

March 5, 2014

The Washington County Board of Commissioners met in a recessed session on Wednesday, March 5, 2014 at 4:30 PM in the Commissioners Room, 116 Adams Street, Plymouth, NC. Commissioners Johnson, Manning, McCray, Phelps and Sexton were present. Also present were County Manager Jerry W. Rhodes, Clerk to the Board Julie J. Bennett, and County Attorney Curtis Potter. Finance Officer Frank Milazi was unable to attend.

Chair Johnson was running late for the meeting; Vice-Chair Phelps called the March 5, 2014 meeting to order.

ADDITIONS/DELETIONS: Ms. Bennett requested to have Part of Item 3 removed—ELAN Hospital Pension Plan Investment Report moved to April 7 and to remove Item 4—NERSBA Update (move to April 7).

Commissioner Manning made a motion approve the deleted items from the agenda. Commissioner Sexton seconded, motion passed unanimously.

CONSENT AGENDA: **Commissioner Sexton made a motion to approve the Consent Agenda as amended:**

- a) Approval of meeting minutes (amend motion on page 1K from Chair Johnson to Commissioner Sexton)
- b) Tax Refunds & Releases and Insolvent Accounts

Commissioner Manning seconded, motion carried unanimously.

PUBLIC FORUM: Ms. Kim Hough (w/the Health Dept.) spoke to the Board regarding the roof at Health Department. It was put on in 1959. They are having health issues with employees now.

Ms. Debra Avery (w/the Health Dept.) told the Board she has been doing work orders for over a year for getting trashcans whenever it rains because of the leaks. Mold is bad inside. Commissioner Manning asked which buildings need to be done. Ms. Avery said the Administration Building does not need to be done, but the other buildings do. They see 6,700 people in 6 months at the Health Dept. Ms. Avery also said that if it rains all day, one girl mops up water all day.

Ms. Renea Price, (w/the Health Dept.) stated she has worked there for four years and the roof has been a problem all that time. It is an occupational hazard. The building is a public health facility so the Health Dept. should be keeping folks healthy.

Mr. Rhodes introduced John Flemming as the County's new EMS Director. Mr. Flemming started on the February 17, 2014. He comes to us from Jacksonville, NC and he has a lot of experience. Mr. Flemming has worked on both sides of the EMS fence and in transport. Mr. Flemming was the unanimous decision of the interview committee. Mr. Flemming spoke to

the Board and said he looks forward to working for the County and having a long and healthy career here.

USI ACTUARIAL VALUATION REGARDING THE HOSPITAL PENSION PLAN:

Mr. Dennis Jacobs, USI joined the meeting by phone to discuss his reports regarding the Washington County Hospital Pension Plan. Mr. Jacobs referenced the last two pages that show the 10 year history of the pension plan. Line number 9 is the funded ratio. There has been a decline in this area. Commissioner Phelps asked what happens if the County continues to fund this plan at the level we are doing now. It's only a matter of time before the assets do run out. On the second page it shows the pattern of payments that have to come out of the plan and it shows that it won't be long before the assets are depleted. Commissioner Phelps asked that if the County can't increase funding, what he suggests the County do. Mr. Jacobs said he can't answer that. There are different rules in different states, but some places take a hard look at these plans and include a decrease in benefits. Commissioner Manning asked if he has any suggestions on lowering our costs on administering this plan. Mr. Jacobs said the costs are small as compared to the benefit payments. Discussion ensued amongst the Commissioners on what they can do with this plan.

