

**PERSON COUNTY BOARD OF COMMISSIONERS**  
**MEMBERS PRESENT**

**MAY 18, 2020**  
**OTHERS PRESENT**

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B. Ray Jeffers  
Jimmy B. Clayton  
Kyle W. Puryear  
Gordon Powell  
C. Derrick Sims  
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Heidi York, County Manager  
Brenda B. Reaves, Clerk to the Board  
C. Ronald Aycock, County Attorney

The Board of Commissioners for the County of Person, North Carolina, met in regular session on Monday, May 18, 2020 at 9:00am remotely, as allowed by the Board's Rules of Procedure during this COVID-19 state of emergency. There would be no place of the meeting for members of the public to be physically present. A public notice, released seven days ahead of the meeting, informed the public and news media how to view/hear the meeting through the County's website Live Meeting link and/or by accessing the appropriate Zoom link.

Chairman Jeffers, Commissioners Sims and Powell, County Manager, Heidi York and Clerk to the Board, Brenda Reaves were present in-person in the commissioner's boardroom in the Person County Office Building. Commissioners Puryear and Clayton attended the board meeting remotely as did County Attorney, Ron Aycock. Chairman Jeffers called the meeting to order. Commissioner Powell offered an invocation and Chairman Sims led everyone in the Pledge of Allegiance.

**DISCUSSION/ADJUSTMENT/APPROVAL OF AGENDA:**

A **motion** was made by Commissioner Powell and **carried 5-0** to approve the agenda.

**INFORMAL COMMENTS:**

Those interested in addressing the Board of Commissioners were directed to join the Zoom link for the meeting at 8:45am to sign up; callers were unmuted to speak during public comments in the order that the call was received.

The following individual made informal comments:

Mr. David Rush of 1983 Perkins Drive, Roxboro made the Board aware of his desire to request a road name change. GIS Manager, Sallie Vaughn stated that according to the Person County addressing ordinance, 75% of adjacent property owners must agree to the road name change. The GIS department sent certified letters to the adjacent property owners (two other property owners in addition to Mr. Rush) to which neither responded. Chairman Jeffers asked Mr. Rush to contact the two adjacent property owners for an agreed upon road name change.

**May 18, 2020**

**DISCUSSION/ADJUSTMENT/APPROVAL OF CONSENT AGENDA:**

A **motion** was made by Commissioner Sims and **carried 5-0** to approve the Consent Agenda with the following items:

- A. Approval of Minutes of April 20, 2020,
- B. Budget Amendment #18,
- C. Application NC Education Lottery Additional \$14,000 Funds to Replace Room Divider in the Multipurpose Room at South Elementary,
- D. PATS Continuity of Operations Plan, and
- E. Tax Adjustments for May 2020
  - a. May 2020 tax releases
  - b. May 2020 NC Vehicle Tax System pending refunds

**UNFINISHED BUSINESS:**

**APPOINTMENT TO THE RECREATION ADVISORY BOARD VIA INFORMAL INTERVIEWS:**

Clerk to the Board, Brenda Reaves reminded the group that the Board of Commissioners, at its meeting on April 20, 2020, took action to hold informal interviews with the applicants of the Recreation Advisory Board at its May 18, 2020 meeting. The applicants were contacted by letter of correspondence, by email and a phone call from the Clerk advising them of the informal interview process. Ms. Reaves asked the Board to conduct the informal interviews with the applicants and take action as deemed appropriate. Ms. Reaves advised that Mr. Joey Whitt emailed her late Sunday evening to state he would not be available to participate in the informal interviews due to a work conflict. The Board conducted informal interviews with Ms. Brittanni Lea and Mr. Kirk Redman.

A **motion** was made by Commissioner Sims and **carried 5-0** to appoint Kirk Redman to the Recreation Advisory Board to fulfil the unexpired term to June 30, 2021.

**AGREEMENT TO PROVIDE FOOD SERVICES FOR THE PERSON COUNTY DETENTION CENTER:**

Sheriff Dewey Jones and Chief Deputy Kevin Crabtree presented two proposals for Food and Canteen Services for the Person County Detention Center. The two proposals received were from 1) F E Day, Ltd., and 2) Skillet Kitchen/Kimble's Commissary Services.

The proposal snapshot from F E Day, LTD was based on 100 inmates would cost \$2.55 per meal (2100 calorie), with commissions paid to the County from the Canteen increasing from 13.5% to 28% up.

The proposal snapshot from Skillet Kitchen/Kimble's Commissary Services was based on 100 inmates at a cost of \$2.56 per meal (3000 calories) with commissions paid to the County from the Canteen at 26%.

Chief Deputy Crabtree noted that regardless of which proposal prevailed, the staff at the Sheriff's Office would begin purchasing its own supplies and did not desire to contract for that service. He further noted the savings based on his research would be sustainable with just the seven most used items.

Sheriff Jones and Chief Deputy Crabtree requested the Board to authorize the County Manager to enter into an agreement with Skillet Kitchen/Kimble's Commissary Services for meals and canteen services for the next three fiscal years.

Mr. Frankie Day of F E Day, Ltd., addressed the Board seeking a new agreement to provide food, canteen and supplies. Mr. Day stated he would be fine taking away the supplies from the agreement as per the preference of the Sheriff and Chief Deputy. Mr. Day confirmed he would match the same calorie intake based on the menu in the Kimble proposal.

