

MINUTES
LINCOLN COUNTY BOARD OF COMMISSIONERS
MONDAY, APRIL 15, 2013

The Lincoln County Board of County Commissioners met April 15, 2013 at the Citizens Center, Commissioners' Room, 115 West Main Street, Lincolnton, North Carolina, at 5:00 P.M.

Commissioners Present:

Alex E. Patton, Chairman
Carl E. Robinson, Jr., Vice Chair
James A. Klein
Carrol D. Mitchem
Cecelia A. Martin

Others Present:

George A. Wood, County Manager
Martha W. Lide, Assistant County Manager
Wesley L. Deaton, County Attorney
Amy S. Atkins, Clerk to the Board

Call to Order: Chairman Patton called the April 15, 2013 meeting of the Lincoln County Board of Commissioners to order and led in an Invocation.

Adoption of Agenda: Chairman Patton presented the agenda for the Board's approval.

AGENDA
Lincoln County Board of Commissioners Meeting
Monday, April 15, 2013
6:30 PM

James W. Warren Citizens Center
115 West Main Street
Lincolnton, North Carolina

Call to Order

Invocation- Chairman Patton

Pledge of Allegiance

1. Adoption of Agenda
2. Consent Agenda

- Ordinance #2013-9: An Ordinance Amending the FY 2013 Budget for the County of

Lincoln, North Carolina

- Ordinance #2013-10: An Ordinance Amending the FY 2013 Budget for the County of

Lincoln, North Carolina

- Approval of Minutes

- Resolution 2013-19: Resolution to Declare the Finance Director the Official Signatory for

the County for JCPC Program Agreements

- Tax Requests for Refunds - March 11 - 24, 2013

- Tax Requests for Releases - February 16 - March 15, 2013

3. Public Hearing - Road Name Change - Burton Wood Lane - Netta Anderson
4. Public Comments (15 minutes allowed per Rules of Procedure - 3 minutes per person)
5. Recommendation from the Ad Hoc Human Resources Committee on the Medical Insurance Renewal for FY 2014 - Commissioner Robinson
6. Motion to Adopt Resolution #2013-20: Resolution Amending the Lincoln County Personnel Policy – Commissioner Robinson
7. Motion to Adopt Resolution #2013-21: A Resolution Authorizing the Filing of an Application for Approval of a Financing Agreement Authorized by North Carolina General Statute 160A-20 – Deanna Rios

Motion to set Public Hearing for May 6, 2013 at 6:30 p.m. concerning debt issuance

8. Finance Officer's Report - Deanna Rios
9. County Manager's Report
 - Property Tax Collection Report
 - Register of Deeds Report
10. County Commissioners' Report
11. County Attorney's Report
12. Vacancies/Appointments
13. Calendar
14. Other Business

CLOSED SESSION pursuant no NCGS § 143-318.11. Closed sessions.

(a) (3) To consult with an attorney employed or retained by the public body in order to preserve the attorney-client privilege between the attorney and the public body, which privilege is hereby acknowledged. General policy matters may not be discussed in a closed session and nothing herein shall be construed to permit a public body to close a meeting that otherwise would be open merely because an attorney employed or retained by the public body is a participant. The public body may consider and give instructions to an attorney concerning the handling or settlement of a claim, judicial action, mediation, arbitration, or administrative procedure. If the

public body has approved or considered a settlement, other than a malpractice settlement by or on behalf of a hospital, in closed session, the terms of that settlement shall be reported to the public body and entered into its minutes as soon as possible within a reasonable time after the settlement is concluded.

Adjourn

UPON MOTION by Commissioner Mitchem, the Board voted unanimously to adopt the agenda as presented.

Consent Agenda: **UPON MOTION** by Commissioner Martin, the Board voted unanimously to approve the Consent Agenda.

- Ordinance #2013-9: An Ordinance Amending the FY 2013 Budget for the County of Lincoln, North Carolina
- Ordinance #2013-10: An Ordinance Amending the FY 2013 Budget for the County of Lincoln, North Carolina
- Approval of Minutes
- Resolution 2013-19: Resolution to Declare the Finance Director the Official Signatory for the County for JCPC Program Agreements
- Tax Requests for Refunds - March 11 - 24, 2013
- Tax Requests for Releases - February 16 - March 15, 2013

Items listed in the Consent Agenda are on file in the office of the Clerk to the Board and are hereby made a part of these minutes as though fully set forth herein.

