

May 17, 2010

Board of Commissioners Meeting

The Duplin County Board of Commissioners met in Regular Session on Monday, May 17, 2010 at 9:00 a.m. in the Commissioners Room, County Administration Building (224 Seminary Street), Kenansville, North Carolina.

Present: Chairman Cary Turner, Commissioners David Fussell, Frances Parks, Harold Raynor and Reginald Wells.

Absent: Commissioner Zettie Williams.

Also Present: Mr. Mike Aldridge, County Manager; Ms. Paige Marshburn, Administrative Officer; Ms. Teresa Lanier, Finance Officer; and Ms. Wendy Sivori, County Attorney.

Commissioner Parks gave the invocation.

The following reports were received by the board and are on file with the clerk:

Animal Control	Register of Deeds
Cabin Lake	Service for the Aged
E911	Social Service
Fund Balance	Soil & Water
Inspections	Water

Motion was made by Commissioner Raynor, seconded by Commissioner Williams, carried unanimously, to approve the Consent Agenda which included the following: Tax & Solid Waste Releases #7472 - #7485 and Budget Amendments #217-#223 and to add report from Local Government Commission on management of cash, taxes and fund balance for all counties; budget workshop following meeting and Commissioner Wells would like to talk about the Board of Education lawsuit.

Mr. Aldridge presented Administrative Budget Amendments #J433 – #K479 and Motor Vehicle Releases for April in the amount of \$5,702.02 to be made part of the minutes.

Public Comments:

Mr. Lendell Lee, Rose Hill appeared before the board to express how the Rose Hill ambulance service helped in his serious illness and does not want the Rose Hill EMS station removed or hours of operation reduced.

Mr. James Pittman, Rose Hill Town Board Member, appeared before the board to express how important the Rose Hill ambulance service is in Duplin County and did not want it to be cut from the budget for 2010-2011.

Mr. Clayton Bryant, Town Commissioner of Rose Hill, appeared before the board to express his concern and to represent the citizens of Rose Hill on how the EMS service is a valuable resource and does not want to see it close. The Town of Rose

Hill and Wallace adopted a resolution with letters petitioning to keep the EMS unit open and maintain the ambulance service.

Mr. Merle Beringer, Wallace ABC Board, appeared before the board to present the ABC distribution to the county, to give a brief explanation of how those funds are derived and to present a report on the funding for the past five years (See handout in minutes.)

Ms. Heather Beard, Economic Development, appeared before the board to present an award which Duplin County received for having North Carolina's Best Rail Served Sites (See handout in minutes.)

Mr. Dick White, Whitewood Associates, appeared before the board to provide an introduction on the purpose of the public hearing scheduled to receive citizen comments on the proposed lease of Duplin General Hospital. University Health Systems (UHS) is the sole proposal received for the lease of DGH and a copy of the UHS proposal has been provided to the board of commissioners. UHS is here to make their proposal to the board and accept any public comments.

Mr. Roger Robertson, East Carolina Health Systems President, appeared before the board to discuss the service of UHS. East Carolina Health is a subsidiary corporation of University Health Systems that accommodates community hospitals.

Ms. Kathy Barger, UHS System Growth and Developmental Officer, appeared before the board to read the proposal by University Health Systems.

Public Hearing began at 10:01 a.m.

Mr. Gray Morgan appeared before the board to share remarks in support of the lease proposal from UHS.

Mr. Jimmy Dixon appeared before the board to commend the commissioners and the Duplin General Hospital Staff for the efforts made to support citizens regarding the decision to lease with University Health Systems.

Mr. Dick White appeared before the board, to discuss that by early August they should be in a position to have documents that have been reviewed and approved by counsel, available for the board of commissioners and the hospital board. At that time a public hearing will be held where the documents are made available for public review. The transaction should be completed by September 30, 2010, if both boards approve.

Mr. Richard Harrell, retired CEO from Duplin General Hospital, appeared before the board to comment on how pleased he was to see that University Health Systems was the one chosen to join with Duplin General Hospital.

Mr. Gerald Quinn appeared before the board to endorse the proposition of leasing Duplin General Hospital to University Health Systems.

Commissioner Turner: Any other questions or comments from the public?

There were no more questions or comments from the public regarding the proposed lease of Duplin General Hospital.

Public Hearing closed at 10:15 a.m.

Motion was made by Commissioner Wells, seconded by Commissioner Parks, carried unanimously, for Mr. Tom Stukes and Ms. Wendy Sivori to begin negotiations with UHS.

Ms. Wendy Sivori left the meeting.

