

December 5, 2016 (Pre-Agenda)

**MINUTES
BURKE COUNTY BOARD OF COMMISSIONERS
PRE-AGENDA MEETING**

The Burke County Board of Commissioners held a pre-agenda meeting on Monday, December 5, 2016 at 3:00 p.m. The meeting was held at the Commissioners' Meeting Room, located in the Burke County Services Building, 110 N. Green Street, Entrance E, in Morganton, North Carolina. Those present were:

COMMISSIONERS: Jeffrey C. Brittain, Chairman
Johnnie W. Carswell, Vice Chairman
Wayne F. Abele, Sr.
Scott Mulwee
Maynard M. Taylor

STAFF PRESENT: Bryan Steen, County Manager
Paul Ijames, Deputy County Manager/Finance Director
James R. Simpson, II., County & Tax Attorney
Kay Honeycutt Draughn, Clerk to the Board

CALL TO ORDER

Chairman Brittain called the meeting to order at 3:00 p.m.

APPROVAL OF THE AGENDA

Motion: To approve the agenda.

RESULT:	APPROVED [UNANIMOUS]
MOVER:	Maynard M. Taylor, Commissioner
AYES:	Jeffrey C. Brittain, Johnnie W. Carswell, Wayne F. Abele, Sr., Scott Mulwee and Maynard M. Taylor

PRESENTATIONS

SHERIFF'S OFFICE - RECOGNITION OF SERGEANT CARICO

Sheriff Steve Whisenant reported that the Burke County Sheriff's Office would like to recognize Sergeant Scott Carico for completing the Criminal Investigation Certificate Program through the North Carolina Justice Academy. The Criminal Investigation Certificate Program is designed to recognize candidates who have completed appropriate training in order to better prepare themselves for the rigors and challenges of Law Enforcement criminal investigations. Investigative techniques, details of legal changes, technological advances and the practical application of detectives "best practices" constantly change in our challenging world. Completing the program required Sergeant Carico to complete 500 credit hours of course work within 5 years of starting the program and all while still working as a full time criminal investigator and criminal investigative supervisor for the Burke County Sheriff's Office. Only through his dedication and exemplary service was Sergeant Carico able to complete his

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certification and join such a select group.

RESULT: MOVED WITHOUT OBJECTION TO THE NEXT MEETING: 12/20/2016 AT 6:00 PM

BCPS - PRESENTATION OF FINANCIAL DATA FOR THE PERIOD ENDING SEPTEMBER 30, 2016

In accordance with the Memorandum of Agreement approved by the County and the Board of Education in June 2016, the Board of Education will provide to the County quarterly financial reports on the 2016-2017 budget year, showing the application of the County's local funding by purpose and function, as of the end of each fiscal quarter. These reports will be presented to the County at the regular meeting of the County's Board of Commissioners in November 2016, February 2017 and May 2017, respectively.

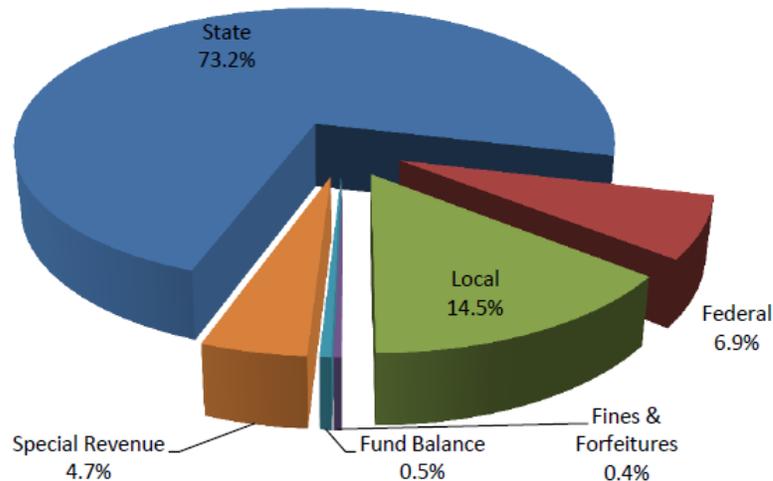
Keith Lawson, Burke County Public Schools (BCPS) Finance Director, apologized for missing the last regular meeting and presented the following information. He reported that their spending is roughly 1.6 million less than this same time period from the previous year due to the school year starting later which created payroll in the first quarter to be lower. Discussion ensued regarding the utilization of General Fund and Mr. Lawson reported on each category with allocation and expenditure justifications.