Washington County Hospital, Inc. Employee's

Pension Plan Statistics

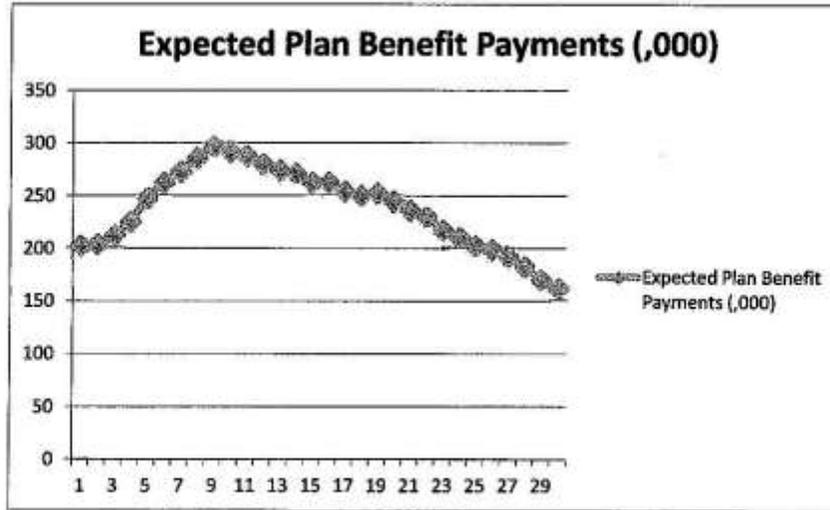
	1/1/2005	1/1/2006	1/1/2007	1/1/2008	1/1/2009	1/1/2010	1/1/2011	1/1/2012	1/1/2013	1/1/2014
1 Accrued Liability	\$2,524,052	\$2,573,590	\$2,295,964	\$2,368,424	\$2,447,610	\$2,516,261	\$2,487,634	\$2,833,841	\$2,878,892	\$2,972,054
2 Plan Assets	\$1,956,001	\$1,983,402	\$2,119,620	\$2,073,601	\$1,483,655	\$1,494,464	\$1,422,281	\$1,268,363	\$1,196,909	\$1,197,005
3 Unfunded Accrued Liability (UAL)	\$568,051	\$590,188	\$176,144	\$294,823	\$963,955	\$1,021,797	\$1,075,363	\$1,565,278	\$1,681,983	\$1,775,049
4 20-year amortization of UAL	\$63,672	\$55,659	\$16,612	\$27,804	\$90,908	\$96,362	\$101,414	\$147,618	\$158,024	\$167,401
5 Total Normal Cost	\$114,204	\$116,178	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
6 Recommended Employer Contributions at FYE	\$181,198	\$185,584	\$17,941	\$30,028	\$96,151	\$104,071	\$109,527	\$159,427	\$171,314	\$177,348
7 Actual Employer Contributions at FYE	\$62,500	\$60,000	\$0	\$0	\$0	\$0	\$27,400	\$27,400	\$61,142	TBD
8 Present Value of Accumulated Benefits (PVAB)	\$1,874,631	\$2,054,819	\$2,258,964	\$2,368,424	\$2,447,610	\$2,516,261	\$2,487,634	\$2,833,841	\$2,878,892	\$2,972,054
9 Funded ratio Plan assets divided by PVAB	104.3%	96.5%	92.3%	87.6%	60.6%	59.4%	56.9%	44.6%	41.0%	40.3%
10 Discount Rate	8.00%	8.00%	8.00%	8.00%	8.00%	8.00%	8.00%	8.00%	8.00%	8.00%
11 Benefit Payments for Prior Year	\$85,027	\$87,307	\$98,277	\$139,576	\$153,607	\$165,947	\$166,501	\$164,007	\$161,669	\$178,194

Notes:

FYE = Plan Year End

FYE = Fiscal Year End, 9/30 following FYE

**Washington County Hospital, Inc. Employee's
Pension Plan Statistics**



Expected Plan Benefit Payments (,000)

2014 Non-ERISA Rate 8%

Year	Benefit Payments
1	203
2	204
3	212
4	225
5	248
6	263
7	273
8	286
9	297
10	292
11	288
12	280
13	274
14	272
15	263
16	263
17	255
18	251
19	253
20	245
21	236
22	230
23	218
24	211
25	203
26	199
27	192
28	183
29	171
30	162

Commissioner Manning made a motion requesting that the County Manager and County Attorney check to see what the County’s options are regarding the hospital pension plan. Commissioner Sexton seconded, motion passed unanimously.

