

Windsor, North Carolina
February 1, 2016
Work Session

The Bertie County Board of Commissioners met for a work session at 2:00pm at 106 Dundee Street, Windsor, NC. The following members were present or absent:

Present: Ronald “Ron” Wesson, District I
Stewart White, District II
Tammy A. Lee, District III
John Trent, District IV
Ernestine (Byrd) Bazemore, District V

Absent: None

Staff Present: County Manager Scott Sauer
Finance Officer William Roberson
Information Systems Administrator Scott Pearce
Planning & Inspections Director Traci White
Maintenance Superintendent Anthony Rascoe
Water Superintendent Ricky Spivey
Economic Development Director Steve Biggs
Park and Recreation Director Donna Mizelle
Council on Aging Director Venita Thompson
Department of Social Services Director Linda Speller

CALL TO ORDER

Chairman Trent called the meeting to order, and thanked those present for their attendance.

INVOCATION/PLEDGE OF ALLEGIANCE

Commissioner Wesson led the Invocation and Pledge of Allegiance.

WORK SESSION

Discuss OPEB funding strategies with Mr. Lee Carter of NC Cash Management Trust, formerly NC Local Government Commission

County Manager Sauer recapped the Board's recent discussions at the Planning Session on January 28th regarding the need to address the County's growing liability for retiree health insurance and he distributed copies of the pertinent pages from the most recent audit for the fiscal year ended June 30, 2015.

County Manager Sauer explained that as previously requested by the governing body, staff have prepared a matrix of approximately 25 counties to compare the eligibility strategies for future retiree health insurance in order to better manage or reduce this increasing annual contribution requirement and the long term accrued financial liability which is approaching \$4 million and is currently unfunded.

County Manager Sauer explained that the Chairman had suggested that the Board consider a funding formula to address the unfunded accrued liability which had not been addressed in previous years.

When learning of the Chairman's suggestion for budgeting a monthly contribution of \$100 per employee to provide approximated \$240,000 per year, Finance Officer William Roberson suggested that we seek guidance and advice from former NC Local Government Commission senior staff, Mr. Lee Carter who now serves as Vice President for Capital Management of the Carolinas, LLC.

Mr. Carter explained to the Board that very few NC local governments have taken significant steps to fund this accrued liability and that most efforts have been focused on adjusting or reducing benefits for current and future staff.

He explained the pending changes in the Government Account Standards Board guidelines which will come into effect for the fiscal year ended June 30, 2018 which will require that the OPEB liability be reported with the County's financials rather than a footnote.

Mr. Carter emphasized that the County will ultimately need to look at both the benefit side and the funding plan component, and in his opinion the approach described using a monthly allocation per employee and paid to an irrevocable trust is quite innovative.

The consensus of the Board based on this discussion was for the County Manager and the Finance Officer to incorporate this strategy into the proposed budget for fiscal year 2016-2017 so that the governing board can review the County's fiscal plan in its entirety.

Discussion ensued with the Department Heads present regarding Board priorities and decisions from the January 28th planning session.

County Manager Sauer reviewed several key items, and emphasized the County's transition to the State Health Plan for both current staff and retirees.

Following this discussion the Commissioners took a walking tour of the Courthouse to review upcoming renovations for the interior of the building to include painting, wood work repair, flooring options and courthouse security measures.

The tour ended at 3:45 p.m. and the Board returned to the Commissioners Room for the regular meeting.

John Trent, Chairman

Sarah S. Tinkham, Clerk to the Board