BCPS

Estimated Revenues

2016/2017

	Estimated	September		% of Total Budget	% of Budget Received
		Current	Previous		
State	77,625,000	15,655,233	19,064,021	73.2%	20.2%
Federal	7,275,000	1,972,558	788,414	6.9%	27.1%
Local	15,336,172	3,661,350	3,508,082	14.5%	23.9%
Fines & Forfeitures	380,000	51,229	95,300	0.4%	13.5%
Fund Balance	544,867	(134,827)	(126,142)	0.5%	-24.7%
Special Revenue	4,950,000	1,301,050	813,424	4.7%	26.3%
Total	\$ 106,111,039	\$ 22,506,593	\$ 24,143,099	100.0%	21.2%



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BCPS									
Local Financials by Purpose & Function Level									
Expenses	'13/'14	'14/'15	Unaudited '15/'16	Budget	'16/'17				Total
					1st	2nd	3rd	4th	
5XXX Regular Instructional Services	5,970,337	5,089,390	5,759,163	5,831,907	672,379				672,379
6XXX Support & Development Services	9,465,735	9,430,045	9,214,493	9,925,062	2,854,139				2,854,139
7XXX Community Services	-	-	8,261	-	-				-
8XXX Payments to Other Governmental Units	518,125	584,561	374,879	504,070	84,916				84,916
82XX Reserve	(1,519,328)	(446,880)	(454,238)	(544,867)	134,827				134,827
XXXX Grand Total	\$ 14,434,869	\$ 14,657,116	\$ 14,902,558	\$ 15,716,172	\$ 3,746,261	\$ -	\$ -	\$ -	\$ 3,746,261
Revenue									
4110 Burke County	10,923,004	13,764,926	14,295,764	14,961,172	3,661,350				3,661,350
4110 Timber Receipts	69,402	67,592	66,759	65,000	-				-
4110 Charter Schools	208,171	222,191	300,939	310,000	33,682				33,682
4110 Article 42 School Capital Funds Conversion	2,100,000	-	-	-	-				-
4410 Fines & Forfeitures	436,240	380,150	239,096	380,000	51,229				51,229
XXXX Grand Total	\$ 13,736,817	\$ 14,434,869	\$ 14,902,558	\$ 15,716,172	\$ 3,746,261	\$ -	\$ -	\$ -	\$ 3,746,261

RESULT: MOVED WITHOUT OBJECTION TO THE NEXT MEETING: 12/20/2016 AT 6:00 PM

SCHEDULED PUBLIC HEARINGS

BDI - ECONOMIC DEVELOPMENT GRANT FOR MOLDED FIBER GLASS AND PUBLIC HEARING - 6PM

Molded Fiber Glass in Morganton will expand their facility by 15,000-20,000 square feet and add new machinery and equipment. There will be a new increased taxable investment of approximately \$8,000,000. The company will maintain their current employment of 183 and anticipates hiring 20 new employees over the next three (3) years. BDI recommends an incentive of 50% of the new taxable investment for three (3) years. Budgetary Effect: There is no impact to the FY 16-17 budget. Based on an \$8,000,000 investment, the allocation would be approximately \$27,200 per year beginning in the 2018-2019 budget year.

Hope Hopkins, Director of Business Retention & Expansion with Burke Development Inc., presented this request and stated that BSI is recommending Molded Fiber Glass for an Economic Development grant due to the credentials and expansion plans of the company. Ms. Hopkins responded yes to Commissioner Taylor's question regarding whether the City of Morganton was providing a match. A short discussion ensued affirming the employment increase and that the associated financials for this project were in line with other comparable projects.

RESULT: MOVED WITHOUT OBJECTION TO THE NEXT MEETING: 12/20/2016 AT 6:00 PM

CONSENT AGENDA

BOC - 2017 COMMISSION APPOINTMENTS

There are approximately 20 (+/-) boards or commissions that Commission members are appointed to serve on. The Chairman may wish to keep the appointments for 2017 as they were in 2016, except for Mr. Carroll's appointments, or he may want to change them. Consideration of work schedules and prior commitments should be taken into consideration when making the appointments.

