

**Belhaven Town Council  
Public Hearing and Regular Session  
October 13, 2008**

**Call to Order/Invocation/Pledge of Allegiance**

The Town Council of the Town of Belhaven met in regular session on Monday, October 13, 2008 in Regular Session and held a Public Hearing. Mayor Adam W. O'Neal called the meeting to order with the following Council members present: Steve W. Carawan, J. Nelson Guy, Mayor Pro-Tem; Howard D. Moore, McKee "Mac" Pigott and Robert L. Stanley. Town Manager Dr. Guinn Leverett and Town Clerk Marie J. Adams were also present. Mayor O'Neal recognized and introduced Mr. Johnny Donnell Clark, Deacon with Hoggard's Temple Church of God in Christ. Mr. Clark gave the invocation and led the Pledge of Allegiance.

**Public Hearing – Closeout of Department of Commerce – Commerce Finance Center CDBG # 05-E-1410**

Mayor O'Neal introduced the Public Hearing by giving the background information of the Public Hearing. Mayor O'Neal explained that the Town had previously received a grant through the Department of Commerce – Commerce Finance Center for the extension of sewer line to the George Ebron Industrial Park on 264 Business. Mayor O'Neal explained that this grant was a pass-through grant for which the Town would be responsible for reimbursing the Department of Commerce should the jobs not be provided as stated in the grant. The Town Council had previously voted not to extend the grant due to apparent lack of progress with the threat of repayment. Mayor O'Neal explained that the funds expended thus far would not have to be repaid and that a close-out public hearing was necessary per state regulations. Mayor O'Neal called the public hearing on this issue open for public comments at 7:02 P.M. There were no comments. Mayor O'Neal closed the public hearing at 7:02 P.M.

**Minutes Approval – Regular Session – September 22, 2008 and Special Called Meeting – October 8, 2008**

Mayor O'Neal announced that the minutes of the Regular Session Meeting, September 22, 2008 and the minutes of the Special Called Meeting, October 8, 2008 were open for review and adoption. There being no corrections to the minutes, Councilman Pigott made the motion to approve the minutes as submitted. Councilman Moore seconded the motion which carried unanimously, 5 to 0.

**Public Comments**

Mayor O'Neal stated that the Council would now take any public comments. There were no public comments at this time.

**Appointment of Official Town Historian**

Mayor O'Neal stated that he thought it would be a good idea to have an Official Town Historian. Mayor O'Neal explained that a lot of citizens are not familiar with Belhaven's History. Mayor O'Neal further explained that some grant applications require historical information and it would be helpful to have someone to contact. Mayor O'Neal stated that Mr. Russell Johnston grew up in Belhaven, lived in-town for many years and had a lot of knowledge of the Town's history. Councilman Carawan questioned the term for this position. Mayor O'Neal suggested that the person serve at the will of the Council.

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Mayor O’Neal further stated that the historian may attend one meeting per month to give any historical information which would be an asset for ongoing projects of the Town. Councilman Moore made the motion to appoint Mr. Russell Johnston as the Official Town Historian to serve at the will of the Council. Councilman Stanley seconded the motion which carried unanimously, 5 to 0.

**North Carolina Rural Economic Development Center, Inc. – Building Reuse Initiative**

Mayor O’Neal stated that he and Town Manager Leverett had attended a conference sponsored by the North Carolina Rural Economic Development Center, Inc. Mayor O’Neal stated that one of the sessions offered at this conference concerned grants to upgrade buildings (not used). Town Manager Leverett further explained that the Town would act as mediator between the property owner and the company wanting to lease the building and have the building upgraded for the new use for the reuse. TM Leverett further explained that the grant funds would be used to renovate the “reuse” buildings to fit the needs of the new business. Mayor O’Neal explained that this would be on a voluntary basis and that grant funds would be available as follows: for employee hired the building owner would get \$10,000 in grant funds for renovations of the building. Following some discussion, Councilman Pigott made the motion to direct the Town Manager to pursue this project and to execute any documents concerning this Building Reuse Initiative on behalf of the Town.

**Resolution – Verifying Volunteer Fire Protection**

Mayor O’Neal stated that the Fire Department was in the process of being re-evaluated for insurance rating and one of first steps for that rating is a resolution which states that Town of Belhaven has a volunteer Fire Department which provides protection for the Town. Councilman Moore made the motion adopting the following resolution. Councilman Carawan seconded the motion which carried unanimously, 5 to 0.

