

Minutes
Richmond County Board of Commissioners
105 W. Franklin Street, Courtroom C, Rockingham, NC
REGULAR MEETING
Tuesday, June 01, 2021 5:30PM

The Richmond County Board of Commissioners met for a Regular Meeting on Tuesday, June 1, 2021 at 5:30 P.M. with the following present: Commissioner Don Bryant, Commissioner Rick Watkins, Commissioner Toni R. Maples, Commissioner Andy Grooms, Chairman Jeff Smart, Commissioner Tavares Bostic and Vice Chairman Justin Dawkins

ITEM NO. 1 Invocation by Commissioner Maples

Invocation was given by Commissioner Toni Maples

ITEM NO. 2 Approval of Agenda - Decision

Agenda was amended to include an item on the Consent Agenda

By a motion of Commissioner Watkins, seconded by Commissioner Grooms and by unanimous vote. Motion carried

ITEM NO. 3 Consent Agenda - Decision

**A) Approval of Draft Minutes of Regular Meeting on May 4, 2021
as Submitted by the Clerk for Review**

**B) Approval of Tax Releases And Tax Refunds for Month of
April, 2021**

**C) Approval of North Carolina Vehicle Tax System Refund Report
for the Month of April 2021**

D) Approval of Budget Amendment for LIEAP Supplement Funds

E) Approval of Water Department Rules and Regulations Update

**F) Approval of Budget Amendment for Dash Mentoring JCPC
Discretionary Award**

G) Approval of Donation of Vehicle to Cordova Fire and Rescue

H) Approval of Budget Amendment for American Rescue Plan Award

I) Approval of Budget Amendment for NC Department Agriculture and Consumer Sciences

J) Approval to Accept the HAVA Grant for Purchase of Express Vote Ballot Marking Devices (Amended)

By a motion of Commissioner Grooms, seconded by Commissioner Maples and by unanimous vote. Motion carried

ITEM NO. 4 Open Forum for Public Comments - 5:30 - 6:00 PM

No one signed up to speak

ITEM NO. 5 Public Hearing on FY 2021 - 2022 Proposed Budget- Jeff Smart Board Chairman - Discussion

Public Hearing opened at 5:33PM

Chairman Smart opened floor for anyone that would like to speak in regards to the proposed FY 2021-2022 budget.

No one approached to speak

Public Hearing closed at 5:34PM

ITEM NO. 6 Formal Presentation of FY 2021 - 2022 Budget - Bryan Land, County Manager - Decision

County Manager Land read to the board and public his budget message for the FY 2021-2022 Budget.

In accordance with the North Carolina General Statutes, I am pleased to submit for your review and consideration the proposed Richmond County Budget for Fiscal Year 2021-2022.

This budget is the result of the combined efforts of all department heads, as well as many other employees who assisted with the tracking and monitoring of the various revenues and expenditures. As always, I sincerely appreciate the efforts from Cary Garner, Mac Steagall and Sheila Trotter in our finance office. I feel that the proposed budget is as understandable and as straightforward as I can make it. However, I would like to call to your attention to some items on which I would appreciate your special review and consideration. Of course, there may be other areas of the budget that you will want to review in detail. I will be happy to address those individually or in a group setting as you deem appropriate.

Over the last several years, the County has made great strides with improving our overall financial picture. We have increased our unassigned fund balance percentage from 5.03% to 14.58% of General Fund Expenditures. Additionally, our available fund balance has increased from 11.82% to 19.46% currently. Our debt burden has been slashed by over 25% or 12 million dollars during the same timeframe. Since 2018, we have been working on removing the General Fund's dependence on Solid Waste transfers. This first step in the process was increasing the 2018-2019 Ad Valorem tax rate.

The second step was a reallocation of expenses from the General Fund to the Water and Solid Waste Funds based on our annual cost allocation plan developed by MGT Consulting. Finally, the third step in the process was the change of Sales Tax distribution method which will increase the sales tax revenue allocated to the County's General Fund. As you know, we are currently in mediation over the sales tax distribution method, and the results of this will dramatically affect the future financial health of the County government.

This budget has been a tremendous challenge for the entire staff and I. While our 2021-22 sales tax revenue is expected to exceed our budgeted sales tax for 2020-21 substantially, the need for these additional funds is great. Our employees are long overdue for a cost-of-living adjustment, our fund balance has dwindled to inadequate levels and the current ad valorem tax rate has made recruiting new industry difficult. Additionally, we are still servicing \$25 million in school bonds and \$20 million in the Judicial Center loan. And lastly, the lingering effects of the Covid 19 pandemic continue to influence every area of our County government.