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Chairman Brittain opened the floor for comments and Commissioner Taylor offered to switch with anyone who expressed interest in the committees on which he was appointed. Discussion ensued regarding the benefits of switching up appointments to incorporate a fresh take on the differing committees and Commissioner Mulwee stated that he would happy to take over former Commissioner Carroll's appointments as well others he was interested in. Chairman Brittain asked that the Board each note their desired committees and provide to him for review. The new list, once compiled, will be distributed to the Board prior to the regular meeting.

Authority, Board or Commission	2016 Appointee
Burke Development Inc.	
Burke Co. BOC Chairman*	Abele
Burke Co. Manager*	B. Steen
Board of Health	Abele
Burke County Cooperative Water Board	Carswell
EMS Quality Management Committee	Brittain
Foothills Regional Airport Authority	Abele
Juvenile Crime Prevention Council	Carroll
JCPC - Oversight "Governance" Committee	Carroll
Library Board of Trustees	Carswell
Partners Behavioral Health Management	Taylor
Recreation Commission	Taylor
Smart Start (Burke Partnership for Children)	Brittain
Social Services Board	Brittain
Tourism Development Authority	Carroll
Transportation Advisory Committee	Carroll
Transportation Coordinating Committee	B. Steen
Unifour Air Quality Committee	Taylor
Unifour Air Quality Oversight Committee	Taylor
WPCOG - Future Forward Economic Alliance	Carswell
WPCOG - Policy Board: Alternate	Carswell
WPCOG - Policy Board: Delegate	Abele

*Based on BDI bylaws.

RESULT: MOVED WITHOUT OBJECTION TO THE NEXT MEETING: 12/20/2016 AT 6:00 PM

BOC - ADOPTION OF RULES OF PROCEDURE FOR 2017

Chairman Brittain reported that it is the Board's practice to review, amend as needed and adopt its Rules of Procedures on an annual basis. The following amendment is requested to comply with a portion of NCGS 153A-49: "Supplements or replacement pages should be

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adopted and issued annually, unless there have been no additions to or modifications of the code during the year."

Rule 27. Adoption, Amendment, or Repeal of Ordinances

To be adopted at the meeting where first introduced, an ordinance or any action with the effect of an ordinance, or any ordinance amending or repealing an existing ordinance (except the budget ordinance, a bond order, or another ordinance requiring a public hearing before adoption) must be approved by all members of the board of commissioners. If the proposed measure is approved by a majority of those voting but not by all the members of the board, or if the measure is not voted on at the meeting where introduced, it shall be considered at the next regular meeting of the board. If a proposal receives a majority of the votes cast at the meeting or within one hundred days of being introduced, it is adopted. Comment: See G.S. 153A-45. See also G.S. 153A-46 for requirements for granting franchises.

Once an ordinance has been adopted, amended or repealed by the Board, the Clerk is authorized to codify said ordinance and update the Code of Ordinances.

RESULT: MOVED WITHOUT OBJECTION TO THE NEXT MEETING: 12/20/2016 AT 6:00 PM

BOC - NCACC LEGISLATIVE GOALS - VOTING DELEGATE

Chairman Brittain reported that each Board of County Commissioners is requested to designate a commissioner or other official as a voting delegate for the 2017 Legislative Goals Conference, which will be held January 12-13, 2017, at the Raleigh Marriott Crabtree Valley in Wake County. Chairman Brittain verified that Vice Chairman Carswell has been the voting delegate in the past and asked if he was able to continue serving and attend the conference. Vice Chairman Carswell indicated that yes, he was willing to serve and would be attending.

RESULT: MOVED WITHOUT OBJECTION TO THE NEXT MEETING: 12/20/2016 AT 6:00 PM

CLERK - BOARD OF HEALTH REAPPOINTMENTS

Kay Honeycutt Draughn, Clerk to the Board, reported that the term of appointments for Dr. Michael Gould (Seat 4 - Physician), Sam King, Jr. (Seat 8 - Engineer) and Adriana Morris (Seat 11 - At-large) on the Board of Health end on December 31, 2016. All three (3) members desire reappointment for 3-year terms. Commissioner Abele, also a member of the Board of Health, reported that each member does a great job and recommends their reappointment.

RESULT: MOVED WITHOUT OBJECTION TO THE NEXT MEETING: 12/20/2016 AT 6:00 PM

CLERK - APPOINTMENTS TO ADULT CARE HOME CAC

Kay Honeycutt Draughn, Clerk to the Board, reported that currently, there are eight (8) vacancies on the Adult Care Home Community Advisory Committee. Two (2) applications were received from Jean Fisher and John Thomas Garrou. Both applicants have been vetted by the Regional Ombudsman who recommends they be appointed to 1-year terms ending December

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15, 2017. Later, Mr. Garrou asked to be withdrawn from consideration and additional applications from Roger Hart, Curt Pascoe and Trudy Pascoe were received. The Ombudsman vetted these applicants and recommends their appointments.