A **motion** was made by Chairman Jeffers and **carried 5-0** to authorize the County Manager to enter into an agreement with Skillet Kitchen/Kimble's Commissary Services for meals and canteen services for the next three fiscal years.

**AGREEMENT TO PROVIDE FOOD SERVICE  
PERSON COUNTY JAIL**

THIS AGREEMENT, made as of the 18<sup>th</sup> day of May, 2020 by and between PERSON COUNTY, a political subdivision of the State of North Carolina (hereinafter referred to as the "County"), and KIMBLE'S FOOD BY DESIGN, INC. d/b/a/ SKILLET KITCHEN (hereinafter referred to as "Contractor") (collectively the "Parties") shall constitute the terms and conditions under which the Contractor shall provide food service at the Person County Jail.

**WITNESSETH:**

That for and in consideration of the mutual covenants and agreements herein set forth, the County and the Contractor hereby agree as follows:

**ARTICLE I. PAYMENT**

Person County shall pay the Contractor for meals served and/or prepared.

The Contractor shall submit to the County an invoice for meals ordered or meals served, whichever is greater for the unit price for (3) meals per day, per County's requests. Payment shall be made within 30 days from the invoice date.

**ARTICLE II. SCOPE OF WORK**

The Contractor agrees to provide all necessary services in accordance with the County's Request. The Contractor will provide (3) Three meals per day to the inmate population at Person County Jail. The Contractor will procure all food, cleaning chemicals and paper goods for the kitchen operation.

**ARTICLE III. GENERAL CONDITIONS**

**Accuracy of Work.** The Contractor shall be responsible for the accuracy of the work and any error and/or omission made by the Contractor in any phase of the work under this agreement. Contractor's liability for any such error or omission shall not exceed the amount invoiced or to be invoiced for the work that is the subject of the error or omission.

**Additional Work.** If the Contractor is asked by the County to perform work beyond the scope of this Agreement for which payment is desired, Contractor shall notify the County in writing, state that the work is considered outside the scope of the work of this Agreement, give a proposed cost for the additional work, and obtain the approval in writing from the County prior to performing the additional work for which Contractor is to be paid. The County shall in no way be held liable for any work performed under this section which has not first been approved in writing by the County.

#### **ARTICLE IV. AGREEMENT TIME**

The term of this Agreement shall commence on or about July 1<sup>st</sup>, 2020 and will continue for three (3) years thereafter. At the expiration of the original term, the Agreement shall renew automatically in increments of twelve (12) month periods unless one of the parties notifies the other 90 days prior to the expiration of the original term or any renewal term of their intention to terminate the Agreement. Notwithstanding anything to the contrary, the terms and conditions of this Agreement shall continue to apply for so long as Kimble's continues to provide services hereunder to Customer after the expiration or termination of this Agreement.

**Ownership of Documents.** All documents, including drawings, estimates, specifications, and data are and remain the property of the County. The Contractor agrees that the County may reuse for its own purposes any and all plans, specifications, drawings, estimates, or any other data or documents described herein in its sole discretion without first obtaining permission of the Contractor and without any payment of any monies to the Contractor therefore. However, any reuse of the documents by the County on a different site shall be at its risk, and the Contractor shall have no liability where such documents are reused.

**Successors and Assigns.** The County and the Contractor each binds itself and its partners, successors, executors, administrators, and assigns to the other party of this Agreement and to the partners, successors, executors, administrators, and assigns of such other party, in respect to all covenants of this Agreement; except as above, neither the County nor the Contractor shall assign, sublet, or transfer its interest in this Agreement without the written consent of the other, which consent will not be unreasonably withheld, delayed or conditioned. Nothing herein shall be construed as creating any personal liability on the part of any officers or agents of the County or Contractor, nor shall it be construed as giving any rights or benefits hereunder to anyone other than the parties to this Agreement.

**Review and Acceptance.** Work performed by the Contractor shall be subject to review and acceptance in stages as required by the County. Acceptance shall not relieve the Contractor of its professional obligation to correct, at its own expense, any errors in the work.

**Pricing.** Pricing indicated on attachment "A" Skillet Kitchen reserves the right to negotiate CPI and operational cost increases no more than once per year. All increases will be delivered to the Person County Sheriff's Office. A minimum of 30 days' notice will be given before such price increase is implemented.

**Termination of Agreement.** If either party defaults in the performance of any obligation under this Agreement, then the non-defaulting party shall give the defaulting party written notice of its default, setting forth specifically the nature of the default. If the defaulting party fails to cure its default within ninety (90) days after receipt of the notice of default, then the non-defaulting party shall have the right to terminate this Agreement upon thirty (30) days written notice. If terminated by the County, the written notice shall be sent to the Contractor, addressed as follows:

Kimble's Food by Design  
Kimble Carter, President  
100 Webster St.  
LaGrange, GA 30241

All notices sent to the above address shall be binding upon the Contractor unless said address is changed by the Contractor in writing to the County. If this Agreement is so terminated the Contractor shall be paid as provided herein before.

If terminated by the Contractor, the written notice shall be sent to the County, addressed as follows:

Person County  
Sheriff Dewey Jones  
PO Box 1156  
Roxboro, NC 27573

All notices sent to the above address shall be binding upon the County unless said address is changed by the County in writing to the Contractor. If this Agreement is so terminated, the County shall not be liable to Contractor for payments owed after the date of the notice of termination.

