

The Perquimans County Board of Commissioners met to hold the Budget Work Session on Wednesday, May 18, 2016, at 7:00 p.m. in the Conference Room of the Emergency Medical Services Building located at 159 Creek Drive, Hertford, NC 27944.

MEMBERS PRESENT:	Janice McKenzie Cole, Chair	Kyle Jones, Vice Chairman
	Fondella Leigh	Edward R. Muzzulin
	Wallace Nelson	Matthew Peeler
MEMBERS ABSENT:	None	
OTHERS PRESENT:	Frank Heath, County Manager	Tracy Mathews, Finance Officer

FY 2016-17 BUDGET

Frank Heath, County Manager, and Tracy Mathews, Finance Officer, presented the proposed Budget for FY 2016-17. County Manager Heath will present his Budget Message at the June 6, 2016 Regular Meeting and a Public Hearing will be held on Monday, June 20, 2016, for Budget adoption.

ADJOURNMENT

After completing the review of the proposed FY 2016-17 Budget, the Budget Work Session was adjourned at 10:00 p.m.

Janice McKenzie Cole, Chair

Clerk to the Board

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REGULAR MEETING

June 6, 2016

6:45 p.m.

The Perquimans County Board of Commissioners met in a regular meeting on Monday, June 6, 2016, at 6:45 p.m. in the Commissioners Room located on the first floor of the Perquimans County Courthouse Annex.

MEMBERS PRESENT:	Janice McKenzie Cole, Chair	Kyle Jones, Vice Chairman
	Fondella Leigh	Edward R. Muzzulin
	Wallace Nelson	Matthew Peeler
MEMBERS ABSENT:	None	
OTHERS PRESENT:	Frank Heath, County Manager	Mary Hunnicutt, Clerk to the Board
	Hackney High, County Attorney	

After the Chair called the meeting to order, Commissioner Nelson gave the invocation and the Chair led the Pledge of Allegiance.

CONTINUED PUBLIC HEARING

Financing for New Library Facility

Chair Cole opened the Public Hearing stating that the Public Hearing was continued from last month. She further stated that the purpose of the continued public hearing was to receive citizens' comments on the proposed financing of the construction of the new Perquimans County Library. The proposed financing will be for 10 years and for not to exceed \$2.5 million dollars with no pre-payment penalty for the loan. There were 20 people present. Chair Cole recognized County Manager Heath who explained that we had received a proposal from BB&T for a \$2.5 million loan for ten years at an interest rate of 1.88%. Chair Cole asked if anyone had signed up to speak. The following comments were made:

- **Bob Bastek:** Mr. Bastek spoke in favor of the financing and read the following statement:
"My name is Bob Bastek. I asked to address the Board because you often do not get positive comments during public hearings. I have been involved in this project since 2010 when I was a member of the local community team which first bought to light the need in the county for a project such as that which you are looking at today. We didn't necessarily envision an entirely new library building, but called for a place where the community can enjoy the experience of a modern library in a comfortable setting. We elicited help from community advisors and spread our needs throughout the various groups in the county. During the last week in April, I visited eight libraries in North Carolina from Greenville to Sneads Ferry. Some were new, some old, some large and some small. Libraries are a vibrant source of community pride. What you are planning to fund will be a great addition to this county. It will be a great investment in the future of Perquimans County."
- **Leary Winslow:** County Manager Heath read the following letter from Mr. Winslow:
"Good evening Madam Chair and Fellow Commissioners. My name is Leary Winslow and I reside at 337 Cedar Stretch Road. I believe our county needs to spend some money on the library, but I do not feel we need to spend 2.5 or 3 million dollars on it. Our current library has a few issues that could be worked out for a fraction of the cost of a new library. I understand that there is no off street parking and this problem could be easily addressed in the adjacent empty lot. Plus, there is additional parking in the old senior center lot. Another issue seems to be the need for meeting rooms. The old senior center building would provide ample room to service this need. The library and senior center building could be attached quickly and inexpensively. I do not feel our library has enough traffic to justify 2.5 million dollars. Now if a new library is inevitable and there is no changing any of your minds, there are still many concerns. The first concern is the proposed location. How was this location chosen and is this the best location to service those who would benefit most? Each of the four schools in the county has a library/media center. Can you imagine the engagement from our students if the new library was located on or near our high school? For four years, the students in our county could benefit from the best resources our county has to offer. The current location would make it difficult to attract students and youth in our county. Secondly, what technological services will be offered to ensure students will have Internet access at the library as a method to complete school work? Third, how will the library partner with the school district to ensure all students can read at their appropriate Lexile levels during the summer months? Fourth, what is the vision and mission of the library? How does it correlate to the vision of Perquimans County and the school district? Collectively each of these concerns and questions should be addressed before moving forward with a new library."
- **Tommy Harrell:** Mr. Harrell said that he had visited the library and looked at the books to see how often they had been checked out. He said that many of the books from each section had not been checked out for several years. There were only three people in the library on that day. He said that, when he hears talk about needing a new library, it is basically because we need meeting rooms. He stated that we have a nice facility at the Recreation Center, at EMS Building, at Albemarle Commission, at the Senior Center, and at every church in this community. He provided other locations of meeting rooms within the county that can be used. He feels that we could better invest the \$2.5 million dollars in our kids in this County and get better teachers, upgrade our education, and then build a library. We do not need a Barnes & Noble, we need to education our kids.
- **Alan Lennon:** Mr. Lennon did not have a prepared speech but want to expand on what Mr. Harrell said. He said that he was not familiar with this library but his wife and two children are. He thinks it is a good library but it isn't new, glassy, and shiny but it provides the resources that we need at this time. With the amount of money that we are looking at, he feels that we should probably scale the project down and convert some of those funds to our education system. He concluded his remarks with the fact

that, when he is faced with a problem or situation, he does research to make a strong, sound decision for what is best for that situation.