RESULT: MOVED WITHOUT OBJECTION TO THE NEXT MEETING: 12/20/2016 AT 6:00 PM

CLERK - APPOINTMENTS AND REMOVAL TO THE COUNCIL ON AGING

Kay Honeycutt Draughn, Clerk to the Board, reported that Mr. Glenn Lloyd (Seat No. 3) submitted his resignation to the CoA (Council on Aging) chair on November 16, 2016. An application was received from Amy Elliott. The CoA Chair recommends Ms. Elliott be appointed to complete Mr. Lloyd's unexpired term ending November 30, 2017.

RESULT: MOVED WITHOUT OBJECTION TO THE NEXT MEETING: 12/20/2016 AT 6:00 PM

CLERK - APPOINTMENT TO RECREATION COMMISSION

Kay Honeycutt Draughn, Clerk to the Board, reported that Seat No. 11 (Salem) on the Recreation Commission is vacant. The Recreation Director recommends the appointment of Brandon Clontz, President of the Salem Athletic Foundation, to fill this vacancy. Mr. Clontz resides in the Salem Elementary district and the unexpired term ends March 31, 2017.

RESULT: MOVED WITHOUT OBJECTION TO THE NEXT MEETING: 12/20/2016 AT 6:00 PM

CLERK - RESOLUTION ESTABLISHING THE BOC 2017 MEETING SCHEDULE

Kay Honeycutt Draughn, Clerk to the Board, reported that in accordance with NCGS 153A-40, the authorizing resolution sets the Board's meeting schedule for 2017. Clerk Draughn stated that the Board has received two (2) versions of the meeting schedule and needs input on several items. She reported on each date adjustment request and off-site meeting slots up for decision. Chairman Brittain reviewed each proposed meeting date and location and he asked that any potential scheduling conflicts be sent to Clerk Draughn before the next meeting so an official schedule could be adopted. A short discussion ensued regarding the offsite meetings and the Board reached a consensus to move forward with the offsite schedule with these two (2) meetings starting at 4:00 p.m. to encourage citizen participation.

RESULT: MOVED WITHOUT OBJECTION TO THE NEXT MEETING: 12/20/2016 AT 6:00 PM

CLERK - RESOLUTION APPOINTING PHILLIP LOOKADOO AS REVIEW OFFICER FOR THE CITY OF MORGANTON

Kay Honeycutt Draughn, Clerk to the Board, reported that the City of Morganton has requested that the County designate Phillip Lookadoo as the City's Review Officer to replace Lee Anderson who retired.

RESULT: MOVED WITHOUT OBJECTION TO THE NEXT MEETING: 12/20/2016 AT 6:00 PM

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CLERK - APPROVAL OF COUNTY MANAGEMENT RECORDS RETENTION SCHEDULE AMENDMENT

Local retention and disposition schedules list records commonly found in local governmental offices and gives an assessment of their value by indicating when (and if) those records should be destroyed. These schedules are an agreement between the local government office/department and the Department of Cultural Resources. The Department of Cultural Resources issued an amendment to the Records Retention Schedule for County Management on October 1, 2016. Modifications were made to:

- Standard 6. Emergency Services Records
- Amending Item 1, 911 Recordings
- Item 13, Emergency Notifications

Kay Honeycutt Draughn, Clerk to the Board, presented this item and reviewed the proposed amendments. Commissioner Taylor expressed concern that the Emergency Communications and Sheriff's dispatch records can be destroyed after only 30 days unless it was named in a pending case file and recommended a 90-day retention instead. Discussion followed with Clerk Draughn stating that the Schedules are sent through a review period at the State level prior to being issued to the Board and that she wasn't sure the amendment could not be modified. Commissioner Taylor noted that sometimes case files don't come up before the 30-day window, which is why a 90-day window would be more practical. County Manager Steen stated that dispatch staff would more than likely be keeping any complex calls longer than 30 days, however, routine calls are the ones this was meant to address. A short discussion continued and Sheriff Whisenant was called up to weigh in with his applicable retention requirements. He noted the main issue with the retention of body camera footage being the vast amount of storage needed to maintain those records and the associated costs which would also be a comparable cost for Emergency Communications to maintain their files longer. Discussion continued and no further objections were raised. The amendment moved forward as presented.

