



**TOWN OF HOLDEN BEACH
BOARD OF COMMISSIONERS
SPECIAL MEETING/ PUBLIC HEARING
WEDNESDAY, JUNE 13, 2018 – 9:00 A.M.**

The Board of Commissioners of the Town of Holden Beach, North Carolina met for a Special Meeting/ Public Hearing on Wednesday, June 13, 2018 at 9:00 a.m. in the Town Hall Public Assembly. Present were Mayor J. Alan Holden; Mayor Pro Tem Mike Sullivan; Commissioners Pat Kwiatkowski, Joe Butler, John Fletcher and Peter Freer; Town Manager David W. Hewett; Town Clerk Heather Finnell; Police Chief Wally Layne; Planning Director Tim Evans; Public Works Director Chris Clemmons; Assistant Town Manager Christy Ferguson; Fiscal Operations Clerks Margaret Lancaster and Mandy Lockner; and Town Attorney Noel Fox.

PUBLIC HEARING: PROPOSED BUDGET FOR FISCAL YEAR 2018 - 2019

Town Manager Hewett explained administrative corrections have been made in the proposed budget ordinance and the result is an overall reduction from the Budget Message in an amount of approximately \$12,000. The proposed total budget is approximately \$20,400,000. It represents a proposed tax rate reduction of two cents, from \$0.22 to \$0.20, while achieving an established target range in the Unassigned General Fund of a minimum of 40% (believes it is 42%), while satisfying all debt service and capital obligations of approximately \$3.5 million across all funds. It provides funding for the rehabilitation of Lift Station 4, while sequentially funding the engineering that is anticipated to be required for Lift Station 3. It escrows an amount of \$3 million to the Beach Capital Reserve Fund and provides funding for a full dredge of all of the canals. Implementing House Bill 436 will establish their own capital reserve funds. It provides proposed funding of merit based performance of 3%. The first phase of the Land Use Plan (LUP) update and expansion of the Beach Ranger Program are also in the proposed budget. Partially funding Lockwood Folly Inlet navigation maintenance is proposed. Easements acquisition for the SDI-5 permit are continued and rolled over. It funds the update for the Central Reach Project (CRP) using existing offshore sand resources. The third year of the paving program is also funded in the proposed budget.

Town Manager Hewett reviewed the budget schedule. He said we didn't have any inquiries from the public at large. He attempted to work in the commissioners' goals and objectives in the proposed budget. Those are detailed in the Budget Message. He said one thing the budget doesn't address, except in small sections, is the Brunswick Avenue West situation. We have some pending draft solutions that we won't be bringing back to the Board until after July.

Mayor Holden opened the floor for comments on the proposed budget. No comments were made. Mayor Holden closed the public hearing at 9:10 a.m.

DISCUSSION AND POSSIBLE ACTION AS RELATED TO THE BUDGET MESSAGE

Commissioner Kwiatkowski said the Board acknowledged they had revenue and expense discussions, but never had revenues and expenses combined. This is the time to discuss the comparison of the two. Commissioner Butler said in the budget objectives, a tier 1 goal was to establish a fund with \$3 million from BPART. He sees the Capital Reserve Fund in place. He asked how soon the funds will be transferred into the account. Town Manager Hewett replied July 1st. Commissioner Butler asked if a planning process has been put in place in this budget to add additional funds each year to accomplish the agreed upon \$10 million goal by 2026. Town Manager Hewett responded no, he doesn't know how to get there from where we are today. Commissioner Butler said a note on page 31 says the Beach Management Capital Reserve Fund will serve to alleviate burden in future years for sand projects and is projected to receive funds from the General Fund when the General Fund balance reaches 70% or higher. He inquired what plan is in place to obtain the 70% or greater goal. Town Manager Hewett stated this year's start was to use the two cents reduction in the tax rate. That was the start that allowed the minimum Fund Balance in that Fund Balance Ratio to be obtained. He said the overall goal was to get a minimum of 40% and maximum of 70% and when you get to 70% you move the overage to the beach fund. The General Fund Balance Ratio is calculated as a function of resources available at the end of the year, measured against the expenditures for the next year. When you reduce the expenditures for the next year, your General Fund Balance Ratio increases. You reduced the expenditure which is the equivalent of two cents from the tax transfer from the General Fund to the BPART Fund to pay for the CRP. The Unassigned BPART Balance is where the money will come from. Commissioner Fletcher asked what effect the expenses that we pay out of the BPART Fund have on the ratio. Town Manager Hewett said it would drive the General Fund Balance Ratio down. Commissioner Freer said one of the goals was to not rob Peter to pay Paul within the funds. He stated we haven't met the goals of \$10 million in 10 years and other goals. Town Manager Hewett stated a penny is about \$120,000 on the tax rate. If you have \$3 million and you want to get to \$10 million, you are looking at about 10 cents on the tax rate for seven years to get there. Commissioner Freer stated a tax decrease makes zero sense to him because we have some obligations we haven't met.

