

Washington County Board of Commissioners  
Regular Board Meeting  
April 4, 2011

The Washington County Board of Commissioners met in a regular session on Monday, April 4, 2011 at 6:00 PM in the County Commissioners' room, 116 Adams Street, Plymouth, NC. Commissioners Alexander, Collins, Johnson, Manning and McCray were present. Also present were County Manager David Peoples, Clerk to the Board Julie J. Bennett, Finance Officer Gayle Critcher and Assistant County Manager/County Attorney Cheryl Young.

Chair Johnson called for a motion to adjourn the March 18, 2011 meeting. Commissioner Manning made a motion to adjourn the March 18, 2011 meeting. Commissioner Collins seconded, motion carried unanimously.

Chair Johnson called the meeting to order. Commissioner Manning gave the invocation; Commissioner Alexander led the pledge of allegiance.

ADDITIONS / DELETIONS: Chair Johnson added Item 2A, East Carolina Behavioral Health (ECBH), Roy Wilson and Joy Futrell.

Ms. Young withdrew Item 7 Quitclaim Deed on the Whitley Industrial Property Discussion.

CONSENT AGENDA: Commissioner Collins made a motion to approve the Consent Agenda as follows:

- a) Approval of Minutes
- b) Tax Refunds & Releases and Insolvent Accounts
- c) Resolution Opposing Any Attempt to Reduce County Revenues for School Capital Needs or to Shift Additional Costs to Counties to Balance the State Budget

Commissioner Alexander seconded, motion carried unanimously.

PUBLIC FORUM: Jimmy Jones, 51 Cardinal Lane, spoke to the Board saying he is still trying to get the Department of Transportation to take his road into their program. Mr. Jones stated that property was there before 1976 and asked if the County could do something with his road. Chair Johnson reiterated that the County doesn't do roads, DOT does. Chair Johnson also stated that the legislature wants to make counties responsible for maintaining roads and counties are fighting it because of the cost that would be involved. Chair Johnson reiterated that the Town of Plymouth is responsible for roads in the town, but the County is not. Ms. Keyes stated that she found copy of a map that S. Chesson surveyed that showed a road was in the vicinity that Mr. Jones was talking about. Mr. Peoples contacted DOT 6-8 weeks ago to find out the status of Mr. Jones' request. DOT said that they did receive documents from Mr. Jones that showed tombstones with dates on them, however, that was not legal verification that would allow them to take the road into their system since the statutory requirements have not been met. DOT reiterated to Mr. Peoples that current property owners would have to bring the road up to DOT standards for it to be taken into the State system. Mr. Peoples suggested that Mr. Jones petition the courts to get some relief. Mr. Peoples noted he has written letters on Mr. Jones' behalf and

been denied for getting the road into the State system. Chair Johnson suggested that Mr. Jones speak to Representative Tim Spear. Commissioner Collins suggested that Mr. Jones talk to Mr. Jerry Jennings in Edenton, Division 1 engineer (Darrick Lee's boss).

Mr. Downing, Jr. also from Cardinal Lane stated that if they go see Mr. Jerry Jennings in Edenton they would be bypassing the Commissioners. The Commissioners agreed that is the path that should be taken since the Commissioners cannot do anything about County roads.

EAST CAROLINA BEHAVIORAL HEALTH: Mr. Roy Wilson, Ms. Leza Wainwright and Ms. Joy Futrell were in attendance from East Carolina Behavioral Health (ECBH). Ms. Futrell discussed the Quarterly Fiscal Monitoring Report handout for the period ending December 31, 2010. (*The handout is attached to and is a part of these minutes.*) Commissioner Manning asked how many people in Washington County are in the programs that ECBH offers. Ms. Futrell stated that just under 1000 people from Washington County participate in their programs. Approximately \$7.2M is spent in Washington County.

APPOINTMENT OF MARY MOSCATO AS DEPUTY CLERK TO THE BOARD:

Mr. Peoples noted that a couple of years ago when the Clerk to the Board was out on medical leave, Ms. Young was appointed as Deputy Clerk and she has continued to function in that role. It is a conflict on documents if Ms. Young signs as the attorney and the Deputy Clerk. The validity of the documents could possibly be challenged with Ms. Young signing as both. Mr. Peoples stated that Ms. Mary Moscato has been with the County Manager's office for a while now and has learned a little about the duties of the Clerk and he would like to ask the Commissioners to appoint her as Deputy Clerk.

Commissioner Manning made a motion to appoint Ms. Mary Moscato as Deputy Clerk to the Board. Commissioner Alexander seconded, motion carried unanimously.

Ms. Bennett swore in Ms. Moscato as Deputy Clerk to the Board.