**VERIFICATION FROM MUNICIPALITY  
RESOLUTION**

WHEREAS, The Volunteer Fire Department of the Town of Belhaven serves as an Agency of the Town; and

WHEREAS, The Volunteer Fire Department of the Town of Belhaven has requested Confirmation of this Agency relationship; and

WHEREAS, This Agency’s relationship is long-standing and generally acknowledged.

NOW, THEREFORE, Be it resolved, that the Town of Belhaven does hereby confirm this Agency’s relationship and does verify by this Resolution that Relationship.

Adopted this 13<sup>th</sup> day of October, 2008.

\_\_\_\_\_  
Adam W. O’Neal, Mayor

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ATTEST:

Marie J. Adams, Town Clerk

**Street Closing Request – Belhaven Missionary Baptist Church**

Mayor O’Neal stated that the Missionary Baptist Church on Edward Street would be holding their annual Fall Festival on Friday, October 31, 2008 between the hours of 6 and 9 P.M. The church is requesting that Edward Street be closed from Main Street to Water Street from 5:00 – 10 P.M. to allow for set up and removal of the festival items. Councilman Carawan questioned if the neighbors on that portion of Edward Street had been contacted. Town Clerk Adams confirmed. Councilman Stanley made the motion to close Edward Street from Main Street to Water Street for the Missionary Baptist Church to hold a Fall Festival on Friday, October 31, 2008 from 5 – 10 PM and to coordinate and to notify the Public Works Department and Police Department of this approved street closing. Councilman Moore seconded the motion which carried unanimously, 5 to 0.

**Introduction of Mr. Andy Harris, Finance Officer (Contract) and Identity Theft Prevention Program – Federal Trade Commission Requirements**

Mayor O’Neal introduced Mr. Andy Harris who has been hired as the Town’s Finance Officer on a contract basis. Mayor O’Neal further stated that the by hiring a contract person this would be a great saving to the Town and it was a plus that Mr. Harris was a Certified Public Accountant (CPA) which the Town had never had in the finance department. Mayor O’Neal explained that Mr. Harris worked in this same manner for several other towns. Mayor O’Neal stated that Mr. Harris had been notified by the North Carolina League of Municipalities (NCLM) that according to the Federal Trade Commission that an identity theft policy would need to be adopted by the Town by November 1, 2008. Mr. Harris submitted the following policy for the Town’s adoption. Mr. Harris stated that this policy protects utility customers due to the town having their social security and telephone numbers. Councilman Pigott questioned if this proposed policy was a “boiler plate”, Mr. Harris stated, yes. There being no further discussion, Councilman Pigott made the motion to adopt the following Identity Theft Protection Policy. Councilman Moore seconded the motion which carried unanimously, 5 to 0.

## **Town of Belhaven**

### **IDENTITY THEFT PREVENTION POLICY**

**Subject:** New Identity Theft Prevention Program for the Town of Belhaven

**Purpose:** The creation and implementation of an Identity Theft Prevention Program at the Town of Belhaven that will identify, detect, mitigate, and update Red Flags that signal the possibility of identity theft in connection with the opening of a covered account or any existing covered account.

**Effective Date:** 11/01/08

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**PART 1**  
**DEFINITIONS**

1. For purposes of this Policy, the term "*Covered Account*" means an account that the Town of Belhaven offers or maintains, primarily for personal, family or household purposes, that involves or is designed to permit multiple payments or transactions **and** any other account that the Town of Belhaven offers or maintains for which there is a reasonably foreseeable risk to customers or the safety and soundness of the Town of Belhaven from identity theft, including financial, operational, compliance, reputation, or litigation risks.
2. For purposes of this Policy, the term "*Identity Theft*" means a fraud committed or attempted using the identifying information of another person without authority.
3. For purposes of this Policy, the term "*Red Flag*" means a pattern, practice, or specific activity that indicates the possible existence of identity theft. Part 2 provides a specific description of which Red Flags are applicable to this policy.

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**PART 2  
IDENTIFICATION OF RELEVANT RED FLAGS**

After careful examination of our accounts, including the methods by which we open, access and past experience with identity theft, the following events/occurrences reasonably indicate the potential for identity theft and should be considered "Red Flags" for purposes of this policy:

**A. The presentation of suspicious documents, such as:**

1. Documents provided for identification appear to have been altered or forged.
2. The photograph or physical description on the identification is not consistent with the appearance of the applicant or customer presenting the identification.
3. Other information on the identification is not consistent with information provided by the person opening a new covered account or customer presenting the identification.
4. Other information on the identification is not consistent with readily accessible information that is on file with the financial institution or creditor, such as a signature card or a recent check.
5. An application appears to have been altered or forged, or gives the appearance of having been destroyed and reassembled.