- **Bill Ross:** Mr. Ross, Chairman of the Local Library Board, explained that he too did not have a prepared speech but wanted to explain why they need a new library facility. The Library Board has done their research and looked at other facilities. They have been researching this since 2009. He is a resident of Perquimans County and frequently visits the Perquimans County Library. The role of the library is changing. You cannot base your decision on one visit to the Library. You have to visit it frequently. He cited an incident when they were holding a summer reading program and needed to provide refreshments to the children. In this case, our library did not have the facilities available to provide the refreshments so the children were running across the street, some unattended, to get the refreshments. The Library Board has been working on this project for about six years. He concluded his remarks by saying that he had worked in the construction field and understands that we have to go about this project professionally and competently and in great detail.

There being no further comments, Chair Cole closed the Public Hearing at 7:00 p.m. and proceeded with the regular meeting.

AGENDA

Commissioner Peeler reminded Chair Cole that we needed to amend the Agenda to delete Closed Session Minutes since they did not have them to review. On motion made by Edward R. Muzzulin, seconded by Fondella A. Leigh, the Board unanimously approved the Agenda as amended.

CONSENT AGENDA

The following items were considered to be routine and were unanimously approved on motion made by Wallace E. Nelson, seconded by Edward R. Muzzulin.

1. **Approval of Minutes:** May 2, 2016 Regular Meeting & May 16, 2016 Special Called Meeting/Regular Work Session along with the Budget Work Sessions on May 12th and May 18th,
2. **Tax Refund/Release Approvals:**

PERQUIMANS COUNTY TAX REFUND:

Gordon, Odessa White. ----- **\$344.68**
 Double-wide assessed at \$67,000 was repossessed & moved out of County 3/19/13. Tax Department was notified 5/16 by taxpayer. Account No. 256794.

PERQUIMANS COUNTY TAX RELEASE:

Gordon, Odessa White. ----- **\$334.99**
 Double-wide assessed at \$67,000 was repossessed & moved out of County 3/19/13. Tax Department was notified 5/16 by taxpayer. Account No. 256794.

3. **Personnel Matters:**

Employee Name	Employee Job Title	Action Required	Grade/Step	New Salary	Effective Date
Glen Cunningham	Part-Time Building Inspector	Correction	67/6	\$18.24/hr.	6/1/2016
Gay Price	Full-Time Telecommunicator	Resignation			5/20/2016
David Noble	Athletic Program Supervisor	Resignation			6/15/2016
Krystal Agosto	911 Shift Supervisor	Appointment	63/4	\$30,302	6/1/2016
Susan Chaney	Social Services Director	FMLA		Six weeks	7/29/2016
Sabrina Patrick	IMC II	FMLA		Two weeks	5/16/2016

4. **Step/Merit Increases:**

Employee Name	Employee Job Title	Grade/Step	New Salary	Effective Date
Sherry Schrodt	Promotion to Social Worker III	69/1	36,665	6/1/16

5. **Register of Deeds' New Service - GetCertificateNow:** For information purposes, the Register of Deeds' Office has started a new program entitled "GetCertificateNow".
6. **Board Appointment:** The following Board appointments were approved by the Board:

NAME	BOARD	ACTION	TERM	EFFECTIVE DATE
Congdon, Steav	Recreation Advisory Committee - Winfall	Reappointment	2 yrs.	7/1/2016
Holman, Lillian	Senior Tarheel Regional Advisory Board	Reappointment	1 yr.	7/1/2016

7. **NC DPS – Community Programs – County Funding Plan:** We received a notification from Nancy Hodges, Area Consultant for NC Department of Public Safety, that there was a Program Provider change. This is for information purposes only.

PRESENTATIONS

- **Presentation of Plaque:** Due to her illness, Homeria Jennette is unable to attend a Commissioners' meeting to receive her plaque. Therefore, County Manager Heath and Chair Cole will make arrangements to present her plaque at her home.
- **Introduction of New Employee:** Bill Ross, Chairman of the Local Library Board, introduced their newest employee, Marsha Jordan, and the new Librarian, Michelle Lawrence. After Ms. Lawrence made several comments, Chair Cole welcomed them to Perquimans County.

BILL JENNINGS, TAX ADMINISTRATOR

Mr. Jennings presented his monthly report and gave an update on the Revaluation process and the Foreclosure report. He stated that the Board of Commissioners closed their Board of Equalization & Review prior to their meeting tonight.

SUSAN CHANEY, SOCIAL SERVICES DIRECTOR

Ms. Chaney presented her monthly report.

PRESENTATION OF FY 2015-2016 BUDGET MESSAGE

County Manager Heath presented the following FY 2016-2017 Budget Message to the Board:

June 6, 2016

To: The Honorable Chair, Board of Commissioners, and taxpayers of Perquimans County

I respectfully submit the proposed budget for Perquimans County for the Fiscal Year 2016-2017. The budget has been prepared in accordance with the North Carolina Local Government Budget and Fiscal Control Act. The budget identifies the estimated revenues and expenditures for the Fiscal Year 2016-2017.

The FY 2016-17 Budget follows the general reappraisal of real property for Perquimans County. Setting the Ad-Valorem Tax Rate in a revaluation year brings much speculation and concern, especially since the tax base decreased by approximately 23% since the last revaluation in the year 2008. The total taxable value in Perquimans County decreased from \$1,677,803,970 to \$1,295,330,502. The North Carolina Department of Revenues Sales Assessment Ratio Studies show that the median sales ratio to be 99.2%. That is, of their sampling of real estate transactions since the revaluation, the median ratios are 99.2% of the market values, 100% being the established goal by North Carolina General Statute. This initial data indicates that market values are in line with the new revaluation figures.

Proposed Tax Rate

The revenue-neutral tax rate, as defined by G.S. 159-11(e), is the rate that is estimated to produce revenue for the next fiscal year equal to the revenue for the current fiscal year if no reappraisal had occurred. The rate is then adjusted by a growth factor equal to the average annual

percentage increase in the tax base due to improvements since the last general reappraisal. According to this definition, the revenue-neutral tax rate is 57 cents. This budget proposes a tax rate of 57 cents (see Exhibit 1).