Mayor Pro Tem Sullivan said if you go back to the CRP and the money the Town borrowed, after the Board voted to raise the taxes to \$0.22, Hurricane Matthew came through and damaged the beach. We were lucky to apply to FEMA for reimbursement and we received back close to \$4 million. He asked if you change the chronology and the FEMA money came first, would you have voted for the \$0.22 tax rate. He said people in this community absorbed a tax rate to take care of the central reach. We were fortunate enough to get \$4 million from the federal government, \$3 million of which we already allocated back to the BPART Fund. He said the people in the community should get part of the money back that they voluntarily agreed to pay in taxes. Mayor Pro Tem Sullivan said he thinks the people who paid money are the ones who we should be concerned about. If we need to raise taxes at some point in the future, we can do that. He said we shouldn't spend every nickel that is available, just because it is available. Commissioner Fletcher said he has the responsibility to manage the resources of the Town for the people that elected him. He is conservative and doesn't like to spend all of the money. Commissioner Fletcher said if we drop the rate it would give \$100 back a year to people who have a \$500,000 house. That will take the BPART Fund down by \$240,000 a year. He said that is a couple million dollars between now and when we pay off the BPART Fund debt. He stated right now all of the money that comes into BPART is paid out to pay off that debt. Commissioner Fletcher said the \$800,000 that the Town has been transferring is to pay other expenses of the Town. He said if we bleed that BPART Fund down and we reach

a point a few years from now where Mother Nature has wrecked a little havoc on the beach, we will wish we had money. He would get about a \$225 per year rebate on his house. He stated he doesn't want it, he would prefer to leave the money in the savings account. His view is that it wouldn't be smart or responsible to cut the tax rate now, knowing that in the near future we would need to raise it back up. He would like to get through the next couple of years without raising taxes, managing our resources as best as we can and receiving taxes from new houses. Commissioner Fletcher wouldn't be in favor of reducing the tax rate now, given the effect it will have on the BPART Fund.

Town Manager Hewett stated we talk about moving \$3 million into escrow. Last year as of June 30th, we had a BPART Fund balance of \$6.45 million. We are anticipating this year as of June 30 (2018), a rollup surplus of \$740,000. That makes the balance of June 30th at \$7.2 million. The number includes the county's escrow of our money. So that takes us down to \$5.75 million. \$3 million is being transferred to the Capital Reserve Fund, which gets us to \$2.75 million. We are appropriating another \$347,000 in this year's budget. That brings us to an amount of \$2.4 million. He thinks that is a number the Board should consider. He said to keep in mind the \$1.4 million that county has will be coming back in terms of cash flow over the next eight years as the principal on the special obligations bond is retired. Town Manager Hewett confirmed that the tax increase doesn't cover the entire debt for the CRP per Commissioner Freer's question. Commissioner Freer said we are also taking money from the BPART Fund to pay down the debt. Commissioner Fletcher said this year it is an amount of \$575,000. He talked about how the funds are spent and said if you draw the fund down, there won't be anything there. Town Manager Hewett said the enabling legislation on the BPART Fund stratifies how the occupancy tax needs to be spent. Commissioner Freer stated this budget doesn't have any additional transfer besides the initial \$3 million into the sand fund. He said the General Fund is at the minimum as well. He stated to him \$10 million is halfway there. He explained how he thinks the next project would be close to \$20 million so it would be a split between current and future homeowners. He stated instead of having to go into a large debt, we would have at least half of the funds in a fund balance. He said he thinks it is a goal worth working for. Mayor Pro Tem Sullivan stated if we had the \$4 million in the coffers of the Town when we voted on the tax rate, he doesn't think the town manager would have presented the \$0.22 tax rate. He is looking at taking the excess money and giving it back to the taxpayers. He said you are talking \$3 million, if you take that and the \$2.4 million you have \$5.4 million available today for sand. Commissioner Fletcher said you cannot spend that all on sand. Mayor Pro Tem Sullivan said he is proposing with the extra money that came to the Town, we lower the tax rate. He is proposing we do it this year. If we can do it again, we do it again. If there comes a point when we cannot, we go back to whatever the need may be. Right now, the Town can afford to give a tax reduction and it will not jeopardize if the Town can take care of itself during a catastrophe. He said \$240,000 is the tax reduction.