Ms. Thomasine Kennedy appeared before the board to announce that Duplin General Hospital is sponsoring the First Founders Days meeting which will be held at River Landing on May 25, 2010, at 7:00 p.m. and encouraged anyone to attend.

Mr. Mike Aldridge, County Manager, appeared the board to present updates on the manager's priorities and recommendations regarding Evergreen's Performance Audit. He pointed out seven audit recommendations to delete. One of the seven was removed from the list and it was recommended that a list of outside IT resources be provided to Mr. Tom Reaves, IT Director, for use as he needs. Mr. Vernon Mt. Castles, retired GE Technical Director, name will be provided to Mr. Tom Reaves for the IT resource list (See handout in minutes.)

Mr. Aldridge appeared before the board to request approval of the suggested legislative agenda, for submittal to the county's legislative delegation for consideration in the upcoming Legislative session. (See handout in minutes.) Items added to the list oppose the change in lottery distribution and to support the 1% sales tax for Cumberland County to support EMS and Fire.

Motion was made by Commissioner Wells, seconded by Commissioner Parks to endorse the legislative agenda and direct the county manager to submit it to the county's legislative delegation. Commissioner Wells and Parks voted for. Commissioner Fussell, Turner and Raynor voted against. Motion fails 2 to 3.

Motion was made by Commissioner Fussell, seconded by Commissioner Raynor to endorse all items on the Duplin County Legislative Agenda except the 1% sales tax issue. Commissioner Fussell, Raynor and Turner voted for. Commissioner Parks and Wells voted against. Motion carries 3 to 2.

Ms. Nanette Smith, Department of Social Service Interim Director appeared before the board to give an organizational update within the Department of Social Services and to request the reclassification of the Computer Systems Administrative I position to an Accounting Tech II position and to request the advertisement of the Accounting Tech II position. (See handout in minutes.)

Commissioners Fussell passed out information from the audited finance statements on county salaries and benefits. The county at this time cannot afford to hire new people.

Motion was made by Commissioner Parks, seconded by Commissioner Wells, to allow Ms. Smith to advertise an Accounting Tech II position. Commissioners Parks, Turner, Raynor and Wells voted for. Commissioner Fussell voted against. Motion carries 4 to 1.

Mr. Jim Harris, Tourism Development Authority (TDA), appeared before the board to state he was in full support to help and be part of getting the event center back up and running.

Mr. Stephen Williamson appeared before the board and said it was the census of their board to work closer with TDA and both boards have a mutual interest in developing the relationship as they move forward.

Mr. Stephen Williamson presented a business plan developed for the event center by Ms. Dianne Johnson, Canon Consulting. The advisory board and some commissioners were involved in reviewing the plan as presented by Ms. Johnson. The advisory committee is asking the commissioners to approve hiring Ms. Johnson with Canon Consulting and direct the County Attorney to develop a contract for review and signing on June 8, 2010. She will begin work on June 8, 2010 and will continue through the end of December. At that time she will be evaluated (See handout in minutes.)

Motion was made by Commissioner Wells, seconded by Commissioner Parks, carried unanimously, to accept the Event Center Advisory Board recommendation to contract with Canon Consulting for Events Center management and marketing services as described in a proposal dated May 11, 2010 and to authorize the county attorney to prepare the necessary contract for presentation to the commissioners on June 8, 2010.

Budget Appeals:

Mr. Ken Jones, Eastpointe CEO, appeared before the board to request the \$224,000 that was requested for 2010-2011 are allocated to Eastpointe to continue serving people in need of mental health services such as the mentally ill, the developmentally disabled, and those struggling with substance abuse issues. Eastpointe will reimburse \$70,000 to the county.

Commissioner Fussell spoke on behalf for the manager of Wallace Adult Day Care and asked for an appeal to fully fund the \$14,000 request.

Miscellaneous

In November 2009, the commissioners appointed a committee of six volunteers to develop a policy to guide the naming of county buildings and facilities. The committee met twice and developed the attached policy. It is recommended to be adopted by the commissioners to become effective immediately (See handout in minutes.)

Terms for two members on the Airport Board expire on June 30, 2010. The Airport Board voted to request reappointment of Mr. Joe Bryant and Mr. Bob Quinn (See handout in minutes.)

Motion was made by Commissioner Wells, seconded by Commissioner Wells, carried unanimously, to reappoint Mr. Joe Bryant and Mr. Bob Quinn to serve on the Airport Board.

Motion was made by Commissioner Parks, seconded by Commissioner Wells, carried unanimously, to advertise a public hearing on the budget presentation for June 7, 2010 at 6:30 p.m. at the Ed Emory Auditorium located in the Lois G. Britt Agricultural Center, at 165 Agriculture Dr., Kenansville, North Carolina.