INVESTMENTS OF THE HOSPITAL PENSION: Ms. Sharon Elliott of Elan Wealth Management handed out and discussed the latest report on the Washington County Hospital Inc. Employees' Pension. (*The report is attached to and is a part of these minutes.*) Ms. Elliott noted that stock managers performed well and bond managers performed well. Ms. Elliott also noted that 52 retirees are paid out of this plan, and that there is a 7% return but 12.2% distribution rate to the retirees. Since the returns are insufficient to the distribution rate it has been recommended that a line item be added to the budget to subsidize the plan. Ms. Elliott stated that eventually 186 people total will be paid out of this plan.

BOARD OF EQUALIZATION AND REVIEW: Ms. Bennett gave the oath to the Commissioners for them to convene as the Board of Equalization and Review. Mr. Chip Main was unable to attend the meeting due to a family emergency but sent word that there were no appeals at this point. Commissioner Manning made a motion to recess the Board of Equalization & Review until May 2, 2011. Commissioner Collins seconded, motion carried unanimously.

LEGISLATIVE UPDATE: Mr. Peoples told the Board that the Governor's Office has requested the amount of the fund balances from each county. There is still a \$2.4B deficit in the State budget and the Governor may be looking to recoup some of this from the counties fund

balances. On June 30, 2010, Washington County's governmental funds combined unreserved fund balance totaled \$4.5; the General Fund's portion of unreserved fund balance was \$2.9. By the end of this fiscal year, the General Fund unreserved fund balance is estimated to be \$2.1M. There is \$2.2B of fund balances collectively in the 100 counties. \$799M of that is available as reserve balance that could be used. Some of those reserve balances are already earmarked for other purposes. Senate Bill 13 instructed the Governor to reduce the current year expenditures by \$400M. The Governor vetoed that bill. The Legislature created another bill in which they asked for a \$700M reduction. The Local Government Commission has an edict that states that fund balances are not to fall under 8% of a county's revenues. Mr. Peoples also noted that the schedule has changed for adopting a state budget. The House will have to have their budget completed April 29 and then sent to the Senate, which is scheduled to take action on May 13. If there are differences between the House and Senate versions, then they will go in conference with adoption scheduled for June 1, 2011.

SB548 Annexation Reform: This bill outlines NCACC legislative goals and includes: requirement for 'water and sewer' within two years, no annexation where county utility service exists unless full agreement on joint utility plans, a 'hold harmless' for the county for reduction of sales tax, annexation allowed only in 'primary county' unless County Commissioner approves, changes to qualifications of an area to be annexed, changes to the treatment of farms, Local Government Commission oversight and several other significant changes to existing law.

HB472 City/County Electronic Notice: Electronic notification of governmental entity will allow public hearings and meetings to be put on the web or sent by e-mail. This bill, if passed, could save the County money by not having to pay advertising costs.

Mr. Peoples also mentioned a bill was being introduced that would allow misdemeanants in jail to serve their entire sentence in County jails, putting more burden on the County's budgets. Our Sheriff's office is putting together some information to let us know the possible impact on our County's budget. Also, Mr. Peoples stated that a 911 bill has been introduced that states when a caller calls 911 that their voice will now be disguised if they are involved in a court proceeding. This is being done in an effort to keep the person safe.

Mr. Peoples spoke to the Board about redistricting. 11,000 voters are needed in our district. NC currently has 10 representatives in the House, and maybe we could get to 11 or 12.

Mr. Peoples noted that there have been five (5) different revisions of the core bill on Charter schools and the bill is close to passing since a lot of issues have been abated.

Mr. Peoples also remarked about the possible change in the Highway Equity Formula stating that this is a serious issue for rural area counties. It looks like the Legislature wants the counties to get into the road business. Mr. Peoples calculated that if Washington County has to use money from our budget to cover the costs usually paid by the Department of Transportation that the County would have to institute a \$.26 increase in our tax rate.

Mr. Peoples noted that there is a bill that wants to put a toll on North Carolina's ferries.

Mr. Peoples told the Board about a possible new home stimulus credit. A fund may be created that says if a person meets certain criteria that "x" amount of money will be taken off their taxes. The purpose of this would be to stimulate the housing industry.

HB732 Tort Reform Act of 2011 Tort: This bill is being introduced to try to keep people from filing frivolous lawsuits.

Odds & Ends: DENER—once an engineer has designed a project, DENR must complete their review in an expedient amount of time and improve coordination of permits between all involved in a project. Taxes—eliminate or reduce corporate tax rate from 6.9% to 4.9%—the Governor is looking at this favorably and maybe even phase it out in a couple of years. Re-overhaul of worker's compensation—limit liability to 400 weeks. Transportation—increase funding for industrial roads access. Increase funding at community colleges for industry. Incentive programs—eliminate wage test for all programs. Product development—state funds may become available to develop business parks, etc. to recruit companies.