Commissioner Butler stated he didn't see anything pertaining to parking in the budget. Phase 1 was things to accomplish to get parking a little more organized. As we finish the season we said we would evaluate Phase 1 and consider Phase 2. Phase 2 is evaluating Town owned properties to create additional parking. Phase 3 is to possibly consider other options such as paid parking. He said we have a plan in place, let's continue with the plan.

Commissioner Butler said a tier 2 goal was to increase the General Fund and BPART Fund reserves without transfers from other accounts. It appears we are close to having a minimum Fund Balance of close to 40%, while other municipalities are closer to the maximum. In last year's General Fund narrative there was a

benchmark statement that the average Fund Balance for North Carolina towns with populations such as ours was 132%, with a median of 100%.

Commissioner Butler said another tier 2 objective was an employee compensation review. He inquired if there are any plans for doing that prior to the close of this budget. Commissioner Kwiatkowski said this is the opportunity for the Board to do that. It was raised at two separate meetings and always deferred. Commissioner Freer stated they don't have the facts. Commissioner Kwiatkowski said the Board did receive the information on salary ranges and salary so if they need more information, now is the time to ask, unless the Board wants to meet again on the topic. Town Manager Hewett asked if the Board is asking to have a classification and pay plan study performed. Commissioner Butler said he is asking for a review of the compensation package, to include insurance. Town Manager Hewett said the best way to do that is to hire an external company to provide that information. Commissioner Freer would like to see where employees fall within the minimum. Town Manager Hewett said the employees are pretty much at the midrange of the classifications. It was updated in 2015. Commissioner Butler asked if the maximum moves based on the 3%. Town Manager Hewett replied that the range doesn't move annually. Over time, in those circumstances when an employee moves to the maximum in the range, they are awarded a bonus, but the salary stays at the maximum of the range. Town Manager Hewett periodically reviews the ranges. The ranges are derived from a data set and an in house salary survey. He sets the ranges. He benchmarks the data from the NCLM salary data and ground truths those results with other municipalities that recently had external agencies come in. Town Manager Hewett said merit raises are awarded on an individual basis. He explained the amount which reflects the 3% increase includes his salary, but he doesn't receive an increase unless the Board approves it. Commissioner Freer said he views his as separate and he would remove that. Town Manager Hewett said it an easy programming thing to remedy. Commissioner Freer said it looks like there was a 3% increase for health insurance. He asked if there has been discussion of employees sharing more of that increase. Town Manager Hewett replied we look at it every year. We have increased the deductibles every opportunity we can so that the burden is paid for on the employee's side. Town Clerk Finnell explained employee coverage is fully covered and employees are responsible for 20% of families. The county's plan was discussed. Town Manager Hewett said we do a rack up every year; we solicit companies for their prices. He provided information on the Town's history with BCBS. Commissioner Freer stated he doesn't think 20% is in line with the county or other industries. Town Manager Hewett said there is a data set that speaks to how insurance is provided in North Carolina. He said to remember that if what the Board is proposing is a reduction in employee benefits, part of recruiting the labor force we have was the compensation package, which included insurance. Commissioner Freer stated the cost sharing for family health insurance needs to adjust.

Commissioner Freer said he wouldn't vote for this budget without some changes. The Board discussed how to make changes to the proposed budget. Commissioner Freer said if we always do things the way we always have, we will never get to the 100% on the General Fund Balance or be where we should be on the BPART Fund Balance. He said we need to make some fundamental changes to get to where we should be on the important line items. Commissioner Freer stated the General Fund Balance should be at 100% because we live at a community where if a storm comes through 40% wouldn't get us too far. Town Manager Hewett stated the Fund Balance Policy the Board adopted last year deemed it to be a 40% – 70% range. If you want to do different than that, the Board should change the policy. Town Manager Hewett said the Board did not meet the range last year. Fiscal Operations Clerks Lockner said this year it is 44%.

Commissioner Freer stated he expected that every year the Town would get closer to 70%. He thinks that should be the minimum.

Motion by Commissioner Fletcher to delete two cents from the Budget Message and the proposed budget.

Town Manager Hewett explained that the Board would be voting on the ordinance, not the Budget Message.

