

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

**JUNE 8, 2021**  
**OTHERS PRESENT**

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Gordon Powell  
Kyle W. Puryear  
C. Derrick Sims  
Charlie Palmer  
Patricia Gentry  
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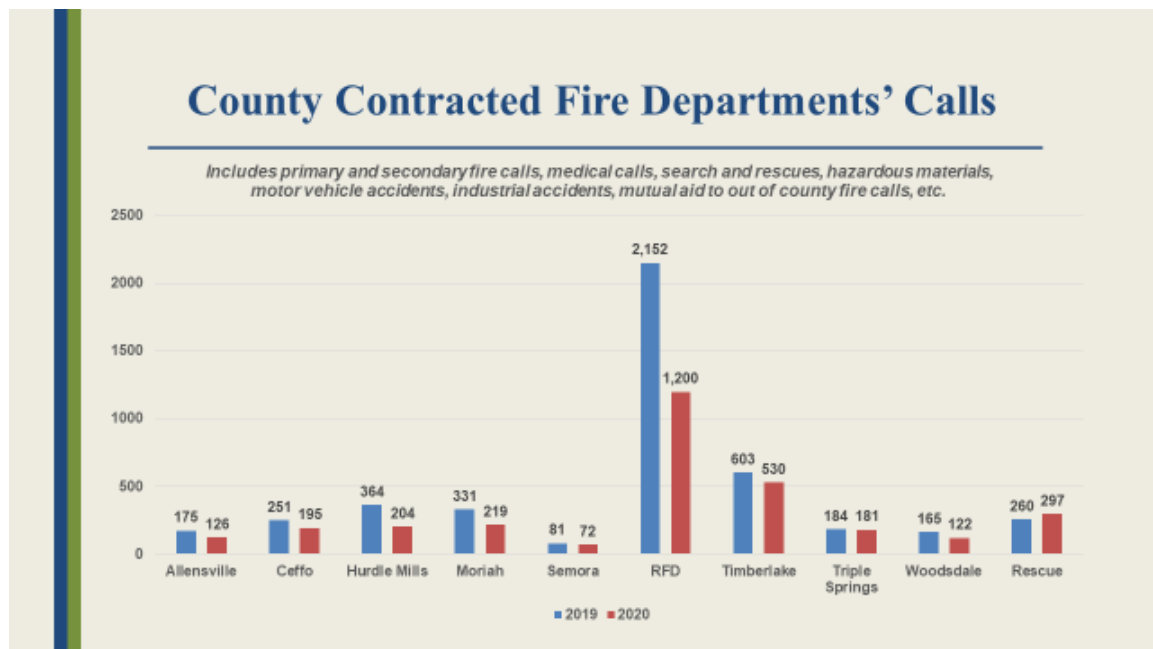
Heidi York, County Manager  
Brenda B. Reaves, Clerk to the Board  
Katherine Cathey, Assistant County Manager  
Amy Wehrenberg, Finance Director  
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The Board of Commissioners for the County of Person, North Carolina, met in recessed session on Tuesday, June 8, 2021 at 3:00pm in the commissioners' boardroom 215 in the Person County Office Building.

