCIAL SERVICES FUND	
Social Services	\$ 4,761,800
SOCIAL SERVICES FUND APPROPRIATIONS	\$ 4,761,800

911 WIRE/WIRELESS FUND		
911 Wire/Wireless Fees	\$	162,240
911 WIRE/WIRELESS APPROPRIATIONS		<u>\$ 162,240</u>
LOTTERY		
Lottery Proceeds	\$	355,000
LOTTERY FUND		<u>\$ 355,000</u>
CAPITAL SCHOOL RESERVE FUND		
Capital School Reserve	\$	2,343,346
CAPITAL SCHOOL RESERVE FUND APPROPRIATIONS		<u>\$ 2,343,346</u>
REVALUATION FUND		
Revaluation	\$	60,000
REVALUATION FUND APPROPRIATIONS		<u>\$ 60,000</u>
DEBT SERVICE FUND		
Debt Service Payments	\$	3,118,472
DEBT SERVICE FUND APPROPRIATIONS		<u>\$ 3,118,472</u>
COUNTY WATER DISTRICTS FUND		
System Operations	\$	2,821,400
COUNTY WATER DISTRICTS APPROPRIATIONS		<u>\$ 2,821,400</u>
BERTIE TELEPHONE SYSTEM		
User and Miscellaneous Charges	\$	123,500
BERTIE TELEPHONE SYSTEM APPROPRIATIONS		<u>\$ 123,500</u>
EXPENSES:		<u>\$ 36,232,336</u>

ORD-EXP FY 16-17

GENERAL FUND		
Ad Valorem-Prior Years	\$	309,800
Motor Vehicle-Prior Years	\$	5,600
Penalties and Interest	\$	125,000
Sales Tax -1% Pt of Collection	\$	325,000
1/2 Cent Sales Tax Article 40	\$	825,000
1/2 Cent Sales Tax Article 42	\$	350,000
Sales Tax Law Change	\$	1,000
Payment in Lieu of Taxes-Federal Land	\$	28,000
Other Taxes	\$	55,200
Unrestricted Intergovernmental	\$	99,500
Restricted Intergovernmental	\$	605,380
Permits & Fees	\$	278,550
Medical Service Fees	\$	900,000
Non-Emergency Transport Fees	\$	925,000
Landfill Fees	\$	1,859,563
Sales & Service	\$	74,501
Hospital Lease	\$	826,651
Miscellaneous	\$	197,100
Interest Earned	\$	20,000
Indirect Cost Water Systems	\$	241,640
Transfers from Lottery	\$	-
Transfers from School Capital Reserve	\$	2,343,346
FUND BALANCE APPROPRIATED	\$	1,476,348
AD VALOREM TAXES	\$	9,323,962
MOTOR VEHICLE TAXES	\$	1,290,437
GENERAL FUND REVENUES		<u>\$ 22,486,578</u>
SOCIAL SERVICES FUND		
State and Federal Assistance	\$	3,509,670
Health Choice	\$	3,000
Transfer from General Fund	\$	1,249,130
SOCIAL SERVICES FUND REVENUES		<u>\$ 4,761,800</u>
911 WIRE/WIRELESS FUND		
Interest Earned	\$	500
User Charges and Fees	\$	161,740
FUND BALANCE APPROPRIATED	\$	-
911 WIRE/WIRELESS FUND REVENUE		<u>\$ 162,240</u>

ORD-REV FY 16-17

LOTTERY		
Lottery Proceeds	\$	355,000
LOTTERY FUND REVENUE		<u>\$ 355,000</u>
CAPITAL SCHOOL RESERVE FUND		
Capital School Reserve	\$	2,343,346
CAPITAL SCHOOL RESERVE FUND		<u>\$ 2,343,346</u>
REVALUATION FUND		
Transfer from General Fund	\$	60,000
REVALUATION FUND REVENUES		<u>\$ 60,000</u>
DEBT SERVICE		
Transfer From General Fund-QZAB-School	\$	212,181
Transfer From General Fund-QZAB-Brt High	\$	109,461
Transfer From General Fund-Middle School	\$	457,470
Transfer From General Fund-Health Building	\$	71,925
Transfer From General Fund-DSS-Building	\$	251,548
Transfer From General Fund-Hospital	\$	826,651
Transfer From General Fund-BHS-2012A	\$	841,461
Transfer From General Fund-BHS-2012B	\$	347,775
DEBT SERVICE FUND REVENUES		<u>\$ 3,118,472</u>
COUNTY WATER DISTRICTS FUND		
Sale of Water & Fees	\$	2,821,400
COUNTY WATER DISTRICTS REVENUES		<u>\$ 2,821,400</u>
BERTIE TELEPHONE SYSTEM		
User and Miscellaneous Charges	\$	70,000
Transfer from General Fund-Phone Reserve	\$	53,500
BERTIE TELEPHONE SYSTEM REVENUES		<u>\$ 123,500</u>
REVENUES:		<u>\$ 36,232,336</u>