The most common question for taxpayers after the revaluation process is “Will my taxes go up?” The answer depends on how much your real property increased or decreased relative to the average decrease. It also depends on how much personal property or business property you own. Owners of real property, whose values decreased at the same percentage as the County as a whole, will see little to no change in their tax bill. Owners of personal property, such as motor vehicles will be paying slightly more next budget year, as shown on the attached Exhibit 2. For a typical taxpayer with about \$30,000 dollars of personal property value, motor vehicles for example, an annual increase of about \$39.00 could be expected.

As in years past, the County’s budget process calls for department heads and other agencies to submit budget requests to the County Manager. In total, the requests amounted to approximately \$16.95 million. That’s almost \$3 million dollars more than anticipated revenues for the upcoming fiscal year. The tax rate would have to be 80 cents to fully fund all requests of Perquimans County for the next year.

When compared to other Counties in the region, Perquimans’ tax rate will remain among the lowest:

Perquimans-	57 cents per hundred
Gates-	64 cents per hundred
Camden-	68 cents per hundred
Chowan-	72.5 cents per hundred
Pasquotank-	76 cents per hundred

While the tax rate is at revenue-neutral and one of the lowest in the region, this budget still provides adequate funding for services that we have historically provided, enhances some services, and provides benefits for the County employees.

General Fund Budget Summary

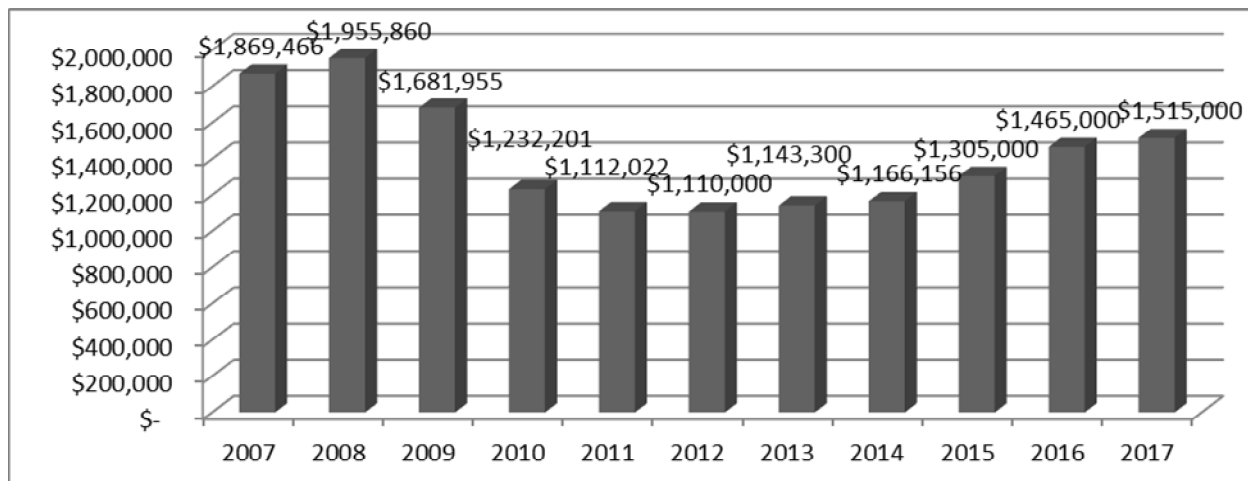
The General Fund budget is \$14,788,251 for 2016-2017, down from the current year’s amended budget of \$15,031,080. To enable the funding of increased school current expense and capital requests, and increased expenditures for public safety departments such as 911 Communications, Fire Departments and EMS, this budget designates \$750,668 of general fund balance to be utilized. Even with this amount of fund balance used, we will still maintain a fund balance of over 25%, much more than the 8% recommended by the Local Government Commission. Perquimans has a history of controlling spending below budgeted amounts, so it is unlikely that we will have to utilize the full amount of fund balance listed.

General Fund Revenues

Property taxes account for the vast majority of general fund revenues, and I’ve already mentioned the conditions as it relates to real property taxation. We are projecting that motor vehicles taxes will stay static for the upcoming fiscal year.

Sales tax revenues are the second largest source of County general fund revenues. Based on good returns from this fiscal year, sales tax revenues are projected to grow by a total of \$50,000. The chart below shows the history of sales tax revenues since 2007.

County Sales Tax Revenues



An additional \$307,080 is forecast to be added to Perquimans’ sales tax allocation to reflect the additional services taxed by the General Assembly in 2016. In addition to the sales tax revenues, there are three other important sources of revenues that provide insight to the strength of the local county economy. They are Building Inspection Fees, Register of Deed Fees, and Land Transfer Tax Revenues. While sales taxes reflect retail sales, these other revenues are construction and real estate based. Expected Land Transfer Tax revenues in FY 2016-17 are \$250,000, \$40,000 more than last year, but well below the FY 2006-07 total of \$1,188,541. Building Inspection Fees and Register of Deed Fees revenues remain at among the lowest levels in over a decade, projected at \$225,000 combined. This represents a \$15,000 increase in revenue, however, from these two fees for FY 2016-17.

A continuing revenue for this budget year will be a projected \$394,000 Medicaid hold-harmless allocation from the State.

General Fund Expenses

Most of the departmental operating budgets remain fairly static compared to the current budget year. By way of comparison, the five largest General Fund expenses by department or agency are as follows:

<u>Department/Agency</u>	<u>Proposed FY 16 Funding</u>	<u>% of Total GF Budget</u>
Perquimans County Schools	\$3,975,408	27%
Social Services	\$2,638,318	18%
Emergency Medical Services	\$1,382,817	9%
Sheriff Department	\$1,122,159	8%
Albemarle District Jail	\$891,717	6%

School Funding

As presented by the Board of Education and school staff earlier this spring, the Perquimans County School System has requested \$3,818,315 for school current expense, an increase of \$1,443,315 over last year’s County appropriation of \$2,375,000. This represents a 60% increase from the previous fiscal year. Much of the requested increase in Local Current Expense is associated with increases in teacher supplements, increases classified position salary schedules, and the addition of an assistant superintendent for Curriculum and Instruction and accompanying department.

