

MINUTES
WILKES COUNTY BOARD OF COMMISSIONERS
May 5, 2020

The Wilkes County Board of Commissioners met on Tuesday, May 5, 2020 at 6:00 P.M. at the Wilkes County Agricultural Center located at 416 Executive Drive, Wilkesboro, NC 28697 with the following members present: Chairman Eddie Settle, Vice Chairman David Gambill, Commissioner Keith Elmore and Commissioner Brain S. Minton. Commissioner Gary D. Blevins attended the meeting remotely including audio and video through WebEx.

Also present for the meeting were Tony Triplett, County Attorney; John Yates, County Manager; and Sarah Call, Clerk to the Board.

Chairman Eddie Settle called the meeting to order.

INVOCATION – Vice Chairman David Gambill led the Invocation.

PLEDGE OF ALLEGIANCE – Chairman Settle led the Pledge of Allegiance.

APPROVAL OF MINUTES – Motion was made by Commissioner Keith Elmore, seconded by Commissioner Brian S. Minton and unanimously adopted to approve the Minutes of the Board Meeting held on April 21, 2020.

BUDGET AMENDMENTS/TRANSFERS – Motion was made by Commissioner Keith Elmore to approve Budget Amendment No. 32 (General – JCPC and Fire Districts – JCPC received addition funding for FY 2020 in the amount of \$31,000. These eight Fire Departments collections were higher than projected in the current budget, in the total amount of 180,000); and Budget Amendment No. 33 (Health – Programs – Wilkes Health Center received state funding in the amount of \$20,698 for preventing, preparing for, and responding to COVID-19 as needs evolve within the community and Wilkes County. No county money involved. Wilkes Health Center received funding from NC Community Health Center Assoc. in the amount of \$12,305.56 for preventing, preparing for, and responding to COVID-19 as needs evolve within the community and Wilkes County. No county money involved. Wilkes Health Center received stimulus finds in the amount of \$24,538.75 from DHHS for programmatic and/or operational expenses pertaining to COVID-19. No county money involved). The motion was seconded by Vice Chairman David Gambill and unanimously approved.

DEPARTMENT OF SOCIAL SERVICES UPDATE – Chairman Settle welcomed and recognized John Blevins, DSS Director. Mr. Blevins said first he would like to say the staff is continuing to work diligently and serving the public as best they can. They had one active COVID-19 case they had to investigate in Adult services. He added the staff was able to use facetime and did not have to so see the individual in person and was thankful they could utilize this process. Mr. Blevins stated they have been concerned if they have to take a child into care for someone that has been exposed. The State has facilities that will accept them if the need

arises. He added Mr. Yates has worked it out with Tim Pennington that EMS can transport if they have this situation. They have a good plan in place.

Mr. Blevins said at the back of the packets is a letter about food and nutrition. He added there is a new program called P-EBT (Pandemic Electronic Benefit Transfer). This will be an EBT benefit families with kids that have free and reduced lunch at school currently. Mr. Blevins added no one has to apply they will get them automatically if they received these benefits at school. He added there will be two allotments it will be \$194.00 and then \$177.00 per child. The first allotment covers the closed school days for March and April and the second is for May 1st through the end of the school year. Mr. Blevins said this is a federal benefit to help families during this trying time and will not be paid back. Her added they can decline the benefit if they do not want it. Commissioner Elmore asked if all kids in Wilkes County get free lunch at this time. Mr. Blevins replied Wilkes County has 7,589 children that will receive P-EBT cards. In addition, all families that currently receive food and nutrition benefits will receive the maximum allotments available for March, April, and May.

Mr. Blevins said individuals still do not have to come into DSS and recertify, this has been extended. Commissioners Elmore asked if these benefits are federal funds. Mr. Blevins replied yes. He said another positive change for food and nutrition benefits effective May 7th they will be able to use the cards online at Amazon and Walmart. This may continue past the pandemic and they are looking into adding more companies.