**Indemnification Agreement.** As between the County and the Contractor as the other party, the Contractor shall assume responsibility and liability for any damage, loss, or injury, including death, of any kind or nature whatsoever to person or property, including employees and property of the County, caused by or resulting from any negligent act of the Contractor or its subcontractors or any of their officers, agents, servants, or employees, arising from the performance of the work under this Agreement. The Contractor shall defend, indemnify, and hold harmless the County and all of its officers, agents, servants, or employees from and against any and all claims, loss, damage, charge, or expense to which they or any of them may be put or subjected by reason of any such damage, loss, or injury. The Contractor expressly agrees to defend against any claims brought or actions filed against the County, where such claim or action involves, in whole or in part, the subject of the indemnity contained herein, whether such claims or actions are rightfully or wrongfully brought or filed.

As between the Contractor and the County as the other party, the County shall assume responsibility and liability for any damage, loss or injury, including death, of any kind or nature whatsoever to person or property, including employees and property of the Contractor, cause by or resulting from any negligent act of the County or its subcontractors or any of its officers, agents, servants or employees, arising from the performance of the work under this Agreement. The County shall defend, indemnify and hold harmless the Contractor and all of its officers, agents, servants or employees from and against any and all claims, loss, damage, charge or

expense to which they or any of them may be put or subjected by reason of any such damage, loss, or injury. The County expressly agrees to defend against any claims brought or actions filed against the Contractor, where such claim or action involves, in whole or in part, the subject of the indemnity contained herein, whether such claims or actions are rightfully or wrongfully brought or filed.

**Insurance.** The Contractor shall furnish the following along with the Agreement documents sent to the County for execution:

1. Certificates of Insurance in companies doing business in North Carolina and reasonably acceptable to the County covering:
  - a. Statutory Workers' Compensation Insurance, and to have all subcontractors likewise carry statutory Worker's Compensation Insurance, or proof that the Contractor or its subcontractors are not required to provide such coverage under State law; and
  - b. Comprehensive Liability Insurance as follows:
    - i. Comprehensive Liability Insurance covering all operations and automobiles;

<u>TYPE</u>	<u>COVERAGE FEATURES</u>	<u>LIMITS</u>
Automobile		\$500,000/\$500,000 CSL
Worker's Compensation		As required by law
Employer's Liability		\$100,000
Comprehensive General Liability (including bodily injury & admin)	County named as additional insured only to the extent of bidder's insurance coverage	\$1,000,000 \$1,000,000

- ii. Certificates of Insurance must be executed in accordance with the following provisions:
  1. Certificates to contain policy number, policy limits, and policy expiration date of all policies issued in accordance with this Agreement;
  2. Certificates to contain the location and operations to which the insurance applies;

3. Certificates to contain Contractor's protective coverage for any subcontractor's operations;
  4. Certificates to contain Contractor's contractual insurance coverage;
- iii. The Contractor shall be wholly responsible for securing certificates of insurance coverage as set forth above from all subcontractors who are engaged in this work.

**North Carolina Law Governs.** This Agreement shall be governed by and construed and enforced in accordance with the laws of North Carolina.

**Venue.** This Agreement shall be deemed to have been made and performed in Person County, North Carolina. For the purposes of venue, all suits or causes of action arising out of this Agreement shall be brought in the courts of Person County, North Carolina.

**Modification.** This Agreement may be modified or amended by the County to reduce the scope of work or project description upon seven (7) days written notice; the written notice shall be sent to the Contractor addressed as follows:

**Kimble's Food by Design  
Kimble Carter, President  
100 Webster St.  
LaGrange, GA 30241**

All notices sent to the Contractor address shall be binding upon the Contractor unless said address is changed by the Contractor in writing to the County.

**County Representative.** The County may designate a representative through whom the Contractor will contact the County. In the event of such designation, said representative shall be consulted and his/her written recommendation obtained before any request for extra work is presented to the Person County Sheriff's Office. Payments to the Contractor shall be made only upon itemized bill submitted to and approved by said representative, which approval shall not be unreasonably withheld, delayed or conditioned.

**Contractor's Status.** The relationship between the County and the Contractor shall be that of owner and independent contractor, and all employees of Contractor assigned to the County's facility shall be strictly employees or agents of Contractor, and in no event shall employees of Contractor be considered agents or employees of the County. Contractor shall assign to duty at the County's facility only employees that are reasonably qualified to perform the services required under this Agreement, and that are acceptable to the County. Contractor agrees that it will conduct appropriate background checks on all employees assigned to the

County facilities and warrants that all such employees will be suitable for the position to which they have been assigned.

**Sole Agreement.** This Agreement constitutes the sole agreement between the Parties. No representations oral or written not incorporated herein shall be binding on the Parties. No amendment or modifications of this Agreement shall be enforceable unless approved by action of the County and Contractor.

**Controlling Provisions.** In the event of a conflict between the County's Request and the Contractor's response, the provisions of this Agreement shall control over any conflicting provisions contained in the Contractor's response.

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be executed in two counterparts, each to be considered as an original by their authorized representative, the day and date hereinabove written.