The proposed FY 2016-17 County budget increases by \$400,000 to a total of \$2,775,000 for Local Current Expense, a 17% increase in total and around 400% more than any increase received over the last five years. This indicates a significant commitment by the County Board of Commissioners to increase teacher supplements and classified position salary adjustments. The school capital outlay budget increases to \$363,805, or a 37.5% increase. The capital outlay includes a 72 passenger activity bus, desk and chair replacement at Hertford Grammar School, sealing the maintenance building roof, replacement of the roof over the High School Auditorium, repainting of Middle school hallways, and the final phase of Hertford Grammar School floor tile removal and replacement. The capital outlay budget also includes the 4th of five lease payments for an activity bus. The School system has also requested \$175,000 for a capital reserve for sustainability of their 1:1 technology initiative. This is in response to the Golden Leaf grant that the School received, which requires that funding for the devices be sustainable. The County will instead maintain these monies in its fund balance with an aim to fund sustainability once the devices are sold back and new ones are acquired. The first payment from the County for the 1:1 initiative is expected in FY 17-18.

Building and Facility Initiatives

Perquimans County will engage in several new facility projects in FY 2016-17. The proposed budget for next year allocates approximately \$10,000 for additional expansion to the Senior Citizens facility. This funding should allow for an expansion of the outdoor game space. An additional \$5500 is allocated for a storage building for the Senior Center.

\$20,000 is being designated for various parking lot improvements throughout the County buildings.

\$10,000 is being designated for renovation of storage space within Social Services to create two new offices.

Capital Outlay

Outside of the normal replacement of electronic items such as computers and copy machines, the major capital items included in the FY 2016-17 budget are the replacement of three Sheriff Department vehicles, including an animal control truck (\$85,575), a new vehicle for the Social Services Department (\$25,000), a new ambulance for EMS (\$165,000), lifesaving EMS equipment such as laryngoscopes and a chest

compression system (\$22,300), construction of a disaster debris site as required by the NC State Office of Emergency Management (\$25,000), and lighting controls for the Winfall tower site (\$8400).

Personnel

The proposed FY 2016-17 budget contains a 3% cost of living adjustment for County employees, and maintains merit and salary step increases for those employees who qualify.

The North Carolina Local Government Employees Retirement System employers' contribution is expected to remain at 6.77% for the employee.

This budget includes converting a tax clerk position to a tax clerk/finance assistant position. It also funds the mandate by the State that all Cooperative Extension employees' salaries be at least 50% County funded. All support level positions have to be 75% County funded.

\$10,000 has been allocated to the Tourism Development Authority to fund a part-time tourism director, in coordination with the Towns.

Other Noteworthy Items

- * Funding for the County Fire Departments increases to \$67,500 each, up from \$65,000 for each department last year.
- * Funding for the Perquimans County Library increases to \$165,000.
- * Tri-County Animal Shelter funding remains at \$60,000.
- * Albemarle District Jail remains a considerable expenditure, at \$890,717.

Water Fund

Perquimans continues to make significant investment in its overall ability to provide water to its customers. Our system is an aging one, with infrastructure aged at over 30 years old in some places. This means that the County makes ongoing repairs to the lines in the system as needed throughout the year. Perquimans continues to purchase 150,000 gallons of reverse osmosis water from Pasquotank County that services customers on the Winfall plant side. The bulk water rate that Pasquotank County charges is expected to remain \$6.00 per thousand gallons. Also, Perquimans is investing on the Bethel plant side, as we have purchased the Manley well site, and will allocate \$150,000 for continued work on that location in the upcoming fiscal year. We will also allocate \$100,000 for the replacement of aging water meters throughout our system. We will also include another water plant operator position in this budget. The total water fund budget for the Fiscal Year 2016-17 is \$2,486,593. The water rates for Perquimans County will remain unchanged for the upcoming fiscal year.

Solid Waste Fund

The proposed solid waste fee for FY 16-17 is \$130, no increase from last fiscal year. This fee covers the cost of operating the five Convenience Site locations, the County's portion of the Perquimans-Chowan-Gates Transfer Station operating cost, and the tipping fee for the County's solid waste at the private landfill in Bertie County. The total solid waste fund budget is projected at \$930,227.

Conclusion

Despite the challenges brought about by a revaluation in a market that has declined, Perquimans County has been able to remain revenue neutral and still provide effective services to our citizens. As indicated earlier, this budget focuses on increased spending for schools. We have made a significant contribution towards bolstering our teacher supplements and classified position salaries. We have provided a cost of living adjustment for County employees, and maintained merit and step increases for those who qualify. We have increased funding for emergency services agencies and our local volunteer fire departments. We have committed monies to various building and capital projects as already stated. Lastly, we have continued to fund services despite cuts in State funding with no reductions in mandates.

I'd like to thank the Department Heads for their stewardship in this budget process and their consideration of the marginal increase in County revenues. I would also like to thank the Board of Commissioners for your involvement in the budget process and for making difficult, but important decisions on behalf of the citizens of Perquimans County. Finally, I'd like to thank County staff: Tracy Mathews- Finance Officer, Mary Hunnicutt- Clerk to the Board, and Debbie Stallings- Assistant Tax Administrator, for their assistance and guidance in this process.

I thank each of you for your consideration of this proposal and welcome any changes the Board deems appropriate.

At the request of the Chairman and Board of Commissioners, a public hearing has been scheduled for Monday, June 20, 2016, at 7:00 p.m. in the Commissioners' Room of the Courthouse Annex for public comment and to consider adoption of the budget.

