

**CASWELL COUNTY BOARD OF COMMISSIONERS**  
**MEMBERS PRESENT**

**June 3, 2024**  
**OTHERS PRESENT**

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Jeremiah Jefferies, Chair  
Finch Holt, Vice Chair  
John Dickerson  
Ethel Gwynn  
Rick McVey  
Frank Rose  
Tim Yarbrough

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Scott Meszaros, County Manager  
Melissa Williamson, Deputy County Manager  
Melissa Miller, Interim Finance Director  
Carla Smith, Clerk to the Board

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The Board of Commissioners for the County of Caswell, North Carolina, met in a Budget Work Session and regularly scheduled meeting on Monday, June 3, 2024 at 5:00 pm at the Gunn Memorial Library.

**WELCOME:**

Chairman Jefferies called the meeting to order, and welcomed everyone to the Caswell County Board of Commissioners meeting on June 3, 2024. Then all paused for a moment of Silent Prayer, and the Board of Commissioners and all the guest in attendance recited the Pledge of Allegiance.

**BOARD OF EQUALIZATION AND REVIEW:**

Attorney Johnston said Mr. Chairman I spoke with Mr. Bernard earlier today. He indicated that there was no need for the Board of E & R to meet tonight.

Chairman Jefferies said any question for the County Manager?

County Manager Meszaros said he did say that they've been doing the informal process across from his office. So if residents haven't, it would be recommended to go there and file them. Then we'll let you know if they have any scheduled meetings.

Chairman Jefferies said okay we will move on then.

**FY 2025 RECOMMENDED ANNUAL BUDGET:**

County Manager Meszaros said so you have your packet in front of you. I'm just going to do a little more formal than normal process on the presentation of the recommended budget. So if you open your books, the first pages are your message. I don't know that I'm going to go through all of that right now, but I would recommend that you read the message. It talks about the priorities and the process. So if we go to the first slide, the General Fund with our recommended budget is right at \$361,141,000, and the proposed tax rate is 65.35 cents, which gives us a total overall budget of \$42,755,000. If you'll go to the next slide the county tax rate comparisons, so only two counties in the region actually did a reevaluation this year. That would be us and Rockingham County, who were adjacent to. So the Rockingham proposed rate increase is 7 cents. Well they've already adopted. I believe these are all adopted. Is that right? So then if you look at

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the others, they do not have a reevaluation this year. So this is just their recommended tax increase for this year with their accompanying budget. So our theory was to add in the two cents from the school district tax that had not been allocated and collected since the passage of the referendum, which was three years ago. That was roughly two cents. So that puts us at a mill rate on this budget recommended at 6.85 cents. So go ahead and go to the next page. So in the overview I'm going to go through your economic considerations, the general fund revenues, some of our long-term financial stability issues that we addressed, the fund balance where that sits without the audit being completed, the general fund expenditures, how we work through our recommendation, the budget development goals, and the conclusion.

So the economic conditions, inflation and employment have been a big deal the last several years. However, unemployment in the county is almost at an all-time record low. It's only at 3.5%. So that's extremely low for conditions, and the CPI has dropped back down from where it was at a high in June of 2022. So these are all fiscal conditions that contribute to the county's standing. Go to the next one. So our property valuation that everybody received hasn't been done in eight years. So that's for an eight-year period. It's 41%, and in that same time frame, the median household income in Caswell County has gone up 46%. So basically you're looking at two factors that go into the economic standing of the county and its residents.

Next slide. So striving for long-term financial stability. Recurring expenditures are funded with recurring revenues. So we can't continue to have operating expenses above our revenue generation or sustained sources. We're trying to have an adequate fund balance to target a safe recommended policy, which we have not adopted formerly yet. The fund balance use needs to be for Capital long term big projects not for operating. If you align the budget with our operational goals, that's how we came up with our recommendation. The property valuation rate, so if you can see that, since Fiscal Year 17 obviously we haven't changed that. It hasn't been reevaluated. Not to be political on it, but 41% for an eight-year period is actually what most places see annually. Charlotte and places like that within the state of North Carolina that 41% is actually... I moved here from other states where in 10 years it goes up a 1000%. That doesn't mean that our market, currently 41%, is kind of on the low end for the counties in the region. Some of them this year saw 80%. Then if you look at our accompanying property tax rate back in 2017, it was actually a little higher than it currently is, and then in 2018, they dropped it down. It's been sustained at that 73.5 cents until where it's at today. So our recommended drop, the reevaluation and the budget neutral is at 58.5 cents. So our recommendation is 65.35.

So our budget development goals are number one our recruitment and retention of staff. There's been extreme turnover continuity, having vacancies in department heads, and having vacancies in staffing. It does help our budget, but it doesn't help with our continuity of training, providing services, and it's something that is a main priority to the county and to me. The responsible tax rate again with that eight-year lag of having no adjustments and no reevaluation, it's important to have a responsible tax rate that provides the services and taxation that keeps us sustainable and moving forward. We do want to limit the reliance on fund balance for recurring expenditures

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only. So it's also important when we look at the fund balance to not have a large fund balance and an ask for a tax increase. It's got to be a proportionate usage of those two tools. Then of course the maintenance of our facilities, a lot of our equipment, our buildings, and facilities are quite aged. So it's important to do paving, doing the painting, and HVAC seems to be a common theme with all of our entities. So working on those systems to keep their buildings operating in a good working order is important.

So our general fund revenues. As you can see from that, that 41% is from property taxes, and 20.3% generally comes from the sales tax. The other larger piece is that intergovernmental restricted, which is things like CATS, DSS, and some of the larger departments that operate on state and federal funding. Then of course as a whole, that's pretty healthy. So the recommended general fund revenue is \$36,141,000. If you go to the next slide, it's the sales tax history. So each of those bars there represent the different annual projected and estimates. So if you go through the articles: Article 39, Article 40 at the bottom, 43, and the sales tax expansion. The only tax that hasn't increased is the medical hold harmless. So that had us actually do an estimation lower than the previously scheduled estimation. That's generally the only one that's decreased. Do you want to add anything about that Johnna? Just keep rolling. Johnna Sharp said I can ask questions later. County Manager Meszaros said when I get through all these, I'll take questions on the status and all that. So the projected fund balance which is our next page. So as you know we have not closed out the 22 or the 23 audit. We're extremely close to having that ready to present to you, but without having that formally completed, we have to go off of estimates and accruals of where we sit with our financing system. So if you look at the budgeted to actual. The 2021 are real numbers that we have audited, and the 22, 23, and 24 are not. So obviously our actual estimation is extremely high for 2023, but if you look at the variance, the variance has grown. So our end fund balance for the year, if you look to the right in the blue, our total fund balance includes restricted funds. So not all of the funds are unrestricted or like general fund and operationally usable. So our fund balance overall is pretty healthy, but a lot of those are restricted, already obligated, and not really available dollars to use. So our unassigned fund balance in 2023 looks extremely healthy at \$10 million, which is about 28%. A good rule of thumb and the state recommends we have 8% in those funds. We're trying to give you a budget that keeps at around 20%, which is a healthy and kind of a good target to shoot for. So with the usage of this budget, the thing I'd like to point out on the 2025 recommendation is there's about a million one in DSS that's obligated in that reserve amount, but not likely to be touched. So realistically you're actual looking at for those Capital onetime obligations being right around where they've been for 2022 and 23. That still keeps us at an 18.1% on a slightly larger budget. So the percentages change as your budget grows.