KIMBLE'S FOOD BY DESIGN d/b/a  
SKILLET KITCHEN

By: \_\_\_\_\_  
Its: \_\_\_\_\_

PERSON COUNTY <sup>manager</sup> SHERIFF'S OFFICE

By: Heidi York  
Its: County Manager

"This instrument has been pre-audited in the manner required by the Local Government Budget and Fiscal Control Act."

By: Amy Weyenberg 5/18/20  
Amy Weyenberg  
Finance Officer, Person County

May 18, 2020

Attachment "A"

Inmates	Price per Tray
70-79	\$3.1427
80-89	\$2.9027
90-99	\$2.7160
100-109	\$2.5666
110-119	\$2.4444
120-129	\$2.3425
130+	\$2.2563

Equipment Provided to be vested over 36 months:

- 168 New food trays and lids
- Drying rack
- Garbage Disposal
- Steam Table

Vendor Name: Kimble's Food by Design d/b/a Skillet Kitchen

Authorized Contact Person:

Authorized Signature: \_\_\_\_\_

Phone :

## **NEW BUSINESS:**

### **ELECTION OF VICE CHAIRMAN**

Chairman Jeffers opened the floor for nominations for Vice Chairman of the Board of Commissioners.

Commissioner Puryear nominated Commissioner Powell as Vice Chairman. There were no further nominations.

By acclamation, Commissioner Powell was elected the Board's Vice Chairman by **unanimous vote 5-0**.

### **FUNDING REQUEST FOR THE CITY'S WESTERN SEWER SYSTEM DESIGN/ENGINEERING CONTRACT:**

County Manager, Heidi York presented a request from the City of Roxboro to partner in funding and supporting their Western Sewer System engineering and design of construction documents. This project will greatly increase the sewer capacity on the southern portion of Roxboro and Person County opening up a large portion of Person County, west of Roxboro for gravity sewer services. La Bella Engineering has been selected through a competitive RFQ process and the scope of services estimates costs at \$568,000.

Ms. York stated this project has been prioritized by the Economic Development Commission. The County Commissioners have expressed interest in this project using available funds in the Water and Sewer Fund. The total estimated cost for the entire project is \$10,000,000. The City will be seeking financing through grants and loans to fund the bulk of this project. To assist with this process, the City will need to provide the system design to support that the amount requested will, indeed, cover the cost to provide the solution. Ms. York noted that without the construction of the Western Sewer System to alleviate wastewater constraints, development in Person County from the southern part of the City of Roxboro to the southern border of Person County will be hindered indefinitely. Already, projects involving mixed use, residential, and commercial/industrial development are unable to be considered where extension of existing wastewater infrastructure is required.

Ms. York requested the Board to approve this eligible request to fund the design and engineering costs for the Western Sewer System in the current budget from the Water and Sewer Fund at a cost of \$568,000.

A **motion** was made by Vice Chairman Powell and **carried 5-0** to fund the design and engineering costs for the Western Sewer System in the current budget from the Water and Sewer Fund at a cost of \$568,000.

## **COMPREHENSIVE LAND USE PLAN STEERING COMMITTEE APPOINTMENT:**

Planning Director, Lori Oakley reminded the Board that the Comprehensive Land Use Plan Steering Committee was appointed in September 2019 and the committee members will work on updating the Comprehensive Land Use Plan with our consultant, Benchmark. The steering committee is comprised of ten (10) individuals – five (5) from within the county's jurisdiction and five (5) from within the City of Roxboro's jurisdiction. The update to the Comprehensive Land Use Plan is currently underway and the first one-on-one introductions with the consultant and committee members occurred the week of May 11, 2020. The next round of meetings will consist of stakeholder interviews that will be held the last week of May and the first week of June.

Ms. Oakley noted that upon contacting the committee members to schedule their initial introduction meeting with the consultant, one of the committee members, Mr. Barry Foushee, resigned due to relocating out of the state. In the interest of time, Ms. Oakley requested that the Board select from one of the original applicants to fill the remaining seat.

Ms. Oakley further noted that she contacted all of the remaining individuals who submitted an application late last summer and the following individuals are interested in serving on the Comprehensive Land Use Plan Steering Committee: Phillip Reams and Bruce Whitfield. Mr. Whitfield later withdrew his application from consideration.

A **motion** was made by Commissioner Clayton and **carried 5-0** to appoint Phillip Reams to the Comprehensive Land Use Plan Steering Committee.

## **UPDATE ON PERSON COUNTY PARTICIPATION IN THE NATIONAL OPIOID LITIGATION:**

County Attorney, Ron Aycock presented a memo to the Board chronicling the opioid crisis, national litigation against manufacturers, distributors and national chain retail outlets and Person County's participation in that lawsuit.

### **1-The Opioid Crisis**

In the early 1990's drug manufacturers assured the medical community that prescription opioids were safe as a pain control medication. An example of that assurance was the edited misuse of a research article published in the highly respected New England Journal of Medicine. That study had concluded that there was no danger of addiction when opioids were used as a pain control measure "**in a controlled institutional setting with elderly patients.**" Manufacturers and distributors then began marketing the opioids to the medical community partially by citing the article **but omitting the limitation in the study.** A result was the overprescribing of opioids. Then came addiction, drug prescription mills, criminal involvement and a national crisis.