RESULT: MOVED WITHOUT OBJECTION TO THE NEXT MEETING: 12/20/2016 AT 6:00 PM

HR - IRS 1095C COMPLIANCE CONTRACT ADDITIONAL FUNDING

Background Information: The County solicited three (3) quotes from third party vendors to prepare and distribute required IRS 1094-95-C reporting for all employees by January 31, 2017 as well as the reporting form of the Employer (Burke County). IRS 1094-94-C reporting is as a result of the Affordable Healthcare Act and is similar to Employer's responsibility for providing all employees a W-2 statement by January 31, 2017. This work was performed last year by EbenConcepts Inc. for reporting year 2016. Funds were allocated in the County's FY 2016-17 Budget for this purpose in the amount of \$10,000. ECM/Sky Tech and Mark III/Workxtime quotes were under \$10,000.

The contract for services from the lowest responsible vendor (ECM/Sky Tech) was sent to the County Attorney for review. The County Attorney recommended revisions to the contract which the vendor has declined to make. HR then sent the contract for the next responsible vendor

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(Mark III/Workxtime) to the County Attorney for review and this contract contained language that is not in the best interest of the County. HR is now seeking additional funds in the amount of \$5,000 in order to enter a service agreement with EbenConcepts Inc. to perform the IRS 1094-95-C reporting. Apart from the cost, the contract is identical to the contract last year which met the approval of the County Attorney. The total contact cost for EbenConcepts Inc. is \$15,000. The County has a high degree of confidence in EbenConcepts Inc. to perform this work based on the reporting services provided to the County last year. The County was recently notified on November 21, 2016 that the IRS issued a notice moving the reporting date from January 31, 2017 to March 2, 2017. Budgetary Effect: A \$5,000 appropriation of General Fund, Fund Balance is needed to engage EbenConcepts.

Rhonda Lee, HR Director, and Patrick McCoy, Assistant HR Director, presented this item. Vice Chairman Carswell asked why the County needed an outside vendor to handle the reporting, to which Ms. Lee responded that the County does not have the internal resources to handle the magnitude of the processing volume as well as the inherent liabilities of fine and penalty accrual for potential errors. County Manager Steen noted that a proposed insurance consolidation was brought to the Board previously which, at the time, he stated that HR would be able to handle the reporting if the consolidation was awarded. However, it was not, so the County had to pursue outside vendors. Commissioner Taylor asked for justification for the request when both other firms submitted a quote of less than \$10,000. Ms. Lee stated that the decision was based on the County Attorney's review of the liability language in other two (2) contracts and his recommendation that they were not in the best interest of the County. The County Attorney reviewed the liability languages in all three (3) contracts as well as the onerous built-in Affordable Care Act error penalties. The lowest bidders, he said, would not be responsible for their work, despite being considered experts. Commissioner Abele noted the previous year's contract with EbenConcepts, in which they provided the same services for \$10,000 but are now requiring \$15,000. Mr. McCoy responded that EbenConcepts, based on their business model, will be providing a full-service package encompassing the employer and employee tax forms as well as handling any potential appeals on behalf of Burke County and provided ACA required forms to employees. Discussion continued regarding the bid selection process, how this recommendation was constructed and history and specifics on the package offered by each company. Ms. Lee responded to additional questions from the Board and reviewed the extensive client list for Workxtime, a subcontractor of Mark III, the County's broker of record. Commissioner Mulwee expressed support for having less liability. Commissioner Abele said he can't support using the higher vendor since they're highly used and have had no complaints. Chairman Brittain asked for the Board's decision and after discussion, this item was moved from the consent agenda and placed on the agenda as a decision item. Commissioner Carswell asked for the proposals and other associated documentation in order to make a decision based on comparative analysis. Commissioner Abele suggested the proposals were not written correctly. Chairman Brittain inquired if there is time to rebid the service, to which Mr. McCoy responded there is not.