Submitted by:

W. Frank Heath, III
County Manager/Budget Officer

EXHIBIT 1

2016 Revenue Neutral Tax Rate based on G.S. 159-11(e)

	<u>2015 Levy</u>	
Real Property	\$ 7,152,273	
Public Service Companies	\$ 258,079	
Motor Vehicles	\$ 580,799	
Business Listings	\$ 104,332	
TOTAL 2015 LEVY		\$ 8,095,483
Average Tax Base Increase (1%)		\$ 8,176,438
	<u>2016 Values</u>	
Real Property	\$1,215,676,222	
Public Service Companies	\$ 58,654,280	
Motor Vehicles	\$ 131,999,773	
Business Listings	\$ 21,000,000	
TOTAL 2015 LEVY		\$ 1,427,330,275
		X
Revenue Neutral Rate		\$ 0.005728
TAX LEVY FOR 2016		\$ 8,176,438
2016 REVENUE NEUTRAL TAX RATE	57.0 CENTS	
<u>Surrounding Counties</u>		
Camden	.068	
Chowan	.0725	
Gates	.064	
Pasquotank	.076	
<u>Perquimans</u>	<u>.057</u>	
		Source: NCACC 15-16 Budget and Tax Survey

EXHIBIT 2

Example Perquimans County Tax Payments for 2015 vs. 2016

2015 County Tax Rate \$ 0.44
Proposed 2016 County Tax Rate \$ 0.57

Example Tax Payer with 23% decrease in property value and \$30,000 total value of Vehicles						
	2015 Value	2015 Taxes	2016 Value	2016 Taxes	Difference	% Inc. or Dec.
Real Property	\$ 165,000	\$ 726.00	\$127,050	\$ 724.19	\$ (1.82)	-0.3%
DMV (Autos)*	\$ 30,000	\$ 132.00	\$ 30,000	\$ 171.00	\$ 39.00	29.5%
Totals	\$ 195,000	\$ 858.00	\$157,050	\$ 895.19	\$ 37.18	4.3%
*DMV values typically depreciate from one year to next, but for comparison, the value remained at \$30,000 in this scenario.						

COMMISSIONER'S CONCERNS/COMMITTEE REPORTS

Chair Cole asked if there were any Commissioner's Concerns or Committee Reports. Commissioner Peeler informed that Board that the political makeup of the Board has changed since he

has changed his affiliation from Republican to Unaffiliated. There being no further Commissioner's Concerns or Committee Reports, she proceeded with Old Business.

UPDATES FROM COUNTY MANAGER

County Manager Heath presented the following updates:

- **ADA Playground Equipment at Recreation Center:** The equipment should be installed soon. Commissioner Muzzulin asked if there was going to be any trees planted for shading. Mr. Heath said that he did not think so. Mr. Muzzulin was concerned about the children sliding down the slide during the summer time. County Manager Heath also explained that they are working on getting the walking trail around the Recreation Center paved.
- **Boat Ramp Project:** The project is still on schedule.
- **Bocce Court at Senior Center:** The Bocce Court at the Senior Center is basically complete. They still have to install some lighting around it.
- **Marine Industrial Park:** County Manager Heath, Dave Goss, and Bob Peele met with Rep. Steinburg in Raleigh. They were requesting financial assistance with the installation of the water basin.
- **Coyotes:** Chair Cole asked County Manager Heath if he talked with Rep. Steinburg about the legislation to allow fox (coyote) trapping. He said that he had received a call from Rep. Steinburg's office and was informed that the draft is being worked on and would get back with Mr. Heath when it was completed.

BOARD APPOINTMENTS

Chair Cole explained that, for several months, the Board has tabled the appointments to the following Boards/Committees: Trillium Northern Region Advisory Board, Tourism Development Authority (Industry Rep), and Nursing Home Advisory Committee. Commissioner Muzzulin reported that, at their Tourism Development Meeting, they voted to recommend Charlotte Damron, a lifelong Perquimans County resident who works at the Plantation which would qualify her for the Industry Representative to the Tourism Development Authority. On motion made by Edward R. Muzzulin, seconded by Kyle Jones, the Board unanimously approved the Tourism Development Authority's recommendation to appoint Charlotte Damron as the Industry Representative to the Tourism Development Authority for a term of two years effective July 1, 2016. With regard to the other two appointments, Matthew Peeler made a motion to table the Trillium Northern Region Advisory Board until their reorganization was completed and table the Nursing Home Advisory Committee until we have someone to appoint. Edward R. Muzzulin seconded the motion which was unanimously approved by the Board. Chair Cole asked Mary Hunnicutt, Clerk to the Board, to remove these two appointments until we have someone to appoint.

RESOLUTION FOR FINANCING FOR THE NEW LIBRARY PROJECT

The Continued Public Hearing was held earlier in the meeting. On motion made by Wallace E. Nelson, seconded by Kyle Jones, the Board unanimously approved the following Resolution approving the financing of the Library Project:

**RESOLUTION
APPROVING THE FINANCING
OF THE LIBRARY LOAN**

WHEREAS, the Perquimans County Board of Commissioners held a Public Hearing on Monday, June 6, 2016, in the Commissioners' Room of the Courthouse Annex to receive public comments on the financing of this Library Loan being proposed by BB&T; and

WHEREAS, the Perquimans County Board of Commissioners have determined to undertake the financing of this Loan after having been presented a preferred proposal from BB&T for this financing by the County Manager and the County Finance Officer:

WHEREAS, the Perquimans County Board of Commissioners feels that the financing of this loan will be in the best interest of Perquimans County:

NOW, THEREFORE, BE IT RESOLVED, as follows:

1. The Perquimans County Board of Commissioners does hereby determine to finance the construction of a new Library facility in Perquimans County through Branch Banking and Trust ("BB&T") in accordance with the bank's proposal dated April 28, 2016. The amount to be financed shall not exceed \$2,500,000, and the interest rate (in the absence of default or change in tax status) shall not exceed 1.88% and the financing term shall not exceed ten (10) years from the date of Closing. There is no pre-payment penalty for said loan.
2. All financing contracts and related documents for the closing of this financing (the "Financing Documents") shall be consistent with the foregoing terms. All officers and employees of Perquimans County are hereby authorized and directed to execute and deliver all Financing Documents, and to take such action as they may consider necessary, to carry out this financing project as contemplated by the Bank Proposal and this Resolution. The Financing Documents shall include the Financing Agreement, Deed of Trust as well as other documents as may be required and/or requested by BB&T and/or the N.C. Local Government Commission.