**B. The presentation of suspicious personal identifying information, such as a suspicious address changes:**

6. Personal identifying information provided is inconsistent when compared against external information sources used the Town of Belhaven. For example: a. The address does not match any address in the consumer report; or b. The Social Security Number (SSN) has not been issued, or is listed on the Social Security Administration's Death Master File.
7. Personal identifying information provided by the customer is not consistent with other personal identifying information provided by the customer. For example, there is a lack of correlation between the SSN range and date of birth.
8. Personal identifying information provided is associated with known fraudulent activity as indicated by internal or third-party sources used by the Town of Belhaven. For example:
  - a. The address on an application is the same as the address provided on a fraudulent application; or

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- b. The phone number on an application is the same as the number provided on a fraudulent application.
9. Personal identifying information provided is of a type commonly associated with fraudulent activity as indicated by internal or third-party sources used by the financial institution or creditor. For example:
  - a. The address on an application is fictitious, a mail drop, or a prison; or
  - b. The phone number is invalid, or is associated with a pager or answering service.
10. The SSN provided is the same as that submitted by other persons opening an account or other customers.
11. The address or telephone number provided is the same as or similar to the account number or telephone number submitted by an unusually large number of other persons opening accounts or other customers.
12. The person opening the covered account or the customer fails to provide all required personal identifying information on an application or in response to notification that the application is incomplete.
13. Personal identifying information provided is not consistent with personal identifying information that is on file with the Town of Belhaven.
14. If the Town of Belhaven uses challenge questions, the person opening the covered account or the customer cannot provide authenticating information beyond that which generally would be available from a wallet or consumer report.

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**C. The unusual use of, or other suspicious activity related to, a covered account:**

15. Shortly following the notice of a change of address for a covered account, the Town of Belhaven receives a request for the addition of authorized users on the account.
16. A covered account is used in a manner commonly associated with known patterns of fraud patterns. For example:
  - a. The customer fails to make the first payment or makes an initial payment but no subsequent payments.
17. A covered account is used in a manner that is not consistent with established patterns of activity on the account. There is, for example:
  - a. Nonpayment when there is no history of late or missed payments;
18. A covered account that has been inactive for a reasonably lengthy period of time is used (taking into consideration the type of account, the expected pattern of usage and other relevant factors).
19. Mail sent to the customer is returned repeatedly as undeliverable although transactions continue to be conducted in connection with the customer's covered account.
20. The Town of Belhaven is notified that the customer is not receiving paper account statements.
21. The Town of Belhaven is notified of unauthorized charges or transactions in connection with a customer's covered account.

**D. Notice from customers, victims of identity theft, law enforcement authorities, or other persons regarding possible identity theft in connection with covered accounts held by the Town of Belhaven:**

22. The Town of Belhaven is notified by a customer, a victim of identity theft, a law enforcement authority, or any other person that it has opened a fraudulent account for a person engaged in identity theft.

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**PART 3  
DETECTION, PREVENTION AND MITIGATION**

**A. Detection**

In an effort to ensure proper detection of any Red Flags, all customers (consumers) must provide at least the following information/documentation before any new covered account will be opened:

1. Full Name;
2. Date of birth (individual);
3. Address, (a residential or business street address for an individual; for an individual who does not have a residential or business street address, an Army Post Office (APO) or Fleet Post Office (FPO) box number, or the residential or business street address of next of kin or of another contact individual; or for a person other than an individual (such as a corporation, partnership, or trust), a principal place of business, local office, or other physical location; and;
4. Identification number, which shall be: (i) For a U.S. person, a taxpayer identification number; or (ii) For a non-U.S. person, one or more of the following: a taxpayer identification number; passport number and country of issuance; alien identification card number; or number and country of issuance of any other government-issued document evidencing nationality or residence and bearing a photograph or similar safeguard.
5. Completed Application, which includes the following: Date of Application, Resident Name, Service Address, Mailing Address, Drivers' License or ID #, Social Security #, Home Telephone #, Employers' Name and Telephone #, Signature and whether the customer had utility service with the Town of Belhaven in subsequent years.

For any account holder of a covered account for which the above information is not already on file at the Town of Belhaven, the customer will be contacted within a reasonable period of time after discovering the missing information to obtain the necessary information.