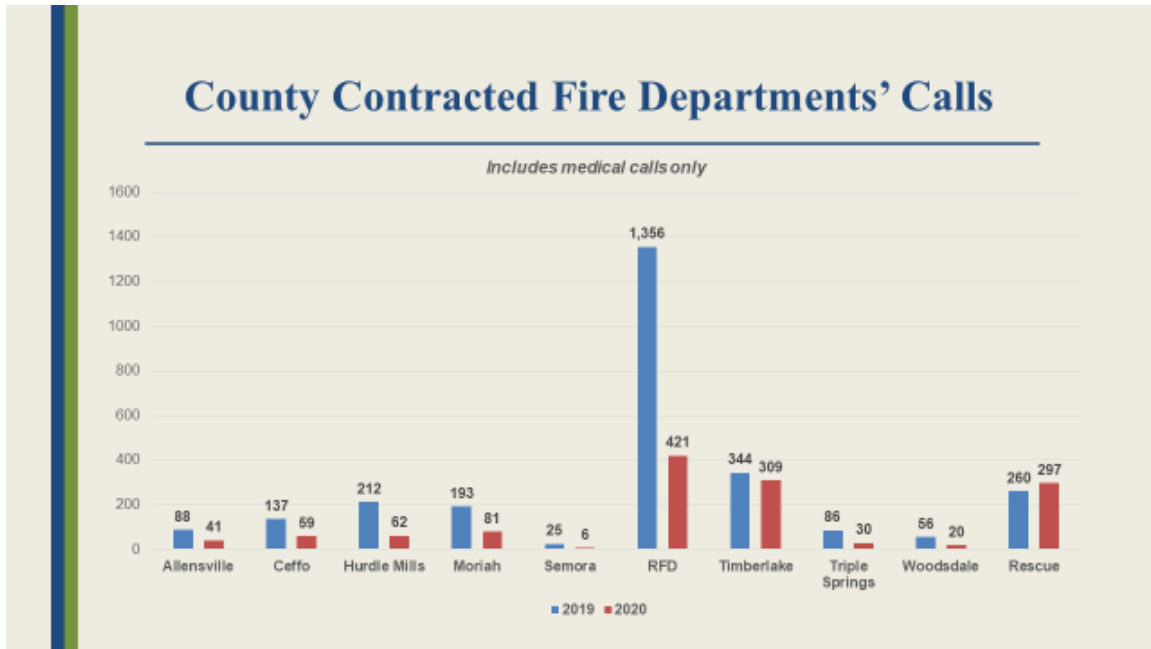
Chairman Powell called the recessed meeting to order. Vice Chairman Puryear joined the meeting remotely.

County Manager, Heidi York stated this was the first budget work session in which the Board could obtain further information and/or adjust the Manager's Recommended Budget.

Ms. York provided the Board updated slides related to the County Contracted Fire Departments' Calls noting all the Volunteer Fire Departments' (VFDs) calls were not captured in the previous version.

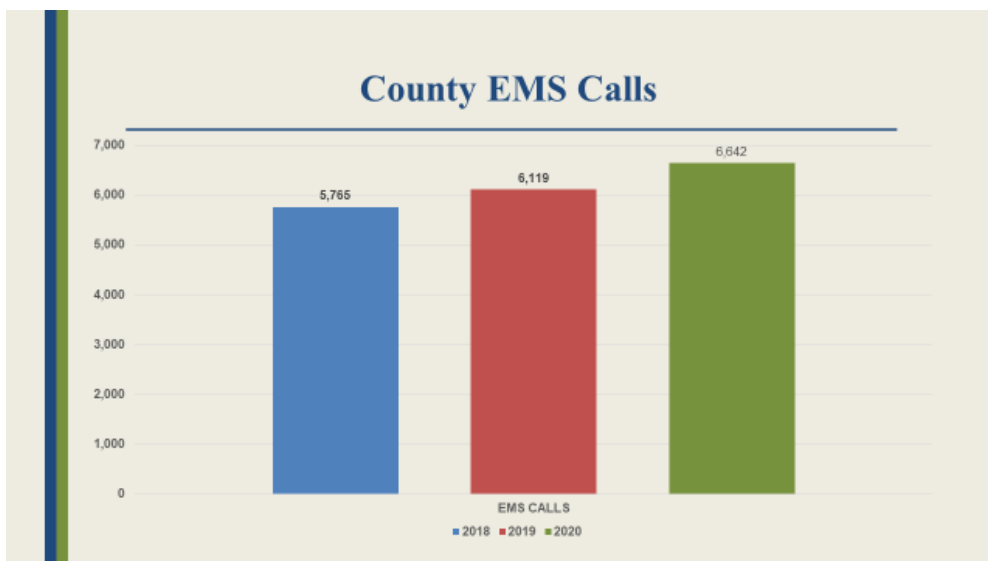


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Commissioner Sims asked staff if the contracts for the VFDs would remain the same to which the Assistant County Manager, Katherine Cathey stated the VFDs' contracts as well as the Rescue Squad contract would be on the Board's June 21, 2021 agenda noting there would be minor modifications. Following the Board of Commissioners' approval of the VFDs' contracts and the Rescue Squad contract, all parties would sign by July 1, 2021.

Ms. York stated an updated slide for the County EMS Calls was provided noting it was not for comparison due to the responses protocols put into place for COVID-19.



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Ms. York provided a slide for the Airport Operations; the Airport nets various operating costs against their monthly lease payments that are added back to the lease and charged to General Services at the end of each fiscal year. These expenses such as Property Insurance, Telephone, Utilities, etc., are posted to various line items in the General Services Department as an annual adjustment.