This resolution is effective upon its adoption this 6th day of June, 2016.

The motion to adopt this resolution was made by Wallace E. Nelson, seconded by Kyle Jones and passed by a vote of six to zero.

Janice McKenzie Cole, Chair

ATTEST:

Mary P. Hunnicutt, Clerk to the Board

JCPC CERTIFICATION FOR FY 2016-17/INTER-AGENCY COUNCIL APPOINTMENTS

County Manager Heath presented the following Juvenile Crime Prevention Council Documentation for FY 2016-17:

NC Department of Public Safety, Division of Juvenile Justice
Juvenile Crime Prevention Council Certification

Fiscal Year: 2016 -2017

County: Perquimans	Date: May 19, 2016
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CERTIFICATION STANDARDS

STANDARD #1 - Membership

- | | |
|---|-----|
| A. Have the members of the Juvenile Crime Prevention Council been appointed by county commissioners? | Yes |
| B. Is the membership list attached? | Yes |
| C. Are members appointed for two year terms and are those terms staggered? | Yes |
| D. Is membership reflective of social-economic and racial diversity of the community? | Yes |
| E. Does the membership of the Juvenile Crime Prevention Council reflect the required positions as provided by N.C.G.S. §143B-846? | Yes |

If not, which positions are vacant and why?

STANDARD #2 - Organization

- A. Does the JCPC have written Bylaws? Yes
 - B. Bylaws are attached or on file (Select one.) Yes
 - C. Bylaws contain Conflict of Interest section per JCPC policy and procedure. Yes
 - D. Does the JCPC have written policies and procedures for funding and review? Yes
 - E. These policies and procedures attached or on file. (Select one.) Yes
 - F. Does the JCPC have officers and are they elected annually? Yes
- JCPC has: Chair; Vice-Chair; Secretary; Treasurer.

STANDARD #3 - Meetings

- A. JCPC meetings are considered open and public notice of meetings is provided. Yes
- B. Is a quorum defined as the majority of membership and required to be present in order to conduct business at JCPC meetings? Yes
- C. Does the JCPC meeting bi-monthly at a minimum? Yes
- D. Are minutes taken at all official meetings? Yes
- E. Are minutes distributed prior to or during subsequent meetings Yes

STANDARD #4 - Planning

- A. Does the JCPC conduct an annual planning process which includes a needs assessment, monitoring of programs and funding allocation process? Yes
- B. Is this Annual Plan presented to the Board of County Commissioners and to DPS? Yes
- C. Is the Funding Plan approved by the full council and submitted to Commissioners for their approval? Yes

STANDARD #5 - Public Awareness

- A. Does the JCPC communicate the availability of funds to all public and private nonprofit agencies which serve children or their families and to other interested community members? RFP, distribution list, and article attached) Yes
- B. Does the JCPC complete an annual needs assessment and make that information available to agencies which serve children or their families, and to interested community members? Yes

STANDARD #6 — No Overdue Tax Debt

- A. As recipient of the county DPS JCPC allocation, does the County certify that it has no overdue tax debts, as defined by N.C.G.S. §105-243 (1), at the Federal, State, or local level? Yes

Briefly outline the plan for correcting any areas of standards non-compliance.

Having complied with the Standards as documented herein, the Juvenile Crime Prevention Council may use up to \$15,500 of its annual Juvenile Crime Prevention fund allocation to cover administrative and related costs of the council. *Form JCPC/OP 002 (b) JCPC Certification Budget Pages* detailing the expenditure budget must be attached to this certification.

The JCPC Certification **must be received by June 30, 2016.**

**JCPC Administrative Funds
SOURCES OF REVENUE**

DPS JCPC	
<small>Only List requested funds for JCPC Administrative Budget.</small>	
Local	0
Other	0
Total	0

JCPC Chairperson	Date
Chairman, Board of County Commissioners	Date
DPS Designated Official	Date

Juvenile Crime Prevention Council Certification (cont'd)

Perquimans	County	FY 2016-17
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Instructions: N.C.G.S. § 14313-846 specifies suggested members be appointed by county commissioners to serve on local Juvenile Crime Prevention Councils. In certain categories, a designee may be appointed to serve. Please indicate the person appointed to serve in each category and his/her title. Indicate appointed members who are designees for named positions. Indicate race and gender for all appointments.

Specified Members (G.S. 147-33.61)	Name	Title	Designee	Race	Gender
1) School Superintendent or designee	James Bunch	Assistant Superintendent	<input type="checkbox"/>	w	M
2) Chief of Police	n/a		<input type="checkbox"/>		
3) Local Sheriff or designee	Eric Tilley	Sheriff	<input type="checkbox"/>	w	M
4) District Attorney or designee	n/a		<input type="checkbox"/>		
5) Chief Court Counselor or designee	Laqreshia Bates	Chief	<input type="checkbox"/>	b	F
6) Director, AMH/DD/SA, or designee	Tracey Webster	SOC Coordinator	<input type="checkbox"/>	b	F
7) Director DSS or designee	Susan Chaney	Director	<input type="checkbox"/>	w	F
8) County Manager or designee	Frank Heath	County Manager	<input type="checkbox"/>	w	M
9) Substance Abuse Professional	n/a		<input type="checkbox"/>		
10) Member of Faith Community	Rev. Ann Vaughn	Minister	<input type="checkbox"/>	b	F
11) County Commissioner	Kyle Jones	Commissioner & Ass't DA	<input type="checkbox"/>	w	M
12) Two persons under age 18 (State Youth Council Representative, if available)	tbd tbd		<input type="checkbox"/>		
13) Juvenile Defense Attorney	n/a		<input type="checkbox"/>		
14) Chief District Judge or designee	Hon. Meader Harriss	District Court Judge	<input type="checkbox"/>	w	M
15) Member of Business Community	Deb Burroughs	APRC	<input type="checkbox"/>	w	F
16) Local Health Director or designee	Trey Wright	Triple P	<input type="checkbox"/>	w	M
17) Rep. United Way/other non-profit	Latoria Johnson	Hopeline	<input type="checkbox"/>	w	F
18) Representative/Parks and Rec.	Howard Williams	Director	<input type="checkbox"/>	w	M
19) County Commissioner appointee	Gail White	Housing Authority Director	<input type="checkbox"/>	w	F
20) County Commissioner appointee	Wonder Lewis	Library	<input type="checkbox"/>	b	F
21) County Commissioner appointee	Anisha Spellman	STOP Coordinator	<input type="checkbox"/>	b	F
22) County Commissioner appointee	Donna Jones	Mentoring Focus Director	<input type="checkbox"/>	b	F
23) County Commissioner appointee	Kel. Whitehurst	Library	<input type="checkbox"/>	b	M
24) County Commissioner appointee	Eva Anderson	DJJ	<input type="checkbox"/>	b	F
25) County Commissioner appointee	Ed Hall	DJJ	<input type="checkbox"/>	b	M