DISCUSSION ON HEALTH DEPARTMENT BUILDING IMPROVEMENTS: Mr. Rhodes said he was well aware of the history of the buildings that need repair. There are four roofs that need to be repaired. They are the original roofs—put on in 1975. During the fall of 2013, Mr. Rhodes came to the Board with bids for the roofs, but Finance ran into problems with financing for these roofs. Finance is still working to find financing for this project. Mr. Rhodes still has the four bids. Mr. Milazi is considering taking money from the fund balance for this project so that the County can move forward but he will still look for financing options to pay ourselves back.

Commissioner Sexton made a motion to allow Centimark, whose bid was \$94,500, start on the project using money from the fund balance. Commissioner Phelps seconded, motion passed unanimously.

AGRICULTURE UPDATE: Cooperative Extension Agriculture Agent Lance Grimes gave an update on agriculture in Washington County. Mr. Grimes said this is the busiest time of year for him. Commissioner Manning stated that Mr. Grimes does an excellent job of representing Washington County.

Washington County Agriculture



Agriculture Diversity

- Soil Types
- Crop Diversity



Statistics

- Total Acres in County: 222,843
- Number of Farms: 187
- Total Land in Farms: 96,911 acres



Agriculture Statistics

Year	Total Cash Receipts	Rank in the State
2010	\$82,436,997	36
2011	\$70,363,228	43
2012	\$104,471,574	36

3 year average: \$85,757,266



2013 Crop Acreage

Crop	Acreage
Corn	30,100
Wheat	21,028
Soybeans	31,700
Cotton	10,472
Peanuts	684
Rapeseed	1,528
Tobacco	370



County Agriculture Importance

- Land Rent
- Employers
- Seed, Chemical, Fertilizer Companies
- Custom Sprayers, harvesters, etc.



Winter Production Meetings

- Tobacco GAP Production Meeting
- Peanut Meeting
- Blackland Cotton Meeting
- 4 County Roadshow
 - 7 Corn and Soybean Production Meeting



Winter Production Meetings

- Private Applicator Recertification Meeting
- Aerial Applicator Training



Upcoming Events

- Planting Time
- Washington and Beaufort County 4-H Livestock Show
 - May 7, 2014
- Small Grain Field Day
 - May 15, 2014 at Vernon James Center
- BFMA Farm Tour
 - August 6, 2014



Contact Information

Lance Grimes

Washington County Agriculture Extension Agent
128 E Water St Plymouth, NC 27962

Office: 793-2163

Mobile: 217-8417



Ms. Rebecca Liverman, Cooperative Extension Director stated that their office recently mailed out 700 applications to landowners who have over 10 acres of land to see if they would like to enroll their land into Washington County's Voluntary Agriculture District (VAD). Ms. Liverman noted that over 4,000 acres have been enrolled in the VAD since 2012.

Chair Johnson asked about the status of Cooperative Extension offices in the future. Ms. Liverman said Cooperative Extension offices are still waiting to see what is going to be done regarding having current Cooperative Extension agents cover more areas as other agents retire and positions not filled. Chair Johnson said the Commissioners will do a resolution whenever Ms. Liverman requests one on this issue.

SOUTHERN ALBEMARLE ASSOCIATION (SAA): At the February 3, 2014 Board of Commissioners' meeting, the Board discussed updating Washington County's Priority List in the SAA brochure that will be re-printed this year. The Board was asked to bring ideas to the March meeting to update the list such as:

Widening Morratock Road
Putting in a turn lane on Hwy 32 at Morratock Road
Paving 30 Foot Canal Road (leading to Somerset)

Commissioner Phelps made a motion approve the abovementioned priorities to be added to the Southern Albemarle Association brochure. Commissioner Manning seconded, motion passed unanimously.

FINANCE OFFICER'S REPORT: Ms. Bennett distributed Mr. Milazi's report since he was away at a conference and not in attendance at tonight's meeting.