Mr. Blevins went over the monthly caseload report for March. Next he went through the Adoption Services financial report, Child Development and Subsidized Child Care financial reports for March. Mr. Blevins went through the CPS Foster Care monthly report for March and briefly went over the spreadsheet that shows where all the applications are in the process of being approved. Commissioners Elmore asked how they are conducting their licensing classes for foster parents. Mr. Blevins replied online when they can, but they are not having many at this time. The ones they can have they observe social distancing, but the current situation has created problems. Commissioner Elmore asked if folks were licensed in the past is there a fast track option for them to renew foster care license. Mr. Blevins replied not necessarily. The State is looking into eliminating some of the background check requirements to speed up the process, but he and Hal Wilson are not in favor of that. Commissioner Elmore agreed a background check is needed. Mr. Blevins added they still have to go through the books and all, but may be able to do that much quicker if they were licensed before.

The Board thanked Mr. Blevins for the update and information.

TO: Wilkes County Board of Commissioners

FROM: John C. Yates, County Manager

SUBJECT: Recommended Fiscal Year 2020-2021 Annual Budget

DATE: May 5, 2020

The recommended budget for fiscal year 2020-2021 is respectfully submitted with a proposed tax rate of 66 cents per \$100 of assessed valuation. The total recommended budget including all funds: General, 911, Grants, Airport, Landfill, and Volunteer Fire Districts is \$96,471,167.

GENERAL FUND

The recommended General Fund budget for fiscal year 2020-2021 is \$76,547,728. This is a 11.1% decrease from the 2019-2020 amended budget of \$85,087,375.

BOARD OF EDUCATION

This year's recommended appropriation for the Wilkes County School System is \$14,748,037. This appropriation includes \$11,969,284 for current expense/operations and \$559,000 for capital outlay/improvements. This appropriation reflects a 14% decrease in the operation funding of \$2,596,577. The total appropriation also includes lottery and sales tax funds forwarded to the school system.

WILKES COMMUNITY COLLEGE

This year's recommended appropriation for the Wilkes Community College is \$3,582,724. The recommended budget for current expense is \$2,885,724; \$129,000 for capital outlay, \$366,000 for salary supplements, and a match of \$202,000 for the ConnectNC Bond (4th year). It is also recommended a match of \$202,000 for next year (5th and last year) for the match of the ConnectNC Bond funds. This year's appropriation reflects a 14% decrease in operation funding of \$586,234.

APPALACHIAN REGIONAL LIBRARY

This year's recommended appropriation for the Wilkes County Appalachian Regional Library is \$569,500. Plus, an additional \$26,931 for the Traphill Branch. This year's appropriation reflects a 14% decrease in funding of \$92,709.

PERSONNEL

In the proposed budget for 2020-2021, we have the following new full-time position:

1 – Building Inspector position. By adding 1 additional staff in Inspections we can continue to provide timely service. There is a shortage of building inspectors in the state. We have several inspectors that are close to retirement in this department and it takes several years for an inspector to reach building level III which is required in order to inspect commercial buildings. It is not possible to become an inspector without experience, it takes a year for an inspector to become certified in one field and takes experience and understanding of how each field of certification ties into another field which you can only gain over time. This position will help the inspections department to be better prepared for the future.

PAY

No salary increases have been recommended for 2020-2021.

HEALTH INSURANCE FOR EMPLOYEES

Our self-insured Blue Cross Blue Shield employee health insurance costs will stay the same for the County's portion for 2020-2021, but we do anticipate more insurance claims in 2020-2021 due to COVID-19.

HUMAN SERVICES

The Social Services General Administrative budget is recommended at \$7,699,779 or a \$36,903 increase from the prior year. The total Department of Social Services budget is \$13,361,940. The County portion of the total Department of Social Services budget is \$4,917,273 or 36.80%.