The national, state and local economy has been thrown into total confusion by the coronavirus outbreak. With vaccinations becoming more widely available, there is finally a sense of optimism. Still though, many economists feel the effects of Covid -19 will continue to affect our economy for the foreseeable future. While the change in the distribution method for sales tax to the Ad Valorem method has the County in a more positive position to rebuild our General Fund balance, the extent of the impact on the future local economy remains to be seen. One may conclude that a large portion of the increased sales tax collection that is being experienced in the state of North Carolina is due to increased Federal spending in the form of stimulus checks and enhanced Unemployment Benefits.

The FY 2021-2022 overall proposed General Fund budget is balanced at \$55,625,441. This proposed budget is both fiscally conservative in terms of revenues and with realistic expense forecasting. There are funds set aside to meet our debt requirements and to maintain current County operations. Many departmental budgets have been cut severely, and some organizations have been recommended for funding below what was requested.

Much of the County's budget, approximately 48%, is made up of personnel costs. This budget includes a 2.5% cost of living adjustment increase for full time employees, and the retention of the two bonus days off for all full-time employees. Employees can opt to receive a payment of \$100 per day instead of taking time off.

The proposed budget also includes a small amount of money to continue the merit pay program for employees. The merit and longevity plans adopted by the Board of Commissioners have helped us to reward and retain those employees whose work means the most to our citizens. It is my goal to enhance these two plans in future budgets so that we are more in line with our peers. I would like to continue to allow County employees to take a paid day off for their birthdays. This is an item that is included in the current year's budget.

I have continued to fund the County Employee Health Clinic operated through our local Health Department that was begun on a limited scale ten years ago. The Clinic will continue to be available at little or no cost to our employees. The benefits of this clinic may positively affect not only the general health of our employees, but our health insurance costs over the long haul. Dr. Jarrell and I both feel very strongly about continuing to operate the clinic.

We are continuing to provide health insurance for full time employees at no cost to the employee. The original renewal we received from First Carolina Care was a 21.35% increase because of our continuously high loss ratio. We requested proposals from Aetna, Cigna, United Healthcare, BCBSNC, the North Carolina League of Municipalities (Medcost). All carriers declined to quote except BCBSNC; however, the proposal from BCBSNC was 35% increase over current rates. We were able to negotiate the renewal down with First Carolina Care and implement a new supplemental policy with Gulf Guaranty which allowed us to get the increase down to 6.45%. Our deductible will remain the same at \$3,500; however, the supplemental Gulf Guaranty Card will cover \$3,000 of the deductible under the base plan and the entire \$3,500 deductible under the buy up plan. Copays for prescriptions will change some to help control prescription drug cost. Tiers 1 and 2 will go down and tiers 3-5 will go up to incentivize generic utilization when possible. Primary Care and Specialist visits will no longer have copays and now be covered under our supplemental policy. Dental will remain with Unum at the same rates as last year. Vision will also remain the same with Community Eye Care.

It is important to keep in mind that there are activities in Raleigh every day that the Legislature is in session that can affect our budget. County Commissioners from across this State should work together to not only fend off attempts to pass more and more responsibility from the State to the counties, but also to obtain some relief from all unfunded mandates that are already in place. In 2014, the statutory share of State Lottery funds for public schools was repealed by the State Legislature leaving these funds in doubt. Additionally, ADM Funds (Corporate Tax Set Aside money) were redirected permanently by the State, reducing the amount available for school capital projects. Richmond County's share of Education Lottery funds are needed to pay school bond debt and our ADM Funds were used to build and remodel public school buildings, leaving few options for our county to fund any new school building projects. In 2015, a legislative proposal would have made small equipment borrowings require approval at the polls. Such a restriction would have seriously hampered day to day operations for the County. Luckily, the proposal did not have the support to become law.

Our taxpayers have had the option to make tax payments online by credit card for the past eleven years, and the County also accepts credit and debit cards for Water Billing, Building Inspections, Mapping, Human Services and Solid Waste payments.

The proposed budget includes adequate funds to continue our law enforcement and jail operations. The willingness of Sheriff Clemmons and Chief Gullede to work with me on saving money for the upcoming year has been crucial in my ability to balance the budget. With their guidance, we are proposing a revamped pay plan with an emphasis on recruiting and retention of our personnel. We currently have a vacancy rate of 17.5% in the Sheriff and Jail combined. I feel like this pay plan proposal will go a long way in addressing this.