So obviously to give you a balanced budget, your expenditures have to match your revenues. So that expenditure amount is \$36,141,000 as well. If you look Public Safety and Human Services make up over half of our budget. If you go into the education and some of the other services, they're broken out there by function. Let's try to overview this, and then we'll go back and

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answer questions. So this is by category. If you look at it categorically, over half of the County's budget is salaries. It's 53.2%. So anytime you do an adjustment that has a big impact with the county, which is probably the hardest one to adjust. Education is 12.8% of our budget; it's the second largest portion of our budget. Then you get into the contractual services and debt service. Our debt service is actually pretty minimal for a county, but that's also probably the case when we haven't been compliant on audits and keeping up with bigger projects. The education funding is on the next slide. So we calculated the per capital per pupil funding. This budget they're looking at about \$1,372 per student, and the increased funding for capital outlay is the \$312,500, which is the ask that they asked for in capital. It keeps the 24 budget to keep us balanced. So that's probably something we'll want to hear from the agency on that. Then the Community College, they increased slightly \$157,000 in this year's ask. That's because they have a HVAC issue as well. I tried to look into their estimates because it felt high, but it was the same contractors that we've been getting estimates from. It feels pretty reasonable. So that keeps them pretty much at where they had their budget last year. On the fire districts, the calculation with the budget neutral rate, this proposes an increase. It's pretty small; it's \$.00063 of a cent tax increase, which puts it right at three cents to operate. Then it shows their corresponding revenues. Their breakout as you probably understand is from property taxes, sales taxes, motor vehicle fees, and transfers from the general fund of 3%. It's about \$30,000. So that that keeps them whole and healthy as well. So our next page is the Special Appropriations. So the Milton Renaissance Foundation is not doing an event this year. They don't have a request. In the green, you see the recommended amounts, and the 2025 is their recommended request that they submitted. I emailed those out, and you should have all of those to look over and review. So that's a net impact of roughly \$21,000 above this for year 205.

The total budget on the next page. So when you combine all of the budgets, that's where we come up with the \$42,755,000, and on the far right you can see your change in proportion. So the red numbers of decreases in budget. Family Services, Emergency Telephone fund, and Tax Agency fund are all decreased. There's no change to fines and forfeitures agency funds. Then you can see the General Fund with subfunds cumulatively before you get in the transfers and all of the funding mechanisms. It was \$3.8 million. Our original ask or our original requests from all departments and entities was at about a 32 cent tax increase. So we worked to refine that down to the 6 cents increase.

So next steps after we finalize and go over these topics: our budget work session is scheduled for June 10<sup>th</sup>, which is a week from today. Our vendor is there working on the sound system again this week. They had some issues that's why we're not over there. I anticipate potentially being there next week. I'll let you know before we get to that stage, if we are. By the 17<sup>th</sup>, we will be in that facility. So we do have the public hearing advertised for June 17<sup>th</sup>, and we sent a notice out. Adoption is the 17<sup>th</sup> as well, but that could be tabled and postponed if we have changes or things that we want to address. So we can always have a special meeting and not adopted at that meeting, but because of the time shift, we don't have a lot of available time to get all those things

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done. So I think that's it on the overview. I did want any citizens that are watching or people who want to go to these, the proposed budget, the budget message, this presentation, and all of that's on our website on the homepage. So please review that, look that over, spend a lot of time and effort, and not I'm hoping or I feel exceptionally good that these are accurate and correct. We spent a lot of time and effort with the Departments and their requests. I feel very strongly about this recommendation, but like all budgets, it's the proposed budget. So as we work into those details, we'll take input and go with your decision-making on those.

I want to put a big shout out to Johnna Sharp, since Thursday I would estimate she's helped me work approximately 50 hours. That's not to talk about all the long weekends and other additional hours that she has helped as the consultant from the manager's association. She's been a huge help to our team, and I can't thank her enough. I also appreciate having been in Wake County, her professionalism and knowledge of these topics. It's really important that we have a good budget, and we make sure that the taxpayers and the citizens are moving in a constructive manner and not being over taxed but also not putting them in a tradition where we get down the road further and have to have a large tax increase. So I think I'll go back to my seat. If we want to go over any of the materials I do recommend that because you're just receiving this, go home, make notes, reach out to me, send me questions, and send me emails if you want department heads, if you want the School District, or the College. The 10th is going to be a busy night. If we need more breakouts after that, we can definitely set that up.

Commissioner Rose said this is the exact same as we received Saturday? County Manager Meszaros said yes sir, as on the website. Johnna Sharp said there was one minor tweak. I found something; it's just on the General Fund summary page. There was a mathematical error. So other than the recommended budget summary, it is the same. Commissioner Rose said well I went over it pretty good. I got a couple of questions. Going through this and looking at this, you're saying a 4% Cost of living increase. County Manager Meszaros said are you talking about the salaries? So what I want to do on that, my recommendation would be, ... So a 4% increase is \$800,000 to the whole county employee base. I would recommend a \$700,000 earmark, and that we do a salary compensation adjustment. We have disparity between different department heads, different staffs, and different people in the same job. That can't just be done overnight, and I don't mean to keep tasking Johnna, from the association. She's done three other counties. Some of them have as many as seven different tiered programs within those counties. I think looking at that and making adjustments where the adjustments are needed for employees that are far under value or under market makes a lot more sense than just doing flat 4%. Commissioner Rose said so basically what you're saying is this right here does not include those salary adjustments. County Manager Meszaros said it does have the \$700,000 earmarked into that, but I'm suggesting that if that's adopted and approved, that we do the studies and bring that back to this Board to look at that information and approve whether or not that gets done. Commissioner Rose said the reason I asked is because if you go to page 4 and go down it states: *The budget has a placeholder for salary adjustments of approximately 4%, and during the year, the developed*

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*recommendations will be brought back for consideration before any adjustments are funded.* That's telling me that some people are going to get a raise and some may not. County Manager Meszaros said correct. So when they do an analysis, and I don't want to speak for Johnna because she does a lot of these. When you do compensation analysis, if you look at it, it's easy to explain a department head. So in the hierarchy of organizations, you have a common placement. The manager, the attorney, Finance Director, and HR Director, they're the normalcy to the payouts. Some of those have a lot of disparity, but that goes all the way down to the lowest level of funding for our employees. So by doing every employee and looking at the data for multiple counties in our region and what they do, we could figure out like the ones that are severely deficient. But the other side of that is our compression. We have a lot of people that have been here for 10, 12, or 15 years that are getting paid what our brand new hires make in those positions, and I think by coming back to you with stronger suggestions of where that is impactful, it's a better use of that funding than just doing a flat 4%. Commissioner Rose said the reason I'm asking is in some of these departments the salary has not change that much, and some, I mean I'm just going to put it like that because when I see big numbers it throws a flag. The Sheriff's Office salaries, they up 331,366. Johnna Sharp said Commissioner Rose, I can address that. In the 2024 budget, it was the first year that we used the convention of budgeting a vacancy rate, and in the Sheriff's budget for 2024, we had a vacancy rate estimate of \$400,000. Based on the Sheriff's current staffing levels, it does not appear that that is sustainable. So that increase in the Sheriff's budget line is purely a result of changing the vacancy rate from \$400,000 to \$100,000. So there are no increases in anyone's lines other than adjusting for the actual bodies on board today and vacancy rates. If you look on page 10 of 11 of the expenditure summary, at the top of the page you'll see a salary and benefit reserve amount of \$700,000. Commissioner Rose said why would that reflect in there like that? Johnna Sharp said because it hasn't been assigned. You have to set aside the amount in the budget for it to be there when there's a determination to be made on how to spend it, but at this point, we don't know what departments or who it would go to. So it's not unusual to set aside that type of reserve that would not be expended until a plan was brought back to the Board for your approval and consideration. Commissioner Rose said is longevity big in this figure? Mrs. Sharp said longevity would be the other adjustment that you'll see in some of the salary amounts. So if people had not received longevity previously and they've now hit that five-year mark, you'll see some increases in the salary line items because of that. You will see increases in the benefit line items because of health insurance and the retirement system increases. Those are already factored into this, but there are no salary increases in any department's budget. If they did request increases, those were done through the expansion process, and in the last section of the booklet are the approved expansions or the recommended expansions that the manager has put forward. There are a handful of salary adjustments in there that were put forward, but there are no pay increases in any department's line items not in the base. Commissioner Rose said not in the base. Mrs. Sharp said there are some minor salary requests for reclassifications in the expansions. So the base has adjusted. Let's say you had someone, a long-term employee, leave who was making a higher salary. If the person who filled

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that role is making a lower salary, then that was adjusted. So we've adjusted it for people on board as of the end of April, which could cause salaries to change a little bit up or down, and then going back through and performing an analysis on the vacancy rate, looking at departments it's not a sustainable number to have the Sheriff at a vacancy rate of \$400,000 when he's currently fully staffed. The \$100,000 is still maybe not a possibility, if he keeps all his staff. He may not have the savings to cover that, but the \$400,000 was not sustainable. Commissioner Rose said question. Maybe you can answer or the County Manager. How hard would it be for us to get a year to date on expenditures on line items, and what's been spent? Mrs. Sharp said we can provide that. Commissioner Rose said I mean that helps me a lot to see the year to date, what was in there, and what it was spent on. I've got some other questions, but I'll let someone else go.