The General Health budget is recommended at \$2,040,425. The total Health budget is \$6,129,627. The County's portion of the total Health Department budget is \$1,762,967 or 28.76%.

The VAYA Health budget is recommended an appropriation of \$218,612 which is a 14% cut from last year's budget.

PUBLIC SAFETY

The Sheriff's Department recommended budget is \$5,981,234. The Jail recommended budget is \$3,920,640.

The Emergency Communications recommended budget is \$1,461,891.

The Emergency Medical Services budget is recommended \$5,280,856.

SPECIAL PROJECTS/ECONOMIC DEVELOPMENT

This year \$219,300 has been appropriated for the Wilkes Economic Development Corporation. This will enable them to continue to work on job growth and existing business retention in Wilkes County. This is a 14% cut from last year.

REVENUES

Ad valorem taxes for the recommended budget are estimated at \$38,421,558. This includes a 1.20% growth in real property tax values. Due to current economic conditions we have lowered the tax collection percentage by 1%.

Sales Tax represents 21% of the County's revenue and is budgeted at \$13,221,431 which reflects a 25% decrease over last year's budgeted amount. This decrease is estimated as a result of damage to our economy as the result of the COVID-19 pandemic.

General Fund Balance appropriation of \$3,308,170 is required to balance this year's recommended budget. This includes purchase of EMS Ambulances, Airport Grant Matching Funds, and the ConnectNC Bond match. In the County's most recent audit, the unassigned fund balance as of June 30, 2019 was \$26,872,318 or 36%. If we use the total of \$3,308,170 our unassigned fund balance would be estimated at \$23,564,148. We did suspend purchasing and travel to help offset the anticipated loss of revenue for the last quarter of 2019-2020

AIRPORT FUND

The Airport operating budget is recommended at \$6,755,049. This includes an estimated \$4,000,000 for the taxiway paving capital project that requires a 10% match. In addition, we have been awarded a \$1,500,000 economic development grant for the new taxiway that will support Samaritan's Purse and the future T-Hangers with no County match. The Airport continues to be an important economic development tool.

LANDFILL FUND

The Landfill operating budget is recommended at \$6,062,149. This includes the construction of phase 5 with an estimated cost of \$2,382,000.

\$4.9 million is available in the closure fund for the closure and post-closure of cells #1, #2, #3 and #4. Over the next 2-years we need to close cells 1 – 4 with an estimated cost of over \$4 million. We want to request the transfer of \$500,000 from the general fund to the landfill reserve fund for phase 5 construction.

FIRE DISTRICTS FUND

Millers Creek has requested a 3 cents increase.

CONCLUSION

This budget year has been very difficult due to the unknown impact of COVID-19 on the economy as well as the demand on services. We strive to provide a safe work environment for our employees and the citizens who depend on our services. This is and will remain a priority. Another factor that we will continue to monitor is the State and Federal budget process. We cannot predict what response they may take in regards to unfunded mandates, decreases in revenues, etc. We have estimated a 25% decrease in sales tax and a 1% decrease in the property tax collection percentage. The Finance Director and I have consulted with staff, NCACC, UNC School of Government, and the LGC as well as other counties in N.C. We understand this is the single most important document approved by the Board of Commissioners each year. It is the County's basic plan of action for FY 2020-2021. We know that rural counties will have very slow growth as compared to urban counties once the economy finally turns around from the COVID-19 pandemic. In the past it has taken 10 years for the sales tax revenue to recover from the lows of fiscal year 2009-2010. This is the Manager's recommendation and is now presented to the Board for your consideration. The staff and I stand ready to assist in any way possible.

Commissioner Elmore asked if most of the departments are aware of the budget and cuts. Mr. Yates replied yes. Commissioner Elmore asked if the departments help create the budget. Mr. Yates replied yes and if there was any that needed help Chris Huffman and he worked with the departments and it went well. Chairman Settle added he spoke with some departments and they all understand what they are up against. Mr. Yates stated this has been a very hard budget to prepare, as he mentioned they are trying to predict so many things. Chairman Settled agreed and added the uncertainty is frustrating they are absolutely certain of nothing. He said it is a day by day process and they did a good job.