<b>Airport Operations</b>				
	(Estimate)			
	<b>FY2021</b>	<b>FY2020</b>	<b>FY2019</b>	<b>FY2018</b>
<b>Airport Dept Expenditures</b>	<b>40,590</b>	<b>49,047</b>	<b>34,134</b>	<b>27,444</b>
<b>Gen Svcs Dept Expenditures</b>	<b>26,000</b>	<b>26,463</b>	<b>27,553</b>	<b>22,616</b>
<b>Total Cost</b>	<b>66,590</b>	<b>75,510</b>	<b>61,687</b>	<b>50,060</b>
<b>Lease Revenue</b>	<b>97,758</b>	<b>89,126</b>	<b>88,822</b>	<b>83,143</b>
<b>Total Net Gain</b>	<b>31,168</b>	<b>13,616</b>	<b>27,135</b>	<b>33,083</b>
<b>Indirect Costs</b>	<b>N/A</b>	<b>N/A</b>	<b>97,476</b>	<b>114,947</b>
<b>Total Net Loss</b>	<b>N/A</b>	<b>N/A</b>	<b>(70,341)</b>	<b>(81,864)</b>

Commissioner Gentry asked the Finance Director, Amy Wehrenberg to explain indirect costs to the group. Ms. Wehrenberg explained the Indirect Cost Audit for Person County reports other related operating costs that are not directly applied in the annual adjustment. These include expenditures such as service and maintenance contracts, audit services, information technology, finance administration and building maintenance. When included, the result is an annual net loss. Ms. Wehrenberg told the group that the Indirect Cost Audits for FY2020 and FY2021 are not yet available.

Commissioner Palmer asked Ms. Wehrenberg when was the FY2020 audit expected to be completed to which she said, at this time, the completion of the Tourism Development Authority's (TDA) audit was holding up the completion of Person County's audit and she could not answer why the TDA audit was not completed.

Commissioner Gentry asked about the FBO lease revenue; Ms. York stated one factor was related to the sale of fuel and that was dependent upon the air transportation industry. She added Person County receives a portion of the fuel sales.

The group discussed the Fee Schedule to which staff answered questions; for any questions unanswered, Ms. York said she would follow up with appropriate staff and report to the Board.


The Board then discussed Piedmont Community College's (PCC) request for support of its proposal for an Advanced Technology Center (ATC) to which Ms. York stated she did not include in the budget due to PCC needed to identify a site and develop a plan for the estimated \$25M. Ms. York recalled PCC would go after any grants to assist with the construction; \$10M was projected to be requested of the County to which Ms. York suggested to include in its Debt Model. Ms. York stated the Feasibility Study was funded by the County through its Capital Improvement Plan in FY2020 to which she would obtain a copy to share with the Board. Ms. York stated if the Board had any questions for PCC to let her know and she would submit the questions in writing to Dr. Senegal.

Commissioner Gentry stated she supported the ATC but had concerns about spending county money when PCC's enrollment has decreased over the last five years and she would like to see a plan. Commissioners Gentry and Palmer raised questions as to why the ATC would not be located on the campus of PCC. Chairman Powell noted his support of the ATC and that the current PCC facilities were built in the '70s.

Ms. York led the group in discussion related to Revenue Projections. She provided an updated slide from March to present date related to the Property Tax Revenues.

## Property Tax Revenues

- Current year tax revenues are estimated at \$33M based on a property valuation of \$4.67B (MARCH 2021)
- Updated estimate is \$4.72B (JUNE 2021) or revenues of \$33.13M
- No change in DMV revenues

 = **\$500,180**

## Property Tax Revenues

- Revenue Neutral Rate- the tax rate that would generate the same amount of revenues if reappraisal had not occurred
- Calculated for real property growth, averaged over the last eight years
- More growth means a lower revenue neutral rate
- Revenue Neutral Rate = \$0.6736
  - difference of \$0.0464 from current rate
  - If adopted, County would lose \$2.27M in property tax revenues

Vice Chairman Puryear asked about the state reimbursement loss of revenue of \$150,000 for inmates to which Ms. Wehrenberg noted there was a decrease in the inmate population. Ms. York added that the Sheriff informed her that the loss of inmate population was due to the state controlling the risks of COVID-19.