Vice Chairman Holt said we've asked for that for a while. Jennifer was actually working on it and had it all set up. I don't know what's happened to it now. I know John has asked you for too. County Manager Meszaros said so if we were working in the current software system, we can give you a percentage to date. Some places actually have a dashboard, and I can just give you all access because you can't manipulate it. You can go in and look at everything. That's an option. Printing it out, so in the monthly financials we usually deal with a percentage, but once our budgets input, with the audit I'm not sure if we can do that in the software today. Mrs. Sharp said no, I can. I can do that. County Manager Meszaros said we can just print out all the line items, and it'll tell you the percent spent. Mrs. Sharp said I can pull down and put that next to the base budget, if you want and provide that for 25. County Manager Meszaros said yes, we can drill down to any detail you want, like if you want to see how many FTE we have. Like we asked for the contracts, but that's kind of hard because we're trying to pull a report. Because it's not just contracts, it's all expenditures that fall into that line item. So I can print out or we can print out an inventory of all the expenditures. It gives you like the vendor and the amount, but actually trying to pull a contract with the audit, it's...Mrs. Sharp said we'll be prepared to bring that contract for next meeting, and we can bring the budget balances.

Commissioner McVey said can I go next? I've got notes wrote everywhere so y'all bear with me to find this stuff. I've been working off of this copy that you sent us. I haven't done anything in the book, but if you'll go to the school system. SRO revenue of \$300,000, is that reimbursement to the school? If you're saying yes, why is it not collected totally, cost of salary? Mrs. Sharp said I'm not familiar with that contract so I can't speak to that. Melissa Miller, Interim Finance Director, said we just got a copy of that contract. It was actually Friday. I had been asking the school for a copy of the contract because we didn't know what all it was covering and stuff like that. So we just got that contract. We can investigate for you on that. Commissioner McVey said good. I'm going to move on, and I'm going to go to Contract Service increases. You've got Administration \$20,000, what is that? Mrs. Sharp said attorneys. Commissioner McVey said attorneys. County Manager Meszaros said and it's not just our attorney. We have an ongoing litigation. So if you look on the right of that, it has the total. So that's the total amount obligated

to budget this year. Russell was asking about that this morning. It's going up because we hired someone we shouldn't and his contract.

Vice Chairman Holt said is part of that the other lawyer where we've had to fight the Rock Quarry? Attorney Johnston said that's correct Commission Holt. It's my understanding maybe that those expenses weren't allocated in last year's budget so we're having to include that in.

Commissioner McVey said okay. My next question is on Contracted Services. This Finance went up \$16,000. County Manager Meszaros said so we're recommending Administrating, that's for the software training for all of the staff. Mrs. Sharp said that actually gets you 10 days of training with them, and we entered into some contracts with that this year. That training has been invaluable in helping the existing staff better learn how to use the system and helping us also learn how to better use those features to improve efficiencies, and I really think another year of investing in those dollars will go a long way toward helping the effectiveness and efficiency of Finance operations. Commissioner McVey said and I'm assuming I.T. went up \$105,300 and that was for software. Mrs. Sharp said yes sir. Those are the amounts that are included in the expansion summary. Commissioner McVey said Detention went up \$107,200 bucks. Mrs. Sharp said that is... County Manager Meszaros said that's a mix. It's their software and the locks. So the offsetting revenue is coming from the generated income from the housing of the inmates. So that's actually an offset revenue. Mrs. Sharp said they've got a variety of different programs that total \$97,500. It looks like it in the attachment. Some of it was cut off, but there's several Control Systems within the jail that those funds are covering. I think that's replacing some of the locks. County Manager Meszaros said it's on the back page. It's in the Sheriff Department breakouts. Commissioner McVey said like I said, I've been working off this document. So EMS went up \$27,500. County Manager Meszaros said again they're in the breakouts on the back pages. Mrs. Sharpe said that is actually to increase the amount to the company that does the billings because the billings costs are going up. So that's the contractual services for that company. Commissioner McVey said if the billing cost are going up, are they collecting more? Mrs. Sharp said I'm not sure so we'd have to follow up on that. Commissioner McVey said well I'd like to know since we're spending \$27,000 more dollars on collecting EMS stuff is that cost or that product that they're collecting, is it going up? County Manager Meszaros said when the EMS Director was here, he explained that it's a proportionate rate, and we only get like 75%. They take that 25% of what we get. Commissioner McVey said are they still collecting 97% of what's owed to us? Are they collecting 20% of what's owed to us because we're paying them an extra \$27,500. County Manager Meszaros said that's just the cost of the service so I can reach out to him and have him get a report to us. Commissioner McVey said I know what they cost and the services, but it's kind of like taxes, I want to know what percentage we're collecting. Melissa Miller said yes, I can get that for you because we collect anywhere from, depending on the month, but anywhere from \$70 to 90,000 a month on EMS revenue because I record those. I mean I can give you exact percentages. Commissioner McVey said do you know how much goes to us off the top? Melissa Miller said oh, that I cannot. I don't see that. I just see what's coming in. I don't see what's being

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billed. Commissioner McVey said extension services, that went up from 38,000 to \$382,904? Right? I'm working off of this. Melissa Miller said did you say extension? Commissioner McVey said so that's what ... County Manager Meszaros said so the \$38,000 it's detailed in the back page as well. That's all their staff, and that's a State funded match. You have a portion match that those employees... Commissioner McVey said right I understand we have a portion match. It went up to \$382,000. Mrs. Sharp said part of that is the budget was inaccurate in 2024. The amounts were in the salary line item rather than in contractual services because those NC State employees are not County employees. That's where the amount was budgeted and being charged to. So there's a corresponding decrease in the salary line for the increase in the contractual services. Commissioner McVey said okay. What about Central Services? Explain to me what is Central Services? Melissa Miller said things that happened countywide. County Manager Meszaros said like we do like departmental insurance through the association. Mrs. Miller said workman's comp. Mrs. Sharp said one of the large increases in there are the fees that the state charges for collecting the motor vehicle tax. Those have not previously been budgeted so they've been recorded as an expense with no appropriation. Commissioner McVey said you want me to keep going or you want me to give somebody else a chance?

Mrs. Sharp said I just want to just share one thing. Back on the Extension, the contract, if you look, there's an amount that's a reduction in salary and benefits that's equal to the increase in contractual services in the base. So that's just a realignment of appropriately expending those in the proper category.

Commissioner McVey said you want me to keep going or let someone else? Mrs. Miller said you're on a roll; keep going. Commissioner McVey said see I do my homework most of the time. On the Foreclosure Fees they went from \$75,000 down to \$5,000. What does that mean? Are we not pursuing? Tell me what that means going down from \$75,000 to \$5,000. Could it be the change in attorneys? That this attorney hadn't? What does that mean? County Manager Meszaros said I'm trying to see what page you're on. Commissioner McVey said I'm working off of the old. Mrs. Sharp said you're on the revenue page. Commissioner McVey said I'm on page 1 of 5 of what I had to work out of this weekend. Mrs. Sharp said so as we've been looking at... As we've been doing the audits and looking at how things should be posted, there have been amounts previously in that fees line item that were not the fees but the actual taxes themselves. So when you do the foreclosure sale, the back taxes should go in the taxes line, and whatever fees are associated with the foreclosure should go in the fees line. So that is more accurately reflecting what should be recorded in that line, and in essence the actual back taxes that are collected have been moved up into either the current levy or the prior levy.