ORD-REV FY 16-17

BOARD APPOINTMENTS

ABC Board

Commissioner Lee made a **MOTION** to reappoint Miles Davis to the ABC Board for an additional 3-year term. Commissioner Wesson **SECONDED** the motion. The **MOTION PASSED** unanimously.

Choanoke Public Transportation Authority (CPTA)

Vice Chairman Bazemore made a **MOTION** to reappoint Morris Rascoe and Lewis C. Hoggard, III to the CPTA Board for additional 2-year terms. Commissioner Lee **SECONDED** the motion. The **MOTION PASSED** unanimously.

Planning Board

Commissioner Lee made a **MOTION** to reappoint Carl Bond and to appoint Thomas Asbell to the Planning Board. Commissioner Wesson **SECONDED** the motion. The **MOTION PASSED** unanimously.

Juvenile Crime Prevention Council (JCPC)

Vice Chairman Bazemore made a **MOTION** to appoint Tekeita Thompson to the JCPC Board. Commissioner Lee **SECONDED** the motion. The **MOTION PASSED** unanimously.

Vidant Bertie Director's Council

Commissioner Wesson made a **MOTION** to appoint County Manager, Scott Sauer, to the Vidant Bertie Director's Council. This appointment replaces Chairman Trent. Vice Chairman Bazemore **SECONDED** the motion. The **MOTION PASSED** unanimously.

Child Fatality Prevention Team (CFPT)

Vice Chairman Bazemore made a **MOTION** to appoint Teketia Thompson to the Child Fatality Prevention Team. Commissioner Wesson **SECONDED** the motion. The **MOTION PASSED** unanimously.

CONSENT AGENDA

Upon review by Chairman Trent, Commissioner Bazemore made a **MOTION** to approve the Consent Agenda items below. Commissioner Lee **SECONDED** the motion. The **MOTION PASSED** unanimously.

The Consent Agenda was approved as follows:

1. **Minutes** – Regular Session 5-23-16
2. **Register of Deeds Fees Report** – May 2016
3. **Contracts** – approval of real estate bids for the County surplus property auction on Saturday, June 4, 2016, except bid #14 that needs further review
3. **Budget Amendment** - #16-12

***NOTE:** Originally the Board also approved the Memorandum of Agreement with the NC Wildlife Commission regarding the addition of trash cans and portable toilets at the Weeping Mary Road Boat Access Area. After an additional opportunity to review overnight, Chairman Trent stated that the Board should table the matter until additional discussion could take place.

DISCUSSION AGENDA

Calendar Reminders

The Board reiterated that the public hearing on the FY 2016-2017 budget would be held at their next regular meeting on June 20, 2016. The location will be here in the Commissioners Room.

Pending Items/Updates

There were no items to report.

COMMISSIONER'S REPORTS

Commissioner Wesson reported due to the closure of the Senior Center in Colerain, that funding will now be supplied to the remaining Senior Center in Kelford.

Vice Chairman Bazemore reported that the new interstate initiative in the area had been named Interstate 87 (I-87). This initiative was being completed under the NC Trust Bond and no funding would need to be given from the County.

Commissioner Lee informed the Board that actions have been taken to secure a full time food pantry in the Colerain community. The project is in the works and should open soon.

The Board commended Commissioner Lee for her diligent efforts and involvement in the Colerain mobile food pantry, and stated that they were excited for a permanent food pantry facility.

There were no other Commissioner Reports.

COUNTY MANAGER'S REPORTS

County Manager Sauer gave no remarks at this time.

COUNTY ATTORNEY'S REPORTS

County Attorney Smith gave no remarks at this time.

PUBLIC COMMENTS

There were no public comments during this section.

ADJOURN

Chairman Trent adjourned the meeting at 5:05PM.

John Trent, Chairman

Sarah S. Tinkham, Clerk to the Board