To assist with detection of Red Flags, the Town of Belhaven will implement the appropriate computer programs tailored to the Town of Belhaven business needs to help authenticate customers, monitor transactions, and change of address requests. The following programs are being used and the Town of Belhaven continued use thereof is incorporated and made part of this policy: LOGICS

**B. Preventing and Mitigating Identity Theft**

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In the event a Red Flag is detected, the Town of Belhaven is committed to preventing the occurrence of identity theft and taking the appropriate steps to mitigate any harm caused thereby. In order to respond appropriately to the detection of a Red Flag, the Town of Belhaven shall consider any aggravating circumstance(s) that may heighten the risk of identity theft. After assessing the degree of risk posed, the Town of Belhaven will respond to the Red Flag in an appropriate manner, which may include:

1. Monitoring a covered account for evidence of identity theft;
2. Contacting the customer;
3. Changing any passwords, security codes, or other security devices that permit access to a covered account;
4. Reopening a covered account with a new account number;
5. Not opening a new covered account;
6. Closing an existing covered account;
7. Not attempting to collect on a covered account or not selling a covered account to a debt collector;
8. Notifying law enforcement; or
9. Determining that no response is warranted under the particular circumstances.

In an effort to mitigate the damage caused by identity theft, the following programs/software are being used, and the Town of Belhaven's continued use thereof is incorporated and made part of this policy: LOGICS.

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**PART 4  
PROGRAM UPDATES**

The Town of Belhaven is committed to maintaining an Identity Theft Prevention Policy that is current with the ever-changing crime of identity theft. To that end, the Town of Belhaven will reassess this policy on an annual basis. In reassessing this policy, the Town of Belhaven will add/delete Red Flags in Part 2, as necessary, to reflect changes in risks to customers or to the safety and soundness of the Town of Belhaven from identity theft. The determination to make changes to this policy will be within the discretion of the responsible parties, identified in Part 6 of this policy, but after careful consideration of the following:

1. The Town of Belhaven's past experience(s) with identity theft;
2. Changes in methods of identity theft;
3. Changes in methods to detect, prevent, and mitigate identity theft;
4. Changes in the types of accounts that the Town of Belhaven offers or maintains; and
5. Changes in the business arrangements of the Town of Belhaven, including mergers, acquisitions, alliances, joint ventures, and service provider arrangements.

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**PART 6  
ADMINISTRATION**

By signing below, this *committee* of the Town of Belhaven acknowledges that **we** will be responsible for overseeing the implementation, management, and updating of this new policy and shall have the following responsibilities:

1. Assign specific responsibility for the Program's implementation, including appropriate training for staff;
  - At least annually, the assigned person/staff must report to the *committee* and provide an update on the policy's effectiveness, any service provider arrangements, significant incidents involving identity theft and Town of Belhaven's response, and recommendations for ways to improve the program.
2. Review reports prepared by staff to ensure that the Town of Belhaven remains compliant with its legal responsibility to maintain an Identity Theft Prevention Program; and
3. Approve material changes to this program as necessary to address changing identity theft risks.

\_\_\_\_\_  
Dr. Guinn Leverett  
Date

\_\_\_\_\_  
Town Manager

\_\_\_\_\_  
Authorized Signature(s)

\_\_\_\_\_  
Andrew Harris  
Date

\_\_\_\_\_  
Finance Officer

\_\_\_\_\_  
Authorized Signature(s)

\_\_\_\_\_  
Marie Adams  
Date

\_\_\_\_\_  
Town Clerk

\_\_\_\_\_  
Authorized Signature(s)

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**PART 7  
POLICY APPROVAL**

**This Identity Theft Prevention Program is hereby made a Policy of the Town of Belhaven effective November 1, 2008, as authorized by the Town Council.**

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**Adam W. O'Neal, Mayor**

**ATTEST:**

**Marie J. Adams  
Town Clerk**

**Signatory for Banking On-Line (New Finance Officer)**

Mayor O'Neal stated that Mr. Harris, the Town's new Finance Officer need to be added to Southern Bank to be able to access "Banking On-Line" capabilities. Mayor O'Neal stated that this would not enable Mr. Harris to sign checks. There being no further discussion, Councilman Carawan made the motion adopting the following resolution to allow Mr. Andy Harris, Finance Officer (Contract) the ability to access financial information for the Town on-line with Southern Bank. Councilman Guy seconded the motion which carried unanimously, 5 to 0.