Commissioner Kwiatkowski said as she sits and listen, we seem to be setting individual targets. When we are talking about BPART, sand and a plan, we have a new committee. She thinks part of their responsibility is going to be to define where we are going and how we are getting there and different opportunities for funding. Commissioner Kwiatkowski said if the Board wants to do anything about the cost of insurance, that takes some time. She suggested that it might be something that happens next year. She said the Board should have been having this discussion and the Board did deliberately defer it. Commissioner Kwiatkowski sees the tax reduction Mayor Pro Tem Sullivan's way after going through it many times. His justification is an appropriate justification. The consideration is if this is going to hurt their long term plans. At the moment, she would say the Board has a lot of long term plans that the Board needs to make. That might be what the next year is about. She is weighing it in terms of the Board needs to come up with some plans. Will it actually hurt the Town for one year to give the money back knowing the Town has the right to raise taxes if we have to? She explained there are a lot of considerations to make and she is asking everyone to keep an overall picture in mind of improvement and growth and fund increases against where we are today and what we are planning for next year. Commissioner Butler said he thinks personally he has done that and is pointing out specifics that are not in the budget. The Board talked about how to proceed. They will vote on each issue after discussion when a full list is established.

Commissioner Butler said the Board probably should have discussed the implementation of the items from the report from the Solid Waste Advisory Group. He asked if anything is in this budget for that. Town Manager Hewett replied no. There is no change this year. Commissioner Butler asked if there are any funds in the budget for the engineering process for Lift Stations 2 and 3. Town Manager Hewett responded yes for Lift Station 3. Commissioner Butler asked if there is any potential to review the LUP and funds to update the plan. Town Manager Hewett answered there are funds for the first phase. Planning Director Evans explained what is involved in the process. Commissioner Butler said a tier 7 goal is to maintain/increase the BPART Fund, coupled with a two cents decrease. He said without having a rock solid financial justification and explanation for a two cents decrease in our current tax structure he cannot in good faith support the tax decrease. He said the two cents deduction results in a \$100 annual reduction for a home assessed at \$500,000 or \$8.33 per month. He said this would result in a reduction of revenue in the amount of \$241,686. He explained there are too many unknowns. He suggested the Town would be better served by maintaining the current tax rate and focusing on the major priorities. Commissioner Butler said the budget process and format is difficult for him to understand. He suggested starting the process earlier in the year next time. He wants to see comparisons from previous years.

Commissioner Freer asked where the pipe testing line item is. Public Works Director Clemmons stated it comes out of M&R Water. There is nothing in there this year. When it was approved it was for three rounds, which have been completed. Commissioner Freer asked about the donations list. Town Manager Hewett stated the list is based upon requests we receive and from past requests. The amounts are what

they have requested. Commissioner Freer said he understands three trucks will be added for Public Works. Public Works Director Clemmons stated it is two. Commissioner Freer asked about Capital Outlay on the Police side. Town Manager Hewett explained it is for one vehicle and one third. The one third is the last of the payments for the lease purchase program. The cash purchase was actually budgeted for this year, but we didn't purchase it. We are rolling a portion of those funds over in order to secure it this year. Commissioner Butler stated he noticed for the next seven years there is no purchase of any vehicle. Town Manager Hewett stated we go on what Chief Layne has projected. We should be good for the next three or so years. Commissioner Butler suggested looking at the Capital Improvement Plan and revising it. Town Manager Hewett stated we need to do an assessment of the fleet so he asked if it is okay to do that next year. Commissioner Freer asked about the assistant town manager position. Town Manager Hewett stated that was one of faux pas where a change was made in the ordinance from the Budget Message. The position doesn't get overtime. Commissioner Freer inquired about Professional Services Mainland and Beach in BPART. Assistant Town Manager Ferguson said the mainland is for anything that has to do with Turkey Trap. We do try to keep money there because we have the site as a permitted sand source. Town Manager Hewett added we also have an ongoing bond we need to maintain to keep that permit in play. Commissioner Butler asked if there is liability insurance involved in that. Town Manager Hewett replied through the League. All facilities are covered and the amount is dispersed throughout the budget.

Commissioner Kwiatkowski said the things on the table to consider being changed are the two cents reduction, the 3% merit increase on salary with removing the Town Manager salary from the calculation and raising the benefits and the cost to employees being increased.