Attorney Johnston said Johnna, which line is that? Mrs. Sharp said it is on page 1 of 5. It's the top of the page. It says Foreclosure Fees? Commissioner Rose said how long has that been going on? Mrs. Sharp said quite some time. Attorney Johnston said I'll just say for the record Commissioners; I was just handed taxes. Commissioner McVey said that's what I said. Was that because we changed attorneys or what was creating it? Mrs. Sharp said no, it's more accurate

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accounting based on now having looked at fiscal years 22 and 23, and what should be reported in those lines and what is being recorded in those lines. Commissioner McVey said I wasn't trying to indicate anything, but I just seen it was a heck of a decrease.

Commissioner McVey said so moving on. We've done the SRO officers. Building permits, fees, and inspections, why the drop? County Manager Meszaros said they had the big solar farm this year. Commissioner McVey said I'm sorry. County Manager Meszaros said they had the big 400-acre solar farm permit this year. So they accounted for that last year, but this is just their estimate. It's a conservative estimate in the number. I think since January we had 100 home permits. So it's what the market is, and our estimates are always conservative. So if you overestimate your revenue, then you have a problem when you go to spend it. So generally speaking, we try to be conservative in the revenue estimates, and generous in the project. So the budget's a little heftier on the projects and the cost but under on the revenue. So that your budget's always going to be a best scenario, and I think that's where it's really important to understand the premise of the budget. It's not like your personal checking account. We don't have like little pools of money all over; we have general disbursements to cover the outlays through Finance. So like say you have \$1,000 postage and that department doesn't mail anything. \$1,000 is budgeted this year, but when you go to next year, you start a new budget. That doesn't carry over. They don't generally use that unless they're going through the process, and they have to cover something in a department. They might realign that, but I think that's the misconception. A lot of people think oh we're spending \$42 million this year; no that's budgeted. The actuals, when you look at the actuals, for the last couple years, we haven't touched the reserves a lot. They budgeted \$3 million in reserve use, but it's important to know where you sit in the actuals. That's why the audit's so critical. We're hoping to work through those numbers to know exactly where we sit. It's hard to do that when you're not caught up. Mrs. Sharp said I would just say that some of these revenues, like if you look on that same page at Court Facilities fees, you'll see there's a decrease there. The amount that's been budgeted for court facility fees has just been too high. So as we've gotten into 22 numbers almost being finalized, being much more familiar with 23, and then also looking at where things are so far for fiscal year 24 really trying to better reflect what's expected, which may differ from what has been in the budget historically. Commissioner McVey said would that be basically the same thing for the concealed weapon permits? It went from 30,000 down. \$36,000 original budget. Mrs. Sharp said that might be a better question for the Sheriff. Commissioner Rose said I think the law changed on that. Commissioner McVey said see if you could find out why that would be. Violation and fees and indirect cost have just decreased. Violation and fees went way down. Mrs. Sharp said there's not been anything budgeted there, or anything collected on that one. The indirect cost, I have to double check on that number. That's just a small decrease of \$1,300. Commissioner McVey said still it's going down and we need stuff to be going up. County Manager Meszaros said it may be, but our estimates... Commissioner McVey said Co-Square, you estimated \$60,000. You think it's going to stay at \$60,000. County Manager Meszaros said that's the information we're going on. Commissioner

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McVey said that's the information you're going with? County Manager Meszaros said so we missed out on a lot of revenue when the building was closed, and I think the reentering and idea is try to find someone that will use that space. Commissioner McVey said US Marshall Services, you got a big increase. Why is it so big? County Manager Meszaros said we'll ask the Sheriff. So the Department's worked with Johnna to put those together. Johnna Sharp said the Sheriff's renegotiated his contract with both the US Marshals and the State, who handles the misdemeanor. Based on those revised rates and the expected number of residents incarcerated, that's what the forecasted number is for this year, and based on what we're seeing in fiscal year 24 so far, those collections are running ahead of budget. So that estimate does seem realistic. Now if something were to change on the contract, but so far the revenue flow for fiscal year 24 is very slow. Commissioner McVey said where have we got money or interest on investments? Mrs. Sharp said well you have a fund balance of almost \$20 million. \$15 million, and as that money sits, it's is being invested. Most of your money is with the North Carolina Capital Management Trust, and interest rates have gone up over the past several years. So it's a combination of larger balances because we work to get a lot of money that was owed the county, particularly Lottery Funds that were sitting at the State that had not been drawn down. So as we've gotten more of those monies back in the County's pockets, that increased the amount of investments and really fortunate for the increased interest rates. Commissioner McVey said and we already received \$143,000 from those investments. Was that for real? what I'm looking at? Mrs. Sharp said well it looks at an estimate of \$150,000 for next year, which is up about \$143,000, and that's probably an area where we can do a little sharpening of the pencil to see where we think if there's any budget increase. Commissioner McVey said I'd appreciate it with the amount of money you're talking about in your investments that have been collected. County Manager Meszaros said it's hard with Municipal Investments because if they're AAA rated, you'd be surprised the return is minuscule. Like five or six years ago, you got like 8-10%. So you have like \$20 million and get a check for like \$12,000. It's not like our personal investment; they're restricted on this. Commissioner McVey said it looks like it needs to be invested with somebody else. County Manager Meszaros said well you're not allowed to do that under the Finance Act. Mrs. Sharp said well we can look at and break down some of the detail on the outstanding balances as well as what the interest rates plays in. Commissioner McVey said looking at the appropriated fund balance next. Never mind that. All right. That's all I got right at the moment.

Commissioner Yarbrough said just a second Mr. Chairman. Mr. County Manager looking back at your presentation on projected fund balance and unassigned fund balance for this year, I guess. Unassigned is a little over \$6 million. Am I reading that right, Johnna? Mrs. Sharp said yes sir. 18%, and the State recommend a minimum...Mrs. Sharp said no, it does not recommend a minimum. That is a myth. They have been working very hard to stop that. They've requested entities to stop saying they recommend a minimum because they do not. County Manager Meszaros said what the State Municipal Directors from suggest you should have three months operating. So California it's a lot. Three months catch on hand is like scary, but that's where

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some municipalities are at. Commissioner Yarbrough said okay, but that being said we're at approximately 18% this year. You think we need to be at 20%. County Manager Meszaros said so we're trying to find a healthy balance between using the reserves we have and keeping that healthy and supporting ongoing operations with a slight tax increase. So like if we don't use any fund balance, that makes the tax rate stay low. If we use a whole lot of our fund balance and it go down to about 10%, that's kind of where we've been. We haven't increased the tax rate for at least eight years. Commissioner Yarbrough said but how much fund balance have we actually used? County Manager Meszaros said so we can tell...Mrs. Sharp said that's what's on the left side. County Manager Meszaros said yes, on the left side on the top. Mrs. Sharp said you haven't. Commissioner Yarbrough said budgeted and actual. Mrs. Sharp said yes. So if the budget is a red number, the budget is negative. That's where you budgeted fund balance to use it and decrease it, but the actual is if it's black you increased the fund balance. You did not decrease it. County Manager Meszaros said so the variance, you actually went like on 20, or the audited numbers say instead of using \$2.1 million, we actually saved \$2.5. So for us to not use some of that fund balance and recommend the tax increase is not healthy because there's a balance there where it's helping and where it's not. By not having a 22 and 23 audit information, the numbers are pretty accurate and the trial balances are turned in, but we don't know if we're sure until it is completed. Commissioner Yarbrough said I know you've got the tax rate for half a dozen or so surrounding counties, what kind of fund balance does those counties have. Do you know? Mrs. Sharp said I can double check. My guess is they're very healthy. Commissioner Yarbrough said what is, and I know you say the State says there's no minimum, but what is considered unhealthy in your mind? Percentage wise. Mrs. Sharp said I would say anything probably below 15% for me. Now you could possibly go a little lower because you don't have a lot of debt outstanding, and entities that have higher levels of debt are expected to have higher levels of fund balance because you want to make sure the first thing you do is pay your debt. So if you had some unforeseen circumstances, you want to make sure you've got enough emergency reserves to make sure you can cover your debt. Commissioner Yarbrough said okay. The 63.5, what's your recommend? 6.85, 65.3. Mrs. Sharp said 6.85 cent. Commissioner Yarbrough said 6.85 cent increase. Mrs. Sharp said there's too many 5 and 6 in those numbers. Commissioner Yarbrough said 2 cents not 2%, but two cents is for bond repayment for the school. County Manager Meszaros said right because we haven't ever captured that. Commissioner Yarbrough said okay. All right. So if my math is right, that's 6.85 cent increase over the revenue neutral rate amounts to a little over 11% increase. That's pretty stout in my mind. Pretty stout especially... I know we can talk about averages all day long, but when someone is saying my value double. You say well it doubled, and then we're going to tax it at an additional 11%. It's not going to sit real well, and I know we have these expenses that we're obligated to pay. I know that. I'm just afraid that the public is not going to be very happy with us. I've said my piece right there. Go ahead.