**ORDINANCE #2013-9: AN ORDINANCE AMENDING THE FY 2013 BUDGET
FOR THE COUNTY OF LINCOLN, NORTH CAROLINA**

THAT WHEREAS, the Lincoln County Board of Commissioners adopted the FY 2013 Budget by approving Ordinance #2012-11 on June 28, 2012; and

WHEREAS, the Finance Director and County Manager are recommending further amendments as shown on the attachments herein; and

WHEREAS, the Lincoln County Board of Commissioners wishes to approve these proposed budget amendments;

NOW THEREFORE BE IT ORDAINED AND ESTABLISHED by the Board of Commissioners of Lincoln County, North Carolina, that the FY 2013 Budget previously adopted is hereby amended as follows:

Section 1. That the Capital Project Ordinance Amendment attached hereto, and incorporated herein by reference as Exhibit A to Ordinance #2013-9, is hereby approved and adopted as amendments to the FY 2013 Budget.

Section 2. That this amendment to the budget shall become effective immediately upon its adoption by the Board of Commissioners.

Passed and adopted this 15th day of April, 2013.

BY: _____
Alex E. Patton, Chairman
Lincoln County Board of Commissioners

ATTEST:

Amy S. Atkins
Clerk to the Board

EXHIBIT A to Ordinance #2013-9

Capital Project Ordinance Amendment numbered 9

**ORDINANCE #2013-10: AN ORDINANCE AMENDING THE FY 2013 BUDGET
FOR THE COUNTY OF LINCOLN, NORTH CAROLINA**

THAT WHEREAS, the Lincoln County Board of Commissioners adopted the FY 2013 Budget by approving Ordinance #2012-11 on June 28, 2012; and

WHEREAS, the Finance Director and County Manager are recommending further amendments as shown on the attachments herein; and

WHEREAS, the Lincoln County Board of Commissioners wishes to approve these proposed budget amendments;

NOW THEREFORE BE IT ORDAINED AND ESTABLISHED by the Board of Commissioners of Lincoln County, North Carolina, that the FY 2013 Budget previously adopted is hereby amended as follows:

Section 1. That the Capital Project Ordinance Amendment attached hereto, and incorporated herein by reference as Exhibit A to Ordinance #2013-10, is hereby approved and adopted as amendments to the FY 2013 Budget.

Section 2. That this amendment to the budget shall become effective immediately upon its adoption by the Board of Commissioners.

Passed and adopted this 15th day of April, 2013.

BY: _____
Alex E. Patton, Chairman
Lincoln County Board of Commissioners

ATTEST:

Amy S. Atkins
Clerk to the Board

EXHIBIT A to Ordinance #2013-10

Capital Project Ordinance Amendment numbered 14

RESOLUTION #2013-19:

**RESOLUTION TO DECLARE THE FINANCE DIRECTOR
THE OFFICIAL SIGNATORY FOR THE COUNTY FOR
JCPC PROGRAM AGREEMENTS**

WHEREAS, the County Commission is authorized to designate an official signatory for certain purposes; and

WHEREAS, the North Carolina Department of Juvenile Justice has asked for an official signatory for JCPC Program Agreements; and

WHEREAS, the Finance Director attends all JCPC Board meetings and is the de facto Treasurer for the Lincoln County JCPC:

NOW, THEREFORE, BE IT AND IT IS HEREBY RESOLVED,

That Lincoln County Board of Commissioners has declared that the Finance Director shall be the official signatory for JCPC Program Agreements.

That this resolution shall become effective immediately.

Adopted this 15th day of April, 2013.

LINCOLN COUNTY

By: _____
Alex Patton, Chairman
Board of Commissioners

ATTEST:

Amy S. Atkins, Clerk to the Board of Commissioners

LINCOLN COUNTY TAX DEPARTMENT

**REQUEST
FOR**

REFUNDS

MOTOR VEHICLES

PERIOD COVERED (MARCH 11, 2013 -
MARCH 24, 2013)

G.S. # 105-381(B) ALL REFUNDS MORE THAN \$100.00
(AND) # 105-325
INCLUDING (A) (6)

NAME	YEAR	DISTRICT	A/C #	AMOUNT	REASON
DAIMLER TRUST	2012	DFD/ELSD	0227385	\$174.60	PRO-RATED BILL
HONDA LEASE TRUST	2012	BCFD	0240539	\$158.40	SOLD PRIOR TO TAG/TAX YEAR
			TOTAL	\$333.00	

LINCOLN COUNTY
TAX DEPARTMENT

G.S. #105-381 (B) ALL RELEASES MORE THAN \$100
AND #105-325 INCLUDING (A) (6)
REQUEST FOR RELEASES

PERIOD COVERED
(February 16, 2013 - March 15, 2013)