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**RESULT: MOVED WITHOUT OBJECTION TO THE NEXT MEETING AS A DECISION ITEM:
12/20/2016 AT 6:00 PM**

SHERIFF'S OFFICE - APPROVAL OF REVISED RECORDS RETENTION SCHEDULE

Sheriff Steve Whisenant reported that the North Carolina Department of Natural and Cultural Resources, Division of Archives and Records has released a revised version of the County Sheriff's Office Records Retention Schedule. Modifications were made to:

- Standard 8. Program Operations Records: Sheriff Records
- Item 10 – Audio and Video Recordings

The changes made are due to recent legislation governing body-worn cameras for law enforcement personnel that went into effect October 1, 2016. Sheriff Whisenant reported that in-car videos are kept longer than the stipulated 30 days as a standard already but that BCSO will comply with the new retention schedule.

RESULT: MOVED WITHOUT OBJECTION TO THE NEXT MEETING: 12/20/2016 AT 6:00 PM

TAX DEPT. - RELEASE REFUND REPORT FOR NOVEMBER 2016

Danny Isenhour, Tax Administrator, presented the releases and refunds for November 2016 as follows:

Tax System Refunds and Releases

Releases (TR-304):	\$7,037.85
Rebills	\$3,546.70
Net Release Amount	\$3,491.15
Refunds (TR-406):	\$281.23

VTS Refunds over \$100.00

Adjustments:	\$125.50
Proration:	\$636.27

RESULT: MOVED WITHOUT OBJECTION TO THE NEXT MEETING: 12/20/2016 AT 6:00 PM

TAX DEPT. - TAX COLLECTION REPORT FOR NOVEMBER 2016

Danny Isenhour, Tax Administrator, presented the Tax Collection Report for November 2016 as follows:

Category	Annual Budget	Amount Collected YTD	Balance to Collect	% Collected
Current Year Taxes	\$42,873,000	\$28,947,897.68	\$13,925,102.32	67.52%
Delinquent Taxes	\$675,000	\$493,441.85	\$181,558.15	73.10%
Late List Penalty	\$280,000	\$134,690.63	\$145,309.37	48.10%

These two items below make up the current year taxes above.

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Category	Annual Budget	Amount Collected YTD	Balance to Collect	% Collected
Property Tax	\$38,781,000	\$27,198,251.13	\$11,582,748.87	70.13%
Motor Vehicle Tax	\$4,092,000	\$1,749,646.55	\$2,342,353.45	42.76%

RESULT: MOVED WITHOUT OBJECTION TO THE NEXT MEETING: 12/20/2016 AT 6:00 PM

TAX DEPT. - EMS COLLECTION REPORT FOR OCTOBER 2016

Danny Isehour, Tax Administrator, presented EMS Collection Report for October 2016 as follows:

2016-2017 Budget	\$3,100,000.00
Collected YTD	\$881,838.45
Balance to Collect	\$2,218,161.55
Percent of Budget Collected	28.45%

In response to an inquiry from Commissioner Taylor, Mr. Isehour said he would provide comparison data to the Clerk for distribution.

RESULT: MOVED WITHOUT OBJECTION TO THE NEXT MEETING: 12/20/2016 AT 6:00 PM

ITEMS FOR DECISION

CLERK - APPOINTMENT TO BDI

Kay Honeycutt Draughn, Clerk to the Board, reported that Scott Mulwee is currently serving on the BDI Board as an at-large member (Seat No. 3). Per BDI's bylaws, the at-large position cannot be an elected official or government employee. Since Mr. Mulwee was elected to the Board of Commissioners, a replacement is needed. There is one (1) application on file and additional applications may be received prior to the December 20th meeting.

*Article VII.
Board of Directors*

A. General Powers. The business and affairs of the corporation shall be governed by fifteen (15) elected and appointed members of the Board of Directors. Except as otherwise expressly provided by law or these Bylaws, all of the powers of the corporation shall be vested in the Board of Directors.

B. Directors and Terms.

(1) The County Commissioners of Burke shall appoint a total of three (3) Directors, one to be the Chairman of the County Commission or designee (designee becomes board member). One Director shall be the county manager and one Director shall be an at large member (not to be an elected or government employee appointment). All appointments will be for a three year time period and they shall serve until their successors are appointed.

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RESULT: MOVED WITHOUT OBJECTION TO THE NEXT MEETING: 12/20/2016 AT 6:00 PM

REPORTS - NONE

OTHER DISCUSSION ITEMS - NONE

ADJOURN

With there being no further business to come before the Board, Chairman Brittain adjourned the meeting at 4:20 p.m.

Approved this 24th day of January, 2017.



Jeffrey C. Brittain, Chairman
Burke Co. Board of Commissioners

Attest:



Kay Honeycutt Draughn, CMC, NCMCC
Clerk to the Board