Many agencies and departments have not been recommended for all of the funding requested. The Richmond County Board of Education is recommended for \$136,180 over the amount funded in the FY 2020-2021 budget. Funding for Richmond Community College is also recommended for a \$322,016 increase in funding for the 2020-2021 level. I sincerely appreciate the willingness and cooperation from Dr. McInnis and Dr. Maples working together with me on cost cutting measures.

Additionally, it is noteworthy that in the 2019-2020 budget, RCC was funded at a 7.84% increase compared to the previous year to cover the cost of maintenance and utilities of the future RCC downtown campus which its opened this past winter, FY 2021.

TAX RATE

The budget as proposed will require a tax rate of \$.83 per \$100.00 of valuation, no increase from last year. In accordance with regulations of the North Carolina Local Government Commission, the budget is based on a tax collection rate of 96.64 percent for property and 100.00 percent for vehicles, since these numbers reflect the final rate of collection rate at the close of FY 2019-2020. However, most vehicle taxes are now collected for the County by the NC Department of Motor Vehicles which has led to some uncertainty in revenue projections. Citing the deferral of License Tag renewals this past year due to Covid-19, a resurgence of the virus could delay collections.

As stated above, the proposed General Fund Budget includes realistic revenue and expenditure projections; however, for only the second time since fiscal year 2011-12, no transfer from the Solid Waste Fund was required to balance the budget. Additionally, for the third consecutive year, no fund balance was appropriated to balance the General Fund budget. In the past, our available fund balance had gotten dangerously close to the 8.33% minimum recommended by the N.C. Local Government Commission. In previous years, the only way to balance the General Fund budget required a fund transfer from Solid Waste or the use of fund balance.

To cover the additional budget ceded from the municipalities and build fund balance back to a healthy percentage without resorting to Solid Waste Fund transfers; the Commissioners chose to change the method of distribution of sales tax funds. Even with this change, the nature of the current economy will make the fund balance recovery a much slower process. Although the current budget is constricted, a 2.5% cost of living increase for employees was included. This is something I made a priority to work into our budget.

SOLID WASTE

The proposal includes a Solid Waste Budget that is balanced at \$4,162,600. The budget includes no increase in commercial fees and a \$4 increase in residential fees, which equates to 2.4%. We simply could not absorb an increase of 1.60% from Unwharrie Environmental based on CPI. It is also important to note we absorbed an increase of 2.5% for last year. Our Public Works Director, Jerry Austin and his Assistant Bryan Leggett, continue to look for ways to cut our operational costs, increase productivity, land grants and decreasing our waste stream through increased recycling efforts.

WATER

The proposed Water/Sewer Budget is balanced at \$6,445,960. The budget includes a 2% increase in commercial, industrial and bulk water rates; Residential customers will see a 2% increase in their water rates for 2021-22 under this budget proposal. Occasional water rate increases are necessary to keep up with the continued increases in operational cost including the cost of water chemicals, poser and fuel. We have renegotiated our bulk water purchase contract, at its expiration with Anson County last January.

We are realizing much-needed savings with producing a larger percentage of our water in lieu of purchasing from Anson under our previous contract. In November 2019, we finalized our Old Cheraw Waterline Extension Project. The project included over 8 miles of new water lines and is serving over 40 new customers. In addition to the Old Cheraw Project, Jerry Austin also played an instrumental role in the construction of shell building #5.

Lee Butler, our Water Treatment Supervisor and his staff have done an excellent job with upgrading our water treatment facility to its current capacity of 9 million gallons per day. The Water/Sewer Budget also includes some needed equipment improvements.

ECONOMIC DEVELOPMENT

Over the past year of uncertainty Richmond County industries have fared much better than most within the region. Many of our industries experienced a decline in business at the beginning of Covid but quickly ramped up business and some grew, despite the pandemic. 2020-2021 was a year of uncertainty yet we saw several projectors come to fruition

Direct Pack completed their on-site 50k sq ft expansion. The company continues to lease some off-site warehouse space and has interest in building another facility in the future.

Impact Plastics, who is currently occupying our shell building will be constructing an additional 50k sq ft on to their own facility in Pine Hills Industrial Park. Impact is one of our fastest growing employers and one of the highest paying. Average salary is \$70k per year.

Global Packaging broke ground on their new facility on NC Hwy 177, on the old Tartan Boat site. This facility will begin at 40k sq. ft. with plans to be expanded to 120k sq ft.