Mr. Aldridge appeared before the board to continue with the budget session on the 2010-2011 budgets.

Report on current year (Handout by Teresa) (See handout in minutes.)

Board of Education:

Last Year - \$7,727,529.00

This Year - \$8,331,720.00

\$604,191.00 increase

Fussell: What is the BOE Request?

Teresa: Back page is what they sent us.

Fussell: What will it be June 30, 2010 from county funds?

Teresa: They will draw the county allocation.

Parks: Wanted to see line by line what they requested last year compared to this year. (see Teresa's handout)

Fussell: Total County is \$7,837,529.00

Requesting: \$9,219,249.00

Fussell: They are asking for \$1,381,720.00 more

Teresa: This figure comes from the following:

\$50,000 - ROTC

\$604,191 - county

\$727,529 - carries over of county funds that will be in their fund balance

Parks: Did the \$727,529 come from us that they are carrying over?

Teresa: Without talking to Ms. JoAnn Hartley, Board of Education, directly, the understanding Teresa received was that the \$727,000 was coming from county funds. She explained about the \$1,089,000 that was in technology but has not been used this year. Ms. Hartley wants to wait till next year because she could save 90 cents on the dollar and this savings will help with technology. That's the \$727,000 the county put in reserve last year to go to capital and they begged we take it out of capital reserve and put in current spending. Ms. Hartley started drawing what they were spending (up until March). County increase is \$604,000 for current expense. Teresa

explained that she did not attend the meeting but this is what she has heard and understands it to be.

Commissioner Fussell: Last year they got \$7,727,529.00
This year they want \$8,331,720.00
Increase of \$604,191.00

Commissioner Fussell: Mr. Chuck Farris made motion at the BOE meeting that the capital outlay figure was for information only. In documents it shows the amount as additional requests.

Teresa: The budget document from the BOE has been accepted as delivered. This would be a fair question to ask the BOE for clarification.

Lottery money at State level should be applied and used in Duplin County and not left in Raleigh.

Any of their capital projects that could be funded by lottery money should be funded by lottery money. This keeps the county from using capital money and can use county capital money for something lottery money cannot be used for.

Capital received last year was allocated as follows:
\$200,000 for High School recreation
\$50,000 for Elementary recreation
\$340,000 for improvement to sites
\$363,000 for equipment and furniture
\$170,000 for capital vehicles

In a recent consent agenda there was a budget revision moving some of that money to capital for vehicles.

Commissioner Wells left the meeting.

Teresa discussed the County general fund budget (education hold harmless) \$601,000 this year and \$482,000 last year. This figure has to be appropriated to capital outlay schools and is based on how the sales tax was figured.

In last years budget \$727,529.00 was budgeted to capital. The BOE wanted it to go to current expense, not capital. Ms. Hartley and Ms. Craft showed evidence of needing it for technology. The commissioners approved moving it to technology. The BOE has not used this money yet.

Mike said we need two numbers from the board of commissioners:

1. Current expense
2. Capital

Current expense in the BOE budget right now is \$7,827,529.00. They are asking for \$8,331,720.00. The county manager needs to know from the commissioners what do you want to do with the half million difference.

Commissioner Turner talked with Mr. Chuck Farior on the phone during the meeting and confirmed that the \$40.5 million (\$37 million for new consolidation High School and \$3.5 million for (Charity Gym/classrooms) was for information purposes only and not a request.

Commissioner Turner: If we would agree to grant their budget request, obviously the taxpayers will have to foot the burden of the increase, but in return, if they would release the lawsuit of \$4.8 million we would grant this request. Bring to their attention, this would be recurring. In short term it might not sound too appealing, but in the long term they would be receiving more money than the \$4.8 million. However, this would release the burden on the taxpayers paying the \$4.8 million as supplemental tax. If the board of commissioners votes on this suggestion by Mr. Turner, he will present it to the BOE. If they do not accept this option, the board of commissioners will give the BOE what they received last year.

Motion was made by Commissioner Fussell, seconded by Commissioner Parks, carried unanimously, for Mr. Turner to present this option to the BOE.

Discussion: Teresa: Are you talking about giving them current expense budget request or current expense plus capital. The \$1.7 million will require an increase because last year it was \$1.2 million.

Mike: We have \$1,223,000 in the current draft budget for next year and they are asking for \$1,753,000. The difference is \$430,000. There is \$604,191 difference in current expense and \$430,000 difference in capital compared to what they got this year which is \$1.1million.

Commissioner Wells returned to the meeting.