Chairman Jefferies said well thank you. Well I heard a lot today, and I disagree. I'm going to be fair with the 6.85% increase because I understand that the reevaluation is saying that I heard this.

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That an acre of land in Caswell County have ran up to \$33,000. It's not an acre of land in Caswell County worth \$33,000. I'm just going to sit right here and tell you I don't agree with that. This is just inaccurate. I had an acre of land, and they got \$60,000 on it. Ain't no way. I'm willing to sell it. I'm ready to sell. Give me \$60,000, and I'll let it go. If these people here in Caswell County is on fixed income, most of them are really. I got that right. In the tobacco, pounds for tobacco have gone. They don't have no other income, and this is something we got to look at. We can't look at what some of our neighboring counties are doing too much because we don't have tax base. Tax payers run this county pretty much, and I just can't agree with this or what I'm seeing. I want to be fair with you because I just don't think this will work with public. It doesn't work with me. I'm just going be fair with you; I can't see that kind of increase. I know people got pay taxes. I know the county got to have services here, but somehow years ago we went back and brought everybody that was low paid up to 90%. We did it. It cost the county, but we did it. It didn't make a peep sound. I heard something about a merit raise that some people, I was listening at what Rose said about this merit money or merit raise. I don't agree. I know people work hard and they need pay. In the past, merit raises didn't go well. Not with the county, but it went. It wasn't truly right. That's how I feel about this. I just don't think we can afford it. This 6 cent tax increase.

Commissioner McVey said Mr. Jefferies, that was 90% of the minimum. We didn't just take everybody up 90%. Mr. Jefferies said no, we did everybody under \$60,000. Commissioner McVey said 90% of the minimum, and then I got a question. I pay taxes too, I don't want to pay no more than I have to, but if you cut a lot of this budget here, what are you going to do about maintenance and repair? You got \$1,349,106. I know that we got leaking roofs, and we got a lot of things that we've got to fix here. If we don't, it's going to cost the county a lot of money in the long run. Mrs. Sharp said that's all funded with fund balance. Commissioner McVey said I'm sorry, and Mrs. Sharp said that's all funded with fund balance. Commissioner McVey said I know where it's funded. Mrs. Sharp said that is not factored into the tax rate. We looked at really using especially because of where the total fund balance is and that it's at an acceptable level. You have the capacity to pull down funds, and capital projects are the perfect use for it. Commissioner McVey said if we don't fix some of this stuff, we may end up like Alamance County. Mrs. Sharp said it's going to cost you in the long run. Commissioner McVey said \$20 million worth. Mrs. Sharp said yes. So all of that is funded with fund balance. Commissioner McVey said okay.

Commissioner Yarbrough said are most of your one-time expenditures out of fund balance? Mrs. Sharp said yes. Commissioner Yarbrough said no recurring expenses came out of fund balance? Mrs. Sharp said I wouldn't know because there is possibly in the Health Department. They have historically budgeted fund balance because it's sometimes difficult when they don't have funds to levy. Well Health department is part of the General Fund. So when you look at that \$4 million of fund balance, that includes almost a million dollars for the Health Department. They have budgeted that amount for several years, but they haven't needed it. So a lot of times you'll budget

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fund balance as kind of a margin of error. Especially where you have the State funds to where you want to maximize use of the State funds first. That's what they've been doing historically is being able to maximize the State funds and not have to use County funds. So that's a million of that \$4 million that you will likely not have to use.

Commissioner Rose said one question getting back to the... Well two questions. One getting back to the salary increases in here. It says a COLA, which is a Cost of Living Adjustment in my recollection. Last year we gave 13.5% increase to 911 or Emergency Services and the Sheriff's Department. The rest of the employees got 4.5% increase. Now I do understand what you're talking about as far as box caring goes, but the way this thing reads to me is some people are going to get raises and some are not. When some got some healthy raises last time, some didn't get as much. I understand what you're saying about box caring. I hear it all the time, but when you get in the grocery store, it cost the same thing whether I buy it or you buy it. Next question I have is where has the money been coming from to pay for the school so far for these last three years? Mrs. Sharp said to pay for what? Commissioner Rose said to pay for the school. Commissioner Yarbrough said the school payment. The bond repayment. Mrs. sharp said it's been coming out of General Fund.

Commissioner McVey said is it just paying interest? Mrs. Sharp said it started paying principal. Commissioner McVey said it started paying principal in the beginning? Mrs. Sharp said no, last year 2024.

Commissioner Rose said but I thought you just said General Fund is for like one time expenditures. This is something that's going to be... Commissioner McVey said concurrent. Mrs. Sharp said well he was asking about the capital. Debt, in my mind is not capital. Debt Services is a commitment that you use for Capital, but it's an ongoing operating expense. So that has to be funded with recurring dollars. Commissioner Rose said so the school bond payment has been coming out of? County Manager Meszaros said out of the general fund. Mrs. Sharp said yes. So you've been using that instead of doing other expenses from the taxes. Commissioner Rose said what about and I know you weren't here then. What about when Dillard was paid off? What happened? Where did that money that was allocated for that payment go? County Manager Meszaros said I'm not sure. Mrs. Sharp said when what was paid off? Commissioner McVey said Dillard, the middle school. County Manager Meszaros said I'm sure they did a bond for payment. Mrs. Sharp said I think by paying that off, some of that capacity went to paying for the high school. County Manager Meszaros said they paid it off early and moved to the debt. So they wouldn't have to take out the full amount.

Commissioner Yarbrough said one last question for me Johnna. I said I was through, but looking back at these salaries. I know you said there were no salary increases included in the budget. Am I quoting you correctly? Well what is like on 911. Mrs. Sharp said well not in the base budgets. There are some salary requests in those expansion column. Commissioner Yarbrough said but it says base increase \$77,000 on 911. County Manager Meszaros said so there's two new FTE. So I

think there were 12 or 14 new employees requested, and until the compensation and adjustments happen to the staff you have, I thought by bringing on 12 or 15 people is costly. But where do you put them, and where to spend. Those two positions are the 911 position we talked about. Commissioner Yarbrough said well skip on down to Inspections, it shows \$11,282 increase in salaries there. County Manager Meszaros said I think that's because he's getting certification and increases. It's not a salary; it's a classification adjustment. There's another one in JCPC. Commissioner Yarbrough said in Emergency Medical Service it's \$14,015.