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## CERTIFIED COPY OF CORPORATE RESOLUTIONS For Accounts, Borrowing, and other Transactions

Applicable Acct(s)

TOWN OF BELHAVEN

512-1115803

512-1115811

512-500026

512-1122835

Name of Corporation

56-6001174

Tax Identification Number

I, the undersigned, hereby certify to Southern Bank and Trust Company that I am the \_\_\_\_\_ Secretary of the above-named Corporation, which Corporation is duly organized and existing under the law of the State of NORTH CAROLINA, that the following is a true copy of resolutions duly adopted by the Board of Directors (or by the incorporator(s) if permitted by the applicable law) of said Corporation effective on 09/18/2008, either at a duly authorized and held meeting of the Board of Directors (or incorporator(s), as applicable) at which a quorum was present and proper notice was given, or by unanimous written consent; and that such resolutions have not been amended or rescinded;

### DEPOSIT RELATIONSHIP

RESOLVED, Southern Bank and Trust Company (Bank) be and it hereby is designated a depository of this Corporation with authority to create deposit accounts of all types with the Corporation and to accept at any time and from time to time for credit of the Corporation checking, savings, and all other types of deposits by whomsoever made of funds in whatever form and in whatever manner endorsed and said Bank be and it hereby is authorized and directed to pay or otherwise honor or apply without inquiry and without regard to the application of the proceeds thereof, checks, drafts, notes, bills of exchange, acceptances, undertakings, and other instruments or orders for the payment, transfer, or withdrawals of money for whatever purpose and to whomsoever payable including those drawn to the individual order of a signer, whether tendered for cashing, in payment of individual obligations of such signer, or for deposit to his individual account or any other use or disposition and further said Bank is given authority to honor the endorsement of checks, drafts, notes, or all other types of instruments payable or belonging to this Corporation, whether such endorsement be made manually, by endorsement stamp or otherwise and whether for deposit, for collection or otherwise and to receive cash or part cash for same or to make "less cash" deposits, receiving cash for part or all of the amount of such checks and depositing the balance, if any, when such instruments are signed, accepted, or endorsed whether by stamp, manual, or facsimile signatures by any of the following indicated officers or persons from time to time holding the following indicated offices of the Corporation and the Corporation assumes full responsibility for any and all payments made by Bank in reliance upon the manual stamp or facsimile signatures of said officers or persons and agrees to indemnify and hold harmless Bank against any and all loss, cost, damage, or expense suffered or incurred by said Bank arising out of the misuse or unlawful or unauthorized use by any person of such stamp or facsimile signature or signature(s), the current officers or authorized persons being shown hereinafter:

Name	Title
ADAM W O'NEAL	MAYOR
STEVE W CARAVAN	COUNCIL
J NELSON GUY	COUNCIL
MCKEE PIGOTT JR	COUNCIL

Describe any required combinations or limitations. If no required combinations are described, any one of the individuals indicated above is authorized.

### BORROWING RELATIONSHIP

RESOLVED FURTHER, that any of the following indicated officers or persons from time to time holding the said office of this Corporation or other authorized persons be, and they hereby are, authorized to arrange for the borrowing of and to borrow or otherwise obtain credit from time to time from Southern Bank and Trust Company (Bank) such sums upon such terms and conditions as to time of payment of repayment, rate of interest, and security therefor as they may determine and the said officers or persons be, and they hereby are, authorized to execute and deliver in the name and on behalf of this Corporation notes, credit agreements and any and all other agreements and evidences of indebtedness with respect to all sums so borrowed or credit otherwise obtained, and such officers or persons further are authorized as follows: to obtain credit from Bank by the use of a Master Card/Visa Card or other credit card issued by Bank, in such sums as may seem advisable to such officers or persons, and upon such terms as may be prescribed by Bank, to designate other persons not so designated below to use a Master Card/Visa Card or other credit card in the name of and on behalf of this Corporation, to designate to Bank other persons to whom Bank may issue a Master Card/Visa Card or other credit card on behalf of this Corporation, to execute applications and agreements of any type in connection therewith on behalf of the Corporation, and to repay to Bank the indebtedness and obligations incurred by the use of said credit cards, to obtain credit from Bank under one or more revolving lines of credit (including but not limited to Cash Reserve) offered or issued by Bank, in such sums as may seem advisable to such officers or persons, and upon such terms as may be prescribed by Bank, to sign or to designate such persons not so designated below to sign checks or other items drawn on the Corporation's checking account which may activate loans under such revolving lines of credit and to sign special (direct advance) checks or other instruments which will activate loans under such revolving lines of credit, to execute applications and agreements of any type in connection therewith on behalf of Corporation, to repay Bank the indebtedness and obligations incurred under such revolving lines of credit; to pledge, assign, convey and/or transfer the property of the Corporation to Bank as security for such borrowing, revolving lines of credit and credit arrangements and to execute and deliver security agreements, deeds of trust, and other security instruments whether of obligation or hypothecation which they may determine necessary or appropriate in the implementation of the borrowing authority hereby or belonging to the Corporation and have full authority to endorse, assign, and guarantee the same, on behalf of the Corporation and Bank is authorized and directed to pay the proceeds of any such loans, lines of credit or other borrowings or credit arrangements as directed by the persons so authorized whether to the order of said persons in their individual capacities, for deposit to their individual credit or to be applied or deposited in any manner for their individual deposit in any manner for their individual credit.