Federal law required and still requires that opioids be delivered to retailers not by the manufacturers but by independent distribution companies. That law also required those distributors to monitor purchases by retailers and to report overuse to federal authorities. That reporting was marked more by non-compliance than compliance. A result was the development of opioid 'mills' by some doctors and retailers. There were reports of drug stores in some small towns with a population of 100's filling a hundred thousand or more prescriptions a year. Few distributors reported those abuses to federal authorities, but instead just kept selling the drugs to those entities.

## **2- National Lawsuits against manufacturers, distributors and some retailers**

As the impact of the opioid crisis became more and more evident counties, cities and states became alarmed. Impact was seen in mental health, health, social services, law enforcement, jails and other public agencies. As early as 2016 some entities began development of litigation against the manufacturers, distributors and retail outlets. By 2017 multiple-plaintiff lawsuits were under development by some national litigation law firms. These were not class action lawsuits, but instead multiple individual lawsuits joined together in prosecution. Some state Attorney General offices (including North Carolina) also began developing interest in bringing legal action against those manufacturers, distributors and retailers.

## **3-Person County's involvement in the "national lawsuits"**

In early 2018, local governments around the country, including Person County began to receive inquiries from law firms about joining in the Opioid lawsuits. In order to aid Counties in making their decision, the NC Association of County Commissioners convened a meeting of county attorneys with representatives of several national law firms and the NC Attorney General. At its second meeting in January 2018, the Person County Board of County Commissioners elected to engage a national consortium of law firms coordinated through the Daniels/Thomas law firm of Caswell County to file legal actions on behalf of the County. The County negotiated a contract with the law firms under which the County would have no liability for any fees or costs.

The County Attorney then coordinated fact gathering from County Departments to begin to quantify the extent of damages in Person County. The Person County Lawsuit was then filed and joined others from across the country. The firms representing the County now represent over 700 entities including 75 NC Counties.

## **4-Status of Lawsuits**

There have been several trials involving individual counties and states resulting in substantial recoveries. A major manufacturer, Purdue Drugs and the principle owners of that company, the Sackler family and a few other more minor defendants are seeking bankruptcy protection. Our national law firms are positioning us to have recoveries in the bankruptcies. All of this activity moves us toward a "global settlement" for all the plaintiffs. Settlement discussions involve **multiple billions of dollars**.

The law firms have worked with the Federal Judge in Ohio who is supervising the litigation from all federal judicial districts including our Middle District of NC to develop an equitable allocation system to all litigants in the event of a “global settlement.” As a very rough measure for each one billion dollar recovery, Person County would receive \$100,000. Most of the recoveries would be directed to be used for prevention, treatment and rehabilitation.

### **5-Conflict and Cooperation between NC Counties and NC Attorney General**

From the inception of the lawsuits, counties have been concerned that any recoveries **not be handled like the tobacco law suits with the state having control of the money**. Our argument is that it is at the local level that impacts have been felt and it is that level which should have control of any moneys received. The State Attorneys General have also filed lawsuits. The NC Attorney General (AG) has been one of the leaders for the nation’s attorneys general. Conflict has arisen between AGs and our national law firms concerning the proper amount of any “global settlement” and distribution of any settlement between the states and the counties.

The NC Association of County Commissioners (NCACC) called a meeting on January 21 for counties involved in the litigation, the national law firms and the NC Attorney General to begin discussion of this issue. Subsequently, another meeting was held in connection with both the County/City managers and County Attorneys winter conferences in February where the issue was further discussed. Because of those discussions, the NCACC established a working group composed of five each County Commissioners, County Managers and County Attorneys to further develop the collective County position and negotiate with the NC Attorney General. As Person County Attorney, Mr. Aycock stated he was appointed as one of the County Attorneys on that group.

Mr. Aycock commended Person County staff that assisted with developing the measure of the damages within the community. Mr. Aycock stated upon closure of the lawsuits, claimants would ultimately have success with a substantial settlement to alleviate the misfortune of the opioid misuse.

Commissioner Sims appreciated the report and the efforts by staff noting the importance through his experience as Chairman for the Drug Awareness for the Eastern and Central Districts of the Elks.

Vice Chairman Powell reiterated addiction is a serious problem and through his experience on the Cardinal Innovations board and stated his preference for counties to have local control of any settlement funds versus being controlled by the state.

Chairman Jeffers, a representative on the National Association of Counties, noted some urban counties litigated individually have already settled. He noted the effects locally and provided the example of many foster children under the local social services’ due to many families with drug abuse and needing opioid recovery treatment.

**PRESENTATION OF THE FISCAL YEAR 2020-2021 MANAGER'S RECOMMENDED BUDGET:**

County Manager, Heidi York noted North Carolina General Statute 159 specifies that a recommended budget for the upcoming fiscal year be given to the Board of County Commissioners by June 1st. The Local Government Budget and Fiscal Control Act requires that the recommended budget be balanced.

Ms. York shared the following presentation to provide an overview of the Recommended Budget for Fiscal Year 2020-2021.