Mr. Peoples mentioned to the Board that the NCACC District Meeting has been rescheduled to Wednesday, April 27 at 5:30 pm at the Bob Martin Center in Williamston. The counties attending have been asked to fill out a questionnaire before the meeting stating that county's priorities. The Board agreed on the following priorities for Washington County:

1. Opposing shifting of costs and responsibilities to counties—mandates without funding
2. Workers' compensation amendments

BOARD & COMMITTEE APPOINTMENTS: Chair Johnson spoke to the Board regarding the following Board/Committee appointments.

**Albemarle Commission:**

The Albemarle Commission needs a representative on the Rural Planning Organization (RPO) Rural Transportation Coordinating Committee (RTCC). This representative can be a County Manager or his/her designee. Jerry Rhodes served on this committee in the past as Mr. Peoples's designee.

The Albemarle Commission also needs a representative on the Rural Planning Organization (RPO) Rural Transportation Advisory Committee (RTAC). This representative can be a County Commissioner or designee. Mr. Peoples served on this committee in the past as the Board's designee.

**Travel and Tourism Board:**

Commissioner McCray would like to come off of the Travel and Tourism Board. Commissioner Alexander has agreed to replace Commissioner McCray on the Travel and Tourism Board if she is appointed by the Board.

Commissioner Alexander made a motion that Jerry Rhodes will serve on the RTCC and Commissioner Collins will serve on the RTAC. Commissioner McCray seconded, motion carried unanimously.

Commissioner Collins made a motion that Commissioner Alexander will replace Commissioner McCray on the Travel and Tourism Board. Commissioner McCray seconded, motion carried unanimously.

## FINANCE OFFICER'S REPORT:

Ms. Critcher discussed the following Budget Appropriation Amendment/Adjustments:

- Budget Amendment 10128 & 10129 (EMS Department shortages that will require additional transfer from General Fund (\$139,615)  
50K in revenue from trips that are billed to Medicare (will be receiving \$105K)  
Mr. David Clary, EMS Director spoke to the Board regarding his budget overrun. Mr. Clary explained that he had some employees on medical leave which led to excessive overtime with other employees filling in for those out on leave. Mr. Clary reported that he will now be on a truck himself if needed. Mr. Clary also noted that he was able to hire a part-time paramedic.
- Budget Amendment 10130 (Board of Elections—additional expenditures due to Sheriff's election) \$8,400
- Budget Amendment 10131 (CDBG—Scattered Site Housing (SSH) 2010 Project) \$400,000
- Budget Amendment 10132 (Cops Grant Correction, Medical Examiner) \$4,277

Commissioner Collins made a motion to approve Budget Amendments 10128, 10129, 10130, 10131 and 10132. Commissioner Alexander seconded, motion carried unanimously.

## OTHER ITEMS BY CHAIRPERSON, COMMISSIONERS, COUNTY MANAGER, CLERK, ETC.:

Commissioner Collins noted that he attended the Hospitality Training last week that the Chamber put on and that it was outstanding. Commissioner Collins commended Tom Harrison (Travel & Tourism Director) and Rebecca Liverman (NC Extension Director) for their outstanding efforts. Commissioner Collins believes that the training will pay strong benefits. Good job!

Commissioner Manning made a motion to go into Closed Session pursuant to NCGS 143-318.11(a)(3), 143-318.11(a)(5) and 143-318.11(a)(6). Commissioner Alexander seconded, motion carried unanimously.

Commissioner Collins made a motion to come out of closed session; Commissioner Manning seconded, motion carried unanimously.

Commissioner McCray made a motion authorizing the County Attorney to move forward with the filing of the Quitclaim Deed on the Whitley property with terms advised by the County Manager and authorizing the County Manager to enter into and execute any documents involved in this transaction. Commissioner Manning seconded, motion carried unanimously.

Commissioner Manning stated that he received fax from the Stotesberry's today regarding amending the County's wind ordinance. At the Stotesberry's new facility, they would like to carve out an 8 sq mi area in which windmills will not be allowed to be built. Mr. Peoples stated that since the Wind Ordinance is now part of the County's Zoning Ordinance that the request must go to the Planning Board. There will have to be a public hearing on the matter, then the Planning Board will come to the Board, and the Commissioners will have to hold a public hearing, then Board can act. The Stotesberry's will need to define a RPZ zone that will meet their needs.

Commissioner Alexander made a motion to recess the meeting. Commissioner Manning seconded, motion carried unanimously.

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Tracey A. Johnson  
Chair

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Julie J. Bennett  
Clerk to the Board