On motion made by Edward R. Muzzulin, seconded by Fondella A. Leigh, the Board unanimously approved the FY 2016-2017 JCPC Certification, the Juvenile Crime Prevention Council Members, and the Juvenile Crime Prevention Council County Plan for FY 2016-17.

QUASI-JUDICIAL PROCEDURES

Chair Cole explained that during their May Work Session, the Board reviewed the Quasi-Judicial Procedures. She is recommending that the following Quasi-Judicial Procedures be added to the Board of Commissioners' Rules of Procedure as Rule 33:

Rule 33. Quasi-Judicial Proceedings

- (a) Chair (designee or County Attorney) presiding
 - (1) Calls the Meeting to Order
 - (2) Establishes that there is a quorum
 - (3) Announces the case to be heard
 - (4) Informs those present of the methods used to notify the parties and the public of the hearing and request for representatives.

NOTE: The notice to the parties shall include that those who plan to be represented by counsel or a designated representative of their group notify or have their counsel notify the County Attorney.
 - (5) Explains the procedure that will be followed
- (b) After being sworn, the Planning Director summarizes the case
- (c) Chair will swear applicant and applicant's witnesses
- (d) The Chair in his/her discretion may allow opening statements. If the Chair in his/her discretion allows opening statements, the Chair in his/her discretion may limit the time that each party may have to present their opening statement. An opening statement may only be given by parties who intend to present evidence at the quasi-judicial hearing and shall be limited in scope to statements as to what each party believes their evidence will show.
- (e) Applicants' witnesses will testify. Following each witnesses' testimony, the opposing parties through their designated attorney(s) or representative(s) will be given the opportunity to question the witness, followed by the County Attorney and Board Members. The Chair in his/her discretion shall have the right to limit repetitive questions asked of the witness.
- (f) The opposing parties, through their designated attorney(s) or representative(s) will then have their witnesses sworn and give testimony. Following each witnesses' testimony the applicant will be given an opportunity to question the witness, followed by the County Attorney and Board members.
- (g) Chair asks if any parties, who have not testified as witnesses and not committed to be represented by the designated attorney(s) or representative(s) wish to be sworn and testify. The Chair in his/her discretion may limit testimony of the parties if their testimony becomes repetitious.
- (h) At the Chair's discretion, Applicant may present its rebuttal testimony. Following each witnesses' testimony the opposing parties through their designated attorney(s) or representative(s) will be given an opportunity to question the witness, followed by the County Attorney and Board Members. The Chair in his/her discretion shall have the right to limit repetitive questions asked of the witness.
- (i) The Chair in his/her discretion may allow the opposing parties, or their designated attorney(s) or representative(s) to make a closing statement. If the Chair in his/her discretion allows closing statements, the Chair in his/her discretion may limit the time that each party may have to present their closing statement. A closing statement may only be given by parties who have presented evidence at the quasi-judicial hearing and shall be limited in scope to statements as to inferences, findings and conclusions as to what each party believes their evidence has shown.
- (j) The Chair summarizes the evidence presented (Written findings of fact are required). However, in the case of a lengthy hearing and numerous witnesses, the Board may choose to table its decision to allow time for the findings of fact to be drafted. NOTE: This is the last opportunity for the applicant to request a continuance or to withdraw their application.
- (k) When the Board resumes the hearing on this case, the Chair asks the Board for a Motion on the findings of fact. It can be approved, or denied or continued. A denial can be followed by another motion from the Board.
- (l) If an application is approved, the Board will state any conditions of the application, if needed.

Edward R. Muzzulin made a motion to approve the Quasi-Judicial Procedures as presented and reviewed by County Attorney High. The motion was seconded by Kyle Jones. Commissioner Peeler had a concern with the discussion the Board had during the May Work Session. He was wondering how the Board will bring in evidence and how we accept it needs some flushing out. He further stated that, if the person that wrote the documentation that was being presented as evidence is not present, it cannot be accepted as evidence. He feels that this puts the homeowner at a disadvantage. County Attorney High explained that the law that establishes these proceedings is very specific as to how these hearings should be conducted so that really ties our hands. He explained his conversations with attorneys regarding the future wind farm CUP. Mr. Peeler said that he is not talking about this CUP at this time but any CUP that is applied for. He feels that opposition is almost undoable. He feels that this changes the way that CUP's are approved. He further feels that, when someone applies for a CUP, it is a done deal because no opposition can be heard unless they have expert witnesses present. Chair Cole says that it comes back to what is the basis for why the person is opposing the CUP. She asked if there was any further discussion. County Attorney High said that he fully understands and shares many of Mr. Peeler's concerns but, with the situations that may be coming before the Board in the future, the Board needs a process and this is the process that has been established. There being no further discussion, the motion was unanimously approved by the Board.