5/18/2020



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## **FY21 Budget Overview**

**General Fund = \$62M**

**↓ -\$3M decrease  
5% reduction**

**All Funds = \$73M**

**↓ -\$489K decrease  
.68% reduction**

## **Pandemic Economy**

- Revenues are uncertain
- Capital investments delayed
- Flat spending
- Small business emergency loans
- Growing demand in DSS Food & Nutrition Services
- Unemployment

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Ms. York stated economists have confirmed a recession. She noted seven loans worth over \$50,000 have been extended to small businesses through the emergency loan program. Ms. York further noted that the Department of Social Services have experienced up to 500 applications per week.

## FY21 Budget Overview

- Property Tax rate remains flat at \$.73



= \$450,418

- Collection rate remains at 97.5%

Fiscal Year 2020 value of one penny was \$447,956 illustrating very little growth.

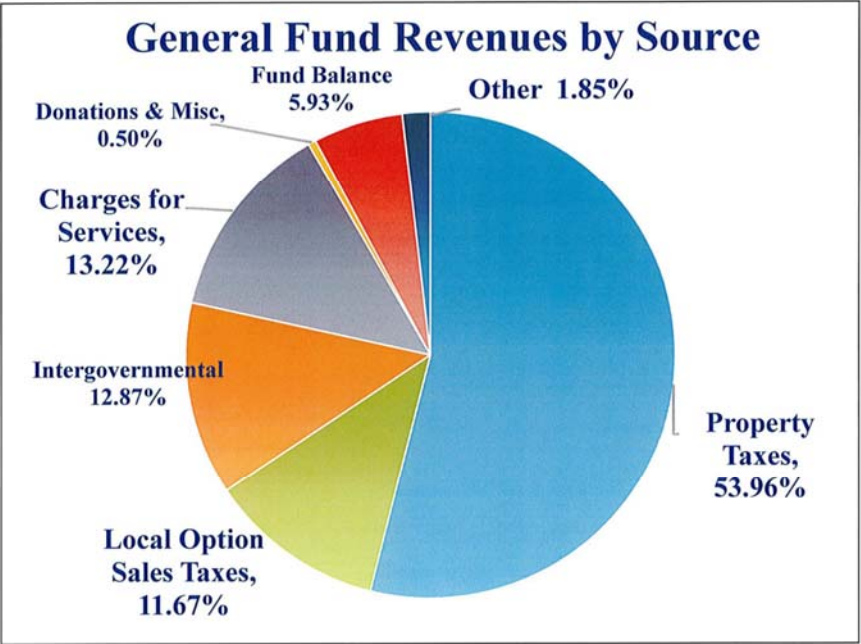
## Revenues

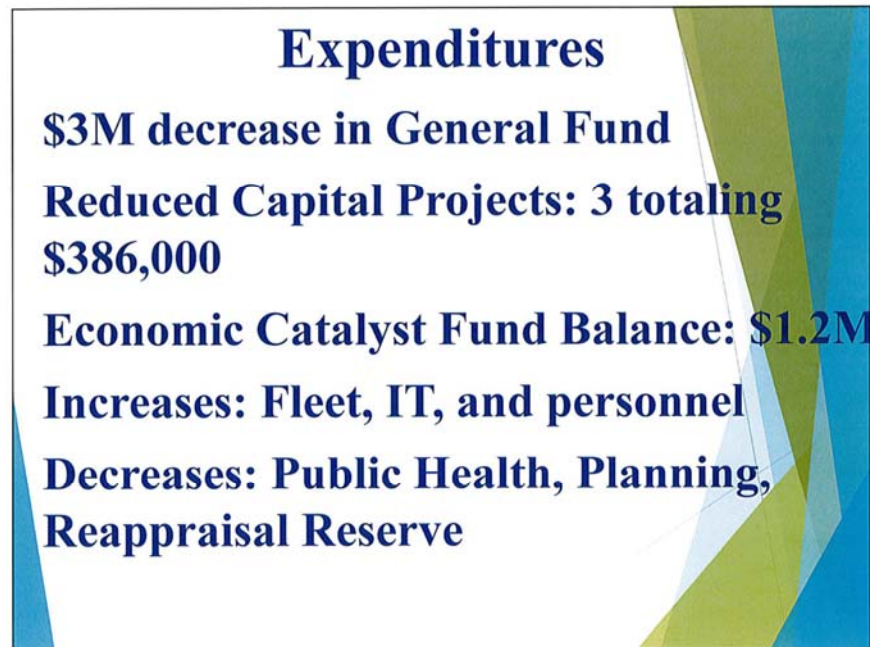
### \$3M decrease in General Fund

- Sales Tax -\$1.1M
- Interest losses -\$494K
- Public Health -\$385K
- PI & MRF -\$140K

### Some Increases:

- Real property tax +\$106K
- DMV growth +\$101K
- Inspection Fees +\$100K





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The three CIP projects include 1) windows replacement at South Elementary for Person County Schools, and 2) for Piedmont Community College: installment payments on a telephone system and the POD building for Early College.