NAME	YEAR	A/C NO	AMOUNT
Domangue, Van C	2011- 2012	0108892	\$160.12
Jenkins, Gary Bruce	1999- 2012	07532	\$7,757.91
Navarro Precision	2012	0229025	\$277.20
Swauger, Kurt	2010- 2012	0204835	\$346.52
Walters, Lois R	2012	0144157	\$4,514.50
Warcola, Brett A	2012	0200569	\$295.21
		TOTAL	\$13,351.46

LINCOLN COUNTY
TAX DEPARTMENT
G.S. #105-381 (A) ALL RELEASES MORE THAN \$100
AND #105-325 INCLUDING (A) (6)
REQUEST FOR RELEASES
MOTOR VEHICLE BILLS
PERIOD COVERED
(FEB 16, 2013 - MAR 15, 2013)

NAME	YEAR	A/C NO	AMOUNT
Atlantic Coast Contractors Inc	2012	0113813	\$194.53
Beltran, Azucena	2012	0243313	\$122.99
Canora, Michele Marie	2012	0244379	\$127.26
Catawba Rental Co Inc	2012	0065446	\$131.25
Curtiss, Brenda Casteen	2012	0237323	\$108.62
Fairchilds, Derrick Dean	2012	0244214	\$129.24
Harrall, Thomas Powe III	2012	0238034	\$192.93
Hull, Nena Derr	2012	0234351	\$106.56
ICX Corp	2012	0191338	\$143.24
Low, Keng Yap	2012	0244467	\$370.21
Matthews, Robert Edward	2012	0231268	\$173.16
McCutchin, Michael David	2012	0140732	\$205.25
Mike Albert Ltd	2012	0170659	\$210.08
Moretz, Terry Wayne	2012	0244395	\$567.65
Paul, Dana Cook	2012	0181197	\$114.95
Pellegrin, Claire S	2012	0202957	\$107.12
Peyton, Jonathan Martin	2012	0163760	\$135.62
Scoggin, Robert Brian	2012	0244421	\$221.30
Thomas, Robert James	2012	0244175	\$292.52
Ward, Shawn David	2012	0216266	\$102.90
		TOTAL	\$3,757.38

Public Hearing – Road Name Change – Burton Wood Lane: Netta Anderson, Customer Service Representative in the Addressing Department, presented a map of a privately maintained road that by ordinance needs to be renamed and added to the Master Street Address Guide for address purposes.

There appears to be a discrepancy as to the proper roadway name presently being used by the residents along Burtonwood Lane. Some of the residents have been using the road

name, Burton Wood Lane, while others have been using the road name, Burtonwood Lane.

The road is located off of NC 182 Highway, (formerly known as Burtonwood Lane). The proposed name change is Burton Wood Lane and was agreed to by all residents by signing the Road Naming Petition and Application. The name is not a duplicate or sound-alike and has been approved by the Addressing Department.

Chairman Patton declared the public hearing open.

James Burton Wood, 633 Burton Wood Lane, said there was a typographical error when the road name was entered. He said this road was named for his grandfather, Burton Hudson Wood, in his honor and the family would appreciate this name being changed.

Being no additional speakers, Chairman Patton declared the Public Hearing closed.

UPON MOTION by Commissioner Robinson, the Board voted unanimously to approve the road name change to Burton Wood Lane.

Public Comments: Chairman Patton opened public comments.

Scott Knox, developer of Verdict Ridge, spoke concerning changes to the UDO for off-premise signs. He asked for possible text amendments to help with promoting the development and golf course.

Robert Avery, 843 Newton Lane, spoke concerning a survey for taxpayers.

Chairman Patton informed Mr. Avery that a non-profit organization did the survey and presented the results to the Gaston County Board of Commissioners.

Being no additional speakers, Chairman Patton closed public comments.

Recommendation from the Ad Hoc Human Resources Committee on the Medical Insurance Renewal for FY 2014: Commissioner Robinson presented the following:

Each year, as we develop the proposed operating budget for the upcoming year, the Board must approve the medical insurance plan for employees and retirees. The Board set up the ad hoc Human Resources Committee to review certain personnel policies, and the medical insurance plan for the next fiscal year. This committee consists of Vice-Chairman Carl Robinson, Jr., Commissioner Cecelia Martin, ACM Martha Lide, HR Director Audrey Setzer, and me. This committee has reviewed the various options for the 2013-14 Medical Insurance Plan and recommends the following:

- Increase both the employee premium contribution and the County premium contribution by 5.5% in both the PPO Plan and the H.S. A. Plan.
- For the PPO Plan:
 - Individual deductible increases from \$1,500 to \$2,000
 - Family Maximum deductible increases from \$3,000 to \$4,000
 - The Specialist co pays remains the same as 2012-13
 - The Urgent Care co pays remains the same as 2012-13
 - The Emergency Room co pays remains the same as 2012-13
- For H.S.A.- no changes

As outlined in the manager's February 26, 2013 memo to the Board, Mark III advised us that we would need an additional 8.25 % increase in funding (\$473,995), to ensure the financial stability of our Health Insurance Fund for next year. The reasons for this increase are:

- Medical inflation rate continues to exceed the normal inflation rate, and the growth rate in our revenues. Medical inflation has continued to grow faster than the normal inflation rate.
- Utilization of services can also rise, particularly in the pharmacy component.
- Changes required by the Affordable Care Act (Obamacare) which will result in an additional \$121,578 fees. These fees include \$1,035 for Comparative Effectiveness Research Agency, \$ 46,023 for Women's Health Benefits Mandates and a \$74,520 Transitional Reinsurance Fee in years 2014-2016 (First Payment)

The options for dealing with these additional costs are very limited:

- Increase County share of premiums
- Increase employee share of premiums
- Increase co-pays and deductibles
- Reduce benefits in the plan
- Pay for the additional costs from the County's budget, which in turn will reduce the amount of funding available for merit increases for employees.

In the manager's February memo, instead of increasing the premiums 8.25% on all employees, he recommended increasing the PPO plan copayments for Specialist visits (from \$70 to deductible first then 20%), Urgent Care (from \$70 deductible first then 20%) and Emergency Room Care (from \$250 to deductible first then paying 20%). The theory was that the increased cost of medical expenses would be borne by employees who utilize them the most. No changes were recommended in the H.S.A plan. Many employees expressed concern about this proposal and many stated they would prefer higher premiums or less merit increase over the proposed changes in the copayment structure. The committee took all of these matters into consideration in making its recommendation.

The proposed increases for premiums depend on the plan selected by employees. We offer essentially eight different plans (more if you add in the possible choices for dental plans). The proposed increases on a **monthly basis** are as follows:

PPO Plan Options	Current Premium	Proposed Premium	Increase in Dollars	Number of Employees
Employee Only	\$ 56.08	\$ 59.16	\$ 3.08	343
Employee & Children	\$248.93	\$262.62	\$13.69	114
Employee & Spouse	\$391.78	\$413.33	\$21.55	53
Full Family Coverage	\$620.20	\$654.31	\$34.11	23

H.S.A. Plan Options	Current Premium	Proposed Premium	Increase in Dollars	Number of Employees
Employee Only	\$ 0	\$ 0	\$ 0	60
Employee & Children	\$157.71	\$166.38	\$8.67	15
Employee & Spouse	\$247.59	\$261.21	\$13.62	5
Full Family Coverage	\$436.68	\$460.70	\$24.02	2

Given the current plan selection, the **County pays approximately 83% of the combined premiums, and the employees pay the other 17%**. So, the bulk of any increases will fall on the County's budget. That is why with a 5.5% premium increase, this proposal will cut into the money available for other purposes. If an 8.25% was going to cost the County about \$474,000, then **a 5.5% increase is estimated to cost about \$316,000**.

The committee believes that this proposal strikes a balance between the various options outlined above for dealing with an 8.25% increase in medical costs. We have raised the premiums and the deductibles, but left the co pays as is.

Below is some additional background on how our Health Insurance Program is structured.

- Lincoln County is “self-insured” for employee medical insurance. It is funded in the Health Benefits Fund of the County’s Budget. The County budgets within the various departments for the employer portion, and those funds are transferred monthly into the Health Benefits Fund. The employee portions are payroll-deducted and also transferred monthly into the Health Benefits Fund.
- Employees can elect to participate in the PPO Plan or the HSA Plan. The PPO Plan allows employees to pay for deductibles, copays, premiums, and other expenses on a pre-tax basis by making payroll deductions into a Flexible Spending Account. The HSA Plan provides \$750 from the County, into a Health Savings Account, into which employees can then make pre-tax payroll deductions for deductibles, copays, premiums, and other expenses.
- Employees can choose from four coverage options, in either the PPO or the HSA plans: 1) Employee Only; 2) Employee and Spouse; 3) Employee and Children; or 4) Family. They can also choose whether to have dental coverage. There are different premiums for each of these coverage levels.
- The County has an ASO (Administrative Services Only) contract with Blue Cross-Blue Shield of NC to handle employee enrollment, administer the claims for our plan, and to participate in their Preferred Provider Organization (PPO) network of health care providers. The PPO gives us a significant discount from provider rates outside this network.