Name	Title
ADAM W O'NEAL	MAYOR
STEVE W CARAVAN	COUNCIL
J NELSON GUY	COUNCIL
MCKEE PIGOTT JR	COUNCIL

Describe any required combinations or limitations. If no required combinations are described, any one of the individuals indicated above is authorized.

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## MISCELLANEOUS BANKING RELATIONSHIPS

RESOLVED FURTHER, that any of the following indicated officers, persons from time to time holding the said office of this Corporation or other authorized persons are authorized for the account of the Corporation to apply for and receive letters of credit and from time to time to increase the amount, extend the date of expiration or amend the terms of any outstanding letters of credit; to execute and deliver all necessary and proper documents in connection with any transaction with said Bank; to execute and deliver indemnity agreements, acceptance agreements, guarantees for missing documents or other guarantee, acceptances, trust receipts and other forms of security agreements; to order payments against receipt of shipping and other documents; to purchase certificates of deposit, bonds and all other types of tangible personal property from Bank; to execute and deliver to Bank night depository agreements, to designate from time to time the officers and employees (agents) empowered to act on behalf of the Corporation in connection therewith and to revoke such designations, and to execute and deliver to Bank safe deposit box agreements, to designate from time to time the persons empowered to have access to any safe deposit box and to revoke such designations; and to enter into any and all other types of transactions with Bank for which Bank is authorized to transact in its normal course of business and to contract with Bank for the rendition of any services offered by Bank.

Name	Title
ADAM O'NEAL	MAYOR
STEVE W CARAWAN	COUNCIL
J NELSON GUY	COUNCIL
MCKEE PIGOTT JR	COUNCIL
ANDREW HARRIS	

RESOLVED FURTHER, that all officers or other persons authorized to conduct and/or initiate banking transactions pursuant to the resolutions herein are authorized to use any means of electronic banking or account management products or services offered by Bank with respect to the account(s) of the Corporation and that the provisions contained in Bank's Deposit Account Agreement and/or other agreements specific to a particular electronic product or service, including, without limitation, the provisions concerning the binding effect of transactions conducted or instructions given electronically with respect to the Corporation's account(s), are expressly approved and the Corporation assumes full responsibility for any and all such electronic transactions and instructions and agrees to indemnify and hold Bank harmless against any and all loss, cost, damage, or expense suffered or incurred by Bank arising out of Bank's honoring such electronic transactions or instructions.

RESOLVED FURTHER, that the Corporation recognizes and agrees that maintenance and service changes pursuant to the rules and regulations of Bank may be charged and deducted from the Corporation's account and that Bank shall have right of setoff as to any and all indebtedness and liability of Corporation to Bank however and whenever incurred or evidenced, whether direct or indirect, absolute or contingent, due or to become due and said setoff authority may be exercised without prior notice and when charges or other deductions are made from said account, Bank shall not be liable for dishonoring items where the making of such a charge, setoff or other deduction results in there being insufficient funds in Corporation's account to honor such items; and,

RESOLVED FURTHER, that the Secretary or Assistant Secretary of Corporation shall certify to Bank the names of the presently duly elected and qualified officers of this Corporation and shall from time to time hereafter as changes in the personnel of said officers are made, immediately certify such changes to Bank, and Bank shall be fully protected in relying on the certifications of any individual who purports to be the Secretary or Assistant Secretary and shall be indemnified and saved harmless from any claims, demands, expenses, loss or damage resulting from or growing out of honoring the signature of any officer so certified or refusing to honor any signature not so certified and Corporation shall be bound by Bank's honoring the signature of any corporate employee or agent or any other individual, authorized or unauthorized, as maker, endorser, drawer or in any other capacity unless Bank receives written notice of any claim, dispute or difference with regard to said signature, endorsement or other transaction within the time prescribed by the Uniform Commercial Code or sixty (60) days, whichever is shorter, after the first statement, notice, or items showing irregularity shall have been sent or made available to Corporation. Corporation shall not be relieved of the duty to examine and report or of the stated consequences thereof by reason of the fact that the statement, notice, or any item or items were not sent or made available unless the Corporation notifies Bank of that fact within thirty (30) days of the date upon which the same are customarily so sent or made available and Corporation shall be bound by the contents of such statements and items forwarded to the corporate address of the Corporation; and,