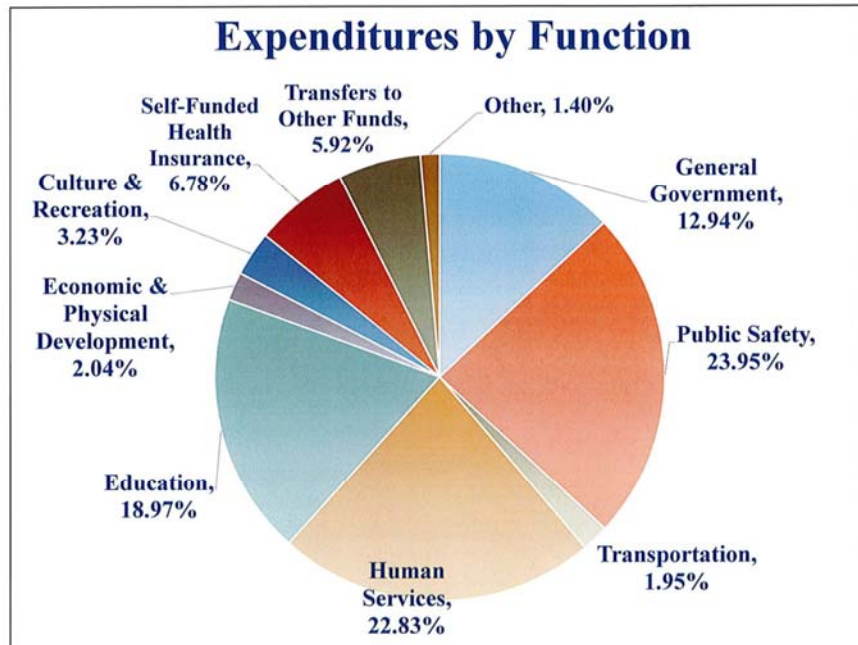
The decrease in Public Health is a loss of -\$101K or 3.7% by eliminating vacant positions with the understanding that the director may need to come back mid-year to request.

## **Other Expenditure Highlights**

- **VFDs funded solely from the Fire Tax**
- **Fire tax rate is flat: 2.75 cents; estimated to generate \$1.04M**
- **2% increase for City Fire Contract**
- **17 vehicles requested, 9 recommended**

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Ms. York noted the recommended vehicles in her budget included six vehicles for the Sheriff's Office, one for the PATS department and two for the Fire Marshal and Inspector for a total cost of \$304K.



## **Fund Balance**

- **Amount budgeted: \$3.67M**
  - 37.7% decrease from FY20**
  - **\$1.47M for one-time capital purchases**
  - **\$1.2M for operating expenses, anticipating COVID-19 relief funding as replacement**
  - **\$1M for debt service in new Capital Investment Fund**

## **County Workforce Funding**

- **8 new FTEs requested, 0 recommended**
- **Merit pay: \$275K**
- **Longevity pay: \$352K**
- **Compression study: \$226K**
- **State retirement contribution: 13% increase, +\$195,340**
- **Health insurance: 12.6% increase, total cost of \$3.9M**

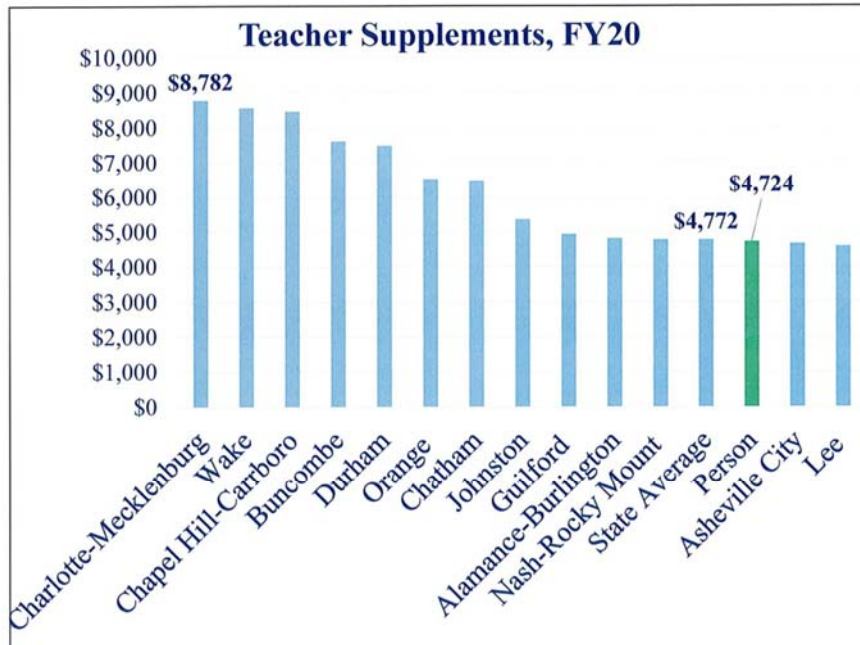
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Ms. York stated county departments were asked to submit flat budgets. In addition, Ms. York noted there was an anomaly in 2020 in which there is a 27<sup>th</sup> pay period valued at \$851,000.