2. SET BUDGET WORK SESSIONS – Chairman Settle stated they need to set a budget work session. Mr. Triplett added the policy they have in place for meetings also covers work sessions and presumably this will be at the Ag Center with anyone that wants to attend via WebEx can, just as the Commissioner meetings are currently. Mr. Yates stated they think N.C. will still be under the Governor's Executive Order and limited to 10 for a few more weeks.

Vice Chairman David Gambill motion to set a Budget Work Session for Tuesday, May 26, 2020 with dinner at 5:30 and meeting at 6:00 p.m., to be noticed and held pursuant to the requirements of Session Law 2020-3 adopted by the N.C. General Assembly on May 4, 2020, and the Policy for Attendance at Wilkes County Commissioners' Meetings adopted by the Board on April 7, 2020. The motion was seconded by Commissioner Brian S. Minton and unanimously approved.

The work session is open to the public.

3. SET PUBLIC HEARING ON PROPOSED BUDGET – Chairman Settle stated next, they need to set the Public Hearing on the proposed budget. Commissioner Blevins mentioned they may have the most up to date sales tax information by the second meeting in June. He added they could have the public hearing and approve the budget at the same meeting.

Commissioner Elmore stated it does not give them time to digest the public hearing if they do all on June 16th. Chairman Settle suggested having the public hearing on June 2nd and adopt budget on the 16th. Vice Chairman Gambill added he would like to have the sales tax information which will be on June 15th before they adopt the budget and could call a special meeting if needed. Chairman Settle stated he would not like to go to the last week of June or call a special meeting. Commissioner Elmore said he would like to have the public hearing on a separate date than the budget adoption. Mr. Triplett said the motion will need to include special wording pursuant to Session Law 2020-3 that was passed. Mr. Yates added all public comments for public hearings will be written comments and read during the public hearing.

Vice Chairman David Gambill made a motion to set a Public Hearing on the proposed FY 2020-2021 Wilkes County Budget for Tuesday, June 2, 2020 at 6:00 p.m., to be noticed and held pursuant to the requirements of the Local Government Budget and Fiscal Control Act, Session Law 2020-3 adopted by the N.C. General Assembly on May 4, 2020, and the Policy for Attendance at Wilkes County Commissioners' Meetings adopted by the Board on April 7, 2020, with the Commissioners' regularly scheduled meeting to immediately follow the Public Hearing. The motion was seconded by Commissioner Keith Elmore and unanimously approved.

4. SET PUBLIC HEARING – FIRE DEPARTMENT REQUESTING INCREASE IN FIRE TAX RATE – Chairman Settle stated the Board needs to set a Public Hearing for the Fire Department that has requested an increase in the fire tax rate for their fire districts in the proposed 2020-2021 budget. He added Millers Creek has requested a 3¢ increase. Vice Chairman Gambill asked if this will make their fire tax rate 10¢. Mr. Huffman replied yes. Vice Chairman Gambill stated they will go from 7¢ to 10¢, the maximum is 15¢, and added the public hearing will give the community a chance to respond to their request.

Vice Chairman David Gambill made a motion to set a Public Hearing for residents and/or owners of taxable property in the Millers Creek Fire Tax District for a proposed increase in the fire tax rate in that district for the FY 2020-2021 Wilkes County Budget, for Tuesday, June 2, 2020 at 5:45 p.m., to be noticed and held pursuant to the requirements of the Local Government Budget and Fiscal Control Act, Session Law 2020-3 adopted by the N.C. General Assembly on May 4, 2020, and the Policy for Attendance at Wilkes County Commissioners' Meetings adopted by the Board on April 7, 2020. The motion was seconded by Commissioner Brian S. Minton and unanimously approved.