RESOLVED FURTHER, that the foregoing resolutions shall remain in full force and effect until written notice of their amendment or rescission has been received by Bank and the receipt of such notice shall not affect any action taken by Bank prior thereto; and,

RESOLVED FURTHER, that the foregoing authority shall not be limited to the above identified or described officers or other representatives of the Corporation but shall extend to such additional or different individuals as are named as being so authorized in any letter, form or notice signed by any officer or other representative of the Corporation identified or described above in each category or who is allowed to make said transactions by Corporation; and,

RESOLVED FURTHER, that the Corporation agrees that in the event a question or dispute arises concerning the authority of one or more individuals to transact business on behalf of the Corporation, Bank shall have the option either (1) to rely on the most recent resolution, certification, or notice furnished to Bank by an individual purporting to have authority for the Corporation, or (2) to freeze accounts, close accounts to posting, refuse to honor items, place stop payment orders on items and otherwise refuse to allow any transaction or to do any further business with respect to the Corporation or any of its accounts until such questions or dispute is resolved to the satisfaction of the Bank; and Bank shall be fully protected in taking either course of action or a combination thereof and shall be indemnified and saved harmless from any claims, demands, losses, damages, and expenses, including attorneys' fees, resulting from or growing out of the foregoing; and,

RESOLVED FURTHER, that all transactions by any of the officers, employees, or other representatives of this Corporation, in its name and for its account or within the authority herein given if said authority had been in effect prior to this meeting be and the same hereby approved and ratified; and,

RESOLVED FURTHER, that the foregoing resolutions together with any specific contract, account card or other writing shall be the agreement with Bank subject to its rules and regulations as to each service or account, and expect where initialed on the certified copy indicating a specific officer or officers to perform a specific function, any officer listed shall have authority to transact the authorized business with Bank; and

RESOLVED FURTHER, that the Secretary of the Corporation be, and hereby is authorized and directed to certify to Southern Bank and Trust Company the foregoing resolution or resolutions and that the provisions thereof are in conformity with the charter and bylaws of the Corporation and that the foregoing resolutions and authority thereby conferred shall remain in full force and in effect until this Corporation officially notifies Bank to the contrary in writing and Bank may conclusively presume that such resolves are in effect and that the persons identified from time to time as officers of the Corporation by certificate of the Secretary, have been duly elected or appointed to and continue to hold such offices; and,

RESOLVED FURTHER, that all previous banking resolutions in conflict herewith relating to Southern Bank and Trust Company heretofore approved by the Board of Directors (or incorporator(s), as applicable) be, and the same hereby are superseded.

I further certify that there is no provision in the charter or bylaws of said Corporation limiting the power of the Board of Directors (or incorporator(s), as applicable) to pass the foregoing resolutions and that the same are in conformity with the provisions of said charter and bylaws. I further certify that the following are the names and official signatures of the present officers and other authorized persons of this Corporation:

NAME	OFFICIAL SIGNATURE
ADAM O'NEAL	<i>Adam O'Neal</i>
STEVE W CARAWAN	<i>Steve W Carawan</i>
NELSON GUY	<i>Nelson Guy</i>
MCKEE PIGOTT JR	<i>Mckee Pigott Jr</i>
ROBERT L STANLEY	<i>Robert L Stanley</i>
HOWARD D MOORE	<i>Howard D Moore</i>

Other \_\_\_\_\_

IN WITNESS WHEREOF, I have hereunto subscribed my name and fixed the seal of said Corporation, this 14 day of SEPTEMBER, 2008.

*Maury Adams*  
Secretary (Assistant Secretary) Federal Tax Identification Number 56-6001174

CORPORATE SEAL

## All-American City Award – Application

Mayor O'Neal stated that the Town of Belhaven had a lot of projects on going at one time. Mayor O'Neal named the projects as follows: breakwater, full-time EMT service, Black Bottom Cemetery, Wynne's Gut Bridge Replacement, Water Shed Project, New Town Dockage on Wynne's Gut, ditch tiling of Pantego Street, new business district on Pantego Street, Overgrown Lots, Annexation of Battalina Creek, Sidewalk to Foodlion

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Shopping Center, street widening at the Post Office (Old County Road), Community Oriented Policing, expanded Recreation Department, reworking of town finances (new cost allocation study and no hidden transfers), Tidal Flooding on Main Street, Town fishing area on Pantego Creek bridge, Sewer By-Pass grant, New Fire Station, Community Gardens and Town owned Industrial Park.