BOARD APPOINTMENT: RECREATION ADVISORY COMMITTEE

Chair Cole explained that Nicole Hunter has stated that she did not wish to be appointed for another term on the Recreation Advisory Committee and Debbie Reed has expressed an interest to serve. She asked if there was a motion to make this appointment. On motion made by Kyle Jones, seconded by Edward R. Muzzulin, the Board unanimously appointed Debbie Reed to the Recreation Advisory Committee for a term of three (3) years effective July 1, 2016.

PUBLIC COMMENTS

The following public comments were made:

- **Tommy Harrell:** Mr. Harrell is concerned about the funding for the schools and compared the funding between Albemarle Jail and the school system. On another subject, he wanted to know who was minding the store at the Iberdrola Wind Project. He mentioned several things (ditch fencing, food truck, roads, etc.) that he has noticed are problems in the project area.
- **Alan Lennon:** Mr. Lennon said that, when he attends the Commissioners' meeting, he takes notes and has several questions and understands that they may not be able to be answered tonight. At one of the meetings not too long ago, Commissioner Peeler asked for some sound reports for the Iberdrola Wind Project. Has those reports been provided? Commissioner Peeler said that those reports had been turned in and that there was a misinterpretation of what he was saying. Mr. Peeler further stated that they were presented but feels that they were inaccurate because they used dvd&l instead of dva. Mr. Lennon further stated that, sometime back, Mr. Poff made a presentation to update the Board on their progress and was wondering when Mr. Poff would be making another update to the Board. Some things were promised during that presentation like using local employment. He would like to know the number of local contractors being used because he has seen a lot of out of state trucks traveling along US 17. His last question was, in the budget talks, they talked about the inadequacy of the radio system in the County for our EMS & first responders but there could be some improvements. His question is how much these wind turbines impact the radio frequency. He knows that there will need to be some research made on this matter but he would like to have that information.

- **Glen Zhou:** Mr. Zhou from Advanced Solar Power Holding, Inc. came to update the status of the 16MW solar project at 100 Two Mile Desert Road, Winfall, NC. Donna Godfrey distributed a copy of Mr. Zhou's update letter to her. Chair Cole stopped Mr. Zhou's presentation to ask the purpose of his presentation. Ms. Godfrey explained that, due to a miscommunication in her office, Mr. Zhou is coming to request an extension of CUP-14-01 that was issued to Shelley Layden on behalf of Jarvis Winslow & family. The solar project is located on Two Mile Desert Road and Bembury Road. Mr. Zhou was already scheduled to fly into the area to make his presentation tonight but Ms. Godfrey did not understand that until late Friday afternoon. Therefore, it was not scheduled on the Agenda but he wanted to come and speak to the Board anyway. Chair Cole said that she was sorry that if they had known it earlier in the meeting, they could have amended the Agenda but did not feel that it was appropriate at this time to hear this update. County Attorney High asked if this is an annual report. County Manager Heath said that it was. Mr. High said that if it was something standard, he would be okay with amending the Agenda. On the other hand, if it something out of the ordinary that people would need to respond to, he would have a problem letting him present it at this time. Ms. Godfrey said that, earlier this last week, she had extended his CUP to mid-August so he did not need to request an extension. As long as permits are pulled by the middle of August and construction begins soon after, she does not feel that is necessary for them to make a report and request the extension. Chair Cole allowed Mr. Zhou to give the following update:
 - The land lease agreement with the owner, Mrs. Lucy Winslow and her family, was finalized and signed in March, 2016
 - The Certificate of Public Convenience and Necessity (CPCN) is under processing in North Carolina Utility Commission (NCUC), and expected to be issued by end of June 20, 2016.
 - The site plan package was ready and application of Building Permit to Perquimans County will be submitted by June 12, 2016.
 - The construction plan is under processing, and starting date of construction is expected ay August 1, 2016.

CLOSED SESSION: LEGAL MATTER

Pursuant to NCGS #143-318.11(3), Edward R. Muzzulin made a motion to go into Closed Session to discuss a legal matter. The motion was seconded by Wallace E. Nelson and unanimously approved by the Board.

The Closed Session was adjourned and the Regular Meeting reconvened on motion made by Edward R. Muzzulin, seconded by Matthew Peeler. The following action needed to be handled from the Closed Session.

RETAINING OUTSIDE COUNSEL

During the Closed Session, the Board discussed retaining outside counsel to assist County Attorney High on any issue that comes before the Board that may result in legal action. Edward R. Muzzulin made a motion to retain outside counsel to assist the County Attorney with any issue that comes before the Board that may require it. Commissioner Peeler said that he did not think that the Board can take action on the matter because it was not budgeted and we have to wait a meeting before taking action and it was not on the Agenda. County Attorney High said that Mr. Peeler's suggestion would be the safer route to go but many times Closed Sessions are closed and items are voted on after the Closed Session. Chair Cole said that the motion was to hire additional help for the County Attorney on any issue so that is what we are voting on. Mr. Muzzulin restated his motion and Wallace E. Nelson seconded the motion to get it on the floor for discussion. Mr. Nelson said that it was not uncommon to come out of Executive Session and then take action on a matter discussed during the Executive Session. Chair Cole said that, if it was a new expenditure, we would have to hold it over to the next meeting. These funds are already budgeted for legal expenses that we would be paying anyway to our County Attorney. Mr. Nelson asked what the ramifications would be if we voted on it in two weeks. Mr. Heath explained that we have a line item entitled legal fees and these fees would come from that line item that is already budgeted. Commissioner Peeler asked if there is a time constraint if we do not act on this now. Chair Cole explained that time is of importance at this time and called for a vote. The motion was unanimously approved. Commissioner Peeler wanted to clarify that this includes the retaining and paying of the outside counsel. Chair Cole and County Attorney High confirmed that the lawyers would need to be paid if we retain them so yes it was for retaining and paying for outside counsel. Mr. Peeler was okay with that.

ADJOURNMENT

There being no further comments or business to discuss, the Regular Meeting was adjourned at 9:10 p.m. on motion made by Edward R. Muzzulin, seconded by Matthew Peeler.

Janice McKenzie Cole, Chair

Clerk to the Board

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