Commissioner McVey said so you're not saying he's getting a raise in salary, it's a classification. County Manager Meszaros said correct, and some of them are State. Like all the ones in the Extension Office are State. So they're contracted, and we paid the match portion. So we have to budget for that. Commissioner McVey said I guess I'm just a dummy, but when he gets more money whatever individual it might be whether it's reclassification or salary, I mean that's a salary. County Manager Meszaros said it is. So if you're internal staff and you get a different job that pays more, it's a reclassification. Mrs. Sharp said it's that the base is adjusted for what salaries are today. So if you had turnover and you bring in a new person that's making more or less, we've adjusted for it. I think on 911 part of that increase was again we had a vacancy rate in there, and what I can do for next week is I can bring you a summary of all the vacancy rates and what they changed to because that accounts for a good deal of these numbers. Then on Inspections, no on Emergency Management. I actually was going over that with Barry today, and there's a position that had not been properly budgeted in the past.

Commissioner Rose said on page 4 of 11, and just to clarify something. Maybe my math is just wrong. Go to Detention on the 5A salary. There's a \$10,858 difference in that. How did the benefits take a drop of \$34,251 with just a \$10,000 change? Mrs. Sharp said there was a good chance that the numbers last year weren't accurate. County Manager Meszaros said part of our process is they, Johnna and our staff, sat with every department and we went through all the numbers. There's an inventory of the staff names, a lot of them are gone, and a lot of them are budgeted. So we cleaned all that up. So some of those movements are just housekeeping and doing things tidier. This is kind of a summary of maybe like 800 times as much detail. Does that make sense? If you want to look at every single item, we have that level of detail, but this is more of a big picture view. Most of the new additions are in those expansion requests, and the specific expansions are detailed in that list. But in doing the base, we went back and cleaned it up so some of the transfers should validate how it was and some of that accounting that you didn't see with the Building permits. It's just been a lot of detail work to get it refined. Commissioner Rose said like I said one thing I would love to see the expenditures year to date.

Johnna Sharp said there's been a lot especially on the salaries and on the revenues too. A revenue is a bunch of assumptions, and they are a bunch of guesses and estimates. Last year's budget was based on not having current estimates, and as we've gotten better numbers and we're getting caught up with 22 and 23 numbers, you have a better sense of what some of these numbers should be.

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Commissioner Rose said wouldn't we put some type of parameters around that in case those numbers didn't come in at what you projected? Mrs. Sharp said well I would say in the projections that's already been done. In my 30 years, I budget revenues conservatively, and I budget expenditures conservatively. Commissioner Rose said that wasn't directed at you. Mrs. Sharp said no, but that's what you have to do. You have to look at what you're actually getting, and you know we'll use the Sheriff's Marshall Service. It's a perfect example. Commissioner Rose said you basically base it off what you got this year. Mrs. Sharp said yes. The revenues are coming in, and then Melissa got the information. Here's the rates. Here's the number of people we think will house. That's just pure math and a little bit taken down for numbers not out there. Commissioner Rose said and my whole thing on that is if those revenues are coming in considerably more than what the payment is on that, why aren't we paying extra to pay that thing off? Let's say you got \$100,000 more dollars coming in in Revenue based off the inmates housing. After you make your payment, you got \$100,000 left. Rather than taking that money and utilizing it for something else, why don't you use that to pay it off earlier. Mrs. Sharp said excuse me Commissioner Rose. You're not using that money for something else. You're using that to cover the cost of the Detention Officers who are taking care of those prisoners. The revenues do not cover the cost of the jail. You're putting tax dollars into the Detention. So there's the first things you have to do is I kind of see you've got your debt commitment built in. We could look at how much you might could save in interest, but those revenues are directly tied to the services that you have to have. You have to feed them, you have to clothe them, and you have to take care of them. Commissioner Rose said the reason I was asking that question is because the night it was presented about the cameras. It was put in there and that that would be paid for by inmate revenue that was generated. County Manager Meszaros said a portion of the increase. Commissioner Rose said right, that's what was said. Mrs. Sharp said well that may have been kind of how the Sheriff presented it, but that is not how it's presented in this budget because you're getting those misdemeanor revenues whether the Sheriff does any expansions or not. So those revenues are in the base budget and are being considered not to cover those additional costs. They are first to cover the expenses that already exist, and those expansions have been considered separately and are in essence coming out of the total pot of revenues that are available. Commissioner Rose said then how much would actually be going towards the payment once those expenditures were paid? Mrs. Sharp said for the debt payment? Commissioner Rose said yes. Mrs. Sharp said we're just paying the debt payment as they are scheduled. County Manager Meszaros said I mean with recent construction, some of the interest rates on these are phenomenal. So paying off debt that's maybe 2% interest rate, isn't priced the same as using it for our ongoing net service uses. Mrs. Sharp said but we could look at that to see what it would cost. How much is outstanding? What if you paid that off? As you look at developing a fund balance policy in the future that could be one thing. If your fund balance is over whatever your target is, then here could be some of the things that you could use it for. You could use it for paying down debt. You could use it for one time things. Commissioner Rose said like I said the only reason I'm trying to get answer to this is clarification. Page two of five clearly states at the bottom. I

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highlighted it. This increase is required by law/state statute. Under that it says revenues offsetting this increase is Inmate Housing 100%. County Manager Meszaros said and just to be fair that list was the Department heads direct input that I just put in the spreadsheet. So it's been refined, and all that's been taken out. The sheet you have in your packet is the recommended request. Mrs. Sharp said I don't know. It may still say that. County Manager Meszaros said I mean as long as it's within the fund, we're trying to see what's the total picture, and that's where the prioritization...

Commissioner Rose said that's my question. Why wouldn't that extra money go toward the debt of the building versus this? County Manager Meszaros said we're meeting the minimum, and we have far greater needs. If we were super healthy and had a lot of excess revenue, we would be all over it. But as you have other priorities i.e. vehicles and staff, it's not high up on the list of needs. Commissioner Rose said I guess I'm looking at it as if I bought something, financed it, and the quicker I pay it off the less I'm going to incur interest on it. County Manager Meszaros said I think the interest rates are low on it. Commissioner Rose said that's all I have.

Chairman Jefferies said if there are no more questions, we'll take a break.

#### **RECESS:**

The Board took a brief recess until 6:30 P.M.

#### **PUBLIC COMMENTS:**

**Tommy Goddard:** He passed out the Property Tax rates for North Carolina Counties from 2021-2022 and 2023-2024.

I'm Tommy Goddard. I live at 2440 Walters Mill Road. This got a few quick little things I want to go through. The first thing and what I handed out was this I found on the North Carolina website. It shows all the taxes from two years ago and last year for every county. So going by that, what I did was I underlined or circled and it shows all the counties that did their scheduled reevaluation last year. It shows what they went down to, and the other page shows you from the year before. So it will show you the price where they went down. As you can see there was two or three that was 8 cents or under. Almost all of them or 90% of them dropped the value. Well the value went up 30, 40, or 50% on the land just like here, but what they did was they lowered the tax rate like y'all are talking about. But they lowered it anywhere from 13 cents to 23 cents. There was one or two that was even a little bit higher, but I just kind of went to the middle to show how many went down mainly 13, 14, or 18 cents. So if you look also at Alamance, I think it was, they went down 23 cents. So to me going by what you're showing, what you're asking for is not as much as this. But kind of what you need, it pretty much falls in this line with what they all went with. Also as you said earlier today manager was that the values went up about 40%, and that's true pretty much. But in years past when we have markets drop, the taxes don't go down. They always stay where they're at, or the counties or the cities need a little bit more. So even when there's professionals saying there's going to be a housing crash because the houses went up. Kind of like how Jefferies said that he doesn't believe that an acre of land's worth what

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they're saying is worth here. I have a feeling just like a lot of professionals that the value is going to drop. Also one other thing I did read on the internet is a lot of counties in North Carolina, Virginia, South Carolina, and Tennessee is raising their fees and cost of their services to cover especially ones that companies use, professional companies, or people that use a lot of services. You know a lot of people don't go in and use a lot of services in the county. A lot of people use a lot of them, or if they buy and sell a lot of houses even if it's not a business. That's another way you could do this tax, where the taxes don't have to go up as much and hit every taxpayer. Professional companies can pay a little bit more. Kind of like what y'all was talking about last time with the trash about raising the fees up for commercial use. So you could do that for a lot of other agencies. So that's all.