Turner: Asked Mr. Wells would he agree for Mr. Turner to go to the BOE on May 18, 2010 and make an offer to them that we will accept their budget request but obviously taxpayers will have to foot the burden of \$1.334,000. It would be an increase for tax payers recurring. But will release from the taxpayers the burden of \$4.8 million. Also, explain to them looking long term it will take a few years for them to get the \$4.8 million but at that point it will be end up to be more and to their advantage. If they should choose not to, we will give them what they got last year and pay the \$4.8 million in supplemental tax.

Ms. JoAnn Hartley came into the meeting and confirmed that the new school construction was for information only and not a request. This has been corrected in their minutes. She also confirmed she would act on the lottery issue.

Mr. Jimmy Dixon appeared before the board to confirm the motion was:

Mr. Turner is going to the BOE and going to say in some words: we will fund your request this year in the amount that you have requested if you forgive the lawsuit. If you do not forgive the lawsuit, we will fund you at the same level we funded you last year. The board of commissioners is not offering to fund the request for the consolidated high school.

Commissioner Wells request to put in writing just how the BOE will get their money, should the discussion end up still paying the \$4.8 million lawsuit. Tell them we will not go into fund balance. They will receive the money as we receive it from the taxpayers. Commissioner Turner said this would be part of his discussion with them.

Mr. Aldridge said it would be fair to ask them to give us a budget on how the \$4.8 million will be used, if this is still an issue after the offer. Mike, Wendy and Teresa will do a letter, signed by Mr. Turner and give to Mr. Turner to take to the meeting with the BOE on May 18, 2010.

Mr. Fussell: Make sure they know that if they refuse the offer, we will be forced to send out a supplemental tax.

Motion was made by Commissioner Wells, seconded by Commissioner Fussell, carried unanimously, to keep Rose Hill EMS in operation (See handout in minutes.)

Mr. Aldridge asked Commissioner Fussell how he wanted to pay for the above motion. Commissioner Fussell answered to take it out of fund balance.

Motion was made by Commissioner Parks, seconded by Commissioner Fussell, carried unanimously, to keep Cabin Lake open and put request back into the budget.

Motion was made by Commissioner Fussell, seconded by Commissioner Wells, carried unanimously, to keep the Adult Daycare in Wallace open.

Mr. Brian Pearce appeared before the board to discuss that the 1% sales tax would be a way to lower the fund balance contribution or property tax. This would be no gain to EMS. It is about 9 cents. It should not be introduced in a short session. Brian just wanted a census of support from the board that this could happen years away.

Commissioner Fussell said the only way he would support the 1% sales tax would be to put it on the ballot for the citizens to vote on. The earliest it could be on the ballot would be November, if it passes the legislature.

Commissioner Fussell: Why was \$126,000 deducted from health? Teresa answered: that the Health Department has many functions or programs that they prorate their expenses to. This was a request from the Health Department.

Commissioner Fussell: Does the Airport need the \$83,000 or not? The Airport request was \$137,290.

Commissioner Fussell: What about the Forestry Service? What was their request? Mike answered \$127,985.

Motion was made by Commissioner Fussell, seconded by Commissioner Parks, carried unanimously, to put back in \$127,985 for Forestry Service.

Motion was made by Commissioner Parks, seconded by Commissioner Wells, carried unanimously, to put back in the Museum and EastPointe, if we do not go below the fund balance.

Rural Planning Organization (RPO) and Vocational Rehabilitation has not been added back into the budget.

The Vocational Rehabilitation role is to rehabilitate people for jobs which they are qualified and train people for jobs. The county makes a contribution of \$25,355 to their overall budget. It was the census of the board to put this on hold and revisit after the school board issue takes place.

Mike suggested having the towns of Warsaw and Wallace to help support the contribution for RPO. The towns would pick up 25% and the county picks up 75%. County contribution would go from \$5400 to \$4000. There are about 25% of residents incorporated in town limits.

Motion was made by Commissioner Fussell, seconded by Commissioner Parks, carried unanimously, to add back county contribution to Rural Planning Organization of \$4000 with \$1400 of the RPO cost coming from the towns.

Motion was made by Commissioner Parks, seconded by Commissioner Wells to add to the legislative agenda the 1 cent sales tax in the form that it is voted on by the citizens prior to implementation. Commissioner Parks, Turner, Raynor and Wells voted for. Commissioner Fussell voted against. Motion carries 4 to 1.

FYI – A letter to the commissioners from Ms. Marilyn Carter, a concerned tax paying citizen (See handout in minutes.)

Motion was made by Commissioner Parks, seconded by Commissioner Wells, carried unanimously, to adjourn until June 7, 2010 at 6:30 p.m. in the Lois Britt Auditorium at 165 Agricultural Drive, Kenansville, NC.

Clerk