VBC in Hamlet is continuing to grow as they have exceeded their hiring expectations and are up to 160 employees, which is over their promised 130 headcount and plans for expansion.

Energy Way Industrial Park has been secured and with grant money from both IDF & Golden LEAF, we will soon be running a wastewater line to the park. Once this is completed, all infrastructure will be in place for full marketability.

A pressing need that all our industries have is workforce. This is an issue being experienced not only in Richmond County but across the nation. Our ability to secure a strong workforce in the future will have a key driver to our economic prosperity. We will continue to work with our local partners, RCS, RCC, NC Works and other organizations to supply our industries with quality workers in the future.

I have budgeted for the local tax grant programs awarded to Trans Carolina Products, Enviva, American Woodmark, Direct Pack, Qualice, and others.

Nearly all our industries have experienced organic growth, which mirrors that of a strong economy. Most have incrementally increased their jobs and investment throughout the year. Martie Butler, our Economic Developer/Management Analyst and I are cautiously optimistic about the foreseeable future in Economic Development. We are both looking forward to a strong 2021-2022 fiscal year. We are very excited about the opportunities with our new industrial park

FIRE DEPARTMENTS

I have included in the proposed budget the following tax rates for the fire tax districts:

Northside	\$.09
Cordova	\$.10

Mt. Creek

\$.10

I have included in the proposed budget the following rate for the following fire service districts:

East Rockingham \$.10

I have continued to set aside funds to continue the program that you began in FY 1999-2000 to assist Cordova, Mountain Creek and Northside Fire Departments in the purchase of new fire trucks. This money is appropriated at a rate of \$7,500.00 per year for 10 years, or until these departments have received the same level of funding as the other departments (\$75,000.00).

I am recommending that the fee departments continue to be funded with the same fee structure as last year. I am making these recommendations based not only on the anticipated expenditures, but I am also taking into consideration the amount of funds held on hand by the department. The funds generated by the tax rates listed above will provide for the expenses anticipated and requested by these fire departments.

COMMITMENT

I will soon be entering my fourth year as County Manager; every year has been challenging. However, this year will by far be the most challenging year yet due to the major uncertainties of our nation's economy and the effects of future revenues for our County due to carryover from Covid-19. Many behind-the-scenes changes have been made that I feel have allowed us to operate more efficiently and effectively. Expect more changes that will continue this trend.

I appreciate the support that I have received from the Board of Commissioners and the entire staff since I was appointed as County Manager in September 2017. The cooperation that I have received has been critical in our efforts to weather the economic challenges that we are experiencing while still providing the highest level of service possible. I pledge to continue operating in the same manner that I have since I came to work for Richmond County in 2010 by ensuring that Richmond County's taxpayers and Enterprise Fund customers continue to receive the highest level of service in the most efficient manner possible.

Respectfully submitted,

Bryan R. Land

Richmond County Manager/Budget Officer

Budget for FY 2021-2022 was put before the board for a decision.

By a motion of Commissioner Watkins seconded by Commissioner Bostic and by a 6 to 1 vote, Motion carried. Vice Chairman Dawkins voted against the approval of the FY 2021-2022 budget

ITEM NO. 7 Presentation from Richmond County Chamber of Commerce - Emily Tucker, President and Board Chair Bob Young- Discussion

Richmond County Chamber of Commerce President Emily Tucker stated that she was very appreciative of Health & Human Services Director Tommy Jarrell for all of his assistance with COVID-19. She stated that Dr. Jarrell was always available for questions concerning safety and restrictions. President Tucker and Board Chair Bob Young presented a plaque to Dr. Tommy Jarrell for all of his hard work and service to residents of Richmond County.

ITEM NO. 8 Presentation from UNC Pembroke - Chris Maples, Executive Director of External Affairs - Discussion

Unfortunately Executive Director Chris Maples was not able to attend the meeting. Commissioner Toni Maples stepped in and read the information that was sent in regards to getting the county and municipalities residents involved with showing support for UNCP dependents of Disable American Veterans. Below is the information needed to contact UNCP

To support UNCP dependents of Disabled American Veterans, contact the UNC Pembroke Foundation at:
P.O. Box 1510 • Pembroke, NC 28372;
Phone: 910.521.6252; or
Make your recurring credit card payment online at
uncp.edu/give

ITEM NO. 9 Request for Board Consideration of Approval of Proclamation for Elder Abuse Awareness Day - Bryan Land, County Manager - Decision