- Mark III, has acted as our insurance brokerage, to help us design the elements of our medical insurance plan, and advise us on best practices.
- We maintain specific stop loss insurance that caps our exposure on any claim at \$100,000. This helps guard against excessive claims in a bad claims year. Until 2011, we also had aggregate stop loss insurance to cap our total claims in the year at 125% of the anticipated claims. We dropped this coverage as we have never come close to a 125% claims year, and the premium continued to rise despite that.

UPON MOTION by Commissioner Robinson, the Board voted unanimously to approve the recommendation from the Ad Hoc Human Resources Committee on the Medical Insurance Renewal for 2014 as submitted.

Motion to Adopt Resolution #2013-20: Resolution Amending the Lincoln County Personnel Policy: Commissioner Robinson and Mr. Wood presented the following:

At the County Commission Workshop in December 2013, the Board requested that a review of several personnel policies be conducted and the Board appointed an ad hoc Human Resources Committee to review those policies. Members of the Committee were Vice Chairman Carl Robinson, Commissioner Cecelia Martin, Martha Lide, Assistant County Manager, Audrey Setzer, Human Resources Director and the County Manager. Below are the issues and committee recommendations:

1. Determine the appropriate percentages the County and the employee should pay, for each of our medical insurance plan options.

Lincoln County pays 91% of the employee's medical insurance coverage, 73% of employee/child and employee/children, and 63% of employee/family coverage.

- All but one of the other counties surveyed provide 100% of the employee cost
- Six out of the eight Counties are contributing only toward the employees' coverage, but not for the dependent coverage they choose.
- Our H.S.A plan is very consistent with other H.S.A plans
- One County, (Cleveland) has decided to only offer H.S.A coverage

Recommendation: The Committee recommends reviewing the trends annually, rather than having a set percentage.

2. Determine whether the County can afford to continue to offer **new employees** full medical insurance coverage at no cost once they retire with 25 or more years of service with the County. **No change** is being considered for any existing employee's benefit, as it is viewed as a retirement benefit.

Lincoln County currently provides individual health insurance coverage upon retirement after 25 years of service with Lincoln County (or 20 years of service if

hired before September 1, 2005). The County also currently allows employees who retire with a minimum of years of service to purchase health insurance through our group plan at full cost. (The employee pays both the employee and employer contributions). See attached Article VII-Section 11 of the LC Personnel Policy.

Also attached is a survey conducted of the same seven other Counties surveyed concerning health benefits.

- 5 of the other Counties only offer the required 18 months COBRA coverage to retiring employees.
- Catawba provides retirees insurance at no cost if they have 30+ years of service. Those with 15-30 years can stay on the plan at their own cost.
- Wilkes provides retiree insurance with 30 years of service at any age, 20 years of service at age 55 and 10 years of service at age 62. They do allow dependent coverage.

So, the issue is can we pass an amendment to the existing policy (Personnel Policy Article VII., Section 11) that states any employee hired or rehired on or after July 1, 2013 shall not be eligible for this benefit. That would keep it in place for all existing employees, but not for any future employees. Over time, this would cap the Other Post-Employment Benefits (OPEB) accrued liabilities at a more sustainable level. See the Audit for a discussion of this liability and its growth rate.

Recommendation: The Committee recommends that

- For employees hired before July 1, 2013 there be no change in retiree medical insurance coverage policy.
- For an employee hired or rehired after July 1, 2013 the County should discontinue offering full medical insurance coverage at no cost once an employee retires with 25 or more years of service with the County.
- The Committee further recommends, that we should continue to allow employees who have worked a minimum of 15 years for Lincoln County, to purchase medical insurance at the full cost of coverage. (The employee/retiree must pay both the employee contribution and the County contribution to the plan).

3. Determine whether the County should continue offering paid health insurance to employees that receive disability retirement with LGERS as provided in Article VII, Section 11, B. 9 of the Personnel Policy.

Recommendation: The Committee recommends that the County no longer offer this benefit to employees who are not vested as of June 30, 2013 (Hired on or after July 1, 2008).