**RECOGNITIONS:**

There were no recognitions.

**AGENDA:**

**APPROVAL OF AGENDA:**

A **motion** was made by Commissioner Yarbrough and seconded by Commissioner McVey and **carried unanimously** to approve the agenda. (Ayes: Commissioners McVey, Yarbrough, Rose, Holt, Gwynn, and Jefferies)

**APPROVAL OF CONSENT AGENDA:**

- a. May 13, 2024 Budget Meeting Minutes
- b. May 16, 2024 Joint Town Meeting
- c. May 20, 2024 Budget Meeting and Regular Meeting Minutes

A **motion** was made by Commissioner McVey and seconded by Commissioner Rose and **carried unanimously** to approve the consent agenda. (Ayes: Commissioners McVey, Yarbrough, Rose, Holt, Gwynn, and Jefferies)

**DISCUSSION ITEMS:**

**FY 2025 RECOMMENDED ANNUAL BUDGET:**

Chairman Jefferies said we have already addressed that. County Manager Meszaros said so we did do the budget presentation. You know we have the meeting scheduled for the 10<sup>th</sup>. That's at 5 PM again. I'll let you know if that's going to be at the other facility. I'm hoping, but I don't have anything. I do want to share that our tax decreased 15 cents to the budget neutral rate, which is in line with a lot of these counties. We've looked at all that too, and the average County continues to have incremental increases. Outside of that, I don't have anything else to add. Chairman Jefferies asked if there were any questions for the County Manager. Hearing none, he moved on.

## **ACTION ITEMS:**

### **SOLID WASTE DISPOSAL & HAULING CONTRACT:**

Aubrey Fuqua, Solid Waste Director, said good afternoon Commissioners. How are y'all doing? So last week we talked about the contract and just a little bit of an overview. The contract increased about \$181,000. That is after we got a \$55,000 savings from the first time they sent us a contract. We negotiated pricing and changed locations to reduce the rate down, and it's \$55,000 lower. So I also passed out a new fee schedule for you last time. I had a typo in it. So in the one you got two weeks ago, it had \$120 per household, but it is \$125. I stated that, but I noticed it was a typo so I wanted you to have the current fee that we were proposing. Also as we've spoke before, it is a different rate for construction debris for construction companies, commercial waste, and out of County residents. So the availability fee that each household would pay would increase the dollar a month, and that would go to \$125 a year, where we are currently at \$113. I know previously one of the Commissioners, I think it was Commissioner Dickerson, asked about the sticker system. I spoke to Ash County, and they currently went a year and a half to two years ago to the sticker system. I've talked to that Director several times because they're kind of an alike County, and he has done it for many years. He said it does help, but at all of their convenience sites, they have a County employee there all the time. So their biggest problem is enforcement. They don't have enough enforcement officers to write the tickets, and they don't make the money that they thought they would on enforcement. So I've had several people tell me they don't want stickers put on their car. So if you went with door hanger or window hangers on the mirror, I've searched them, and they're anywhere from 50 cents to about \$3 per car. So if we just come in the middle and say \$2, we're looking at between \$38,000 and \$40,000. That is about every household, which has two vehicles that they would haul the trash on. So that would be an additional expense. So I don't know if the savings would help that. We could look more into that, but it's not going to change the contract price this year. Mr. Jefferies you had a question about the multifamily using a dumpster or having curbside pickup. So whoever's name the account is in, if it is in your name, then you can take your bill to the Tax Office and have the availability fee taken off. We do have some people there that currently do that, but it's only whoever's name the contract is in, they can have the fee taken off. So I would ask that we approve the contract. I would also ask that we can look at the fees, and see if y'all want to adjust them any. We can possibly approve the fees so that would give me time to have new signage and start posting so people would know come July 1 that the fee at the landfill is going to change for them to bring their trash, debris, and construction stuff in. That way it gives them a good notice of time as well. If you have any questions, you want me to check on anything else, or Mr. Johnston if you got anything you'd like to add, please let me know.

Attorney Johnston said yes sir. Mr. Fuqua, can you explain to the Board that we did look at other agencies other than First Piedmont. Mr. Fuqua said so First Piedmont. I even checked the mailbox today. I've checked my email and my spam to make sure somebody didn't have late submission because it was cut off four weeks ago. I reached out to, I had people send questions

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in, but nobody will send a bid in. I also have looked at if we did the hauling ourselves to reduce money, First Piedmont would increase the Tipping Fee. So it would not be a savings. They will not give me the actual price on the Tipping Fee, but they said it would go regular. So it would not be a savings. Attorney Johnston said fellow Commissioners, Mr. Fuqua and I also reviewed the Waste Renewable Services Agreement. It is a straight forward contract, and it does have a clause in here, which requires First Piedmont to carry a commercial general liability insurance policy. It also gives the county the option to terminate the contract upon 30 days written notice of the county.

Mr. Fuqua said the fees, the ones that are changing or are proposed to change are all highlighted in yellow. Most of them are commercial. We do rent commercial dumpsters like construction dumpsters to residents or construction companies that are building houses. I did change that fee just a little bit.

Vice Chairman Holt said are you make money off that? Mr. Fuqua said yes sir. We did all the BY, Bartlett Yancey High School. Currently, we have our dumpsters at Dillard. We do make money off of that. Any more questions or anything you'd like me to look up?

Commissioner Yarbrough said Mr. Fuqua, you're asking us to approve the contract tonight, or contract and these fees? Mr. Fuqua said so I'm asking you to approve the contract. I would like to approve the fees so that I can have time to order signs and start posting the signs at the landfill to give people a notice that July 1 the fees will change on them. Commissioner Yarbrough said you mentioned when you were talking to First Piedmont about changing locations, what exactly is that? Mr. Fuqua said so one of the convenience sites used to be taken to Upper Piedmont, which is in Rougemont in Person County near the Durham County Line somewhere. So we have switched them to the transfer station, which is on the Gypsum Road or the Annie Compton Road in Caswell County. First Piedmont recently transferred a transfer station there; it is closer. So I have about a \$150 savings per pull by taking it there. So we switched locations, and we saved about \$55,000 doing that. I also talked to them about changing the hauling rate at the landfill. We're changing a little bit of our procedure to make it better for them, and they also drop 50 cents a ton at the landfill. That's where the \$55,000 savings come in. The first contract that they give us was \$55,000 more than this one. Commissioner Yarbrough said I noticed last time when you gave us a breakdown of each site, all the fees are based off of mileage for them to haul. I'm guessing. Mr. Fuqua said yes sir. Commissioner Yarbrough said okay. Mr. Fuqua said because it's all for hauling, and then the Tipping or the weight fee changes depends on how much is in the box. Commissioner Yarbrough said I just noticed the Nicks Road probably was your highest one. Why is that the highest one? Mr. Fuqua said give me one second, and I'll be happy to look at that. Yes, sir. The Nicks Road is \$4 more than Anderson and Cherry Grove, but before I negotiated price, Cherry Grove was almost \$500. I got it down to the same price as Anderson because it's only one tenth of a mile difference. So I Googled it, and got them to change locations to the transfer to get the price down to \$260 because it actually decreased \$80 per each pull.

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Commissioner Rose said so this increase per household, that's just to pay or that's just for the contract. Correct? Mr. Fuqua said that's for the contract, and then if you looked at my budget, it was Contracted Services. The only other thing that went up in the budget was the well monitoring, and I think it's \$7,000 because the States requiring us to increase our organic phosphate testing. The lab says it's going up, and they haven't got a significant price yet for us. But that's 30 something test that we do. Commissioner Rose said do you have number on what that \$12 per household for the whole County comes to? Mr. Fuqua said yes sir. Give me one second. So can I give you what \$125 would be, or do you want to \$12? Commissioner Rose said either. Mr. Fuqua said okay. So for the last couple years, we've been going off 9,548 households, and we've been at a 97% collection rate. So I did the \$125 times the number of households at the 97% collection rate is \$1,157,695 sir. Commissioner Rose said is this the only contract you got? Mr. Fuqua said yes sir. The same thing happened three years ago. Commissioner Rose said the only thing I will say to the Board is just remember this. We in budget time, and this is an increase on taxpayers. Thank you.