By a motion of Commissioner Bryant, seconded by Vice Chairman Dawkins and by unanimous vote. Motion carried

ITEM NO.10 Request for Board Consideration of Approval of 2021-2022 Home and Community Care Block Grant Budget - Bryan Land, County Manager - Decision

By a motion of Commissioner Bryant, seconded by Commissioner Grooms and by unanimous vote. Motion carried

ITEM NO.11 Request for Board Consideration of Approval of 2020-2021 Re-Allocation of Home and Community Care Block Grant Budget- Bryan Land, County Manager - Decision

By a motion of Commissioner Bryant, seconded by Commissioner Grooms and by unanimous vote. Motion carried

ITEM NO.12 Request for Board Consideration of Approval of Reappointment to the Lumber River Workforce Development Board - Bryan Land, County Manager - Decision

By a motion of Vice Chairman Dawkins, seconded by Commissioner Grooms and by unanimous vote. Motion carried

ITEM NO.13 Resolution to Reappoint Tax Administrator - Bryan Land, County Manager - Decision

By a motion of Commissioner Bryant, seconded by Commissioner Maples and by unanimous vote. Motion carried

ITEM NO.14 Request for Board Consideration of Approval of the JCPC Membership List - Bryan Land, County Manager - Decision

By a motion of Commissioner Bryant, seconded by Commissioner Grooms and by unanimous vote. Motion carried

ITEM NO.15 Request for Board Consideration for Approval of Fee Schedules for FY 2021 - 2022 for Health & Human Services - Cheryl Speight Interim Local Public Health Director - Decision

By a motion of Commissioner Grooms, seconded by Vice Chairman Dawkins and by unanimous vote. Motion carried

ITEM NO.16 Request for Board Consideration for Approval of Appointments to Planning and Zoning Board of Adjustments - Tracy Parris, Planning Director - Decision

By a motion of Commissioner Bryant, seconded by Commissioner Maples and by unanimous vote. Motion carried

ITEM NO.17 Bi-Monthly Report - Martie Butler, Management Analyst/Economic Developer - Discussion

Martie Butler gave a update on Global Packaging new facility told the Board that the steel work had been erected and everything is moving forward for them.

A South Carolina site selector visited Richmond County to look at the new industrial park. He was impressed with the site. He stated that it would be good for heavy power users. It was a very positive visit for us.

A few things that we have going in within the county.

Raffle at the Rock will be on Saturday, October 2nd

Industrial Appreciation dinner will be on Thursday, October 21st at the Richmond Airport. It is well attended by plant managers and workers from industries within the county.

The 10 million dollars that could be given to the Rockingham Speedway will be like a federal rescue plan. There are two other areas that have been selected. They are Norton Wilkesboro and Charlotte. The money is to be used for the infrastructure of these locations. Some of the plans include extending the waste water and water lines. There is mention of a pedestrian bridge that would go over US Highway 1, build permanent restrooms around the outside of the facility. Location is ideal for large scale festivals.

Mrs. Butler stated that should would be keeping the board informed on any new developments in regards to this money for Richmond County.

ITEM NO.18 Presentation of Richmond County Broadband Internet Study and Community Survey - Kendra Faries, RC Public Health Educator & Jimmy Quick, IT Director - Discussion

There is a need for broadband service in the rural counties. A Broadband Steering Committee has been established as a multi county group. This committee will be working with the rural counties to get a broadband survey information out to their citizens. This will Richmond County Public Health Educator Kendra Faries stated that this will help identify the areas that are not serviced and for the affordability.

David Richards with Lumber River Council of Government stated that this had started years ago after Hurricane Florence came through the area. ECC consulting partner has worked with other Council of Government offices. This will help with economic growth within the counties. The information needed will be addresses so that a map can be designed to show who needs most assistance.

Commissioner Dobbie asked about other studies that had been done within the county, and Quick stated that there was not enough of density for us to get a block grant at that time.

Information will be sent out to the counties to be put on their social media and websites asking people to participate.

ITEM NO.19 Adjournment - Decision

By a motion of Vice Chairman Dawkins, seconded by Commissioner Bryant and by unanimous vote. Motion carried

Meeting adjourned at 6:46 P.M.

Respectfully Submitted by the Clerk

Dena R. Cook, NCCCC

Clerk to the Board

Richmond County Board of Commissioners

**Request for Board Consideration of Approval of Memorandum of
Opioid Litigation - Bryan Land, Co**