Commissioner Kwiatkowski said on the item of increasing the cost to employees for the benefits there has to be a target provided, not just a request to change it. Commissioner Butler stated maybe he is still stuck on getting to the 70% and getting money to the General Fund. He is still interested in putting additional funds in the new Capital Reserve Fund. Commissioner Fletcher said you would either need to increase revenue or decrease expenses. Commissioner Butler said we need to look at ways to increase revenue and decrease expenses. Commissioner Fletcher stated that hopefully some of the new houses will generate new revenue and hopefully in time we will get some bills paid off. Commissioner Freer said there has been no progress towards reducing expenses. Town Manager Hewett stated that in the past we took some deliberate actions on refinancing some of the facilities. Costs are going up. He talked about the costs of streetlights as an example. Commissioner Freer said if we do a 4% increase into the General Fund it will take us years to get to 70%. Town Manager Hewett stated he would need to check to see what the Unassigned Fund Balance was last year. Commissioner Kwiatkowski agrees we want to see growth, but asked what the target is. She said the Board needs to be more precise in what they are asking for. Commissioner Butler asked for guidance on what is realistic. Town Manager Hewett stated it depends on what you want to put on the table and how fast you want to get there. He asked if you want to talk about a tax increase or sending people home and stopping particular services. He hasn't heard anyone talk about a desire for a decrease of services. We are facing increased demands for automation that will soon outstrip our in-house capabilities. He discussed potential impacts to the budget.

Commissioner Freer said health insurance is up 3% on top of the merit. One of the ways to start would be that the Town not absorb any of the 3% increase.

Town Manager Hewett said to the two cents matter – would the Board want to see that go into a contribution to Fund Balance on the General Fund side or see it as being transferred over to the BPART Fund to pay the BPART Fund debt. Commissioner Freer said he thought he would say the sand fund. Fiscal Operations Clerk Lockner explained how the reserve fund is set up. Commissioner Freer said he would propose splitting it between the sand fund and the General Fund Balance because those two are not where the Board wants them. Commissioner Butler said he likes the sand fund. Mayor Pro Tem Sullivan stated he thinks that needs to be broken down into two votes, first if the two cents reduction will be taken out of the budget, then you would need to decide what to do with it if you take it out of the budget.

The Board came to a consensus that the town manager salary be removed from the overall total 3% the merit increase amount is calculated on.

Commissioner Kwiatkowski stated the proposal concerning benefits is that the Town not absorb any of the increase that was to be split between the employee and the Town. Town Clerk Finnell stated there are about 10 employees out of 24 that have family coverage that would be taking the increase of the entire Town. Commissioner Freer stated he would be talking about adjusting the amount for the families, not the employee. Mayor Pro Tem Sullivan said at this late date, he thinks the Board needs more deliberation. He would be in favor of looking at this for next year's budget. Out of fairness he thinks it should stay the same. He said the Board could have raised this issue earlier on during the process. Commissioner Kwiatkowski agrees. She would like to see a real plan in place for next year. She thinks the Board need to have a meeting to really understand it or come to a long term plan next year. Commissioner Freer said the Board kicked the can down the road a number of years. Commissioner Kwiatkowski stated she thinks the Town needs a multiyear plan to make an adjustment. Attorney Fox said there may be some human resources issues that need to be addressed. The Board agrees they will address this next year and develop a long term plan with the town manager.

Motion by Commissioner Fletcher to amend the ordinance to eliminate the two cents tax reduction; second by Commissioner Butler.

Mayor Pro Tem Sullivan stated we would not have excess money but for the fact that the federal government gave it to us. He said we would not have increased the taxes by seven cents if we knew we would have the money in the coffers. Yes, we have pressing problems, but the people of the Town who live here now and have paid their taxes for the past couple of years deserve to get their taxes reduced. Mayor Pro Tem Sullivan said the person who proposed the tax reduction received the most votes at the last election. The people who pay the taxes want the \$100 in their pocket and they don't want people up here telling them that the \$100 doesn't mean anything. Commissioner Freer said we are taking money out of the General Fund to pay for the CRP, so we didn't fully fund it by the tax increase. He said the federal government didn't give us the money, they reimbursed the money. He added that he never minimized any money and until the Town can adequately have a BPART Fund and General Fund Balance, the Town shouldn't give any money back because we don't have it to give back.

Commissioner Butler asked for a point of order, he wanted to vote.

The vote passed by a 3- 2 vote with Commissioners Butler, Fletcher and Freer voting for the motion and Mayor Pro Tem Sullivan and Commissioner Kwiatkowski voting in the negative.