NEW BUSINESS – County Manager John Yates stated he and Commissioner Elmore would like to make a request from Wilkes EDC. The would like to offer a *“Wilkes Small Business Recovery Program was created in 2020 in conjunction with local government, Wilkes Economic Development Corporation (Wilkes EDC) and private donors to respond to the small business impact during the COVID-19 crisis and the mandated closures to allow social distancing. In order to determine eligibility for this program, a company must complete, sign and submit a complete application with all required documentation to the office of the Wilkes EDC as set out”* The program has been handed out to the Board. Mr. Yates stated he talked with Ken Noland earlier and Wilkesboro has committed \$20,000 subject to the County and North Wilkesboro matching. He added LEAP fund will contribute \$50,000; Herring Foundation \$50,000; Lowe's

Corporation \$25,000; undisclosed private \$10,000; and EDC has applied for a Tyson grant. Mr. Yates stated EDC is requesting the county to match what Wilkesboro has agreed to give, which is \$20,000. He added he just received word from Wilson Hooper and North Wilkesboro is good at \$30,000.

Mr. Elmore stated he is on the EDC Board, they had a meeting last week and the Board almost unanimously voted to move forward with this to help small businesses. He added he has a lot of respect for the people on the Board. The county has the option to do nothing or participate and based on all that are contributing he feels the county should give funds to this. Commissioner Elmore stated he agrees that this is contingent on the Towns participating at either \$20K or \$30K. It is up to the Board. He added it is important for them to do this. Commissioner Elmore stated this is a \$2,000 grant and they want to help 100 business and the goal is \$200,000. The funds can be used to pay rent, leases, pay employees, mortgages, etc. Commissioner Elmore said they are also planning to help business that do not have a website or online presence and help them with that as well, which is very important. He added the most important thing is to get the people back to work and open their businesses. Commissioner Elmore said they were closed due to no reason of their own, it was mandated. Mr. Yates stated the online program is a separate program and EDC is using other funds to do this. He added the request tonight is for the Wilkes Small Business Recovery Program.

Chairman Settle stated the goal is \$200,000 they have commitments for \$185,000 they need \$15,000 to get to their goal of \$200,000. Commissioner Minton asked what Wilkesboro committed to. Mr. Yates replied \$20,000. Commissioner Minton asked what did North Wilkesboro committee to. Mr. Yates replied they are supportive of \$30,000 and will act in two weeks. Vice Chairman Gambill added it is a good program, he would like to see who will get it before he commits, but he supports it. Commissioner Elmore said a representative from the county will be on the committee that looks at the applications. Mr. Yates stated they think there will be a lot of applications for these funds. Commissioner Elmore said he does not want to necessarily sit on that vetting process, if anyone else would like to, but he will if they don't. Chairman Settle added he has an issue that all the businesses pay taxes. Some will qualify and get the grant and some will not, but they all helped pay for it. Commissioner Elmore said he shares his concerns. Chairman Settle said he is not saying he is against it, but it bothers him. Commissioner Elmore said it is first come first serve for the ones that qualify. It is not a perfect system, but will help local small businesses and may help keep them in business. He added they should get to see a list of all the businesses that are helped to see the local benefit of the program.

Commissioner Blevins asked what is the EDC's unrestricted fund balance. Commissioner Elmore stated he asked that question and it is \$240,000. Commissioner Blevins stated they are giving them another \$20,000 and cutting their upcoming budget by 14%. He asked if they are using their fund balance for this project. Mr. Yates replied they are using LEAP funds for this project and will use their funds for the social media online project. Commissioner Blevins said it is a good concept, but he thinks EDC should be using their fund balance and the funds the county already gives them. He does not support more funds from the county fund balance with the cuts they are making. Commissioner Elmore said he would like to request to match what Wilkesboro gave. It will help many small businesses in Wilkes. Mr. Huffman asked if they have a definition