Commissioner Palmer asked about the Dept. of Social Services (DSS) request for new positions to which Ms. York stated the Director requested five positions however, she only funded one in her Recommended Budget. Ms. York stated DSS staff are overwhelmed and she noted the County is reimbursed from the State of NC for a portion of the salary. Commissioner Gentry asked if new positions had to be included in the budget at this time or could they be added mid-year to which Ms. York stated new positions can be added at any time with an appropriation from Fund Balance or the Contingency Fund.

Chairman Powell announced a brief break at 3:58pm. The meeting reconvened at 4:02pm.

Ms. York reminded the Board of the full-time new positions she had included in her Recommended Budget through the following slide. She noted there were 11 new positions requested and she recommended six.

## Full-Time Positions

Department	Position	Salary/ Benefits	Operating Costs	TOTAL
IT	IT User Support Specialist	\$67,095	\$4,255	\$71,350
Inspections	Senior Code Enforcement Officer	\$87,056	\$47,866	\$134,922
PATS	Transit Specialist	\$41,131	\$0	\$41,131
Economic Development	Assistant EDC Director	\$70,743	\$7,824	\$78,567
Environmental Health	Environmental Health Specialist	\$67,913	\$36,945	\$104,858
Social Services	Income Maintenance Quality Assurance Analyst	\$61,910	\$3,715	\$65,625
	<b>TOTAL</b>	<b>\$395,848</b>	<b>\$100,605</b>	<b>\$496,453</b>

The Board recognized the ongoing need for assistance in the Inspections Department. Ms. York stated she was considering some efficiency training to assist in identifying processes to streamline functions. Of course, the new software planned this summer should help staff time with the processes.

Ms. York shared the following slide for Vehicles:

## Vehicles

- 16 requested; 13 recommended according to the County's Vehicle Replacement Policy based on age, mechanical issues, and mileage
- 8 Sheriff's Office
- 2 PATS vans
- 1 General Services
- 1 Animal Services
- 1 Inspections
- Total cost is \$361K

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Ms. York said the local share for the PATS vans was \$6,600 each. Commissioner Sims noted the surplus PATS vehicles revenue went back into the purchase of new vehicles. Ms. York stated one EMS vehicle was being purchased with CARES funding and was not in her Recommended Budget. Commissioner Gentry asked Ms. York if the County had a contract for fleet management to which she replied no. Ms. York added that staff negotiate prices for its fleet to match the state contract pricing.

Commissioner Gentry asked if the Person Industries' (PI) Director might come to the next budget work session before the Board to which Ms. York stated affirmatively. Commissioner Gentry asked when would the lease expire at the PI main facility to which Ms. York stated 2024/2025. Ms. York said she included in the Recommended Budget to fund a feasibility study to merge the PI main facility with the Recycling Center that included an efficiency study to best utilize the space.

Chairman Powell advocated improving the funding for the Economic Development Catalyst Fund. Ms. York said she was increasing the appropriation by \$231K noting \$270K was designated for financial incentive payments and \$890K for discretionary development needs (new \$250K General Fund contribution and \$640K in the Economic Catalyst Fund Balance).

Chairman Powell spoke of the federal funding (American Rescue Funds) that were specified to be used for water and sewer infrastructure and broadband. Ms. York reminded the Board that a study was recently approved to update the coverage maps and gaps of service in Person County. She added the county would be poised to develop a plan following the study and more information was released related to the federal funding. Commissioner Gentry said that carriers are not providing what they have to consumers. Ms. Cathey stated the focus would be aimed on broadband speed beyond coverage areas.

The Board briefly touched on the debt coming off the County this year and in a position for financings that may be needed for Person County Schools and PCC immediate needs for updating facilities.

Ms. York noted the next budget work session was scheduled on June 10, 2021 at 10:00am in the Commissioners' boardroom. She further noted that the adoption of the Budget Ordinance was planned to be on the agenda at the Board's June 21, 2021 meeting at 9:00am however, the Budget Ordinance could be adopted at any meeting.

**RECESS:**

A **motion** was made by Commissioner Sims and **carried 5-0** to recess the meeting at 4:38pm until June 10, 2021 at 10:00am in the commissioners' boardroom 215 in the County Office Building.

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Brenda B. Reaves  
Clerk to the Board

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Gordon Powell  
Chairman