Minutes

Board of County Commissioners Board Retreat Meeting
Thursday, March 20, 2025 at 4:00 PM
Pender County Hampstead Annex
15060 HWY 17, Hampstead, NC, 28443

PRESENT:	Commissioner Brad George Commissioner Jerry Groves Chairman Randy Burton Vice Chair Brent Springer Commissioner Jimmy T. Tate
ABSENT:	
OTHER PRESENT:	Michael Silverman, County Manager Trey Thurman, County Attorney Lexi Stanfield, Clerk to the Board Allen Vann, Assistant County Manager Other Staff and Members of the Press and Public

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1. 4:00PM - 6:00PM DAVENPORT PUBLIC FINANCE

   Michael Silverman opened the retreat and gave a brief introduction of the speakers for Board Retreat Day One.

   Meg Blue, Finance Director, presented first. Blue provided a brief overview of the County's finances as a segue to the Davenport Public Finance presentation. The General Fund balance is $128,578,938.00. Blue reviewed the different types of funds: general, other, and enterprise. Blue provided a breakdown of the tax rate structure for Pender County. Blue reviewed the budget process, pay and classification process, and the purchasing process.

   Ted Cole from Davenport reviewed the General Fund materials first. Cole reported that their work focuses mostly on capital funding rather than everyday financing. Cole provided a credit rating overview and peer comparatives. The county's current credit rating is Aa2 / AA. Cole reviewed the two rating agencies and their methods of calculating the credit ratings for counties. Cole gave an overview of the county's general fund balance financial performance and the county's fund balance policy. He provided the board with an in-depth understanding of the existing tax-supported debt and the policies surrounding it. Pender County's repayment plan was reviewed and discussed by the board members. Cole gave an overview of the CIP projects and the financing assumptions associated. Cole wrapped up the general fund discussion by providing a summary of the results.

   Ted Cole moved on to discuss Pender County Utility Enterprise Funds. Cole began by reviewing the key credit factors, going over the Moody's rating method and S&P rating methods. The financial operations were discussed, including the operating revenues, system development fees, operating expenses, etc. Cole provided the Board with an in-depth review of the liquidity of utilities enterprise funds. The Capital Improvement Plans for the next five years were reviewed, including the names of projects as well as funding sources. These CIPs are not necessarily approved by the Board. Cole provided the board with a financial model for these projects.

2. 6:00PM - 6:30PM DINNER

3. 6:30PM - 8:00PM DAVENPORT PUBLIC FINANCE

Anthony Colon, Utilities Director, presented on the second portion of the utilities section of the retreat. Colon began with a brief overview of when he took over the department and the plan he created to get utilities running at their highest efficiency. Colon reviewed the revenue for FY 2023, FY 2024, and FY 2025 at current. Colon discussed the rate increase. The increase will affect those 1 1/2" meters and higher. Colon introduced the new positions utilities will be requesting in the upcoming budget. Colon is requesting seven (7) new positions and four (4) reclassifications. Colon reviewed the CIP FY 2025 projects and the projects for FY 2026.

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