Commissioner Freer proposes that since it is related to BPART, we put it into the sand fund. Commissioner Kwiatkowski asked if the Board is precluded from putting it in the sand fund since the General Fund Balance is not 70%. Town Manager Hewett read the Fund Balance Policy. Fiscal Operation Clerk Lockner read from the information setting up the Capital Reserve Fund that talks to subsequent amounts being sourced from the General Fund pending Fund Balance Reserves reaching above 70%. Town Manager Hewett added that is the proposed ordinance that hasn't been adopted yet. Town Manager Hewett said if the Board could give him a minute he can advise them how that will affect the Fund Balance.

Mayor Holden called a recess from 10:47 a.m. – 10:53 a.m.

Town Manager Hewett read from the policy and explained the policy is a guiding document. The Board is the one who determines what it is when the budget is adopted. Town Manager Hewett said the two cents can be put in the sand fund, but we need to change the language in the ordinance that establishes the Capital Reserve Fund. He said we can take the amount from the General Fund straight to the Capital Reserve Fund.

Commissioner Freer said that is what he is proposing (taking it from the General Fund straight to the Capital Reserve Fund). The motion was seconded by Commissioner Kwiatkowski and approved by unanimous vote.

DISCUSSION AND POSSIBLE ACTION ON THE AUDIT COMMITTEE RECOMMENDATION OF THE FIRM TO CONDUCT AN INTERNAL CONTROL EVALUATION

Commissioner Fletcher said the the Audit Committee selected with 5-0 vote the firm RSM LLP from Morehead City for the Internal Control Review. The Audit Committee also recommends to establish a not to exceed \$20,000 price and to ensure the scope that was described in the RFQ is followed.

Commissioner Kwiatkowski asked for information on the scope. Commissioner Fletcher replied it was to do all of the major financial controls, except for the IT area. He said it is to do the review first and then the Board can look at anything else later. Mayor Pro Tem Sullivan inquired why they are recommending this firm. Commissioner Fletcher said it is a bigger firm and better qualified with staff. It has a unit that just does internal controls reviews. The committee came to a pretty quick decision that this was clearly the one. Even though it is more expensive, the lesser one didn't look like it would give us what we are looking for.

Motion by Commissioner Fletcher to select RSM LLP as the firm to do the internal control review; second by Commissioner Freer.

Commissioner Fletcher added with a price not to exceed \$20,000 to his motion. Commissioner Freer agreed to the amendment.

Town Manager Hewett asked if the Local Government Commission needs to approve the contract for this type of audit. Commissioner Fletcher said he asked. They said they would need to approve it, but they would have an almost immediate turnaround.

Mayor Holden suggested Commissioner Fletcher consider amending his motion to add subject to approval of the LGC. Commissioners Fletcher and Freer agree with the amendment. The motion passed by unanimous vote.

DISCUSSION AND POSSIBLE ACTION ON THE AUDIT COMMITTEE RECOMMENDATION OF THE FIRM TO CONDUCT THE 2017 – 2018 ANNUAL AUDIT

Motion by Commissioner Fletcher to approve the Audit Committee’s selection of Rives and Associates LLP as the auditor for fiscal year 2017 – 2018.

Commissioner Kwiatkowski asked for the reason for selecting this company over the two Whiteville firms. Commissioner Fletcher replied it was a 4 – 0 vote. This firm had almost double the qualifications of the others. He talked about their experience. The price was the same for all three. Commissioner Kwiatkowski said she just wanted to understand because the two firms from Whiteville had done some of the representative communities, compared to ours and wanted to know if that was a consideration that was made. Commissioner Fletcher said given the price was the same, it didn’t include the cost of travel and they have twice the qualifications, they voted pretty quickly to choose them.

The motion was seconded by Commissioner Freer and approved by unanimous vote.

EXECUTIVE SESSION PURSUANT TO NORTH CAROLINA GENERAL STATUTE 143-318.11(A)(3) TO CONSIDER THE PERFORMANCE OF AN EMPLOYEE

Town Clerk Finnell read the reason to go into Executive Session.

Motion by Commissioner Fletcher to go into Executive Session at 11:03 a.m.; second by Commissioner Freer; approved by unanimous vote.

OPEN SESSION

The Board went back into Open Session at 11:13 a.m. Mayor Holden announced no action was taken.

ADJOURNMENT

Motion by Commissioner Fletcher to adjourn at 11:14 a.m.; second by Commissioner Butler; approved by unanimous vote.

J. Alan Holden, Mayor

ATTEST:

Heather Finnell, Town Clerk