Mayor O'Neal further stated that with this number of projects ongoing "we can do something positive". Mayor O'Neal also informed the public that Mr. Pat McCrory, who is running for Governor, told him that if he is elected he will attend the Belhaven July 4<sup>th</sup> Celebration. Mayor O'Neal asked for Council support of the All-America City application as the application fee is \$250.00. Councilman Guy made the motion authorizing the Town Manager to proceed with the application of All-America City. Councilman Stanley seconded the motion which carried unanimously, 5 to 0.

**Unveiling of Gravemarker – Little Eva (Bishop Eva Narcissus Boyd)**

Mayor O'Neal stated that Mr. Quincy Edgerton with North Carolina Marble and Granite had contacted the Town concerning making, donating and erecting a grave monument that would honor "Little Eva". Mayor O'Neal explained that Mr. Edgerton was in the process of making the monument and there would be an official unveiling on Saturday, November 8, 2008 at 1:00 P.M. at Little Eva's gravesite on Old County Road at the end of Haslin Street. Mayor O'Neal urged attendance at this memorial event. Mayor O'Neal further stated that Mr. Edgerton learned of this need through a television feature by WRAL of Raleigh concerning the condition of the Black Bottom Cemetery and no marker at Little Eva's grave. Mayor O'Neal stated that the purpose of the public unveiling was to honor Little Eva as a Belhaven native (probably the most famous) as she sang the #1 hit song in 1962 "The Locomotion". Councilman Pigott suggested that the Town consider naming "The Locomotion" as the town's official song.

**Budget Amendment #2 Fiscal Year 2008/2009**

Mayor O'Neal stated that a budget amendment was necessary for the return of the \$3,000 from the Friends of JAW. Mayor O'Neal also stated that the return of this money should re-appropriated to Public Buildings- Capital Outlay for repair to the Town Hall Steeple. Councilman Moore made the motion to:

Increase expenditure account 1-400-072 Capital Outlay Buildings from \$3,000 to \$6,000;  
and

Decrease expenditure account 10-690-085 Friends of JAW from \$6,084 to \$3,084.

Councilman Stanley seconded the motion which carried unanimously, 5 to 0.

**Town Manager's Report**

Town Manager Leverett reported briefly on the following items:

1) Due to the hard times of Chowan County (defaulted on bank service and the LGC has taken over the running of their county) as Chowan County have run through \$29 million which they had in reserves. Town Manager Leverett stated that he wanted to assure the

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citizens that the Town of Belhaven's funds are and always have been invested properly for the Town. Mayor O'Neal stated that the Town had in excess of \$3 million in reserves with no market exposure, that those funds are safe.

2) Mosquitoes – that the Town is using a new insecticide two times daily since Tropical Storm Hanna when the ditches were filled and the water table remained high. Mayor O'Neal stated that he had requested a flyover spraying the Town for mosquitoes but the County stated it was not feasible due to the high cost and the fact that Belhaven had too much tree coverage. Mayor O'Neal stated that thousands of dollars have been spent with double the strength and increased dosage of insecticide while spraying for mosquitoes. Town Manager Leverett further explained that the Town could not spray during winds which exceed 8 mph. Town Manager Leverett gave praises to Mr. Paul Wood, Public Works Director and Mr. Kevan Groome for their time spent spraying for mosquitoes.

**Miscellaneous Mayor and Council Concerns**

Councilman Guy stated that he was very concerned with the speeding on East Main Street and stated he was making a public plea for citizens to slow down as children did play in the area and he almost witnessed an accident with a child and vehicle.

Councilman Guy stated that he was not asking the Police Department to ticket speeders but pleaded with drivers to slow down. The consensus of the Council was to erect "children at play" signs. Councilman Moore suggested that Council members warn some of these individuals about speeding.

Mayor O'Neal stated that dogs running loose after 5 P.M. had been curtailed due to strong warnings.

**Adjournment**

There being no further business, Mayor O'Neal declared the meeting adjourned at 7:33 P.M.

Respectfully submitted,

Marie J. Adams  
Town Clerk