of what they consider small business. Commissioner Elmore replied yes it is set out in the program. Vice Chairman Gambill stated he is not sure many will apply with all the documents they are requiring them to provide. He added he can support the match contingent on them receiving the applications, needing the funds, and Commissioner Elmore is on the committee reviewing and approving them. They are not in favor of just giving them \$20,000, but will commit these funds if they are needed. Commissioner Elmore and Chairman Settle both supported this recommendation. Commissioner Blevins said he is not in support of this. He added the federal government sent out \$3 trillion dollars for small business programs. Chairman Settle stated they will give \$20,000 only if it is needed and they spend all the other funds. Commissioner Elmore said if they don't reach the goal of 100 small business they wont get the funds. He added he will sit on the committee.

Mr. Triplett said the program has two pages of qualifications and what is before the Board is if they are going to commit money to the program based on the qualifications they have drawn up. He added he does not see the number of businesses in the program document before them for approval. Vice Chairman Gambill asked if they could wait and get more information before approving the program. Commissioner Elmore added there is a rush to get this approved, if they wait a month some will be out of business and it will be too late. Mr. Triplett stated the question has been raised what if the county allocates money and they don't award all the funds. Commissioner Minton stated the requirements are strict, the business must be located in Wilkes and also must be a Wilkes County Citizen. Mr. Yates added the committee worked very hard to come up with the criteria and who would qualify.

Motion was made by Commissioner Keith Elmore to approve an appropriation of \$20,000 to Wilkes Economic Development Corporation. Inc. to fund the Wilkes Small Business Recovery Program subject to the Town of North Wilkesboro and Town of Wilkesboro appropriating the same amount or greater, in addition if the entire \$200,000 is not used Wilkes County's Pro Rata portion of the unused funds are to be returned to the County. The Motion was seconded by Commissioner Brian S. Minton. Voting on the motion:

Ayes: Chairman Eddie Settle
 Vice Chairman David Gambill
 Commissioner Keith Elmore
 Commissioner Brian S. Minton

Nays: Commissioner Gary D. Blevins

Commissioner Blevins stated he is disappointed the Agenda has not included an update from the Public Health Director in regards to the COVID-19 pandemic. He added they have done a very good job, but he would have liked to receive an update during the meeting. He asked that everyone continue to take the pandemic seriously with the spike in cases related to Tyson. Commissioner Blevins said he hopes that everyone understands how serious this is and they continue to be mindful of the dangers until things improve in Wilkes County. Mr. Yates stated as of today they have 148 confirmed positive cases in Wilkes County, 1 confirmed death, 7 total

hospitalizations, 5 confirmed current hospitalizations, and 40 recovered. Mr. Yates added the mode of transmission is 18% community transmission and 82% close contact. Vice Chairman Gambill added the hope is they will see the spike this week and then it will go back down. Chairman Settle asked when will the results for the 200 tested onsite at Tyson come back. Mr. Yates replied Wednesday or Thursday, they do expect the cases to go up. Commissioner Elmore asked if this information is on the county website and is it updated. Mr. Yates replied yes it is updated during the day, the issue is the test results come in at many different times and it takes time to update. When results come back late evening and night they are updated the next morning. Mr. Yates said anyone that would like can sign up for alerts and receive a text or email each time the website is updated. He added there is a lot of good information on the website. Commissioner Elmore asked if the 148 cases are from day 1, the total number of people that have tested positive. Mr. Yates replied yes. Commissioner Elmore said 40 have recovered so there are 108 active cases. He added it is good that all this information is on the website.

ADJOURN – Motion was made by Commissioner Keith Elmore, seconded by Commissioner Brain S. Minton and by unanimous vote adopted to adjourn the meeting of the Wilkes County Board of Commissioners at 7:18 P.M.

Sarah D. Call, Clerk

Eddie Settle, Chairman

WILKES COUNTY BOARD OF COMMISSIONERS

Approved: May 19, 2020