RESOLUTION #2013-20: A RESOLUTION AMENDING THE LINCOLN COUNTY PERSONNEL POLICY REGARDING MEDICAL INSURANCE

THAT WHEREAS, the Lincoln County Personnel Policy adopted by Resolution of the Board of Commissioners in 2005 and made effective September 1, 2005, contains provisions regulating continuation of medical insurance coverage after retirement; and

WHEREAS, the ad hoc Human Resources Committee has recommended several changes to these policies; and

WHEREAS, the Board believes it is necessary and desirable to amend the existing provisions for those employees that have not vested in the NC Local Government Employees Retirement System;

NOW THEREFORE, BE IT RESOLVED by the Lincoln County Board of Commissioners as follows:

1. That Section 11 of Article VII of the Lincoln County Personnel Policy is hereby amended by deleting the existing language in its entirety, and substituting the following language in its place:

“Section 11. Health Insurance Coverage at Retirement

Lincoln County offers Health Insurance Coverage for employees based on their date of hire, years of service and vested rights as follows:

I. **For employees who were hired** prior to September 1, 2005 and have 20 years of creditable service with Lincoln County, or for employees who were hired on or after September 1, 2005 and prior to July 1, 2013 and have 25 or more years of creditable service with Lincoln County, and who occupy a budgeted full time or part time position that is eligible for all County benefits at the time of retirement, and who have met the minimum criteria to retire with the Local Government Employees Retirement System (LGERS) as defined in the Retirement Benefits book, such employees will receive Individual Health Insurance coverage upon retirement, on terms determined by the Board of County Commissioners annually in the budget process.

Retired employees in this category, upon reaching the age of 65, will no longer be eligible to participate in the group health insurance plan, however, they will become eligible for Medicare under the Social Security Act and the County will provide a Medicare Supplement Policy. If the County is contributing toward the cost of the Medicare Supplement premium, the amount will not exceed the amount paid for the retiree's insurance as identified above.

- II. **Employees who are hired or rehired** on or after July 1, 2013, are not eligible for the medical insurance coverage benefit outlined in Sub-section I above.
- III. **For an employee who** retires with at least 15 years of creditable service with Lincoln County, who occupied a full-time or part-time budgeted position that is eligible for all County benefits at the time of retirement, and who retires as part of the N.C. Local Governmental Employees' Retirement System, such employee shall be eligible to continue their health insurance at the employee's expense and not at the expense of Lincoln County.
- IV. **For employees who are vested** in the LGERS as of July 1, 2013, (ie., hired prior to July 1, 2008), and who receive disability retirement with LGERS, the County will make available health insurance coverage upon retirement, on terms determined by the Board of County Commissioners annually in the budget process. They will remain in the County's group plan until said employee becomes eligible for Medicare under the Social Security Act. At that time, the County will make available to the employee a Medicare Supplement Policy. Any dependent of an employee who retires under disability, and who was covered under the employee's health insurance plan, may continue for up to eighteen (18) months through COBRA provisions (see Article VII, Section 11.B.7).

Employees who are not vested in LGERS as of July 1, 2013, are not eligible for this benefit.

- V. The following additional criteria must be met as they relate to retiree health insurance:
 - 1. For part time employees who are in a budgeted position that is eligible for all County benefits, the cost of the part time employee's medial insurance coverage would be pro-rated based on the percentage of hours worked and the employee would be responsible for the balance.
 - 2. The same company that provides health insurance coverage to employees will provide the retiree health insurance coverage. However, nothing in this Policy shall limit Lincoln County from contracting with other health insurance companies to provide health insurance coverage for their employees or retirees.
 - 3. Any partial or full payment of insurance premiums is based upon service with Lincoln County only. Service with other North Carolina Retirement System employers does not qualify an employee or retiree for benefits within this Section.

4. Dependents who may have been covered under the employee's health insurance plan may continue to be covered under the County's health insurance plan for up to eighteen (18) months through COBRA provisions (see Article VII, Section 9). However, any cost of coverage that extends benefits to the dependents shall be borne by the retired employee and not Lincoln County. The dependent coverage will be discontinued after 18 months.
5. All premium payments owed by the employee are due by the 25th of each month. Upon the failure of an employee to pay such premium Lincoln County may, at its option, immediately terminate the coverage provided herein.”

That this Resolution shall become effective immediately upon its adoption.

Adopted this 15th day of April, 2013.

LINCOLN COUNTY

Alex Patton, Chairman
Board of Commissioners

ATTEST:

Amy Atkins
Clerk to the Board of Commissioners

UPON MOTION by Commissioner Klein, the Board voted unanimously to adopt Resolution #2013-20: Resolution Amending the Lincoln County Personnel Policy.