OTHER ITEMS BY CHAIR, COMMISSIONERS, COUNTY MANAGER, CLERK OR ATTORNEY:

Ms. Bennett reminded the Commissioners that the community meeting between the Board of Education and the Board of Commissioners will be March 18, 2014 at 6:00 pm at the Roper Union School. Each Board will show an organizational chart. Department Heads from each entity will stand up and speak to the public to let them know about the services they offer the community. Commissioner Phelps noted to make sure the meeting is marketed so there will be good attendance.

Bid proposals for Architectural Services for the Washington County Library Renovations were opened at 5:00 pm on Wednesday, February 19, 2014 in the Commissioners' Room. Seven proposals were submitted from the following:

- Errol J. Warren Jr. Architect (Rocky Mount)
- RGG Architecture PA (Greenville)
- The Wooten Company (Raleigh/Greenville)
- HH Architecture (Raleigh)
- JFK Architecture (Greenville)
- Ramsay Burgin Smith Architects (Salisbury)
- Oakley Collier Architects (Rocky Mount)

The proposals will be evaluated according to the following criteria:

- Technical Approach/Understanding of Problem
- Experience of Proposed Personnel
- CDBG Experience
- Familiarity with Location
- Rate Schedule

Mr. Rhodes would like to bring a recommendation to the Board on March 18 if the Board would be willing to have a short meeting at 5:00 pm before the joint meeting with the Board of Education, so the library project can get started.

Ms. Bennett received the "Meeting in the Box" for 2014 info from the NCACC. Ms. Bennett needs to know dates the Commissioners would be available for her to set up the meetings (either jointly or separately) with Rep. Paul Tine and Rep. Clark Jenkins.

Below is a link to the latest legislative update video from the NCACC. The NCACC would like for Commissioners to take a look at it as a kickoff to their preparations for the district meetings and the 2014 short session.

<http://www.youtube.com/watch?v=eDbhnmXySA&feature=youtu.be>

Commissioner Phelps reminded the Commissioners about the County's vision plan. Mr. Rhodes said he was working on it.

Chair Johnson noted that thanks to G.K. Butterfield's office there is now a navigator at DSS on Tuesdays and Fridays if citizens have any questions about the Affordable Care Act. Chair Johnson thanked Ms. Woolard for finding space for this individual to be able to work in our County

Commissioner Manning noted that he attended the Albemarle RC&D meeting in Edenton Tuesday a week ago. The Albemarle RC&D were instrumental in the Plymouth waterfront project. They are looking for more projects.

Commissioner Manning also attended his first Albemarle Commission meeting. He told them that Washington County would not like our dues raised this year. Commissioner Manning also mentioned that four other counties have a large interest in the 'no ferry tolls' situation and they are asking for Washington County's support.

Commissioner Manning also spoke about the Kendrick's Creek problem. Over 2 years ago he met with Rufus Croom (who was our Soil and Water Director) and was told that CAMA does not have jurisdiction over that area, but the Army Corp. of Engineers does and Washington County has now received authorization to snag and drag a portion of Kendrick's Creek.

Commissioner Sexton stated that he will be attending the Seymour AFB JLUS meeting tomorrow from 2:00 – 4:00 pm at the Vernon James Center. County Manager Rhodes and County Attorney Potter will also be attending. On Monday, March 10 at 11:00 am, there will be an RPO meeting at the Vernon Jones Center regarding the ferry tolls.

Mr. Rhodes asked for topics from the Commissioners that staff can work on talking points for the "Meeting in a Box" with Rep. Clark Jenkins and Rep. Paul Tine.

Mr. Rhodes mentioned to the Commissioners that his Manager's Report contains a bit more information in it regarding action items that are being completed.

Commissioner Phelps asked about item 11 in Mr. Rhodes' report (Inmate Medical Billings). Mr. Rhodes and Mr. Potter met with Chief Deputy Floyd and Sheriff Ross and they are working on information to give to the Commissioners.

At 6:00 pm, with no further business to discuss, Commissioner Phelps made a motion to recess the meeting until Tuesday, March 18, 2014 at 5:00 pm at Washington County Union School in Roper. Commissioner Sexton seconded, motion carried unanimously.

Tracey A. Johnson
Chair

Julie J. Bennett, CMC, NCCCC
Clerk to the Board