Chairman Jefferies said I want to make sure. This \$12 is the dollar per month on the people that goes to the dumpster, right? Mr. Fuqua said yes sir. So it'll be \$1 a month. So currently every household in the county unless they have contracted services with an outside source hauler pays \$113. If we added \$12 a year to it, it's \$125 a year. Chairman Jefferies said okay. I wanted to make sure. Mr. Fuqua said and we've been at \$113 for the last 3 years. We haven't been up in 3 years; we've stayed at \$113 for 3 years. Chairman Jefferies asked if there were any more questions for Mr. Fuqua? Do we need to pass this contract? Attorney Johnston said you have until July 1<sup>st</sup>. I think Mr. Fuqua would like for you to.

Mr. Fuqua said I will say that First Piedmont has told me if the contract's not passed, we will go to regular rates. These are discounted rates. So just as long as we get it passed by July1 we will be okay.

#### **HEALTH DEPARTMENT RETENTION BONUSES:**

County Manager Meszaros said this one had to be done before the end of May so that can be removed.

#### **COUNTY MANAGER UPDATES:**

County Manager Meszaros said so I did hand this out. The Sheriff is requesting to use a piece of land behind the County Landfill to build a Firearms Qualification range. So they'd like to build 12 shooting lanes for pistols, and a qualification rifle range. This would be only for law enforcement use. It would consist of a parking area and a small building, probably a lean to for weather conditions. They currently are going on the other side of Roxboro for all department staff to do their shooting qualification annually. As you know in law enforcement you want to shoot monthly at the minimum, but currently they're just doing that when they're required. The range would be built to NRA specifications and OSHA compliant. The Sheriff's not asking for any funding for this project, but they do need permission to use a portion of that property at the

landfill, if you choose to accommodate that. Then of course, Russell and I spoke and it would be good to have some kind of a formal written agreement to do that on the land.

Commissioner Rose said a couple things I'm going to question. One is I understand about the land. What's the cost to build this? County Manager Meszaros said so he has grants, NRA has grants, and they have ways to pay for that. the portions of grading, some of the buildings, and the expenses would not be County funded.

Commissioner McVey said will the general public be able to use this? County Manager Meszaros said not at the original estimation. It's just on County property. It's secured; it would be in a safe spot to do it. We do have quite a bit of land back there. It's interesting I know in former capacity; I've had shooting ranges the city owned. It's hard with lead. People are weird about lead, collecting lead, and cleaning up lead. It's just like the landfill, its already a ground field. So we have hazard mitigation already, but it is a convenience so we don't have to have them drive all the way out of town. It's a simple thing to build. It would be safe because you shouldn't have personnel or people on that property in the area that they would set it up. They've talked to our department head at the landfill and solid waste. So it's really up to you. I think it wouldn't be a difficult thing for them to get done. Commissioner Rose said one other question I got is liability cost for our Insurance. County Manager Meszaros said yes, that would be something that you'd have to ask him. Well it's not open to the general public. Commissioner Rose yes, I understand that, but Orange County, where I work, we go to Person County to shoot. They don't have a range in Orange. I think they did, but I think they discontinued to use it for whatever reason. I feel confident that the insurance is probably going change due to that thing.

Attorney Johnston said that would be my speculation Commissioner Rose. This was just brought to my attention before the meeting, but we will certainly contact Sedgewick Insurance and see what kind of impact this will have on it.

Commissioner Rose said I mean the range is not going anywhere. I'd like to have more clarification from the penalty cost too. I know that the lead has to be, at some point in time, taken out of them berms. I mean they get full. There's several things that I would just like to have some clarification on. That's all I have.

Vice Chairman Holt said one thing I'd like to say is I don't live far from Rockingham County Gun Club, and it's noisy. I don't know if anybody's even talked to the people around this thing. What kind of noise level it's going to be? You may get a whole lot of kickback from adjoining property owners, and I think something ought to be put out where they at least get a time to voice their opinions on this because they didn't know it.

County Manager Meszaros said for an unincorporated County, you can have a pistol range in your yard if you choose to as a citizen.

Attorney Johnston said Commissioner Holt, the county does have a Shooting Range Ordinance in place, and we'll have to review that to see if that would apply to the Sheriff's Department.

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County Manager Meszaros said I was asked to present so I wanted to share it.

Chairman Jefferies said we will get the attorney to check on what we can do and what we can't do. And may have the Sheriff here at the next meeting.

#### **COUNTY ATTORNEY UPDATES:**

County Attorney Johnston said thank you Commissioner Jefferies. I've been in communications with our County Manager the last few weeks in reference to the contract with the Animal Protection Society of the Northern Piedmont. It controls the animal shelter. They are not a county employee. I reached out to one of the Board of Directors today. Her name is Kim Steffan. She plans to have a meeting with County Manager on Wednesday in reference to this contract. It hasn't been updated in several years so we just need to update this process so everybody feels safe. That's something we're working on, and we should have an answer for you at the next meeting.

Vice Chairman Holt said Scott, my understanding just from here say talk, but they're trying to have this thing removed, and I don't know the word for it, but where they do not euthanize dogs or pets. That's not the way this thing was set up. County Manager Meszaros said I haven't heard that. Vice Chairman Holt said well it came from a good source. So my understanding is they're shipping them out, shipping them back in, moving them from different counties, and moving them here to keep from doing that. County Manager Meszaros said it's my understand is that it's not lawful to take one dog from this county to another. Vice Chairman Holt said what I'm saying is I'd like to know how many dogs or animals have been euthanized. If it's zero, that's going to tell you everything you need to know on that. County Manager Meszaros said so I know it's not zero because part of our service contract is when they're euthanized, they put them in freezer in bags, and part of the agreement is to take the closed bags to the landfill. I saw that last week. So I don't know how often, but I can find out the frequency.

Attorney Johnston said Commissioner Holt it is my understanding that we receive limited communications from the animal shelter. We are just trying to piece all the parts together, and come up with a new agreement.

#### **COMMISSIONER COMMENTS:**

**Commissioner Rose:** One question I got. Any updates on the Old Courthouse on the audio? County Manager Meszaros said on the sound system. So they were scheduled to be out of there a week ago. There employee had some kind of misfortune, and that's why I didn't reach out to you and move the date. The owner met with us on Friday. He met with the Maintenance Director, myself, and Jason Benson, our I.T. Director. So they are there this week trying to wrap it up and get it done. I'm hoping that we have it available for next Monday. I told them we need it absolutely on the 17<sup>th</sup> to start having meetings. Commissioner Rose said if we have the hearing here, we won't have enough room. County Manager Meszaros said so as soon as I see them. I mean I thought they were doing good progress, and then it just stopped. Commissioner Rose said

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any updates on Co-Square? County Manager Meszaros said so that they should be starting today because it's been 27 days. The bricks are cured. They did not show up. So the Maintenance Director reached out to the contractor, and they will be here tomorrow. I don't suspect that's going to take very long.

**Commissioner Gwynn:** PTRC has received a grant that will help in Caswell County and Alamance County. What this grant will do is help with roof and home repairs for the disabled and elderly.

**Commissioner Dickerson:** I just want to say sorry for being late, but I was on my job.

**ANNOUNCEMENTS AND UPCOMING EVENTS:**

- June 10, 2024 Board of Commissioners Budget Work Session at 5 pm at the Gunn Memorial Library
- June 17, 2024 Board of Commissioners Meeting at 5:00 p.m. at the Historic Courthouse

**ADJOURNMENT:**

A **motion** was made at 6:57 pm by Commissioner Yarbrough and seconded by Commissioner Rose and **carried unanimously** to adjourn the meeting. (Ayes: Commissioners Yarbrough, Rose, McVey, Holt, Dickerson, Gwynn, and Jefferies)

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Carla R. Smith  
Clerk to the Board

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Jeremiah Jefferies  
Chairman

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