Motion to Adopt Resolution #2013-21: A Resolution Authorizing the Filing of an Application for Approval of a Financing Agreement Authorized by North Carolina General Statute 160A-20: Deanna Rios, Finance Director, presented the following:

RESOLUTION #2013-81:

A RESOLUTION AUTHORIZING THE FILING OF AN APPLICATION FOR APPROVAL OF A FINANCING
AGREEMENT AUTHORIZED BY NORTH CAROLINA GENERAL STATUTE 160A-20

WHEREAS, the County of Lincoln, North Carolina desires to finance the construction of an industrial park, park shelters and improvements, video programming, radio towers, building purchase and equipment to better serve the citizens of Lincoln County; and

WHEREAS, the County of Lincoln desires to finance the Project by the use of an installment contract authorized under North Carolina General Statute 160A, Article 3, Section 20; and

WHEREAS, findings of fact by this governing body must be presented to enable the North Carolina Local Government Commission to make its findings of fact set forth in North Carolina General Statute 159, Article 8, Section 151 prior to approval of the proposed contract;

NOW, THEREFORE, BE IT RESOLVED that the Board of Commissioners of Lincoln County, North Carolina, meeting in regular session on the 15th day of April, 2013, make the following findings of fact:

1. The proposed contract not-to-exceed \$6,500,000 is necessary or expedient because construction and acquisition of these items is necessary to provide adequate services to our citizens. The construction of infrastructure for the Airlie Business Park is necessary for the recruitment of new business and industry to the County, increase tax base, and increase jobs in the County.
2. The proposed contract is preferable to a bond issue for the same purpose for the following reasons. The financing is preferred over general obligation bonds because of the comparable interest rate and lower issuance costs associated with a private placement. This is also preferable to a two-thirds debt issuance because it is also less costly. Furthermore this form of financing is faster than general obligation bonds and needs to be completed within the next few months. The proposed financing is also preferable because there are not adequate funds in the current budget to finance the total cost of the projects. Lincoln County has endeavored to improve its fund balance and to have sound financial management practices.
3. The sums to fall due under the contract are adequate and not excessive for the proposed purpose because they are reasonable for the proposed project.
4. The County of Lincoln's debt management procedures and policies are good because such practices have been carried out in strict compliance with the law as evidenced by the refundings of general obligation debt over the past few years.
5. There will be no need to increase taxes to meet the sums to fall due under the proposed contract. Funds will be budgeted in future budgets to make these payments.
6. The County of Lincoln is not in default in any of its debt service obligations.
7. The attorney for the County of Lincoln as rendered an opinion that the proposed Projects are authorized by law and are purposes for which public funds may be expended pursuant to the Constitution and laws of North Carolina.
8. The probable net revenues of the project to be financed will be sufficient to meet the sums to fall due under the proposed contract.

NOW, THEREFORE, BE IT FURTHER RESOLVED that the County Manager and/or the Finance Director is hereby authorized to act on behalf of the County of Lincoln in filing an application with the North Carolina Local Government Commission for approval of the Project and the proposed financing contract and other actions not inconsistent with this resolution.

This resolution is effective upon its adoption this 15th day of April, 2013.

The motion to adopt this resolution was made by Commissioner _____, seconded by Commissioner _____ and passed by a vote of _____ to _____.

Alex E. Patton, Chairman
Board of Commissioners

ATTEST:

Amy S. Atkins
Clerk to the Board of Commissioners

This is to certify that this is a true and accurate copy of Resolution No. _____ Adopted by the Lincoln County Board of Commissioners on the 6th day of May, 2013.

Amy S. Atkins
Clerk to the Board of Commissioners

Date

RESOLUTION #2013-21:

A RESOLUTION AUTHORIZING THE FILING OF AN APPLICATION FOR APPROVAL OF A FINANCING
AGREEMENT AUTHORIZED BY NORTH CAROLINA GENERAL STATUTE 160A-20

WHEREAS, the County of Lincoln, North Carolina desires to finance the construction of an industrial park, park shelters and improvements, video programming, radio towers, building purchase and equipment to better serve the citizens of Lincoln County; and

WHEREAS, the County of Lincoln desires to finance the Project by the use of an installment contract authorized under North Carolina General Statute 160A, Article 3, Section 20; and

WHEREAS, findings of fact by this governing body must be presented to enable the North Carolina Local Government Commission to make its findings of fact set forth in North Carolina General Statute 159, Article 8, Section 151 prior to approval of the proposed contract;

NOW, THEREFORE, BE IT RESOLVED that the Board of Commissioners of Lincoln County, North Carolina, meeting in regular session on the 15th day of April, 2013, make the following findings of fact:

1. The proposed contract not-to-exceed \$6,500,000 is necessary or expedient because construction and acquisition of these items is necessary to provide adequate services to our citizens. The construction of infrastructure for the Airlie Business Park is necessary for the recruitment of new business and industry to the County, increase tax base, and increase jobs in the County.
2. The proposed contract is preferable to a bond issue for the same purpose for the following reasons. The financing is preferred over general obligation bonds because of the comparable interest rate and lower issuance costs associated with a private placement. This is also preferable to a two-thirds debt issuance because it is also less costly. Furthermore this form of financing is faster than general obligation bonds and needs to be completed within the next few months. The proposed financing is also preferable because there are not adequate funds in the current budget to finance the total cost of the projects. Lincoln County has endeavored to improve its fund balance and to have sound financial management practices.
3. The sums to fall due under the contract are adequate and not excessive for the proposed purpose because they are reasonable for the proposed project.
4. The County of Lincoln's debt management procedures and policies are good because such practices have been carried out in strict compliance with the law as evidenced by the refundings of general obligation debt over the past few years.
5. There will be no need to increase taxes to meet the sums to fall due under the proposed contract. Funds will be budgeted in future budgets to make these payments.
6. The County of Lincoln is not in default in any of its debt service obligations.
7. The attorney for the County of Lincoln as rendered an opinion that the proposed Projects are authorized by law and are purposes for which public funds may be expended pursuant to the Constitution and laws of North Carolina.
8. The probable net revenues of the project to be financed will be sufficient to meet the sums to fall due under the proposed contract.

NOW, THEREFORE, BE IT FURTHER RESOLVED that the County Manager and/or the Finance Director is hereby authorized to act on behalf of the County of Lincoln in filing an application with the North Carolina Local Government Commission for approval of the Project and the proposed financing contract and other actions not inconsistent with this resolution.

This resolution is effective upon its adoption this 15th day of April, 2013.

The motion to adopt this resolution was made by Commissioner _____, seconded by Commissioner _____ and passed by a vote of _____ to _____.

Alex E. Patton, Chairman
Board of Commissioners

ATTEST:

Amy S. Atkins
Clerk to the Board of Commissioners

This is to certify that this is a true and accurate copy of Resolution No. _____ Adopted by the Lincoln County Board of Commissioners on the 6th day of May, 2013.

Amy S. Atkins
Clerk to the Board of Commissioners

Date

UPON MOTION by Commissioner Robinson, seconded by Commissioner Martin, the Board voted unanimously to adopt Resolution #2013-21: A Resolution Authorizing the Filing of an Application for Approval of a Financing Agreement Authorized by North Carolina General Statute 160A-20.

Motion to set Public Hearing for May 6, 2013 at 6:30 p.m. concerning debt issuance:
UPON MOTION by Commissioner Robinson, the Board voted unanimously to set a public hearing for May 6, 2013 at 6:30 p.m. concerning debt issuance.

Finance Officer's Report: Deanna Rios presented the Finance Officer's Report.

County Manager's Report: Mr. Wood informed the Board of his plans to retire on June 30, 2013.

The Board praised Mr. Wood for his service to Lincoln County.

County Attorney's Report: Nothing reported.

Vacancies/Appointments: **UPON MOTION** by Commissioner Robinson, the Board voted to make the following appointments:

Appointments:

- Board of Equalization and Review – Alternate
 - Mike Baker
- DSS Board
 - JV Allen
- Gaston Community Action
 - Reappoint Devonda Friday
- Board of Animal Appeals
 - Bill S. Beam (LCSO)
 - Doug Murray

Calendar: Chairman Patton informed the Board of the Adopt a Cop picnic on May 1 at Betty Ross Park.

Other Business:

Closed Session: **UPON MOTION** by Commissioner Mitchem, the Board voted unanimously to enter into Closed Session Pursuant to N.C.G.S. 143-318.11

(a) (3) To consult with an attorney employed or retained by the public body in order to preserve the attorney-client privilege between the attorney and the public body, which privilege is hereby acknowledged. General policy matters may not be discussed in a closed session and nothing herein shall be construed to permit a public body to close a meeting that otherwise would be open merely because an attorney employed or retained by the public body is a participant. The public body may consider and give instructions to an attorney concerning the handling or settlement of a claim, judicial action, mediation, arbitration, or administrative procedure. If the public body has approved or considered a settlement, other than a malpractice settlement by or on behalf of a hospital, in closed session, the terms of that settlement shall be reported to the public body and entered into its minutes as soon as possible within a reasonable time after the settlement is concluded.

Amy S. Atkins, Clerk
Board of Commissioners

Alex E. Patton, Chairman
Board of Commissioners