## Person County Schools

- **Current Expense: flat with current FY**
- **Capital funding increased**
- **Technology capital funded through COVID-19 relief funds**
- **CIP project for South Elem. windows**

Current Expense	Capital	Tech Capital	CIP	Debt Service	Total
\$10,442,896	\$436,000	0	\$250,000	\$832,780	\$11,961,676



## Piedmont Community College

- **Current Expense:** flat with current FY
- **Capital funded:** increased to \$53,600
- **CIP projects:** installment payments for telephone system and Early College POD

Current Expense	Capital	CIP	Debt Service	Total
\$1,287,181	\$53,600	\$136,592	\$58,324	\$1,535,697

## **Next Steps in Budget Process**

### **Budget Public Hearing**

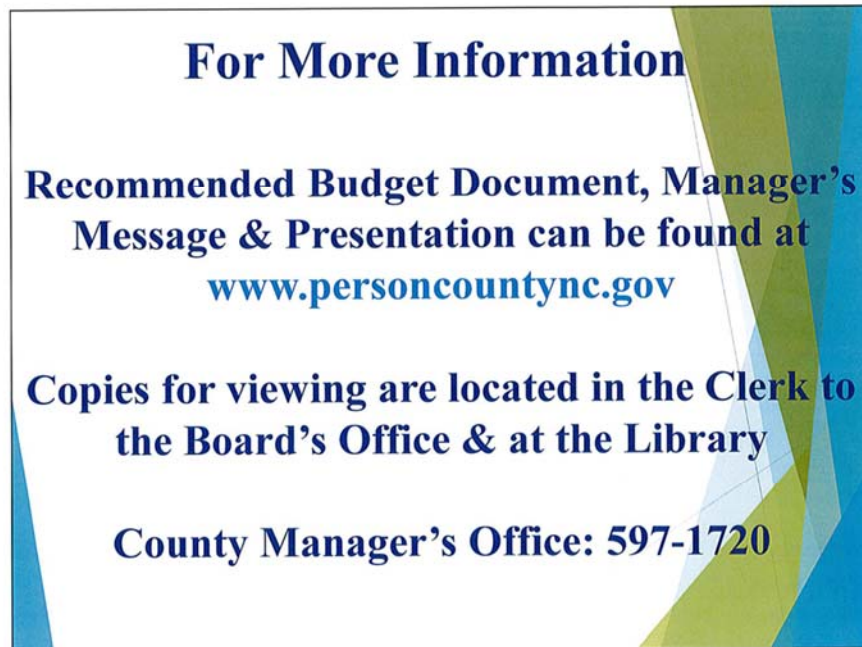
**June 1st, 7:00pm**

**Auditorium**

### **Work sessions**

**June 4th      10:00 am**

**June 8th      10:00 am**

A graphic with a white background and a blue and green geometric design on the right side. The text is in a dark blue, serif font.

**For More Information**

**Recommended Budget Document, Manager's  
Message & Presentation can be found at  
[www.personcountync.gov](http://www.personcountync.gov)**

**Copies for viewing are located in the Clerk to  
the Board's Office & at the Library**

**County Manager's Office: 597-1720**

The commissioners were provided with hard copies of the budget document and the budget presentation.

**ANNOUNCE VIRTUAL MEETINGS FOR JUNE DURING STATE/COUNTY  
DECLARATION OF EMERGENCY:**

County Manager, Heidi York asked the Board to confirm its June regular scheduled meetings to be held in-person or remotely. It was the consensus of the Board that the Board would keep its June 1, 2020 Board's regular scheduled meeting at 7:00pm in the auditorium and that all commissioners would attend in-person. Social distancing will be practiced so that all individuals attending will be seated six feet apart. The budget public hearing will be conducted on June 1, 2020 at 7:00pm.

Budget work sessions are scheduled for June 4 and June 8, both starting at 10:00am, unless adjustments are made at the June 1, 2020 board meeting or at the first budget work session. The Board will determine at its June 1, 2020 meeting if the budget work sessions will be held in-person or remotely.

The June 15, 2020 Board's regular scheduled meeting at 9:00am remains scheduled, at which time the Budget Ordinance will be on the agenda for approval.

**CHAIRMAN'S REPORT:**

Chairman Jeffers thanked county employees for the dedicated level of support during these trying times.

Chairman Jeffers requested staff to review the County Planning Ordinance for a text amendment to be brought back to the Board relieving the requirement for property to have a main dwelling on an adjacent property before an accessory building can be placed upon without citizens having to expend funds to have the two parcels joined.

**MANAGER'S REPORT:**

County Manager, Heidi York announced contingent upon background checks, she has made an offer to an individual for the Fire Marshal position with a tentative start date of June 22.

**COMMISSIONER REPORT/COMMENTS:**

Commissioner Sims advocated for the reopening of places of worship, hair salons, barbers and restaurants in Person County with social distancing. He stated his hopefulness that Phase II of the Governor's Executive Order would be in effect on May 22, 2020.

Vice Chairman Powell thanked county employees for their service and heroism during this pandemic.

There were no reports from Commissioners Clayton and Puryear.

**May 18, 2020**

### **CLOSED SESSION #1**

A **motion** was made by Commissioner Sims and **carried 5-0** to enter into Closed Session per General Statute 143-318.11(a)(3) at 10:29am for the purpose to consult with the county attorney in order to preserve the attorney-client privilege with the following individuals permitted to attend: County Manager, Heidi York, Clerk to the Board, Brenda Reaves, and County Attorney, Ron Aycock.

Chairman Jeffers called for a brief recess prior to the Closed Session.

Chairman Jeffers called the Closed Session to order at 10:38am.

A **motion** was made by Commissioner Sims and **carried 5-0** to return to open session at 11:02am.

### **ADJOURNMENT:**

A **motion** was made by Commissioner Sims and **carried 5-0** to adjourn the meeting at 11:02am.

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Brenda B. Reaves  
Clerk to the Board

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B. Ray Jeffers  
Chairman